

**CITY OF POMPANO BEACH, FLORIDA**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**PUBLIC SERVICE PROGRAM SUBRECIPIENT AGREEMENT**

**THIS AGREEMENT** (hereinafter the "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between the **CITY OF POMPANO BEACH**, a municipal corporation of the State of Florida (hereinafter referred to as the "CITY") and **THE RUSSELL LIFE SKILLS AND READING FOUNDATION, INC.**, a Florida not for profit corporation (hereinafter referred to as the "SUBRECIPIENT").

<b>FUNDING SOURCE:</b>	<u>Community Development Block Grant Funds</u>
<b>AMOUNT:</b>	<u>\$30,000.00</u>
<b>TERM OF THE AGREEMENT:</b>	<u>October 1, 2023 – September 30, 2024</u>
<b>IDIS NUMBER (to be completed by the City):</b>	<u></u>
<b>UEI NUMBER:</b>	<u>YEL4URRDWK27</u>
<b>CDFA NUMBER:</b>	<u>14.218</u>

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein set forth, the parties understand and agree as follows:

**ARTICLE I**  
**EXHIBITS AND DEFINITIONS**

- 1.1 **EXHIBITS.** Attached hereto and forming a part of this Agreement are the following Exhibits:
- |           |  |
|-----------|--|
| Exhibit A | CDBG Subrecipient Handbook   |
| Exhibit B | Work Program   |
| Exhibit C | Compensation and Budget Summary  |
| Exhibit D | Certification Regarding Lobbying Form  |
| Exhibit E | Certification Regarding Debarment, Suspension and other<br>Responsibility Matters (Primary Covered Transactions Form). |
| Exhibit F | Crime Entity Affidavit   |

1.2 DEFINED TERMS.  
Act or 24 CFR 570

As used herein the following terms shall mean:

Title I of the Housing and Community Development Act of 1974, as amended.

Agreement Records:

Any and all books, records, documents, information, data, papers, letters, materials, and computerized or electronic storage data and media, whether written, printed, computerized, electronic or electrical, however collected or preserved which is or was produced, developed, maintained, completed, received or compiled by or at the direction of the SUBRECIPIENT or any subcontractor in carrying out the duties and obligations required by the terms of this Agreement, including, but not limited to, financial books and records, ledgers, drawings, maps, pamphlets, designs, electronic tapes, computer drives and diskettes or surveys.

CDBG Program:

Community Development Block Grant Program.

CDBG Requirements:

The requirements contained in 24 CFR Part 570, Rule 9I of the Florida Administrative Code and the City of Pompano Beach, Florida.

Department:

The City of Pompano Beach Office of Housing and Urban Improvement.

Federal Award:

Any federal funds received by the SUBRECIPIENT from any source during the period of time in which the SUBRECIPIENT is performing the obligations set forth in this Agreement.

Low-and-Moderate

A member of a low- or moderate-income family

Income Person:

whose income is within specific income levels set forth by

U.S. HUD.

U.S. HUD or HUD:

The United States Department of Housing and Urban Development.



**ARTICLE II**  
**ACKNOWLEDGMENTS**

The SUBRECIPIENT, as a participant in the City's CDBG Program, acknowledges, understands and agrees to the following and has provided the requisite documentation in order to participate in such Program:

- 2.1 The SUBRECIPIENT has submitted a Work Program, attached hereto as Exhibit B to this Agreement that includes the following:
  - 2.1.1 A description detailing the activities to be carried out by the SUBRECIPIENT as a result of the expenditure of CDBG Funds, including, where appropriate, the measurable objectives, the intended participants or beneficiaries, target goals, demographic and geographic area, program benefits, timelines, and in general detail how these activities will ensure that the intended beneficiaries will be served.
  - 2.1.2 A schedule of activities and measurable objectives. The schedule is intended to provide projected milestones and deadlines for the accomplishment of tasks in carrying out the Work Program. These projected milestones and deadlines are a basis for measuring actual progress during the term of this Agreement. These items are in sufficient detail to provide a sound basis for the CITY to effectively monitor performance by the SUBRECIPIENT under this Agreement.
- 2.2 A Budget Summary attached as Exhibit C, which includes: completion of the SUBRECIPIENT'S Itemized Budget, Cost Allocation, Budget Narrative, Staff Salaries Schedule and a copy of all subcontracts.
- 2.3 A list of the SUBRECIPIENT'S present officers and members of the Board (names, addresses and telephone numbers).
- 2.4 A list of key staff persons (with their titles) who will carry out the Work Program.
- 2.5 Completion of an Authorized Representative Statement.
- 2.6 Completion of a Statement of Accounting System.
- 2.7 A copy of the SUBRECIPIENT'S corporate personnel policies and procedures.
- 2.8 Job description and resumes for all positions funded in whole or in part under this Agreement.
- 2.9 A letter accepting the OMB Super Circular, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" and Lead Based Paint Regulations 24 CFR Part 35.
- 2.10 Copy of the SUBRECIPIENT'S last federal income tax return (IRS Form 990).
- 2.11 The following corporate documents:
  - (i) Bylaws, resolutions, and incumbency certificates for the SUBRECIPIENT, certified by the SUBRECIPIENT'S Corporate Secretary, authorizing the consummation of the transactions contemplated hereby, all in a form satisfactory to the CITY.

- 2.12 ADA Certification.
- 2.13 Drug Free Certification.
- 2.14 All other documents reasonably required by the CITY.

**ARTICLE III**  
**TERMS AND PROCEDURES**

3.1 **CITY AUTHORIZATION:**

For the purpose of this Agreement, the Department will act on behalf of the CITY in the fiscal control, programmatic monitoring and modification of this Agreement, except as otherwise provided in this Agreement.

3.2 **EFFECTIVE DATE AND TERM:**

This Agreement shall begin on October 1, 2023, and shall conclude on September 30, 2024, or until such term shall sooner cease or terminate as hereinafter provided

3.3 **OBLIGATIONS OF SUBRECIPIENT:**

The SUBRECIPIENT shall carry out the services and activities as prescribed in its Work Program, which is attached hereto as Exhibit "B" and incorporated herein and made a part of this Agreement, in a manner that is lawful, and satisfactory to the City, and in accordance with the written policies, procedures, and requirements as prescribed in this Agreement, and as set forth by HUD and the CITY. Any obligations imposed upon the CITY, pursuant to its administration of or participation in the HUD funded CDBG Program, shall become the obligation of the Subrecipient, who understands, acknowledges and agrees that all such obligations shall be accomplished to the City's satisfaction.

3.4 **LEVEL OF SERVICE:**

Should start-up time for the Work Program be required or in the event of the occurrence of any delays in the activities thereunder, the SUBRECIPIENT shall immediately notify the Department in writing, giving all pertinent details and indicating when the Work Program shall begin and/or continue. It is understood and agreed that the SUBRECIPIENT shall maintain the level of activities and expenditures in existence prior to the execution of this Agreement. Any activities funded through or as a result of this Agreement shall not result in the displacement of employed workers, impair existing agreements for services or activities, or result in the substitution of funds allocated under this Agreement for other funds in connection with work which would have been performed in the absence of this Agreement.

**ARTICLE IV**  
**CDBG FUNDING AND DISBURSEMENT REQUIREMENTS**

**4.1 COMPENSATION**

The amount of compensation payable by the City to the Project Sponsor shall be based on the rates, schedules and conditions described in Exhibit "C" attached hereto, which by this reference is incorporated into this Agreement."

**4.2 INSURANCE:**

At all times during the term hereof, the SUBRECIPIENT shall maintain insurance acceptable to the CITY. Prior to commencing any activity under this Agreement, the SUBRECIPIENT shall furnish to the CITY original certificates of insurance indicating that the SUBRECIPIENT is in compliance with the provisions of this Article.

4.2.1 SUBRECIPIENT shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to CITY, the types and amounts of insurance conforming to the minimum requirements set forth herein. SUBRECIPIENT shall not commence work until the required insurance is in force and evidence of insurance acceptable to CITY has been provided to, and approved by, CITY. An appropriate Certificate of Insurance shall be satisfactory evidence of insurance. Until such insurance is no longer required by this Contract, SUBRECIPIENT shall provide CITY with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance.

