

(Revised 07/25)

STATE OF INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS

STANDARD SUB-RECIPIENT AGREEMENT FOR CDBG-FUNDED PROJECTS

(MODIFICATIONS TO THIS STANDARD AGREEMENT MUST BE APPROVED BY THE
OFFICE OF COMMUNITY AND RURAL AFFAIRS PRIOR TO FULL EXECUTION)

THIS AGREEMENT is entered into this _____ day of _____,
_____ by and between the City/Town/County of _____, State of
Indiana (hereinafter referred to as the "Recipient"), by and through its _____
_____, and _____,
(hereinafter referred to as the "Subrecipient") and approved by the Indiana Office of Community and
Rural Affairs.

WHEREAS, the Recipient has received a grant under Title I of the Housing and Community
Development Act of 1974, (P.L. 93-383), as amended, from the Indiana Office of Community and Rural
Affairs ("OCRA") using federal Community Development Block Grant ("CDBG") funds allocated by
the United States Department of Housing and Urban Development, ("HUD") bearing the grant-identifier
number assigned by OCRA of _____; and,

WHEREAS, pursuant to this CDBG grant the Recipient is undertaking certain activities; and,

WHEREAS, the Recipient desires to engage the Subrecipient to give certain assistance in
connection with such undertakings; and,

NOW, THEREFORE, the Recipient and the Subrecipient do mutually agree as follows:

I. **DEFINITIONS:** As used in this Contract:

- A. "Subrecipient" means the entity, whether public, not-for-profit or private, which has the responsibility for administering the subject CDBG-assisted project or activity.
- B. "Area" means the corporate boundaries of the Recipient, those being _____, Indiana, or one or more sections of the _____ as specifically delineated in the Statement of Work, Appendix I of this Agreement.
- C. "CDBG" means Community Development Block Grant.
- D. "Contractor" means an entity other than the Subrecipient (except as noted in the Labor Standards Provisions), that furnishes to the Recipient and Subrecipient services or supplies (other than standard commercial supplies, office space or printing services).

- E. "OCRA" means Indiana Office of Community and Rural Affairs.
- F. "HUD" means the Secretary of Housing and Urban Development, or a person authorized to act on his behalf.
- G. "Program" means the Community Development Program approved by OCRA as the same may be amended from time to time.

II. **SCOPE OF SERVICE**

A. **Activities**

The Subrecipient will be responsible for administering a CDBG Program Year: _____ Program Name: _____ in a manner satisfactory to the Recipient and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Statement of Work

The Subrecipient shall perform all services according to the Statement of Work attached as *Appendix I* and made part of this Agreement.

B. **National Objectives**

All activities funded with CDGB funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity(ies) carried out under this Agreement will meet (indicate which National Objective and briefly describe how this National Objective will be met in *Appendix II*).

C. **Levels of Accomplishment – Goals and Performance Measures**

The levels of accomplishment may include such measures as units rehabbed, persons or households assisted, or meals served, and should also include time frames for performance.

The Subrecipient agrees to provide this in *Appendix III*.

D. **Staffing**

Provide list of staff and time commitments to be allocated to each activity specified in I.A. above in Appendix IV.

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A Recipient might include the following provision if it felt among the Subrecipient's staff only certain personnel had the requisite experience to implement the activity, or if the Subrecipient had a history of reassigning responsibilities that tended to create problems.

"Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Recipient."

E. **Performance Monitoring**

The Recipient will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the Recipient will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time (e.g., 30 calendar days) after being notified by the Recipient, contract suspension or termination procedures will be initiated.

III. **TIME OF PERFORMANCE**

Services of the Subrecipient shall start on the ____ day of _____, 20__ and end on the day of _____ 20__. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

IV. **BUDGET**

See Appendix V to fill out the budget.

V. **PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Recipient under this Agreement shall not exceed \$_____. Drawdowns for the payment of eligible expenses shall be made against the line-item budgets specified in Paragraph IV herein and in accordance with performance. Expenses for general administration shall also be paid against the line-item budgets specified in Paragraph IV and in accordance with performance.

Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 2 CFR 200.

VI. **NOTICES**

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as previously mentioned shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

Recipient

_____, Manager

Recipient _____

[Address] _____

State, ZIP] _____

[Telephone] _____

[Email] _____

Website _____

Subrecipient

_____, Exec. Director

Subrecipient _____

[Address] _____ [City,

[City,State,ZIP] _____

[Telephone] _____

[Email] _____

Website _____

OCRA

_____, CDBG Program Director

Recipient _____

[Address] _____

[City, State, ZIP] _____

[Telephone] _____

[Email] _____

Website _____

VII. SPECIAL CONDITIONS

[This section of the Agreement can be used by Recipient to include special conditions specific to the particular activity or individual Subrecipient.]

VIII. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Community Development Identification in Project Activities

1. All buildings, offices, vehicles and other such property purchased, rehabilitated, or supported in whole or in part with funds made available under this Agreement shall identify the Program as a sponsor of the activity.
2. All pamphlets, brochures or other printed material prepared and/or distributed by the Subrecipient in connection with activities for which Community Development funding is provided under this Agreement shall identify the Program and OCRA as sponsors of the activity by the inclusion of the following statement of all such material:

“This (brochure, pamphlet, etc.) was produced (in whole or in part) with the assistance of the Recipient of _____ through federal funds made available by the Indiana Office of Community and Rural Affairs under Title I of the federal Housing and Community Development Act, as amended.”

