



DELAWARE HEALTH AND SOCIAL SERVICES
DIVISION OF SOCIAL SERVICES

Deliver, Support, Serve

To: Purchase of Care Providers

From: Delaware Health and Social Services / Division of Social Services

Date: May 27, 2020

RE: POC Contracts and COVID-19 CARES Act

In connection with the Child Care Contract you have entered into with the Department of Health and Social Services, Division of Social Services, you may receive payments funded in whole or in part by the CARES Act. CARES Act funds have been provided by the Federal Government of the United States of America directly to the State of Delaware. While the terms and conditions of your current contract remain in force and effect, acceptance of CARES Act funds requires some additional considerations and compliance. This letter/memorandum is designed to highlight some of your obligations.

Any Government transaction involving the use or payment of CARES Act funds, in whole or in part, must strictly adhere to the eligibility requirements of the CARES Act. The Government's provision of funding is the result of an effort to stimulate the State of Delaware economy and assist the Government in recovering from the unprecedented global reaction to the coronavirus pandemic.

All recipients shall hold their records open at all times for the inspection and/or audit by the Government, any applicable state or federal agency, the U.S. Inspector General, the Comptroller General of the United States, the State of Delaware Department of Justice, or any of their duly authorized representatives, including, any private firm of certified public accountants engaged by the entity, to any books, documents, papers, financial and accounting reports, schedules and records, and any other material of the recipient and any applicable agent, subcontractor, or subconsultant related to the receipt of child care funds that have been funded in whole or in part through the CARES Act.

Additionally, recipients, and any applicable agent, subcontractor, or subconsultant retained by recipient, must retain all books, documents, papers, financial and accounting reports, schedules and records, and any other material pertaining to costs related to the provision of child care services for not less than 6 years after the Government makes final payment and all other pending matters are closed and shall make the materials available upon request for inspection and/or audit by the Government or related entities. While current child care contracts require retention of records for 3 years, it is important to point out the longer period of time required for retention in connection with receipt of CARES Act funds.

Providers who have contracted for child care services with the State of Delaware must acknowledge that each request for payment constitutes an express true and correct certification that the goods or services for which payment is sought comply with all statutory, regulatory, and contractual requirements, and that the provider is not holding, billing, or otherwise requesting, any funds which the Government is entitled to

possess. Providers must recognize that the Government is explicitly relying on the truth and accuracy (including the lack of any material omissions) of each representation, warranty, certification, and other statement made by the provider.

Providers agree not to engage in any deception, fraud, false pretense, false promise, misrepresentation, or the concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission whether or not any person has in fact been misled, deceived or damaged thereby (collectively, the 'misrepresentation'), and agrees that any such misrepresentation shall be treated as an unlawful practice under § 2513 of Title 6 of the Delaware Code. Material misrepresentation(s) will be assessed on the basis of individual transactions and/or combined transactions at the Government's discretion.

Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of the contract within 2 business days of the party's knowledge of significant non-performance risk.

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