**4.2.2 Workers' Compensation/Employer's Liability Insurance**

Such insurance shall be no more restrictive than that provided by the Standard Workers' Compensation Policy, as filed for use in Florida by the National Council on Compensation Insurance, without restrictive endorsements. The minimum amount of coverage (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One: "Statutory"

Part Two:       \$ 1,000,000 Each Accident  
                  \$ 1,000,000 Disease -Policy Limit  
                  \$ 1,000,000 Disease -Each Employee

**4.2.3 General Liability Insurance**

Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial General Liability Form (ISO Form CG 00 01) without any restrictive endorsements. CITY shall be included as an

"Additional Insured" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured -Owners, Lessee or Contractors). The minimum limits (inclusive of amounts provided by an umbrella or excess policy) shall be:

\$ 2,000,000 General Aggregate

\$ 2,000,000 Products/Completed Operations Aggregate

\$ 1,000,000 Personal and Advertising Injury

\$ 1,000,000 Each Occurrence

#### 4.2.4 Automobile Liability Insurance

If the services and activities as prescribed in the scope of work for this agreement are of the kind that CITY determines could give rise to a claim for automobile liability, SUBRECIPIENT shall procure Automobile Liability Insurance. Such insurance shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of the work. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$ 300,000 Each Occurrence -Bodily Injury and Property/Damage Combined (Minimum \$100,000/\$300,000/\$100,000 – any vehicle driving onto City premise or \$1,000,000 per occurrence and aggregate – any vehicle used in providing a service to the City

#### 4.2.5 Professional Liability Insurance

If the services and activities as prescribed in the scope of work for this agreement are of the kind that CITY determines could give rise to a claim for sources of liability out of the rendering or failure to render those services, SUBRECIPIENT shall procure Professional Liability Insurance. Such insurance shall be on a form acceptable to CITY and shall cover SUBRECIPIENT for those sources of liability arising out of the rendering or failure to render the services required in the Agreement including any hold harmless and/or indemnification agreement. Coverage must either be on an occurrence basis; or, if on a claims-made basis, the coverage must respond to all claims reported within three years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$ 300,000 Each Claim/Annual Aggregate (\$1,000,000)

4.2.6 The insurance provided by SUBRECIPIENT shall apply on a primary basis. Any insurance, or self-insurance, maintained by the SUBRECIPIENT shall be excess of, and shall not contribute with, the

insurance provided by SUBRECIPIENT. Except as otherwise specified, no deductible or self-insured retention is permitted.

4.2.7 Neither approval nor failure to disapprove insurance furnished by SUBRECIPIENT shall relieve SUBRECIPIENT from responsibility to provide insurance as required by this Agreement.

4.2.8 SUBRECIPIENT Failure to Obtain, Pay For, or Maintain Insurance

4.2.9 SUBRECIPIENT shall deliver to CITY the required certificate(s) of insurance and endorsement(s) before CITY signs this Agreement.

4.2.10 SUBRECIPIENT'S failure to obtain, pays for, or maintain any required insurance shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement. In the event of any termination or suspension, CITY may use the services of another SUBRECIPIENT or SUBRECIPIENTS, without CITY'S incurring any liability to SUBRECIPIENT.

4.3 FINANCIAL ACCOUNTABILITY:

The CITY reserves the right to audit the records of the SUBRECIPIENT at any time during the performance of this Agreement and for a period of five (5) years after its expiration/termination. The SUBRECIPIENT agrees to provide all financial and other applicable records and documentation of services to the CITY. Any payment made shall be subject to reduction for amounts included in the related invoice which are found by the CITY, on the basis of such audit, not to constitute allowable expenditures. Any payments made to the SUBRECIPIENT are subject to reduction for overpayments on previously submitted invoices.

4.4 RECAPTURE OF FUNDS:

The CITY reserves the right to recapture funds in the event that the SUBRECIPIENT shall fail: (i) to comply with the terms of this Agreement, or (ii) to accept conditions imposed by the CITY at the direction of the federal, state and local agencies.

4.5 CONTINGENCY CLAUSE:

Funding pursuant to this Agreement is contingent on the availability of funds and continued authorization for CDBG Program activities, and is also subject to amendment or termination due to lack of funds or authorization, reduction of funds, and/or changes in regulations.

## ARTICLE V

### AUDIT

- 5.1 As a necessary part of this Agreement, the SUBRECIPIENT shall adhere to the following audit requirements:
- 5.1.1 If the SUBRECIPIENT expends \$750,000 or more in the fiscal year it shall have a single audit or program specific audit conducted for that year. The audit shall be conducted in accordance with GAGAS and the OMB Super Circular, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule".
- 5.1.2 In addition to the above requirements, the auditor shall perform procedures to obtain an understanding of internal controls and perform sufficient testing to ensure compliance with the procedures. Further the auditor shall determine whether the SUBRECIPIENT has complied with laws, regulations and the provisions of this Agreement.
- 5.1.3 A reporting package shall be submitted within the earlier of 30 days after receipt of the auditor's report(s) or nine (9) months after the end of the audit period. The reporting package will include the certified financial statements and schedule of expenditures of Federal Awards; a summary schedule of prior audit findings; the auditor's report and the corrective action plan. The auditor's report shall include:
- a) an opinion (or disclaimer of opinion) as to whether the financial statements are presented fairly in all material respects in conformity with generally accepted principles and an opinion (or disclaimer of opinion) as to whether the schedule of expenditures of Federal Awards is presented fairly in all material respects in relation to the financial statements taken as a whole.
  - b) a report on internal controls related to the financial statements and major programs. This report shall describe the scope of testing of internal controls and the results of the test, and, where applicable, refer to the separate schedule of findings and questioned costs.
  - c) a report on compliance with laws, regulations, and the provisions of contracts and/or this Agreement, noncompliance with which could have a material effect on the financial statements. This report shall also include an opinion (or disclaimer of opinion) as to whether the SUBRECIPIENT complied with the laws, regulations, and the provisions of contracts and this Agreement which could have a direct and material effect on the program and, where applicable, refer to the separate schedule of findings and questioned costs.
  - d) a schedule of findings and questioned cost which shall include the SUBRECIPIENT's compliance with the requirements of the OMB Super Circular, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule" and Lead Based Paint Regulations 24 CFR Part 35. Subrecipient's Program shall comply with the requirements and standards of the OMB circulars and CDBG provisions set out in subsection (a) of 24 CFR 570.502.



- (i) For each activity determined to benefit low- and moderate-income persons, the income limits applied and the point in time when the benefit was determined.
- (ii) For each activity determined to benefit low- and moderate-income persons based on the area served by the activity:
  - (a) The boundaries of the service area;
  - (b) The income characteristics of families and unrelated individuals in the service area; and
  - (c) If the percent of low- and moderate-income persons in the service area is less than 51 percent, data showing that the area qualifies under the exception criteria set forth in 24 CFR 570.208(a)(1)(ii);
- (iii) For each activity determined to benefit low- and moderate-income persons because the activity involves a facility or service designed for use by a limited clientele consisting exclusively or predominantly of low- and moderate-income persons:
  - (a) Documentation establishing that the facility or service is designed for and used by senior citizens, disabled persons, battered spouses, abused children, the homeless, illiterate persons, or migrant farm workers, for which the regulations provide presumptive benefit to low- and moderate-income persons; or
  - (b) Documentation describing how the nature and, if applicable, the location of the facility or service establishes that it is used predominantly by low- and moderate-income persons; or
  - (c) Data showing the size and annual income of the household of each person receiving the benefit.

**6.1.3 Equal Opportunity Records containing:**

- (i) Data on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with CDBG Funds. Such information shall be used only as a basis for further investigation relating to compliance with any requirement to attain or maintain any particular statistical measure by race, ethnicity, or gender in covered programs.
- (ii) Documentation of actions undertaken to meet the requirements of 24 CFR 570.607(b) which implements Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701U) relative to the hiring and training of low- and moderate-income persons and the use of local businesses.

**6.1.4 Financial records, in accordance with the applicable requirements listed in 24 CFR 570.502 and OMB Circular A-110.**



- 5.1.4 If the SUBRECIPIENT expends less than \$750,000 in the fiscal year it is exempted from Federal audit requirements for that year and consequently the audit cost is not a reimbursable expense. The City, however, may request the SUBRECIPIENT to have a limited scope audit for monitoring purposes. These limited scope audits will be paid for and arranged by the City and 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.

All reports presented to the City shall, where applicable, include sufficient information to provide a proper perspective for judging the prevalence and consequences of the findings, such as whether an audit finding represents an isolated instance or a systemic problem. Where appropriate, instances identified shall be related to the universe and the number of cases examined and quantified in terms of dollar value.

## **ARTICLE VI**

### **RECORDS AND REPORTS**

- 6.1 The SUBRECIPIENT shall establish and maintain sufficient records to enable the CITY to determine whether the SUBRECIPIENT has met the requirements of the CDBG Program and standards of the OMB circulars and CDBG provisions set out in subsection (a) of 24 CFR 570.502.