3. Failure to comply with 1 or 2 above shall result in a disallowance of all costs incurred for the activity.

C. “Independent Contractor”

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an “independent contractor” with respect to the services to be performed under this Agreement. The Recipient shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

D. Hold Harmless and claims against recipient

The Subrecipient shall hold harmless, defend and indemnify the Recipient and OCRA from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement. Provided, however, that nothing contained in this Agreement shall be construed as rendering the Subrecipient liable for acts of the Recipient, its officers, agents or employees. Refer to Section E

below for requirements respective to disallowances of costs by OCRA or HUD. The Subrecipient further agrees to include the Recipient and the OCRA as co-insured parties under all policies of liability insurance maintained by the Subrecipient respective to the subject CDBG-funded Program.

E. **Disallowances of Program Costs by OCRA or HUD**

The Subrecipient agrees to indemnify and save harmless the Recipient from disallowances by the OCRA or HUD of program costs incurred by the Subrecipient which arise from the Subrecipient's performance of this Agreement due to the Subrecipient's failure to meet a national objective of the Community Development Block Grant (CDBG) Program pursuant to 24 CFR 570.200(a)(2), 24 CFR 570.208, and 24 CFR 570.483, or for failure to comply with CDBG/HUD regulations or OCRA regulatory requirements as determined by the OCRA or HUD. The Subrecipient agrees to promptly repay the Recipient for all such disallowed costs incurred by the Subrecipient.

F. **Workers' Compensation**

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

G. **Insurance & Bonding**

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Recipients.

The Subrecipient shall comply with the bonding and insurance requirements of 2 CFR 200, Bonding and Insurance.

H. **Recipient Recognition**

The Subrecipient shall insure recognition of the role of the Recipient in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

I. **Amendments**

The Recipient or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Recipient's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Recipient or Subrecipient from its obligations under this Agreement.

The Recipient may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Recipient and Subrecipient.

J. **Suspension or Termination**

In accordance with 2 CFR 200, the Recipient may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Recipient reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR 200, this Agreement may also be terminated for convenience by either the Recipient or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Recipient determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Recipient may terminate the award in its entirety.

IX. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 2 CFR 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with 2 CFR 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records providing a full description of each activity undertaken;
- c. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;

- d. Records required to determine the eligibility of activities;
- e. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- f. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- g. Financial records as required by 24 CFR 570.502, and 2 CFR 200; and
- h. Other records necessary to document compliance with Subpart K of 24 CFR 570.
- i. All records as required by OCRA or the Recipient with respect to all matters covered by this Contract.

2. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Recipient monitors or their designees for review upon request.

3. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Recipient's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited by [2 CFR 200 and applicable state and local laws or ordinances] unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

C. Termination of Agreement:

1. By giving thirty (30) calendar days written notice specifying the effective date, the Recipient may terminate this Contract in whole or in part for cause, which shall include:
 - a. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement, including compliance with the approved program and Agreements conditions, and such statutes, executive orders, and HUD directives as may become applicable at any time;
 - b. Submission by the Subrecipient to the Recipient of reports that are incorrect or incomplete in any material respect;
 - c. Ineffective or improper use of funds provided under this Agreement;
 - d. Failure of the Subrecipient to supply the Recipient with quarterly reports and annual audits as required by the Recipient herein;
 - e. Failure of the Subrecipient to comply with the Recipient's corrective action plan respective to annual independent audits required by the Recipient herein;
 - f. Suspension or termination by OCRA of the grant to the Recipient under which this Contract is made, or the portion of it delegated by this Agreement; provided, however, that if the grant is merely reduced and in the absence of any contrary OCRA directive, the Subrecipient may adjust its budget and recommend Contract amendments to the Recipient.
 - g. The Recipient may also terminate, assign or transfer this Agreement when required by OCRA direction.

3. The Subrecipient may propose to terminate this Agreement in whole or in part, for good cause only by giving at least thirty (30) calendar days written notice specifically stating the cause for such requested termination. Any such request for termination shall be subject to the written approval of the Recipient, acted upon by the Recipient within ten (10) calendar days of receipt of the notice of request to terminate. The decision of the Recipient shall be final and conclusive, provided that such approval shall not be unreasonably withheld.
4. This Agreement may also be terminated by either the Recipient or the Subrecipient in whole or in part, by mutual agreement setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Recipient determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Recipient may terminate the award in its entirety.

D. Close-outs

The Subrecipient's obligation to the Recipient shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Recipient), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

E. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Recipient, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 calendar days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Recipient policy concerning subrecipient audits and 2 CFR 200.

1. Subrecipient Monitoring

The recipient is required by federal Office of Management and Budget (OMB) 2 CFR 200 subpart F to ensure that federal CDBG program requirements are met, that the funds are used for the purpose of the program, and that the Subrecipient complies with reporting and auditing requirements. If the Subrecipient is required to have an audit under 2 CFR 200 subpart F (as discussed below), the Recipient must review the 2 CFR 200 subpart F audit report and follow up on any audit findings that relate to the CDBG project. If there are findings relative to the CDBG project, the Recipient must issue a management decision within six months of receipt of the audit report and ensure that the Subrecipient takes appropriate and timely corrective action. The management decision shall clearly state whether or not the audit findings are sustained, the reasons for the decision, and the expected subrecipient action to repay disallowed costs, make financial adjustments, or take other action.

