

MEMORANDUM OF UNDERSTANDING

Between the

INDIANA STATE BUDGET AGENCY

and the

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

This Memorandum of Understanding is entered into by and between the Indiana State Budget Agency (“SBA”) and the Indiana Housing and Community Development Authority (“IHCDA”). The parties mutually agree to the terms and conditions set forth herein.

WHEREAS, SBA, an agency of the Office of Management and Budget (“OMB”), is designated by OMB to accept and administer funds from Section 501 of Division N of the federal Consolidated Appropriations Act, 2021, PUB. L. No. 116-260; and

WHEREAS, IHCDA is a public body corporate and politic of the state of Indiana tasked with promoting the provision of decent, safe and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at costs they could afford (IC 5-20-1-1, 3); and

WHEREAS, the parties enter into this MOU to memorialize their understanding of the mutual advantages of this cooperative relationship.

NOW, THEREFORE, the parties agree to the terms and conditions set forth below:

1) Purpose

The purpose of this MOU is to memorialize an agreement to pass through the federal award to IHCDA for necessary expenditures related to the State’s response to the COVID-19 public health emergency, as more fully set forth in Attachment A, (the “Program”) and provide guidance to IHCDA for the purpose of complying with federal requirements under 2 C.F.R 200.

2) Grant Information

- a) CFDA number and name: **21.023**
- b) Federal Award Name: **Emergency Rental Assistance Program (“ERAP”)**
- c) Federal Award Identification Number: **N/A**
- d) Federal Award Date: **January 2021**
- e) Name of Federal Agency: **Treasury**
- f) Federal Award project description: The ERAP funds must be used for direct Financial Assistance, defined as rent, rental assistance, and utility assistance payments
- g) Total Amount of Funds obligated to the SBA: **\$371,986,504.90**

- h) Total amount of funds transferred to IHCDA: **\$371,986,504.90**
- i) Period of time subrecipient can obligate funds: **The ERAP program will commence upon execution of the MOU and obligations must be made by December 31, 2021, unless otherwise extended by Treasury.**
- j) Requirements imposed on the subrecipient so that the award is used in accordance with Federal statutes, regulations and the terms and conditions of the award. **Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR Part 200 and any other provisions as Treasury may determine are applicable or inapplicable to this award. Subpart F- Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.**
- k) Indirect cost rate that can be charged to the federal grant: **Administrative expenses of IHCDA may be treated as direct costs but IHCDA may not cover indirect costs or apply an indirect cost rate to the ERAP funds.**
- l) Match Requirements: **None.**

3) Term

The MOU shall be effective upon commencement and ends through June 30, 2022.

When the Director of the SBA makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this memorandum, the memorandum shall be canceled. A determination by the Director of the SBA that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

4) Obligations of the Parties

- a) SBA agrees to provide IHCDA from the Consolidated Appropriations Act an amount not to exceed the amount listed in section 2(h), which may be amended from time to time.
- b) The ERAP funds shall be allocated to IHCDA with an initial payment of **\$185,993,252.90**, upon execution of this agreement, submission of a claim voucher and approval of the claim voucher by OMB/SBA. Additional payments shall be made upon OMB/SBA approval of claim vouchers.
- c) IHCDA will follow federal expenditure procedures as outlined in the State Board of Accounts manual specific to IHCDA.
- d) IHCDA acknowledges that it is a subrecipient as the term is used in the State Board of Accounts Manual.

- e) IHCDA agrees to maintain adequate staff levels to administer the ERAP program.
- f) Award Terms
 - i) IHCDA agrees to comply with the US Department of Treasury Grantee Award Terms (Attachment B).
 - ii) IHCDA will immediately notify SBA if it cannot meet the award terms.
- g) Record Keeping
 - i) IHCDA shall maintain records and documents in accordance with Section 501 and the Uniform Grant Guidance. Records shall include, but are not limited to:
 - (1) Address of rental units
 - (2) Name, address, TIN or DUNS for landlords and utility providers
 - (3) Amount and percentage of monthly rent covered
 - (4) Amount and percentage of separately stated utility costs covered
 - (5) Total amount of type of assistance
 - (6) Amount of outstanding rental arrears for each household
 - (7) Number of months of rental payments and utility or home energy cost payments for which ERA assistance is provided
 - (8) Household Income and number of individuals in the household
 - (9) Gender, race, and ethnicity for the primary application for assistance
 - (10) Number of applications received
 - (11) Award percentage rate
 - ii) IHCDA will submit monthly reports of this information to OMB by the 15th of the following calendar month and may need to submit quarterly reports to OMB in electronic format by the 7th of the following calendar month, depending on the forthcoming requirements of the Department of Treasury's Office of Inspector General.
- h) Record Retention
 - i) IHCDA shall maintain records and financial documents sufficient to support compliance with Section 501(c) regarding the eligible uses of funds.
 - ii) The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of IHCDA in order to conduct audits or other investigations.
 - iii) Records shall be maintained by IHCDA for a period of five (5) years after all funds have been expended or returned to Treasury.
- i) Use of Funds