At a minimum, the following records shall be maintained by the SUBRECIPIENT:

- 6.1.1 Records providing a full description of each activity assisted (or being assisted) with CDBG Funds, including its location (if the activity has a geographical locus), the amount of CDBG Funds budgeted, obligated and expended for the activity, and the specific provision in 24 CFR Subpart C of the CDBG Program regulations under which the activity is eligible.
- 6.1.2 Records demonstrating that each activity undertaken meets one of the criteria set forth in 24 CFR 570.208 of the CDBG Program regulations. Where information on income by family size is required, the SUBRECIPIENT may substitute evidence establishing that the person assisted qualified under another program having income qualification criteria at least as restrictive as that used in the definitions of "low- and moderate-income person" and "low- and moderate-income household" as set forth in 24 CFR 570.3; or, the SUBRECIPIENT may substitute a copy of a verifiable certification from the assisted person that his or her family income does not exceed the applicable income limit established in accordance with 24 CFR 570.3; or, the SUBRECIPIENT may substitute a notice that the assisted person is a referral from any governmental agency that determines persons to be "low- and moderate-income persons" based upon HUD's criteria and agrees to maintain documentation supporting those determinations. Such records shall include the following information:

- 6.1.5 Records required to be maintained in accordance with other applicable laws and regulations set forth in 24 CFR Part 570, Subpart K.

6.2 RETENTION AND ACCESSIBILITY OF RECORDS:

- 6.2.1 The Department shall have the authority to review the SUBRECIPIENT'S records, including Project and programmatic records and books of account, for a period of five (5) years from the expiration/termination of this Agreement (the "Retention Period"). All books of account and supporting documentation shall be kept by the SUBRECIPIENT at least until the expiration of the Retention Period.

The SUBRECIPIENT shall maintain records sufficient to meet the requirements of 24 CFR 570. All records and reports required herein shall be retained and made accessible as provided thereunder. The SUBRECIPIENT further agrees to abide by Chapter 119, Florida Statutes, as the same may be amended from time to time, pertaining to public records.

- a. The SUBRECIPIENT shall ensure that the Agreement Records shall be at all times subject to and available for full access and review, inspection and audit by the CITY, federal personnel and any other personnel duly authorized by the CITY. At any time during normal business hours, Subrecipient shall make its records pertaining to this Agreement available to OHUI, the City, the State of Florida, the Federal government, the Comptroller General of the United States, or any of their duly authorized representatives, as often as such agencies deem necessary, to audit, examine, copy, excerpt or transcribe. Within thirty (30) days of receipt of an audit report that notes deficiencies in such records, Subrecipient, or the custodian of records for such agency, shall fully correct such deficiencies. Failure to do so will constitute a violation of this Agreement and may result in OHUI withholding future allocations or transfers until such deficiencies are corrected.
  - b. Subrecipient shall work with OHUI to conduct an annual audit that complies with OHUI's policies concerning sub-recipient audits.
- 6.2.2 The SUBRECIPIENT shall include in all the Department approved subcontracts used to engage subcontractors to carry out any eligible substantive project or programmatic activities, as such activities are described in this Agreement and defined by the Department, each of the record-keeping and audit requirements detailed in this Agreement. The Department shall in its sole discretion determine when services are eligible substantive project and/or programmatic activities and subject to the audit and record-keeping requirements described in this Agreement

6.2.3 If the CITY or the SUBRECIPIENT has received or given notice of any kind indicating any threatened or pending litigation, claim or audit arising out of the activities pursuant to the project, the activities and/or the Work Program or under the terms of this Agreement, the Retention Period shall be extended until such time as the threatened or pending litigation, claim or audit is, in the sole and absolute discretion of the Department fully, completely and finally resolved.

6.2.4 The SUBRECIPIENT shall notify the Department of the address where all Agreement Records will be retained in writing both during the pendency of this Agreement and after its expiration/termination as part of the final closeout procedure, as described in the CDBG Handbook attached to this Agreement as Exhibit "A."

6.2.5 The SUBRECIPIENT shall obtain the prior written consent of the Department to the disposal of any Agreement Records within one year after the expiration of the Retention Period.

6.3 PROVISION OF RECORDS:

6.3.1 At any time upon request by the Department, the SUBRECIPIENT shall provide all Agreement Records to the Department. The requested Agreement Records shall become the property of the Department without restriction, reservation, or limitation on their use. The Department shall have unlimited rights to all books, articles, or other copyrightable materials developed in the performance of this Agreement. These rights include the right of royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use the Work Program for public purposes.

6.3.2 If the SUBRECIPIENT receives funds from, or is under regulatory control of, other governmental agencies, and those agencies issue monitoring reports, regulatory examinations, or other similar reports, the SUBRECIPIENT shall provide a copy of each such report and any follow-up communications and reports to the Department immediately upon such issuance, unless such disclosure would be prohibited by any such issuing agency.

6.4 MONITORING:

The SUBRECIPIENT shall permit the Department and other persons duly authorized by the Department to inspect all Agreement Records, facilities, goods, and activities of the SUBRECIPIENT which are in any way connected to the activities undertaken pursuant to the terms of this Agreement, and/or interview any clients, employees, subcontractors or assignees of the SUBRECIPIENT. Following such inspection or interviews, the Department will deliver to the SUBRECIPIENT a report of its findings. The SUBRECIPIENT will rectify all deficiencies cited by the Department within the specified period of time set forth in the report or provide the Department with a reasonable justification for not correcting the same. The Department will determine in its sole and absolute discretion whether or not the SUBRECIPIENT'S justification is acceptable.

At the request of the CITY, the SUBRECIPIENT shall transmit to the CITY written statements of the SUBRECIPIENT's official policies on specified issues relating to the SUBRECIPIENT's activities. The CITY will carry out monitoring and evaluation activities, including visits and observations by CITY staff; the SUBRECIPIENT shall ensure the cooperation of its employees and its Board members in such efforts. Any inconsistent, incomplete, or inadequate information either received by the CITY or obtained through monitoring and evaluation by the CITY, shall constitute cause for the CITY to terminate this Agreement.

6.5 **RELATED PARTIES:**

The SUBRECIPIENT shall report to the Department the name, purpose for and any and all other relevant information in connection with any related-party transaction. The term "related-party transaction" includes, but is not limited to, a for-profit or nonprofit subsidiary or affiliate organization, an organization with an overlapping Board of Directors and an organization for which the SUBRECIPIENT is responsible for appointing memberships. The SUBRECIPIENT shall report this information to the Department upon forming the relationship, or if already formed, shall report such relationship prior to or simultaneously with the execution of this Agreement. Any supplemental information shall be promptly reported to the Department.

**ARTICLE VII**

**OTHER CDBG PROGRAM REQUIREMENTS**

- 7.1 The SUBRECIPIENT shall maintain current documentation that its activities are CDBG eligible in accordance with 24 CFR Part 570.201.
- 7.2 The SUBRECIPIENT shall ensure and maintain documentation that conclusively demonstrates that each activity assisted in whole or in part with CDBG Funds is an activity which provides benefit to low and moderate-income persons.
- 7.3 The SUBRECIPIENT shall comply with all applicable provisions of 24 CFR Part 570 and shall carry out each activity in compliance with all applicable federal laws and regulations described therein.
- 7.4 The SUBRECIPIENT shall cooperate with the Department in informing the appropriate citizen participation structures, including the appropriate area committees, of the activities of the SUBRECIPIENT in adhering to the provisions of this Agreement. Representatives of the SUBRECIPIENT shall attend meetings of the appropriate committees and citizen participation structures upon the request of the citizen participation officers or the Department.