Recipient procedures to ensure that the Subrecipient is meeting program requirements may also include:

- a. Perform an analysis of financial status reports.
- b. Determine appropriateness of disbursements through review of supporting documentation.
- c. On-site visits by the Recipient to the Subrecipient's CDBG-assisted facilities. At regular intervals during the term of this Agreement, the Recipient may conduct reviews of the content and progress of the Subrecipient services. If, as a result of such reviews, it is the opinion of the Recipient that revisions to the Scope of Services (Article II) is necessary or the methods employed by the Subrecipient are inappropriate, the Recipient may require such revisions by notifying the Subrecipient in writing. Upon receipt of such notification of revision, the Subrecipient shall, within ten (10) calendar days, propose the manner in which the Subrecipient will comply with the revisions.
- d. Review limited scope audit reports. If the Subrecipient expended less than \$1,000,000 in federal awards the Recipient may require an agreed-upon procedures engagement. These engagements may address only one or more of the following types of compliance requirements: activities allowed or unallowed; allowable costs/cost principles; eligibility; matching level of effort, earmarking; and reporting. The requirements of 2 CFR 200.501 and .503 still apply.
- e. Review any financial statement audits when other type audits are not required.

The Recipient will also review the Subrecipient's fidelity bonding and fiscal and accounting procedures to determine if they meet the requirements of the Agreement.

2. Subrecipient Audit Requirements

- a. A Subrecipient that expends \$1,000,000 or more in federal funds is required to have an audit in compliance with 2 CFR 200 Subpart F and underlying sections. The Subrecipient (auditee) is responsible for submitting a data collection form and reporting package to the federal audit clearinghouse (FAC) within 30 calendar days after the auditee receives the auditor's report or nine months of the end of the audit period. All Federal agencies, pass-through entities and others interested in a reporting package and data collection form must obtain it by accessing the FAC. The reporting package consists of:
 - i. Financial statements and schedule of expenditures of Federal awards discussed in 2 CFR 200.510(a) and (b), respectively;
 - ii. Summary schedule of prior audit findings discussed in 2 CFR 200.511(b);
 - iii. Auditor's report(s) discussed in 2 CFR 200.515; and;
 - iv. Corrective Action Plan discussed in 2 CFR 200.511(c).
- b. Subrecipients that receive any public funds (federal, state, or local government funds) are also subject to the audit requirements of Indiana Code 5-11-1-9 and the Indiana State Board of Accounts' Guidelines For Examination of Entities Receiving Financial Assistance From Governmental Sources. A Subrecipient that is not a governmental entity must annually file an Entity Annual Report (form E-1) with the State Board of Accounts. If the Subrecipient's disbursements are less than fifty-percent (50%) from public funds they must request and receive a waiver from these audit requirements. If the Subrecipient is a not for profit corporation, and their disbursements are less than \$100,000, they may also request a waiver. Contact the Indiana State Board of Accounts at 317-232-2525 for a copy of their Guidelines for Examination of Entities Receiving Financial Assistance From Governmental Sources and information on obtaining a waiver.

An audit in compliance with 2 CFR 200 Subpart F will meet the audit requirements of

IC 5-11-1-9. However, a waiver from the State Board of Accounts from the audit requirements of IC 5-11-1-9 does not exempt the Subrecipient from audits required by 2 CFR 200 Subpart F or other audits provisions within this Agreement.

- c. All Subrecipient audits shall be completed within 180 calendar days after the ending date of the Subrecipient's fiscal year. Two (2) copies of each audit report shall be delivered by the Subrecipient to the Recipient. One (1) copy will be retained and reviewed by the Recipient, with the remaining copy to be submitted by the Recipient to OCRA.
- d. If the Subrecipient is unable or unwilling to have an audit conducted in accordance with 2 CFR 200 Subpart F, the Recipient shall take one or more of the following actions:
 - i. Withhold a percentage of federal CDBG funds until the applicable audit is completed satisfactorily.
 - ii. Suspend further disbursements of federal CDBG funds until the audit is conducted; or
 - iii. Terminate this Agreement in accordance with IX. C. of this Agreement.

3. Grant Information

The Recipient will provide the Subrecipient with the following information in compliance with 2 CFR 200:

- a. Catalog of Federal Domestic Assistance (CFDA) Number for CDBG: 14.228
- b. CFDA Title for CDBG Project: "State Administered CDBG Program"
- c. Name of the Federal grantor agency: U.S. Department of Housing and Urban Development
- d. OCRA's Grant Number assigned to the Recipient's CDBG Project
- e. Amount of any State or Local matching funds
- f. Advise the Subrecipient of requirements imposed upon the Subrecipient pursuant to applicable federal regulations and OCRA policies.

F. Access to Records

At any time during normal business hours and as often as the Recipient, OCRA and/or the Comptroller General of the United States may deem necessary, Subrecipient shall make available to the Recipient, OCRA and/or representatives of the Comptroller General for examination all of its records with respect to all matters covered by this Agreement. Further, the Subrecipient shall permit the Recipient, OCRA, and/or representatives of the Comptroller General to audit, examine and make excerpts of transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

G. Reporting and Payment Procedures

1. CDBG Program Income

The Subrecipient shall report all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504(c). By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Recipient at the end of the contract period. Any interest

earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Recipient.

2. Fiscal and administrative responsibilities:

The Subrecipient agrees to comply with the provisions of 24 CFR 570.502 (a), as applicable, and all requirements and standards which include but are not limited to the following:

- a. Allowable and Allocable Costs. Costs must be necessary, reasonable and directly related to the scope of services of this Contract. In addition, costs must be legal and proper. The budget included in Appendix I shall control amounts of allowable expenditures within budget categories.
- b. Documentation of Costs. All costs shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers or other official documentation evidencing in proper detail the nature and propriety of charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.
- c. Restriction on Disbursements. No money under this Agreement shall be disbursed by the Subrecipient to any contractor except pursuant to a written contract which incorporates the applicable requirements of this Contract and OCRA/HUD regulations and unless the contractor is in compliance with OCRA/HUD requirements for applicable accounting and fiscal matters.

