

MEMORANDUM OF UNDERSTANDING

Between the

INDIANA STATE BUDGET AGENCY

and the

INDIANA FINANCE AUTHORITY

This Memorandum of Understanding (“MOU”) is entered into by and between the Indiana State Budget Agency (“SBA”) and the Indiana Finance Authority (“IFA”). 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 the federal Coronavirus Aid, Relief and Economic Security (CARES) Act, Pub.L. 116–136; and

WHEREAS, the Governor has designated \$300 million from the CARES Act for the reimbursement of expenses of local governmental units responding to the COVID-19 public health emergency (“COVID-19”); and

WHEREAS, IFA is an independent body corporate and politic, not a department or agency of the state, but is an independent instrumentality exercising essential government functions (IC 5-1.2-3-1); 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:

I. Purpose

IFA, on behalf of SBA, will administer a program to reimburse local governmental units for necessary and immediate COVID-19 related expenditures that occurred during the period that began March 1, 2020, and ends December 30, 2020 (the “Program”).

II. Term

This MOU shall become effective May 14, 2020, and shall remain in effect until the earlier of (i) June 30, 2021, (ii) upon 30 days’ written notice by SBA, or (iii) upon 30 days’ written notice by IFA and approval by SBA.

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 MOU, this MOU 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.

III. Obligations of the Parties

The parties agree to the following obligations under this MOU:

1. The initial funding for the Program will be \$300 million, which may be amended from time to time by the Governor.
2. Within seven (7) days of execution of this MOU, IFA will request transfer of any funds designated for the Program by submitting a claim voucher to SBA to initiate the transfer of funds from SBA to IFA.
3. Within seven (7) days of receiving the claim voucher, SBA will send a voucher to the Auditor of State to ensure timely transfer of funds to IFA.
4. IFA has developed an executive certification form and a reimbursement request form for use by local governmental units seeking to utilize the Program.
5. IFA will deposit funds in an interest-bearing account. All interest earned will be used in accordance with the CARES Act and any additional guidance issued by the US Treasury.
6. IFA will transfer to SBA any funds remaining after all obligations are met of the Program.
7. IFA will administer the Program in accordance with federal laws and guidance of the CARES Act, US Treasury guidance and policies, OMB and SBA policies and procedures, State Board of Accounts guidance on administration and tracking of COVID-19 funds, and any policies or procedures implemented by IFA for administration of the Program. IFA's responsibilities to the administer the Program include:
 - a. Receiving all executive certifications and reimbursement requests from local governmental units;
 - b. Reviewing all reimbursement requests to ensure compliance with Program terms;
 - c. Timely processing all reimbursement requests from local governmental units and providing payment;
 - d. Provide communications and monthly reports to the Director of the OMB and the Director of SBA regarding the status of the Program, amounts of reimbursements claimed, amounts of reimbursements processed, any reimbursements denied, and remaining balance of funds in the Program; and
 - e. Cooperate with any audit regarding use of Program funds by State Board of Accounts or as otherwise required under the CARES Act or other federal law.
8. SBA will assist IFA as necessary with the administration of the Program.

IV. Modifications

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

V. 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 Finance Authority
Attn: Jim McGoff
One North Capitol Avenue, Suite 900
Indianapolis, IN 46204
JMCGOFF@ifa.IN.gov

VI. Public Information

The Parties recognize the need to communicate with each other with respect to inquiries from the public about the Program. When practical, IFA and SBA shall communicate in advance of responding to any such inquiry, provided however, public inquiries other than public records requests directed to IFA shall be directed to SBA's Public Information Office for a response (which response shall be completed, as necessary, in coordination with the IFA). The Parties agree that IFA shall respond to all public records requests directed to it.

VII. Entire Agreement

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

VIII. 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 IFA 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.



Dan Huges, Public Finance Director
of the State of Indiana



Zachary Q. Jackson, Director
State Budget Agency

DATE: 5/20/20

DATE: 5/21/2020