- 7.5 SUBRECIPIENT shall, to the greatest possible, give low-and-moderate-income residents of the service areas opportunities for training and employment.
- 7.6 NON-DISCRIMINATION:  
The SUBRECIPIENT shall not discriminate on the basis of race, color, national origin, sex, religion, age, marital or family status or disability in connection with the Work Program or its performance under this Agreement. Furthermore, the SUBRECIPIENT agrees that no otherwise qualified individual shall, solely by reason of his/her race, sex, color, religion, national origin, age, marital status or disability, be excluded from the participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- 7.7 The SUBRECIPIENT shall carry out its Work Program in compliance with all federal laws and regulations, including those described in Subpart K of the CDBG Program regulations (24 CFR 570.600-612).
- 7.8 The Subrecipient and its subcontractors shall comply with the Davis-Bacon Act, the Lead-Based paint Poisoning Prevention Act, and any other applicable laws, ordinances and regulations.
- 7.9 The SUBRECIPIENT shall abide by the Federal Labor Standards provisions of U.S. HUD Form 4010 incorporated herein as part of this Agreement.
- 7.10 UNIFORM ADMINISTRATIVE REQUIREMENTS. The SUBRECIPIENT shall comply with the requirements and standards of the OMB Super Circular, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule".
- 7.11 RELIGIOUS ORGANIZATIONS/CONSTITUTIONAL PROHIBITION. If the SUBRECIPIENT is or was created by a religious organization, the SUBRECIPIENT agrees that all CDBG Funds disbursed under this Agreement shall be subject to the conditions, restrictions, and limitations of 24 CFR Part 570.200(j).

The SUBRECIPIENT shall comply with those requirements and prohibitions when entering into subcontracts.

- 7.12 REVERSION OF ASSETS. Upon expiration/termination of this Agreement, the SUBRECIPIENT must transfer to the CITY any CDBG Funds on hand at the time of expiration/termination and any accounts receivable attributable to the use of CDBG Funds. Real property under the subrecipients control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the subrecipient in the form of a loan) in excess of \$25,000 is either:
- (i) Used to meet one of the national objectives in 570.208 (formerly 570.901) until five years after expiration of the agreement, or for such longer period of time as determined to be appropriate by the recipient; or
  - (ii) Not used in accordance with paragraph (b)(7)(i) of this section, in which event the subrecipient shall pay to the recipient an amount equal to the current market value of the property less any portion of the value attributable to expenditures

of non-CDBG funds for the acquisition of, or improvement to, the property, The payment is program income to the recipient. (No payment required after the period of time specified in paragraph (b)(7)(i) of this section.)

7.13 **ENFORCEMENT OF THIS AGREEMENT.** Any violation of this Agreement that remains uncured thirty (30) days after the SUBRECIPIENT'S receipt of notice from the CITY (by certified or registered mail) of such violation may, at the option of the CITY, be addressed by an action for damages or equitable relief, or any other remedy provided at law or in equity. In addition to the remedies of the CITY set forth herein, if the SUBRECIPIENT materially fails to comply with the terms of this Agreement, the CITY may suspend or terminate this Agreement in accordance with 24 CFR Part 85.43, as set forth more fully below in Article IX of this Agreement.

7.14 The SUBRECIPIENT shall not assume the CITY's environmental responsibilities described at 24 CFR 570.604 of the CDBG Program regulations nor the CITY's responsibility for initiating the review process under Executive Order 12372. The Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR part 52.

## **ARTICLE VIII**

### **PROGRAM INCOME**

8.1 Program income means gross income received by the SUBRECIPIENT which has been directly generated from the use of the CDBG Funds. When such income is generated by an activity that is only partially assisted with the CDBG Funds, the income shall be prorated to reflect the percentage of CDBG Funds used. Program income generated by CDBG funded activities shall be used only to undertake those activities specifically approved by the CITY for the Work Program. All provisions of this Agreement shall apply to such activities. Any program income on hand when this Agreement expires/terminates or received after such expiration/termination shall be paid to the CITY, as required by 24 CFR 570.503(b) (7) of the CDBG Program regulations.

The SUBRECIPIENT shall submit to the CITY monthly a Program Income Report and a Work Program Status Report. The Program Income Report shall identify CDBG activities in which income was derived and how income has been utilized.

- a. Subrecipient shall report to OHUI all Program income, as defined in 24 CFR 570.500(a), generated by Program activities carried out with CDBG funds. Subrecipient may retain and use Program income in accordance with 24 CFR 570.504. Subrecipient shall use Program income during the term of the Agreement for activities permitted by the Agreement, and allocations or transfers of grant funds to Subrecipient under this Agreement shall be adjusted according to the principles described in paragraphs (b)(2)(i) and (ii) of 24 CFR 570.504. All of the provisions of this Agreement shall apply to activities for which Subrecipient uses Program income.

- b. At the end of the term of this Agreement, the Subrecipient shall allocate or transfer to the City of Pompano Beach Community Development Block Grant Fund in accordance with 24 CFR 570.503(b)(3) any Program income (including investments thereof) held or received by Subrecipient after such date, except as needed for Subrecipient's immediate needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for Section 108 loan guarantee security needs. Subrecipient shall also transfer to the City of Pompano Beach Community Development Block Grant Fund any CDBG funds on hand and any accounts receivable attributable to the use of CDBG funds.
- c. Before requesting reimbursement or an allocation or transfer for indirect costs, Subrecipient shall adopt and obtain OHUI's approval of an indirect cost allocation plan for determining the share of such costs to be allocated or transferred.

8.2 **REPAYMENTS.** Any interest or other return on the investment of the CDBG Funds shall be remitted to the CITY on a monthly basis. Any CDBG Funds funded to the SUBRECIPIENT that do not meet the eligibility requirements, as applicable, must be repaid to the CITY.

## **ARTICLE IX**

### **REMEDIES, SUSPENSION, TERMINATION**

- a. 9.1 **REMEDIES FOR NONCOMPLIANCE.** The CITY retains the right to terminate this Agreement at any time prior to the completion of the services required pursuant to this Agreement without penalty to the CITY. In that event, notice of termination of this Agreement shall be in writing to the SUBRECIPIENT, who shall be paid for those services performed prior to the date of its receipt to the notice of termination. In no case, however, shall the CITY pay the SUBRECIPIENT an amount in excess of the total sum provided by this Agreement. In accordance with 24 CFR 85.43, OHUI may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any term of this Agreement or the grant award.

In accordance with 24 CFR 85.44, OHUI may terminate this Agreement or grant award for convenience.

It is hereby understood by and between the CITY and the SUBRECIPIENT that any payment made in accordance with this Agreement to the SUBRECIPIENT shall be made only if the SUBRECIPIENT is not in default under the terms of this Agreement. If the SUBRECIPIENT is in default, the CITY shall not be obligated and shall not pay to the SUBRECIPIENT any sum whatsoever.

If the SUBRECIPIENT materially fails to comply with any term of this Agreement, the CITY may take one or more of the following courses of action:





- 9.1.1 Temporarily withhold cash payments pending correction of the deficiency by the SUBRECIPIENT, or such more severe enforcement action as the CITY determines is necessary or appropriate.
- 9.1.2 Disallow (that is, deny both the use of funds and matching credit) for all or part of the cost of the activity or action not in compliance.
- 9.1.3 Wholly or partly suspend or terminate the current CDBG Funds awarded to the SUBRECIPIENT.
- 9.1.4 Withhold further CDBG grants and/or loans for the SUBRECIPIENT.
- 9.1.5 Take all such other remedies that may be legally available.

9.2 SUSPENSION:

- 9.2.1 The Department may, for reasonable cause temporarily suspend the SUBRECIPIENT'S operations and authority to obligate funds under this Agreement or withhold payments to the SUBRECIPIENT pending necessary corrective action by the SUBRECIPIENT, or both. Reasonable cause shall be determined by the Department in its sole and absolute discretion, and may include:
  - (i) Ineffective or improper use of the CDBG Funds by the SUBRECIPIENT;
  - (ii) Failure by the SUBRECIPIENT to materially comply with any term or provision of this Agreement;
  - (iii) Failure by the SUBRECIPIENT to submit any documents required by this Agreement; or
  - (iv) The SUBRECIPIENT'S submittal of incorrect or incomplete documents.
- 9.2.2 The Department may at any time suspend the SUBRECIPIENT'S authority to obligate funds, withhold payments, or both.
- 9.2.3 The actions described in paragraphs 9.2.1 and 9.2.2 above may be applied to all or any part of the activities funded by this Agreement.
- 9.2.4 The Department will notify the SUBRECIPIENT in writing of any action taken pursuant to this Article, by certified mail, return receipt requested, or by in person delivery with proof of delivery. The notification will include the reason(s) for such action, any conditions relating to the action taken, and the necessary corrective action(s).

9.3 TERMINATION:

9.3.1 Termination Because of Lack of Funds.

In the event the CITY does not receive funds to finance this Agreement from its funding source, or in the event that the CITY'S funding source de-obligates the funds allocated to fund this Agreement, the Department may terminate this Agreement upon not less than twenty-four (24) hours prior notice in writing to the SUBRECIPIENT. Said notice shall be delivered by certified mail, return receipt requested, or by in



person delivery with proof of delivery. In the event that the CITY'S funding source reduces the CITY'S entitlement under the CDBG Program, the CITY shall determine, in its sole and absolute discretion, the availability of funds for the SUBRECIPIENT pursuant to this Agreement.