3. Payment Procedures

The Recipient will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Recipient policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Recipient in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Recipient reserves the right to liquidate funds available under this contract for costs incurred by the Recipient on behalf of the Subrecipient.

4. Reports

The Subrecipient shall submit regular Progress Reports to the Recipient in the form, content, and frequency as required by the Recipient.

- a. At such times and in such forms as OCRA or the Recipient may require, there shall be furnished to OCRA or the Recipient such statements, records, data and information as OCRA or the Recipient may request pertaining to matters covered by this Contract.
- b. The Subrecipient shall, at a minimum, submit the following reports to the Recipient:
 - i. Quarterly progress reports due by the 15th day following the end of each calendar quarter, such reports outlining activities undertaken during such calendar quarter toward completion of the subject Program and the progress in meeting the prescribed CDBG national objective under the

- Recipient's grant agreement with the OCRA;
- ii. Quarterly financial statements due by the 15th day following the end of each calendar quarter, such reports detailing all revenues and expenses applicable to the CDBG-assisted facilities and activities undertaken during such calendar quarter;
 - iii. The reports required in Section IX(G)(4)(b)(i) and Section IX(G)(4)(b)(ii) above shall be submitted by Subrecipient to Recipient for a period of five (5) years following Administrative Closeout for the subject Program by the OCRA to the Recipient, or until _____20_____, whichever period is longer.
 - iv. A report at the conclusion of the project for which funds are provided under this agreement which summarizes the successes or failures of the assisted activity, and the level of attainment respective to the CDBG national objective prescribed under the CDBG grant agreement between the OCRA and the Recipient.

5. Real and Non-expendable Property

- a. Inventory: The Subrecipient shall keep inventory records, acceptable to the Recipient, on all real and non-expendable property purchased under this Agreement. The Subrecipient shall submit an inventory record of all items at the end of the program year and resubmit it each program year with revisions as necessary.
- b. Insurance and Maintenance: For all real and non-expendable property occupied, operated and/or purchased under this Agreement, the Subrecipient shall maintain sufficient insurance to cover the cost of replacement due to loss by fire, theft, or accidental damage. The Recipient shall be named as loss payee under such policies of insurance. The Subrecipient shall also be responsible for the maintenance and upkeep of all such property.

6. Cooperation with Subrecipient

The Recipient shall provide all available maps, reports, and other data requested by the Subrecipient to accomplish the services which are the subject of this Contract. The Subrecipient shall pay for all articles so supplied.

H. Procurement

1. Compliance

The Subrecipient shall comply with current Recipient policy as approved by OCRA concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Recipient upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials,

property, or services in accordance with the requirements of 2 CFR 200 and Indiana State Law Procurement statutes under IC 5-22 and 25 IAC 1.1.

3. Travel

The Subrecipient shall obtain written approval from the Recipient for any travel outside the area described and contracted in this agreement with funds provided under this Agreement.

I. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Recipient any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as the Recipient deems appropriate]. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Recipient an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Recipient. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period [or such longer period of time as the Recipient deems appropriate].
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Recipient for the CDBG program or (b) retained after compensating the Recipient [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

J. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. [The Recipient may preempt the optional policies.] The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Recipient ordinances, resolutions, and policies concerning the displacement of persons from their residences.

K. SUBCONTRACT CONDITIONS

1. Subcontract Provisions

The performance covered by this Contract shall not be subcontracted, assigned or delegated without the prior written consent of the Recipient, and the prior written consent of the OCRA.

The Subrecipient will include the provisions of Appendix VI in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

2. Process for a Subcontract

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Recipient prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Recipient along with documentation concerning the selection process.

X. ENVIRONMENTAL CONDITIONS

A. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Sub-recipient shall assure that for activities located in an area identified by the Federal Emergency Management

Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

B. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR 35, Subpart B. Such regulations pertain to all CDBG-assisted

housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment, and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment, and/or abatement may be conducted.

C. **Historic Preservation**

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

XI. **SEVERABILITY**

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected there- by and all other parts of this Agreement shall nevertheless be in full force and effect.

XII. **SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XIII. **WAIVER**

The Recipient's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Recipient to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XIV. **JURISDICTION AND VENUE**

The parties agree that any suit, action or proceeding with respect to this Agreement shall be brought within the State of Indiana and do hereby waive any questions of personal jurisdiction or venue for the purpose of carrying out this provision.

XV. **SUCCESSORS**

This Agreement and all rights and obligations under this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective executors, administrators, legatees, heirs, successors, and permitted assigns.

XVI. **ASSIGNABILITY**

Neither this Agreement nor any of the rights, benefits, liabilities, or obligations under this Agreement shall be assignable by any party to this Agreement without the prior written consent of the other party

XVII. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the Recipient and the Subrecipient for the use of funds received under this Agreement, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Recipient and the Subrecipient with respect to this Agreement.

