

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

Amendment 2

MEMORANDUM OF UNDERSTANDING Between the INDIANA STATE BUDGET AGENCY and the INDIANA FINANCE AUTHORITY

This is an Amendment to the Memorandum of Understanding (the "MOU") entered into by and between the **Indiana State Budget Agency** ("SBA") and the **Indiana Finance Authority** ("IFA") approved by the last State signatory on **May 21, 2020**.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

A. Pursuant to Section IV of the MOU, Section I.A. is amended as follows:

I.A. Grant Information

- a) CFDA number and name: **21.019**
- b) Federal Award Name: **Coronavirus Relief Fund ("CRF")**
- c) Federal Award Identification Number: **N/A**
- d) Federal Award Date: **March 27, 2020**
- e) Name of Federal Agency: **Treasury**
- f) Federal Award project description: **see Attachment A and B**
- g) Total Amount of Funds obligated to the subrecipient: **\$320,000,000.00 for Attachment A, \$2,000,000.00 for Attachment B**
- h) Period of time subrecipient can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were made between March 1, 2020, and December 31, 2021.**
- i) Period of time subrecipient can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were incurred by December 31, 2021. Liquidation period, although not defined, is expected to be no later than 90 days after the close of the calendar year.**
- 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. **The federal funds are considered**

federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F. R. § § 200.300 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. In addition, guidance from the Department of Treasury.

- k) Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- l) Match requirements: **None.**

B. Pursuant to Section IV of the MOU, Section III of the MOU is amended to provide:

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. IFA agrees to return to SBA any unused funds.
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 acknowledges that it is a subrecipient as that term is defined in 2 C.F.R. 200.330.
8. 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 no later than ten (10) days after the end of the month 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, including allowing SBA access to IFA's financial statements as necessary to comply with the requirements of 2 C.F.R. 200.
- f. Comply with 2 C.F.R. § 200.331 requirements for Pass through Entities.

9. SBA will assist IFA as necessary with the administration of the Program.

C. Pursuant to Section IV of the MOU, Section III.A. is amended as follows:

III.A. Record Retention

IFA agrees to maintain records to support compliance with subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)). This may include, but is not limited to, copies of the following:

1. general ledger and subsidiary ledgers used to account for (a) the receipt of Coronavirus Relief Fund payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
2. budget records for 2019, 2020, 2021 and 2022;
3. payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
4. receipts of purchases made related to addressing the public health emergency due to COVID-19;
5. contracts and subcontracts entered into using Coronavirus Relief Fund payments and all documents related to such contracts;
6. grant agreements and grant subaward agreements entered into using Coronavirus Relief Fund payments and all documents related to such awards;

7. all documentation of reports, audits, and other monitoring of contractors, including subcontractors, and grant recipient and subrecipients;
8. all documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
9. all internal and external email/electronic communications related to use of Coronavirus Relief Fund payments; and
10. all investigative files and inquiry reports involving Coronavirus Relief Fund payments.

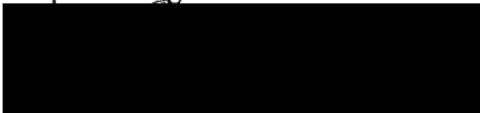
IFA will maintain records for a period of five (5) years after final payment is made using Coronavirus Relief Fund monies. These record retention requirements are applicable to all prime recipients and their grantees and subgrant recipients, contractors, and other levels of government that received transfers of Coronavirus Relief Fund payments from prime recipients.

All matters set forth in the original MOU not affected by this Amendment shall remain in full force and effect.

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: 1-19-2021

DATE: 1/19/2021

Amendment 3¹

**MEMORANDUM OF UNDERSTANDING
Between the
INDIANA STATE BUDGET AGENCY
and the
INDIANA FINANCE AUTHORITY**

This is an Amendment to the Memorandum of Understanding (the “MOU”) entered into by and between the **Indiana State Budget Agency** (“SBA”) and the **Indiana Finance Authority** (“IFA”) approved by the last State signatory on **May 21, 2020**.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

A. Pursuant to Section IV of the MOU, Section I.A. is amended as follows:

I.A. Grant Information

- a) CFDA number and name: **21.019**
- b) Federal Award Name: **Coronavirus Relief Fund (“CRF”)**
- c) Federal Award Identification Number: **N/A**
- d) Federal Award Date: **March 27, 2020**
- e) Name of Federal Agency: **Treasury**
- f) Federal Award project description: **see Attachment A and B**
- g) Total Amount of Funds obligated to the subrecipient: **\$320,000,000.00 for Attachment A, \$2,000,000.00 for Attachment B, \$87,016.15 for Attachment C**
- h) Period of time subrecipient can obligate funds: start and end date. **The CRF funds may be used to cover expenditures that were made between March 1, 2020, and December 31, 2021.**
- i) Period of time subrecipient can liquidate funds: start and end date: **The CRF funds may be used to cover expenditures that were incurred by December 31, 2021. Liquidation period, although not defined, is expected to be no later than 90 days after the close of the calendar year.**

¹ The MOU between IFA and SBA for reimbursement for testing is considered Amendment 1 to the original MOU, which is why the subsequent amendments were labeled 2 and 3.

- 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. **The federal funds are considered federal financial assistance subject to the Single Audit Act of (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Grant Guidance; 2 C.F.R. § 200.303 regarding internal controls, 2 C.F. R. § § 200.300 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. In addition, guidance from the Department of Treasury.**
- k) Indirect cost rate or cost allocation that can be charged to the federal grant: **None at this time.**
- l) Match requirements: **None.**


B. Pursuant to Section IV of the MOU, Attachment C to this Amendment is incorporated as Attachment C.

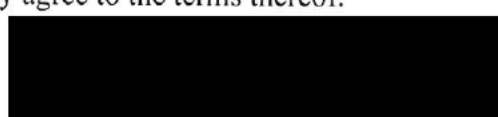
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Non-Collusion and Acceptance

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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: 4-28-2021

DATE: 4/28/2021

ATTACHMENT C

IFA has incurred administrative expenses related to the administration of the reimbursement for local governments COVID19 assistance program in the amount of \$87,016.15.