9.3.2 Termination for Breach.

The Department may terminate this Agreement, in whole or in part, in the event the Department determines, in its sole and absolute discretion that the SUBRECIPIENT is not materially complying with any term or provision of this Agreement.

The Department may terminate this Agreement, in whole or in part, in the event that the Department determines, in its sole and absolute discretion, that there exists an event of default under and pursuant to the terms of any other agreement or obligation of any kind or nature whatsoever of the SUBRECIPIENT to the CITY, direct or contingent, whether now or hereafter due, existing, created or arising.

9.3.3 Unless the SUBRECIPIENT'S breach is waived by the Department in writing, the Department may, by written notice to the SUBRECIPIENT, terminate this Agreement upon not less than twenty-four (24) hours prior written notice. Said notice shall be delivered by certified mail, return receipt requested, or by in person delivery with proof of delivery. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Agreement. The provisions hereof are not intended to be, and shall not be, construed to limit the Department's right to legal or equitable remedies.

## ARTICLE X

### MISCELLANEOUS PROVISIONS

10.1 INDEMNIFICATION. The SUBRECIPIENT shall pay and save the CITY harmless from and against any and all claims, liabilities, losses, and causes of action which may arise out of the SUBRECIPIENT'S activities related to the Work Program or otherwise under this Agreement, including all acts or omissions to act on the part of the SUBRECIPIENT and/or any persons acting for or on its behalf, and from and against any relevant orders, judgments, or decrees which may be entered against the CITY, and from and against all costs, attorney's fees, expenses, and liabilities incurred by the CITY in the defense or investigation of any such claims or other matters. Nothing in this Agreement shall be construed to affect in any way the rights, privileges and immunities of the City and agencies, as set forth in Article 768.28, Florida Statutes.

10.2 AMENDMENTS. No amendments to this Agreement shall be binding unless in writing and signed by both parties hereto. Budget modifications shall be approved by the Department in writing.

10.3 OWNERSHIP OF DOCUMENTS. All documents developed by the SUBRECIPIENT under this Agreement shall be delivered to the CITY upon completion of the activities required pursuant to this Agreement and shall become the property of the CITY, without restriction or limitation on their use if requested by the City. The SUBRECIPIENT agrees that all documents maintained and generated pursuant to this Agreement shall be subject to all provisions of the Public Records Law, Chapter 119, Florida Statutes.

It is further understood by and between the parties that any document which is given by the CITY to the SUBRECIPIENT pursuant to this Agreement shall at all times remain the property of the CITY and shall not be used by the SUBRECIPIENT for any other purpose whatsoever without the prior written consent of the CITY.

10.4 AWARD OF AGREEMENT. The SUBRECIPIENT warrants that it has not employed or retained any person employed by the CITY to solicit or secure this Agreement and that it has not offered to pay, paid, or agreed to pay any person employed by the CITY any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or resulting from the award of this Agreement.

10.5 NON-DELEGABILITY. The obligations undertaken by the SUBRECIPIENT pursuant to this Agreement shall not be delegated or assigned to any other person or firm, in whole or in part, without the CITY'S prior written consent which may be granted or withheld in the CITY'S sole discretion.

10.6 CONSTRUCTION OF AGREEMENT; VENUE; PREVAILING PARTY. This Agreement has been and shall be construed as having been made and delivered within the State of Florida, and it is agreed by each party hereto that this Agreement shall be governed by the laws of the State of Florida, both as to interpretation and performance. Any action at law, or in equity, shall be instituted and maintained only in courts of competent jurisdiction in Broward County, Florida. In the event of any litigation involving the provisions of this Agreement, both parties agree that the prevailing party in such litigation shall be entitled to recover from the non-prevailing party reasonable attorney and paraprofessional fees as well as all out-of-pocket costs and expenses incurred thereby by the prevailing party in such litigation through all appellate levels.

10.7 CONFLICT OF INTEREST.

10.7.1 SUBRECIPIENT covenants that no person under its employ who presently exercises any functions or responsibilities in connection with this Agreement has any personal financial interest, direct or indirect, with CITY except as permitted pursuant to this Agreement. SUBRECIPIENT further covenants that, in the performance of this Agreement, no person having a conflicting interest shall be employed. Any such interests on the part of SUBRECIPIENT or its employees, must be disclosed in writing to the CITY.

SUBRECIPIENT is aware of the conflict of interest laws for any CDBG activities as per 24 CFR, Part 570.611, which states that anyone controlling or influencing any CDBG activities may not: (a) obtain personal or financial interest or benefits, including money, favors, gratuities, entertainment or anything of

value that might be interpreted as conflict of interest; (b) obtain a direct or indirect interest in any contract, subcontract or agreement for any CDBG activity. This prohibition extends to contracts in which your spouse, minor child, dependent or business associate may have personal or financial interest.

This prohibition extends for a one-year period after you leave a position with a CDBG activity or project; (c) request for exceptions which may enhance the effectiveness of the CDBG project must be made in writing to the CITY and approved by HUD.

In addition, no board members, employees, or any SUBRECIPIENT representative may simultaneously serve on the CITY's Community Development Advisory Committee.

10.7.2 The SUBRECIPIENT is aware of the conflict of interest laws of the City of Pompano Beach and the State of Florida (Chapter 112, Florida Statutes), and agrees that it shall comply in all respects with the terms of the same.

10.7.3 Procurement. The SUBRECIPIENT shall comply with the standards contained within the OMB Super Circular, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule".

10.8 HATCH ACT. The Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall be in any extent engaged in the conduct of political activities in violation of Chapter 15 of the Title V United States Code.

10.9 NO OBLIGATION TO RENEW. Upon expiration of the term of this Agreement, the SUBRECIPIENT agrees and understands that the CITY has no obligation to renew this Agreement.

10.10 ENTIRE AGREEMENT:

This instrument and its attachments constitute the only Agreement of the parties hereto relating to the CDBG Funds and sets forth the rights, duties, and obligations of each of the parties hereto to the other as of its date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect.

10.11 GENERAL CONDITIONS

10.11.1 All notices or other communications which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by in person delivery or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time, upon notice in writing. Such notice shall be deemed given on the day on which personally served, or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

CITY OF POMPANO BEACH

Miriam Carrillo, Director  
Office of Housing and Urban Improvement  
100 W. Atlantic Blvd., Suite 220  
PO Box 1300  
Pompano Beach, Florida 33061

SUBRECIPIENT

Twan Russell  
The Russell Life Skills and Reading Foundation, Inc.  
499 NW 70<sup>th</sup> Avenue, #106  
Plantation, FL 33317

10.11.2 Title and paragraph headings are for convenient reference and are not a part of this Agreement.

10.11.3 In the event of conflict between the terms of this Agreement and any terms or conditions contained in any attached documents, the terms in this Agreement shall control.

10.11.4 No waiver of breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

10.11.5 Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida or the City of Pompano Beach, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severed, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.

10.12 INDEPENDENT CONTRACTOR. THE SUBRECIPIENT and its employees and agents shall be deemed to be independent contractors and not agents or employees of the CITY, and shall not attain any rights or benefits under the Civil Service or Pension Ordinances of the CITY or any rights generally afforded classified or unclassified employees; further, they shall not be deemed entitled to the Florida Worker's Compensation benefits as employees of the CITY.

10.13 SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the parties hereto, and their respective heirs, executors, legal representatives, successors, and assigns.

10.14 SUBRECIPIENT CERTIFICATION. The SUBRECIPIENT certifies that it possesses the legal authority to enter into this Agreement pursuant to authority that has been duly adopted or passed as an official act of the SUBRECIPIENT'S governing body, authorizing the execution of the Agreement, including all understandings and assurances contained herein, and directing and authorizing the person identified as the official representative of the



SUBRECIPIENT to act in connection with this Agreement and to provide proof of such authorization as may be required by the City.

10.15. Public Records.

- A. The City of Pompano Beach is a public agency subject to Chapter 119, Florida Statutes. The SUBRECIPIENT shall comply with Florida's Public Records Law, as amended. Specifically, the SUBRECIPIENT shall:
1. Keep and maintain public records required by the City in order to perform the service.
  2. Upon request from the City's custodian of public records, provide the City with a copy of requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or as otherwise provided by law.
  3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the SUBRECIPIENT does not transfer the records to the City.
- B. Upon completion of the contract, transfer, at no cost to the City, all public records in possession of the SUBRECIPIENT, or keep and maintain public records required by the City to perform the service. If the SUBRECIPIENT transfers all public records to the City upon completion of the contract, the SUBRECIPIENT shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the SUBRECIPIENT keeps and maintains public records upon completion of the contract, the SUBRECIPIENT shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records in a format that is compatible with the information technology systems of the City.
- C. Failure of the SUBRECIPIENT to provide the above described public records to the City within a reasonable time may subject SUBRECIPIENT to penalties under 119.10, Florida Statutes, as amended.