Date: _____

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

NAME OF SUBRECIPIENT: _____

BY: _____
**NAME OF CHIEF EXECUTIVE OFFICER OR
CHAIRMAN OF BOARD OF DIRECTORS**

SIGNATURE: _____

TITLE: _____ **DATE:** _____

STATE OF INDIANA)
) ss:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged the execution of the foregoing document, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this ____ day of

My Commission Expires: _____, Notary Public
residing in _____ County

NAME OF RECIPIENT: _____

BY: _____
**NAME OF CHIEF ELECTED OFFICIAL OR
OR PRESIDENT OF LEGISLATIVE BODY**

SIGNATURE: _____ **DATE:** _____

ATTEST:

DATE: _____

RECIPIENT'S ATTORNEY

STATE OF INDIANA)
) ss:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged the execution of the foregoing document, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this ____ day of

My Commission Expires: _____, Notary Public
residing in _____ County

APPROVED BY THE INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS:

BY: _____ **DATE:** _____
Program Manager

STATE OF INDIANA)
) ss:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged the execution of the foregoing document, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this ____ day of

My Commission Expires: _____, Notary Public
residing in _____ County

Appendix I

STATEMENT OF WORK

Activity #1

[Complete description of activity/work to be undertaken including what products or services are to be performed, where they are to be provided, for whom they are to be provided, how they are to be provided]

Activity #2

Activity #3

Appendix II

National Objective Checklist

- ☐ Benefit low- and moderate-income persons;
- ☐ Aid in the prevention or elimination of slums or blight.
- ☐ Meet community development needs having a particular urgency.

As defined in 24 CFR 570.208.

Brief Description how this National Objective will be met.

Appendix III

Levels of Accomplishment

<u>Activity</u>	<u>Units per Month</u>	<u>Total Units/Year</u>
Activity #1	[]	[]
Activity #2	[]	[]
Activity #3	[]	[]

[Add other activities as necessary]

[NOTE: Provide definition of Units of Service here.]

Appendix IV

Staffing

[illegible]

Appendix V

Budget

<u>Line Item</u>	<u>Amount:</u>
Salaries	\$ _____
Fringe	_____
Office Space (Program only)	_____
Utilities	_____
Communications	_____
Reproduction/Printing	_____
Supplies and Materials	_____
Mileage	_____
Audit	_____
Other (Specify)	_____
TOTAL	\$ _____

Appendix VI

FEDERAL AND STATE THIRD-PARTY CONTRACT PROVISIONS

CDBG-ASSISTED NON-CONSTRUCTION CONTRACTS

(Required by Title 24 of the Code of the Federal Register as well as other selected contract provisions required by the Indiana Office of Community and Rural Affairs for CDBG-assisted grants/activities)

The following Federal Regulations, Contract Provisions and Clauses are incorporated into this agreement in their entirety and made an integral part hereof.

1. Equal Employment Opportunity (Executive Order 11246 dated 9/24/65, as amended by Executive Order 11375 dated 10/13/67):

The contractor hereby agrees that it will incorporate or cause to be incorporated into any contract for professional services, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the federal government or borrowed on the credit of the federal government pursuant to a grant, contract, loan insurance or guarantee or undertaken pursuant to any federal program involving such grant, contract, loan insurance or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- A. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex or national origin.
- C. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D. The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375, and with the rules, regulations and relevant orders of the Secretary of Labor.
- E. The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965 and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- F. In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as

provided in Executive Order 11246 of September 24, 1965, or by rule, regulations, or order of the Secretary of Labor, or as otherwise provided by law.

G. The contractor will include the portion of the sentence immediately preceding paragraph A and the provisions of paragraphs A through G in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 14, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

H. The contractor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a state or local government, the above equal opportunity clause is not applicable to any agency, instrument or subdivision of such government which does not participate in work on or under the contract.

I. The contractor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

J. The contractor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, government contracts and federally assisted construction contracts pursuant to the executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate proceedings.

2. Minority and Women Business Enterprise Policy (Indiana Office of Community and Rural Affairs):

The contractor agrees to ensure that disadvantaged business enterprises as defined in 13 CFR 124.103 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this agreement. In this regard all recipients or contractors shall take all necessary and reasonable steps in accordance with 13 CFR 124.103 to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of this contract. The contractor shall establish and pursue a 10% goal for participation in the proceeds of this contract.

During the performance of this contract, the contractor agrees to comply with Executive Order 12138 entitled "Women Business Enterprise Policy" which includes, but is not limited to, creating or supporting new programs responsive to the special needs of women business enterprises, establishing incentives to promote business or business-related opportunities of women business enterprises, collecting and

disseminating information in support of women business enterprise in ensuring to women business enterprises knowledge of any ready access to business-related services and resources.

3. Veteran Owned Small Business Policy (Indiana Office of Community and Rural Affairs):

The contractor agrees to ensure that veteran owned business as defined in IC 5-22-14-3.5 or under 38 CFR 74 have the maximum opportunity to participate in the performance of contracts and subcontracts finances in whole or in part with Federal funds provided under this agreement. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of this contract. The contractor shall establish and pursue a 3% goal for participation in the proceeds of this contract.

4. Compliance in the Provision of Training, Employment and Business Opportunities:

A. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development through the Indiana Office of Community and Rural Affairs and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC, 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

B. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

C. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

D.

5. Title VI Civil Rights Act of 1964:

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

A. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices.

B. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential sub-contractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the regulations relative to nondiscrimination on the grounds of race, color, sex, or national origin.

C. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, their sources of information and its facilities as may be determined by the Indiana Office of Community and Rural Affairs or the United States Department of Housing and Urban Development to be pertinent to ascertain compliance with such regulations, orders and instructions. Where any information is required or a contractor is in the exclusive

possession of another who fails or refuses to furnish this information, the contractor shall so certify to the awarding agency, the Indiana Office of Community and Rural Affairs, or the United States Department of Housing and Urban Development, as appropriate, and shall set forth what efforts it has made to obtain the information.