IHCDA will budget and distribute ERAP funds in accordance with the Treasury award terms and conditions and any current or subsequently issued Treasury Guidance or Frequently Asked Questions issued by Treasury or Treasury Office of Inspector General.
- j) IHCDA's obligation to SBA shall not end until all close-out requirements are completed. Activities during close-out include submitting a final monthly report and final audit.
- k) IHCDA will cooperate with any audit regarding use of ERAP funds by the State Board of Accounts or as otherwise required under the ERAP program or other federal laws.
- l) SBA will assist IHCDA as necessary with the administration of the ERAP.

m) SEFA Reporting

- i) IHCDCA will identify Emergency Acts expenditures separately on the IHCDCA Schedules of Expenditures of Federal Awards (SEFA).
- ii) IHCDCA will inform its subrecipients of the requirement to separately report Emergency Act expenditures separately on the entity's Schedules of Expenditures of Federal Awards (SEFA).

5) Modifications

The parties may modify this MOU by a written, mutual, signed amendment.

6) Notices

Any notice required or permitted to be given under this MOU shall be sent to the following:

State Budget Agency
Attn: Lisa Acobert
State House Room 212
200 W. Washington Street
Indianapolis, IN 46204
LiAcobert@sba.IN.gov

Indiana Housing and Community Development Authority
Attn: J. Jacob Sipe, Executive Director
30 South Meridian Street, Suite 900
Indianapolis, IN 46204
JSipe@IHCDCA.in.gov

7) Termination or Suspension

This MOU may be terminated or suspended by either party if the other party has failed to comply with the terms of this MOU, or for any reason if such termination is in the best interest of the terminating agency, upon thirty (30) days written notice. The notice of termination or suspension shall state the reasons for termination or suspension. Regardless of the reason for termination or suspension, the parties will be compensated for services properly rendered prior to termination or suspension of this MOU.

8) Entire Agreement

This MOU constitutes the entire agreement of the parties and may only be amended by the written mutual consent of the parties.

9) Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the agreeing party, or that he/she is the representative, agent, member or officer of the agreeing party, that he/she has not, nor has any other member, employee, representative, agent or officer of the division, firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears on the face of this Agreement.

In Witness Whereof, SBA and IHCD have, through duly authorized representatives, entered into this MOU. The parties having read and understand the foregoing terms of this MOU, do by their respective signatures dated below hereby agree to the terms thereof.



J. Jacob Sipes, Executive Director
Indiana Housing and Community
Development Authority



Zachary Q. Jackson, Director
State Budget Agency

DATE: February 24, 2021

DATE: 2/24/2021

ATTACHMENT A

IHCDA's Emergency Rental Assistance program makes available \$371,986,504.90 to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.

Eligibility

An "eligible household" is defined as a renter household in which at least one or more individuals meets the following criteria:

- i. Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19;
- ii. Demonstrates a risk of experiencing homelessness or housing instability; and
- iii. Has a household income at or below 80 percent of the area median.

Rental assistance provided to an eligible household should not be duplicative of any other federally funded rental assistance provided to such household.

Eligible households that include an individual who has been unemployed for the 90 days prior to application for assistance and households with income at or below 50 percent of the area median are to be prioritized for assistance.

Household income is determined as either the household's total income for calendar year 2020 or the household's monthly income at the time of application. For household incomes determined using the latter method, income eligibility must be redetermined every 3 months.

Available Assistance

Eligible households may receive up to 12 months of assistance, plus an additional 3 months if the grantee determines the extra months are needed to ensure housing stability and grantee funds are available. The payment of existing housing-related arrears that could result in eviction of an eligible household is prioritized. Assistance must be provided to reduce an eligible household's rental arrears before the household may receive assistance for future rent payments. Once a household's rental arrears are reduced, grantees may only commit to providing future assistance for up to three months at a time. Households may reapply for additional assistance at the end of the three-month period if needed and the overall time limit for assistance is not exceeded.