**PUBLIC RECORDS CUSTODIAN**

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:**

**CITY CLERK**

**100 W. Atlantic Blvd., Suite 253**

**Pompano Beach, Florida 33060**

**(954) 786-4611**

**RecordsCustodian@copbfl.com**

Handwritten initials in black ink, appearing to be 'AK' or similar, written over a horizontal line.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their respective officials thereunto duly authorized on the date above written.

"SUBRECIPIENT"

THE RUSSELL LIFE SKILLS AND READING FOUNDATION, INC., a Florida not-for-profit corporation

Witnesses:

*Pauline D'Oyley*  
Pauline D'Oyley  
Printed Name

*Mackie Feierstein*  
MACKIE FEIERSTEIN  
Printed Name

By:

Signature

Printed, Typed or Stamped

Title:

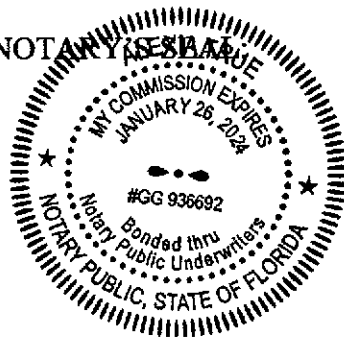
*Board Chair*

(SEAL)

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me, by means of ☒ physical presence or ☐ online notarization, this 6<sup>th</sup> day of October, 2023, by Twan Russell as Board Chair of The Russell Life Skills Reading Foundation, Inc., a Florida corporation, on behalf of the corporation, who is personally known to me or who has produced \_\_\_\_\_ as identification

NOTARY PUBLIC



NOTARY PUBLIC, STATE OF FLORIDA

*Alexia True*  
(Name of Acknowledger Typed, Printed or Stamped)

01/26/2024  
Commission Number

Revised September 2023

Initials *RT*



CITY OF POMPANO BEACH

By: \_\_\_\_\_  
REX HARDIN, MAYOR

By: \_\_\_\_\_  
GREGORY P. HARRISON, CITY MANAGER

Attest:

\_\_\_\_\_  
KERVIN ALFRED, CITY CLERK

(SEAL)

APPROVED AS TO FORM:

\_\_\_\_\_  
MARK E. BERMAN, CITY ATTORNEY

## **Exhibit A – Sub-recipient Handbook**



# **2023-2024 CDBG**

## **SUB-RECIPIENT HANDBOOK**



**OFFICE OF HOUSING AND URBAN  
IMPROVEMENT  
100 W. ATLANTIC BLVD, SUITE 220  
POMPANO BEACH FL 33060  
(954) 786-4659  
WWW.POMPANOBEACHFL.GOV  
OHUI@COPBFL.COM**

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# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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## Subrecipient Information and Guidelines



VERSION September 20, 2023

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## **INTRODUCTION**

The City of Pompano Beach Office of Housing and Urban Improvement provides this document as a valuable resource for those considering applying for CDBG funds and for program administrators implementing CDBG-funded programs and projects.

The City of Pompano Beach receives an annual Community Development Block Grant (CDBG) entitlement grant from the U.S. Department of Housing and Urban Development (HUD). To continue participation in this program, the City contractually agrees with HUD to implement the Housing and Community Development Act of 1974 and related CDBG program regulations in 24 CFR 570. All CDBG awards are subject to the regulations detailed in 2 CFR Part 200.

The City of Pompano Beach utilizes CDBG funds to improve community facilities and services, revitalize neighborhoods, fund public services, expand affordable housing, and expand economic opportunities that benefit low- to moderate-income persons. The City must use at least 70% of the entitlement for activities that either directly benefit low- to moderate-income persons or serves an area where the majority of the residents are low- to moderate-income.

This guide is a supplement to applicable regulations, standards, and policies. The basic program regulations, government management, and financial systems for the CDBG Program are contained in the Code of Federal Regulations Title 24 and various Federal guidelines, particularly 2 CFR Part 200.

This guide does not replace or amend any of the provisions included in the awarded Subrecipient Agreement executed between the City and Subrecipient Agencies and should not be used in lieu of reading the articles of the Agreement. Should there be any disagreement between the executed Agreement and this guide, the provisions contained within the Agreement will take precedence. The Agreement refers to the executed contract, service level agreement or memorandum of understanding between the City and the Subrecipient.

The procedures prescribed in this guide represent minimum requirements and controls that must be embodied within the Subrecipient's accounting, internal controls, and financial reporting systems. They are not intended to replace existing procedures used by the Subrecipient that achieve the same results.

This document is subject to updates. This document may change for a variety of reasons, including changes in federal regulations, state requirements, and in the Interpretation of a federal regulation or clarification of a requirement. Updated CDBG Grantee Policies will be provided to all currently funded Subrecipients. A complete CDBG Policy Guidance can be found at [CDBG Entitlement Program - HUD Exchange](#)

This subrecipient Guide is provided in addition to the Agreement(s) entered into by the City and Subrecipients for the operation of CDBG-funded projects. Each Subrecipient must comply with the minimum requirements and procedures prescribed in this document to the maximum extent feasible. In addition, each Subrecipient must ensure that a copy of this Guide is accessible to all personnel responsible for compliance with requirements and procedures of the CDBG program.

## **CDBG Program Overview**

The CDBG Program is authorized under Title I of the Housing and Community Development Act of 1974 (HCD Act), as amended, codified at 42 U.S.C. §5301 et seq.

The primary objective of the CDBG Program is to develop viable communities by providing the following, principally to persons of low- and moderate-income:

- Decent housing;
- A suitable living environment; and
- Expanded economic opportunities.

All activities must meet one of the following national objectives for the program:

- Benefit low- and moderate-income persons;
- Prevent or eliminate slums or blight; and/or
- Fulfill community development needs that have a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

The United States Department of Housing and Urban Development (HUD) administers the CDBG Program. The regulations created by the Office of the Assistant Secretary of Community Planning and Development that pertain to Community Development Block Grants are contained within 24 CFR Part 570.

### **CDBG National Objectives**

The primary emphasis of the CDBG grant program is to ensure that each activity meets and complies with one of HUD's three broad objectives, which are:

1. Benefit to low- and moderate-income households and/or persons\*
2. Prevention and/or elimination of slum and blight
3. Addressing other community development needs having a particular urgency

*\* Low-Income Persons are defined as households under 80% of Area Median Income.*

Income Limits are updated annually by HUD. The most recent limits are provided with the reporting forms for that program year. HUD-issued Income Limits are available on HUD's website, but the CDBG Program Staff also typically notifies all CDBG-funded Subrecipients when the income limits are updated by HUD. Subrecipients are responsible for ensuring they are using the most current income limit. Each activity funded under CDBG must meet one of the following categories for the CDBG National Objective.

## **Area Benefit**

The **area benefit** category is the most commonly used national objective for activities that benefit a residential neighborhood that is primarily low- to moderate-income (LMI). An area benefit activity is one that benefits all residents in a particular area where, typically, at least 51% of the residents are LMI persons.

## **Limited Clientele Benefit**

Activities in the **limited clientele** category provide benefits to a specific group of persons rather than everyone in an area. It may benefit particular persons without regard to their residence, or it may be an activity that provides a benefit to only particular persons within a specific area. Under this category, 51% of the beneficiaries of an activity have to be Low- to Moderate- Income persons. In contrast to the area benefit category, it is not the LMI concentration of the service area of the activity that determines whether the activity will qualify or not, but rather the actual number of LMI persons that benefit from the activity. Examples include:

- Food Banks
- Children and Youth
- Programs Homeless
- Services Nutrition/Hunger Programs
- Domestic Violence Centers and Programs

## **Demonstrating Client Eligibility**

For a project or program to be eligible to receive CDBG funds, at least 51% of the participants or recipients must have income that is less than 80% of median income.

- **Low-Income Household:** Household with a total income equal to, or less than, the Section 8 low-income limit (80%) established by HUD; adjusted for number of persons in the household.
- **Very Low-Income Household:** Household with a total income equal to, or less than, the Section 8 very low-income limit (50%) established by HUD; adjusted for number of persons in the household.
- **Extremely Low-Income Household:** Household with a total income that is 30% or less of the area median income; adjusted for number of persons in the household.