In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Indiana Office of Community and Rural Affairs or the United States Department of Housing and Urban

Development shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:

- (1) Withholding of payments to the contractor under the contract until the contractor complies; and/or,
- (2) Cancellation, termination or suspension of the contract, in whole or in part.

D. The contractor shall include the provisions of paragraph (A) through (E) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Indiana Office of Community and Rural Affairs or the United States Department of Housing and Urban Development may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Indiana Office of Community and Rural Affairs to enter into such litigation to protect the interests of the State of Indiana, and, in addition, the contractor may request the United States Department of Housing and Urban Development to enter into such litigation to protect the interests of the United States.

6. Title VIII Civil Rights Acts of 1968 (as applicable):

The contractor shall comply with Title VIII Civil Rights Acts of 1968 which prohibits discrimination in the sale or rental of dwellings (as defined), discrimination in the financing or housing, blockbusting, and discriminatory advertising; and makes it unlawful to deny any person access to, or membership or participation in, any multiple listing service or real estate broker organization for discriminatory reasons.

7. Section 109 Housing and Urban Development Act of 1974 (as applicable):

The contractor provides that no person in the United States shall on the grounds of race, color, national origin or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part under this title.

8. Section 504 Rehabilitation Act of 1973:

A. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all demotion or transfer, recruitment, advertising, layoff or termination rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

C. In the event of the contractor's non-compliance with the requirements of this clause, actions for non-compliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

D. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Indiana Office of Community and Rural Affairs, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

E. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 504 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

F. The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 504 of the Act, so that such provisions will be binding upon each subcontractor with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance.

9. Fair Housing Amendments Act of 1988 (as applicable):

The contractor shall comply with Fair Housing Amendments Act of 1988 which Amends Title VIII of the Civil Rights Act of 1968 that prohibits discrimination on the basis of race, color, religion, sex or national origin in the sale, rental and financing of dwellings. The 1988 Amendments Act extends coverage of the 1968 Act to persons with disabilities and families with children. In addition, the 1988 Amendments establish certain design and construction requirements for new multi-family housing built for first occupancy on or after March 13, 1991.

10. Age Discrimination Act of 1975:

The contractor shall comply with the Age Discrimination Act of 1975 which provides that no person, on the basis of age shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

11. Americans With Disabilities Act of 1990:

The contractor shall comply with the Americans With Disabilities Act of 1990 which provides that no person, on the basis of handicap, shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

12. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Recipient and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

13. Certification of Nonsegregated Facilities:

The contractor certifies that he/she does not maintain or provide for his/her employees any segregated facility at any of his/her establishments, and those under his/her control. He/she certifies further that he/she will not maintain or provide for employment segregated facilities at any of his/her establishments, and he/she will not permit employees to perform their services at any location under his/her control where segregated facilities are maintained. The contractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause of the contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating

areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or in fact segregated on the basis of race, color, religion or national origin because of habit, local custom, or otherwise. He/she further agrees that (except where he/she has obtained identical certifications from proposed subcontractors for specific time periods) he/she will obtain identical certification from proposed subcontractors prior to the awards of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause; that he/she will retain such certification in his/her files; and that he/she will forward this notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

14. Retention and Access Requirements For Records (24 CFR Part 85.42):

A. The contractor shall comply with Retention and Access Requirements For Records (24 CFR Part 85.42) and State of Indiana records access and retention requirements, to wit:

Financial records, supporting documents, statistical records and all other records pertinent to a grant shall be retained for a period of five (5) years, with the following qualifications:

- (1) If any litigation, claim, negotiation, audits or other action is started before the expiration of the five- year period, the records shall be retained until all litigation, claim or audit findings involving the records have been resolved, or the five-year period, whichever is later.
- (2) Records of nonexpendable property acquired with federal funds shall be retained for five years after final disposition of such property.
- (3) When records are transferred to or maintained by the federal sponsoring agency, the five-year retention required is not applicable to the grantee.

B. The five-year retention period starts from the date of issuance of a "Certification of Completion" respective to the grant by the Indiana Office of Community and Rural Affairs.

C. The Indiana Office of Community and Rural Affairs shall request transfer of certain records to its custody from grantees when it is determined that the records possess long-term retention value. However, in order to avoid duplicate record-keeping, the Indiana Office of Community and Rural Affairs may make arrangements with grantees to retain any records that are continuously needed for joint uses.

D. The Indiana Office of Community and Rural Affairs, the United States Department of Housing and Urban Development, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers and records of grantee and sub-grantees to make audits, examinations, excerpts and transcripts.

E. Unless otherwise required by law, Indiana Office of Community and Rural Affairs shall not place restrictions upon grantees that will limit public access to the records of grantees that are pertinent to a grant except when the agency can demonstrate that such records must be kept confidential and would have been excepted from disclosure pursuant to the Freedom of Information Act (5 USC 552) if the records had belonged to the grantor agency.

15. Conflict of Interest (24 CFR 85.36 and 24 CFR 570.611):

The contractor shall maintain a written code or standards of conduct which shall govern the performance of their officers, employees or agents engaged in the award and administration of contracts supported by federal funds. No employee, officer or agent of the grantee shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Persons covered under this section include any person who is:

- (a) An employee, agent, consultant, officer, or elected or appointed official of the grantee, any designated public agency or any subrecipient agency that is receiving CDBG funds from the Indiana Office of Community and Rural Affairs;
- (b) Any member of his/her immediate family;

(c) His or her partner; or

(d) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

The contractor's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub agreements funded with CDBG funds. To the extent permitted by state or local law or regulations, such standards of conduct shall provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's officers, employees, or agents or by contractors or their agents.