ATTACHMENT B

U.S. DEPARTMENT OF THE TREASURY EMERGENCY RENTAL ASSISTANCE

1. Use of Funds. Recipient understands and agrees that the funds disbursed under this award may only be used for the purposes set forth in Section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020) (referred to herein as “Section 501”).
2. Repayment and reallocation of funds.
 - a. Recipient agrees to repay excess funds to Treasury in the amount as may be determined by Treasury pursuant to Section 501(d). Such repayment shall be made in the manner and by the date, which shall be no sooner than September 30, 2021, as may be set by Treasury.
 - b. The reallocation of funds provided by Section 501(d) shall be determined by Treasury and shall be subject to the availability of funds at such time.
3. Availability of funds.
 - a. Recipient acknowledges that, pursuant to Section 501(e), funds provided under this award shall remain available only through December 31, 2021, unless, in the case of a reallocation made by Treasury pursuant to section 501(d), Recipient requests and receives from Treasury an extension of up to 90 days.
 - b. Any such requests for extension shall be provided in the form and shall include such information as Treasury may require.
 - c. Amounts not expended by Recipient in accordance with Section 501 shall be repaid to Treasury in the manner specified by Treasury.
4. Administrative costs.
 - a. Administrative expenses of Recipient may be treated as direct costs, but Recipient may not cover indirect costs using the funds provided in this award, and Recipient may not apply its negotiated indirect cost rate to this award.
 - b. The sum of the amount of the award expended on housing stability services described in Section 501(c)(3) and the amount of the award expended on administrative expenses described in Section 501(c)(5) may not exceed 10 percent of the total award.
5. Reporting.
 - a. Recipient agrees to comply with any reporting obligations established by Treasury, including the Treasury Office of Inspector General, as relates to this award, including but not limited to: (i) reporting of information to be used by Treasury to comply with its public reporting obligations under section 501(g) and (ii) any reporting to Treasury and the Pandemic Response Accountability Committee that may be required pursuant to section 15011(b)(2) of Division B of the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. No. 116-136), as amended by Section 801 of Division O of the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260). Recipient acknowledges that any such information required to be reported pursuant to this section may be publicly disclosed.

- b. Recipient agrees to establish data privacy and security requirements as required by Section 501(g)(4).

6. Maintenance of and Access to Records

- a. Recipient shall maintain records and financial documents sufficient to support compliance with Section 501(c) regarding the eligible uses of funds.
- b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.
- c. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury.

7. Cost Sharing. Cost sharing or matching funds are not required to be provided by Recipient.

8. Compliance with Applicable Law and Regulations.

- a. Recipient agrees to comply with the requirements of Section 501 and Treasury interpretive guidance regarding such requirements. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance in any agreements it enters into with other parties relating to this award.
- b. Federal regulations applicable to this award include, without limitation, the following:
 - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
 - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25 and pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
 - iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180 (including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
 - v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
 - vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
 - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.

- c. Statutes and regulations prohibiting discrimination applicable to this award, include, without limitation, the following:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
 - ii. The Fair Housing Act, Title VIII-IX of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, national origin, sex, familial status, or disability;
 - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicap under any program or activity receiving or benefitting from federal assistance;
 - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - v. The Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

9. False Statements. Recipient understands that false statements or claims made in connection with this award may result in fines, imprisonment, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

10. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."

11. Debts Owed the Federal Government.

- a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are not repaid by Recipient as may be required by Treasury pursuant to Section 501(d) shall constitute a debt to the federal government.
- b. Any debts determined to be owed the federal government must be paid promptly by Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made. Interest, penalties, and administrative charges shall be charged on delinquent debts in accordance with 31 U.S.C. § 3717 and 31 C.F.R. § 901.9. Treasury will refer any debt that is more than 180 days delinquent to Treasury's Bureau of the Fiscal Service for debt collection services.
- c. Penalties on any debts shall accrue at a rate of not more than 6 percent per year or such other higher rate as authorized by law. Administrative charges, that is, the costs of processing and handling a delinquent debt, shall be determined by Treasury.

d. Funds for payment of a debt must not come from other federally sponsored programs.

12. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by Recipient does not in any way constitute an agency relationship between the United States and Recipient.

13. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee as a reprisal for disclosing information to any of the list of persons or entities provided below that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for contract or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; and/or
 - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

14. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR19217 (April 8, 1997), Recipient should and should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

15. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, Recipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.