## **Client Documentation and Records**

Each Subrecipient is required to maintain documentation on clients benefiting from activities and programs funded through the City's CDBG program. As a condition of receiving the HUD grant, the City, and in turn the Subrecipients, must certify that low- and moderate-income persons are being served. HUD also requires information on the race and ethnic background of the clients, the number of heads of households who are female, clients' residency in the City, and how many



are very low-income. CDBG Program Staff and HUD must have access to the names and addresses of the clients upon request. Any information regarding applicants for services funded through federal monies must be held in strict confidence. To provide confidentiality, Subrecipients may use a Client Identifier number on reports to the City. The Subrecipient must keep a list of the identifier numbers and be able to link those numbers with actual client files when monitored.

### **Required Documentation**

All Subrecipients/entities must obtain and maintain at their local offices, the following information on each client served:

- Client name and address; Gender;
- Ethnicity/race;
- Head of household status; and
- Income

### **Exceptions to Maintaining Required Income Documentation**

Income documentation is not required for the populations that HUD has determined to be Limited Clientele whom are receiving assistance from the Public Services category. However, the CDBG Program Staff requires that clients complete a Self-Certification form which is kept in the client file.

Limited Clientele includes:

- Disabled, according to the Bureau of Census's definition Homeless
- Elderly, age 62 or Older Abused Children
- Victims of Domestic Violence or Mentally Ill
- Illiterate Adults
- Migrant Farm Workers
- Person living with AIDS

### **File Organization and Maintenance**

Subrecipients/entities should structure their project/program files and other records to comply with the general requirements as discussed in this manual. In setting up a program or client file, the following may be helpful. Program file should contain:

- Original executed copy of the awarded Subrecipient Agreement with the City
- Any amendments to the application and awarded Subrecipient Agreement
- Correspondence relating to the grant award
- Copies of Requests for Reimbursement

- Any other information pertinent to the CDBG Grant
- Program measurable goals and expectations

Client files should contain:

- An application for assistance, if applicable
- Client Income Documentation or Certification Form
- Documentation as to services provided to the client and any outcomes of service, for example, if a client is referred to another agency for services, a follow up contact is required to document the services the client received
- Copies of any program requirements
- Pre- and post-program evaluations, if applicable

### **Housing Benefit**

The **housing** category of LMI benefit national objective qualifies activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI households. In order to meet the housing LMI national objective, structures with one unit must be occupied by an LMI household. Examples include:

- Owner-Occupied Housing
- Rehabilitation Owner-Occupied
- Minor Home Repair
- Homeownership Assistance

### **Jobs Benefit**

The **job** creation and retention LMI benefit national objective addresses activities designed to create or retain permanent jobs, at least 51 percent of which, computed on a full-time equivalent basis, will be made available to or held by LMI persons. The following requirements must be met for jobs to be considered created or retained.

- If grantees fund activities that **create** jobs, then there must be documentation indicating that at least 51 percent of the jobs will be held by, or made available to, LMI persons.
- For funded activities that **retain** jobs, then there must be sufficient information documenting that the jobs would have been lost without the CDBG assistance and that one or both of the following applies to at least 51 percent of the jobs:
  - The job is held by an LMI person; or
  - The job can reasonably be expected to turn over within the following two years and steps will be taken to ensure that the job will be filled by, or made available to, an LMI person.

For the purpose of determining if the preceding requirements are met, a person may be presumed to be LMI if:

- The person resides in a Census tract/block numbering area that has a 20 percent poverty rate
- or a 30 percent poverty rate if the area includes the central business district; and the area evidences pervasive poverty and general distress; or
- The person resides in a Census tract/block numbering area where at least 70 percent of the residents are LMI.

Typically, each assisted business will be considered a separate activity for purposes of determining whether the activity qualifies under the job creation and retention category for meeting a national objective.

However, in certain cases, such as where CDBG funds are used to acquire, develop or improve a real property e.g. a business incubator or an industrial park, the requirement may be met by measuring jobs in the aggregate for all the businesses that locate on the property, provided such businesses are not otherwise assisted by CDBG funds.

Additionally, where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses from non-CDBG funds, this requirement may be met by aggregating the jobs created by all of the businesses receiving loans during any program year.

#### **Slum Blight Area Basis**

The **Slum Blight Area Basis (SBA)** category is for activities that aid in the prevention or elimination of slums or blight in a designated area. To qualify under this category, the area in which the activity occurs must be designated as slum or blighted.

#### **Slum Blight Spot Basis (SBS)**

The SBS category is for activities that eliminate specific conditions of blight or physical decay on a spot basis and are not located in a slum or blighted area. The designated spot must meet the definition of a slum, blighted, deteriorated or deteriorating area under state or local law. Activities under this category are limited to acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, and building rehabilitation activities. Furthermore, rehabilitation is limited to the extent necessary to eliminate a specific condition detrimental to public health and safety.

#### **Urgent Need**

Use of the **Urgent Need (URG)** national objective category is rare. It is designed only for activities that alleviate emergency conditions. Urgent need qualified activities must meet the following criteria:

- The existing conditions must pose a serious and immediate threat to the health or welfare of the community;
- The existing conditions are of recent origin or recently became urgent, generally, within the past 18 months;
- The grantee is unable to finance the activity on its own; and
- Other sources of funding are not available.

Examples include:

- Acquisition of property located in a flood plain that was severely damaged by a recent flood;
- Public facility improvements like the reconstruction of a publicly owned hospital that was severely damaged by a tornado;
- Demolition structures that are severely damaged by a major earthquake;
- Public services like additional police protection to prevent looting in an area damaged by a recent hurricane;
- Interim assistance such as emergency treatment of health problems caused by a flood; and Special economic development assistance to a grocery store that was damaged by an earthquake.

### **Determining Beneficiary Income**

Every Subrecipient must serve persons of low- and moderate-income:

- Very low-income is defined as a household that does not exceed 50 percent of HUD Section 8 Rental Income Limits.
- Low-income is defined as a household that has an income that does not exceed 80 percent of Section 8 Rental Income Limits.

HUD updates these limits on an annual basis. It is the responsibility of the Subrecipients to adhere to all new guidelines from the date they receive them. The most current income guidelines are available at [www.hudexchange.info/resource/5334/cdbg-income-limits/](http://www.hudexchange.info/resource/5334/cdbg-income-limits/). It is the responsibility of the Subrecipients to document that the beneficiaries of the CDBG-funded activity are confirmed to be low- to moderate-income persons.

### **Application Process**

The CDBG Entitlement Program provides annual grants from the Department of Housing and Urban Development (HUD) to entitled cities and counties on a formula basis. The standard practice of the City of Pompano Beach is to utilize this funding to provide grants to eligible entities via a competitive grant process. All applicants are encouraged to attend the Pre-Application

Workshop and to speak with CDBG Program Staff regarding the proposed project or activity prior to applying for funding.

### **CDBG Funding Allocation Restrictions**

By Federal regulation, 24 CFR § 570.201(e)(1), a maximum of 15% of the CDBG appropriation can be allotted to public services. Generally, the City will allocate 15% of the grant to be awarded to eligible organizations for the purpose of providing public service programs that will address the low- and very low- income persons of the City of Pompano Beach.

### **Subrecipient Eligibility**

The following entities are eligible to apply for funding from the CDBG Program:

- All non-profit 501(c)(3), tax exempt agencies; administrative capacity to support the program/project must be demonstrated as part of the application process or by past performance.
- Governmental entities and departments
- For-profit agencies/businesses that facilitate economic development by providing credit or loans, providing technical assistance, advice and general business support services to micro- enterprises.

Agencies must have a local board of directors or advisory board that governs the agency. The board must be of sufficient size to be representative of the diversity of the community served.

### **Application Eligibility Criteria**

Applications will be received by CDBG Program Staff to determine eligibility for CDBG funding. The following criteria must be met:

- The agency has obtained a 501(c)(3) designation from the IRS. This does not apply if the agency is a governmental agency or for-profit agency/business that meets other application criteria.
- The application **must** address a local CDBG funding priority.
- The application must propose a program or project listed as an eligible activity in HUD regulations at 24 CFR 570.201 – 206.
- The proposed activity must meet a National Objective of the CDBG program.
- CDBG Program Staff reserves the right to revise scoring criteria prior to release of application within each annual application cycle.
- Requested funding must not supplant other previously budgeted funding. Subrecipients must provide documentation to demonstrate that the grant request is not supplanting existing or expected funding and/or that the grant award is supplemental to other federal and/or non- federal funding sources for the program and its activities.