No persons described in (a) through (d) above who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter.

16. Remedies/Sanctions or Breach of Contract Terms:

Upon written notice, the grantee may withhold payments to the contractor if the contractor shall fail to fulfill in a timely and proper manner its obligations to grantee under this contract, or if the contractor shall violate any of the conditions of this contract. The grantee shall in its written notice to contractor fully describe the nature of failure or violation by contractor, the corrective action required of contractor, and, the grantee shall allow the contractor thirty (30) days from the date of notification to correct such failure and/or violation. If such failure or violation is corrected by the contractor within thirty (30) days from the date of notification, then the grantee shall process payment(s) to the contractor. If such failure or violation is not corrected within thirty (30) days from the date of this notification, then the grantee may proceed to terminate this contract.

17. Termination of Contract for Cause - 24 CFR 85.43 (All Contracts in Excess of \$10,000):

If the contractor shall fail to fulfill in a timely and proper manner his/her obligations under this contract, or if the contractor shall continue to violate any of the covenants, agreements, or stipulations of this contract, following notices by the grantee and allowances for corrective actions specified in Paragraph 14 above, the grantee shall thereupon have the right to terminate this contract by giving written notice to the contractor of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the contractor under this contract shall, at the option of the grantee, become the property of the grantee and the contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. In the event the contractor disputes grantee's election to terminate this contract for cause under this paragraph, contractor may pursue equitable relief or remedy.

18. Termination for Convenience - 24 CFR 85.44 (All Contracts in Excess of \$10,000):

The grantee may terminate this contract for its convenience, at any time, by giving at least thirty (30) days notice in writing to the contractor. If the contract is terminated by the grantee as provided herein, the grantee agrees to pay the contractor, no later than thirty (30) days following the date of the written notice of contract termination by grantee. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the contractor under this contract shall, at the option of the grantee, become the property of the grantee and the contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

19. Changes to Contract:

The terms and conditions of this contract may be changed at any time by mutual agreement of the parties. Such modification shall be effective upon the signing by both parties of an addendum to this contract encompassing those changes. Where the addendum changes the compensation or time of performance, it shall also describe the change in scope, character or complexity of the work that is the basis for the change.

20. Contractor to Furnish Necessary Personnel Resources:

A. The contractor represents that it has, or will secure at its own expense, all personnel required in performing the services specified in this contract. Such personnel shall not be employees of or have, as individuals, any contractual relationship with the grantee.

B. All of the services required hereunder will be performed by the contractor or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.

C. With the exception of the work described as being subcontracted within the contract, if any, none of the work or services covered by this contract shall be subcontracted without the prior approval of the grantee. Any additional work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this contract.

21. Reports and Information:

The contractor, at such times and in such forms as the grantee or the Indiana Office of Community and Rural Affairs may require, shall furnish grantee and/or the Indiana Office of Community and Rural Affairs such periodic reports as it may request pertaining to the work or services undertaken pursuant to this contract, the costs and obligations incurred or to be incurred by grantee in connection therewith, and any other matters covered by this contract.

22. Records and Audits:

The contractor shall maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to this contract and such other records as may be deemed necessary by the grantee to assure proper accounting for all funds applicable to this contract. These records will be made available for audit purposes to the grantee or any authorized representative and will be retained for five years after the expiration of this contract unless permission to destroy them is granted.

23. Copyright and Patent Rights:

No reports, maps, or other documents produced in whole or in part under this contract shall be the subject of an application for copyright by or on behalf of the contractor. The US Department of Housing and Urban Development, the Indiana Office of Community and Rural Affairs and the grantee shall possess all rights to invention or discovery, as well as rights in data which may arise as a result of the contractor's services.

24. Compliance with State and Local Laws:

The contractor specifically agrees that in performance of the services herein enumerated, contractor and his/her employees/agents will comply with any applicable State, and Local Statutes, ordinances and regulations at the time this agreement is executed.

25. Disclosure Reports (HUD Reform Act of 1989 - 24 CFR Part 4.9):

Section 2 of the HUD Reform Act of 1989 requires that if the grantee receives \$200,000 or more in federal CDBG funds during a federal fiscal year, (October 1 - September 30), a HUD disclosure report must be completed for each contract funded in whole or in part with federal CDBG funds. A copy of all such Disclosure Reports must be submitted by the grantee to the Grant Support Office of the Indiana Office of Community and Rural Affairs within ten (10) days after contract execution. In order for the grantee to comply with this federal requirement, the grantee will provide to the contractor the prescribed format of Part IV to the HUD Disclosure Report, and the contractor agrees to furnish the grantee a completed Part IV to the HUD Disclosure Report within seven (7) days of execution of the agreement between contractor and grantee. Within such Part IV of the prescribed HUD Disclosure Report, the contractor will provide the grantee with the following minimum information:

a. The name of all persons who are proprietors, partners, directors or officers of the contractor and thereby have a

pecuniary interest in the proceeds of the CDBG-assisted contract;

- b. The social security account number of all proprietors listed in a. above, or the federal identification number of the partnership or corporation which is subject to the CDBG-assisted contract, as applicable;
- c. The type of participation each individual named in a. above will have in the CDBG-assisted contract. Such participation may be listed in the Part IV of the HUD Disclosure Report as “direct”, or “passive”, whichever applies to such proprietor, partner, director or officer, as applicable; and,
- d. The financial interest of the named individual as set forth in a. above; such interest to be expressed in dollar terms or in terms of percentage of ownership of the proprietorship, partnership, or corporation which is to receive federal CDBG funding under this contract.

26. Compliance with Copeland “Anti-Kick Back” Act:

In carrying out this agreement, the contractor agrees to comply with the requirements of the Copeland “Anti- Kick Back” Act (18 USC 874) as supplemented in US Department of Labor regulations 29 CFR Part 3, respective to all contracts and subgrants for construction or repair services.

27. Compliance with Davis-Bacon Act:

In carrying out this agreement, the contractor agrees to comply with the requirements of the Davis-Bacon Act (40 USC 276a to 276a-7) as supplemented in US Department of Labor regulations 29 CFR Part 5, respective to construction contracts in excess of \$2,000 awarded by grantees and subgrantees.

28. Compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act:

In carrying out this agreement, the contractor agrees to comply with the requirements of the Contract Work Hours and Safety Standards Act (40 USC 327-333) as supplemented in US Department of Labor regulations 29 CFR Part 5, respective to construction contracts in excess of \$2,000 awarded by grantees and subgrantees, and \$2,500 for other contracts which involve the employment of mechanics or laborers.

29. Compliance with Clean Air and Water Acts (applicable to all contracts over \$100,000):

In carrying out this agreement, the contractor agrees to comply with the requirements of the Federal Clean Air Act (42 USC 7401 et seq.), and the Federal Water Pollution Control Act (33 USC 1251 et seq.), as amended. Such statutes and regulations prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency’s List of Violating Facilities. The provision shall require reporting of violations to the grantor agency and to the US Environmental Protection Agency.

30. Conservation:

In carrying out this agreement, the contractor agrees to comply with the requirements of mandatory standards and policies relating to energy efficiency which are contained in the State of Indiana’s energy conservation plan issued in compliance with the federal Energy Policy and Conservation Act (PL 94-163, 89 Statutes 871).

31. Drug-Free Workplace Requirements:

In carrying out this agreement, the contractor agrees to comply with the requirements of the Drug-Free Workplace Act of 1988 (42 U.S.C. 701) and to certify that contractor will comply with drug-free workplace requirements in accordance with the Act and with HUD rules found at 24 CFR part 24, subpart F.

32. Build America Buy America Act:

In carrying out this agreement, the contractor agrees to comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 1700 I), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

33. Conduct – Assignability or Liens against CDBG-Assisted Facilities and Assets.

The Subrecipient shall complete the form entitled "CDBG Lien and Restrictive Covenant Agreement", found in Appendix VII, for all real property improved with CDBG funds awarded under this agreement. Appendix VII must be duly recorded with the County Recorder in the county in which the improved property is located.

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Recipient and OCRA thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Recipient under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Recipient. The Subrecipient shall not pledge or mortgage the CDBG-assisted facilities or assets as collateral for loans without the prior written consent of the Recipient and the OCRA. The Subrecipient shall cure and otherwise perfect all liens placed against the CDBG-assisted facilities or assets.

34. OCRA Additional Prohibitions

The assistance provided under this Agreement shall not be used in payment of any bonus or commission to obtain HUD or Recipient approval of the application for such assistance or for additional assistance, or any other approval or concurrence required under this Agreement, Title I of the Housing and Community Development Act of 1974, as amended, or OCRA/HUD regulations with respect thereto; provided, however, that reasonable fees or Bonafide technical, consultant, managerial or other such services, rather than solicitation, are not prohibited if otherwise eligible as program costs.

The Subrecipient agrees to comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) which prohibits kickbacks from public works employees.

35. Confidentiality and Mandatory Disclosure/Fraud

The parties agree that all information, including but not limited to client information, received by Subrecipient or its subcontractors in administering the terms and provisions of this Agreement shall be received and maintained in a confidential manner commensurate with the conditions set forth in this Agreement and the requirements of all applicable state or federal laws, rules, and regulations, including, but not limited to, the release of Social Security number provisions in Ind. Code § 4-1-10 and the notice of security breach provision in Ind. Code § 4-1-11.

The Subrecipient must disclose, in a timely manner, in writing to OCRA and the Recipient all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Award. The Subrecipient's failure to make these disclosures may subject to the Subrecipient to remedies of non-compliance set forth in 45 CFR 75.371.

This Agreement may be suspended and/or terminated, in accordance with state and federal rules and regulations, if OCRA determines that Subrecipient or any of its employees, agents or contractors have committed fraud or has misused

or misappropriated funds received under this Agreement or another agreement between Subrecipient and the OCRA. In this event, OCRA may deobligate and/or redistribute all or any portion of this award following the process described in CSBG IM #116. The obligations set forth in this subparagraph shall survive the expiration or termination of this Agreement

36. Lobbying

The Subrecipient hereby certifies that:

Pursuant to 31 U.S.C. § 1352 No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. If Subrecipient is required to submit Standard Form-LLL, the form and instructions for preparation of the form may be obtained from OCRA; and It will require that the language of paragraph (4) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

Lobbying Certification: This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transactions imposed by section 1352, title 31, U.S.C. or with OCRA Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Lobbying Activities: Subrecipient shall comply with the provisions of 45 CFR part 93. Please ensure to cite the proper regulation for CDBG 24 CFR part 87 and provision related to 2 CFR 200 also applies to CDBG

37. Religious Activity

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

Appendix VII

Insert Sub-Recipient Lien and Restrictive Covenant Agreement when required.

SAMPLE