## **Local CDBG Funding Priorities**

Every five years, the City will prepare a new Consolidated Plan for Housing and Community Development (Con Plan) that will prioritize each category below as a high, medium, low or “no such” community need. The Con Plan will also establish specific program objectives expressed in measurable units such as housing units or numbers of clients served. CDBG funding priorities will be determined by citizen and staff input with the approval of the City Commission. In the year that a Con Plan is written, input in the form of surveys, focus groups and/or community consultations will be sought per the CDBG Citizen Participation Plan.

In the year that a Con Plan is developed, it will not be possible to identify all the Housing and Community Development priorities, goals, and objectives before the release of the CDBG application. The Annual Action Plan outlining funded projects is adopted and submitted to HUD at the same time as the Con Plan. Special attention will be given to the need analysis and statistics portion of the proposal which will be particularly useful to the CDBG Program Staff as it selects projects and recommends new priorities. In each subsequent year, the Con Plan priorities will serve as the basis for selection criteria and for development of an Annual Action Plan.

For Public Service needs, priorities have been adopted in the Con Plan as determined by the latest Community Needs Assessment performed by the City. As part of the Con Plan process, CDBG Program Staff evaluates the services and needs identified and makes prioritized recommendations. These services are then reviewed by the City Commission and an approved prioritized list of desired services are then included in the Con Plan. Public Service Programs must either be a new service or project a quantifiable increase in the level of an existing service.

The list of priorities is derived from CDBG-eligible activities per 24 CFR 570.201 – 206. The most current priorities are discussed at the Pre-Application Workshop and included within the application packet.

Applications must address at least one CDBG-eligible activity per 24 CFR 570.201-206. If an applicant is not sure of an activity’s eligibility, CDBG Program Staff is available for consultation.

Applicants are to list proposed service goals and objectives within their application for proposed performance objectives. Objectives must be measurable with outcome indicators that directly affect the problem that the service was designed to address, not simply a count of numbers served. Each proposed objective should have at least one measurable indicator.

Applications must include a detailed description of an agency’s qualifications for managing the proposed program. All Subrecipients are required to submit a proposed program budget when making an application for funding. There must be program staff who have experience managing a program similar to that for which CDBG funds are being requested. There must also be experience on staff or on the subrecipients’ board of directors for providing financial management of grant funds as required by the City in its reporting to HUD.

An agency must demonstrate that additional funds are being sought for the activity or provide an explanation of why CDBG is the sole source of funding and provide information to ensure that CDBG funds are not supplanting other activity funding.

The Subrecipient's past history in meeting goals and objectives measures and timeliness and accuracy of reports will be considered for applicants who have been previously received CDBG funding.

CDBG Program Staff will make applications available at the Pre-Application Workshop, on the City's website, and directly per request to organizations providing services in the City of Pompano Beach.

### **Process**

CDBG Program Staff will make all possible efforts to ensure that the community is aware of the availability and purpose of the CDBG Program.

Copies of the Request for Application (RFA) packet will be available at the Pre-Application Workshop. Additionally, applications will be available on the City's website, and provided directly to agencies upon their request. The scoring criteria utilized during review of the proposals is provided in the application packet.

Applications will only be accepted during the period of time advertised. Applications submitted after the deadline will not be considered.

CDBG Program Staff are responsible for reviewing the applications to determine if they meet minimum criteria and requirements. During this review, staff will determine:

1. If the organization is a non-profit and has a 501(c)(3) status with the IRS;
2. The program meets a national objective; and
3. The program addresses an eligible CDBG activity.

If the program meets all criteria (1-3), the proposal will be considered eligible for consideration of funding.

CDBG Application Review Committee (CDAC) members are provided copies of the eligible applications for scoring and raking. CDAC members are to consider factors such as whether the program has clear goals and quantifiable objectives, sound financial and program management, and that the program has sufficient leveraging of funds. If needed, CDAC members may request additional information, make site visits, request a conference with the applicant, or take other steps to assure a fair and equitable selection/award process.

Applications are funded based on ranking order and available funding. CDBG Program Staff finalize funding recommendations. Proposed activities will be incorporated into an Annual Action Plan and released for a 30-day comment period. Residents may forward comments in writing to the CDBG Program Staff for inclusion in the Annual Action Plan. The City Commission will consider funding recommendations and will give final approval and/or adopt revisions usually by its first meeting in July.

The City Commission is responsible for making the final decisions regarding program funding. If the approved funding level is different than that stated on the proposed budget, the subrecipient must submit a revised budget and adjusted proposed performance objectives to CDBG Program

Staff before a subrecipient contract is executed. Following City Commission's approval, CDBG Program Staff submits the information to HUD for their review. Upon receipt of approval from HUD, the CDBG Program Staff initiates contracts with each of the selected subrecipients to commence with the new program year.

## **Agreement**

### **Subrecipient Funding and Written Agreement with City**

A written agreement must be entered into between the City and all subrecipients receiving CDBG funds. The written agreement forms the basis for the contractual obligation between the parties to fund and implement the activity or program. The agreement will denote responsibilities attributable to each party and will outline in exact measure the scope of services to be provided, methods of accountability, and the approved budget. Execution of the awarded Subrecipient Agreement binds the Subrecipients for a specified period. Subrecipient Agreements are approved by the City Commission and executed by the City Mayor.

Prior to contract execution, if applicable, all subrecipients must submit any changes to documentation previously provided with the original application for review/approval by CDBG Support Staff. Documentation includes, but is not limited to, the following:

- Updated Scope of Work, including project timeline
- Updated Budget, including any confirmed cost matching resources
- Procurement Plan including a minimum of 3 bids
- Woman Business Enterprise/Minority Business Enterprise outreach efforts
- Necessary federal, state and local permits and licenses, updated audit

The City 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 City and Subrecipient.

### **Federal Funding Restrictions**

Unless otherwise stated by the granting agency, the directives of "no supplanting" or "supplement, not supplant" are common requirements for many federally funded grants, especially those made by HUD, as the federal government has a strict restriction against the duplication of benefits.

The term supplant means to replace, so a "no supplanting" requirement means all costs billed to the grant must be new costs.

HUD requires grantees and subrecipients to use funds awarded or secured for a particular service or activity and prohibits those funds from being diverted for other purposes when federal funds are available. Federal funds must supplement (add to) programs and services offered with state



and local funds. When federal funds are used to enhance or expand a program or activity, then the funds must be separately identified and clearly distinguishable in the grantee and subrecipients financial records and files from the overall activities of the program/services.

#### **Limitation of Expenditures**

Any funds for the Subrecipient's CDBG-funded program/project that are expended prior to the full execution of the Subrecipient's CDBG contract, or subsequent to the suspension or termination of the contract, are not eligible for reimbursement by the City. Subrecipients **must** ensure that all expenditures comply with HUD's prohibition against supplanting funds, also referred to as duplication of benefits. Expenditures must be made in conformance with the approved budget and must meet the criteria established for allowable costs. Expenditures must be in direct support of the program that is the subject of the contract. The Subrecipients will notify the City in writing of any expenditure for items jointly used for any other program(s) and the expenditures will be apportioned according to the percentage of direct use in the program.

#### **Successful Implementation of a CDBG Grant**

Subrecipients must be able to implement their program after the agreement is executed. Subrecipients must comply with the all CDBG federal regulations, and all guidelines listed in the agreement. Additionally, subrecipients must fulfill the national objective and performance objectives outlined in their funding application.

Failure to comply with any of the above may result in forfeiture of the CDBG funding provided to subrecipients under the awarded Subrecipient Agreement.

#### **Insurance Requirements**

Subrecipients, at their sole cost and expense, for the full term of their awarded Subrecipient Agreement and any extensions thereof, must obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage will be the primary coverage. Any insurance or self-insurance maintained by the City of Pompano Beach must be in excess of the Subrecipient's insurance coverage and must not contribute to it. The City of Pompano Beach must be listed as an additional insured. If the Subrecipient utilizes one or more subcontractors in the performance of their awarded Subrecipient Agreement, the Subrecipient must obtain and maintain independent insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of the Subrecipient.

## **Types of Insurance and Minimum Limits**

CONTRACTOR shall not commence services under the terms of this Agreement until certification or proof of insurance detailing terms and provisions has been received and approved in writing by the CITY's Risk Manager. If you are responding to a bid and have questions regarding the insurance requirements hereunder, please contact the City's Purchasing Department at (954) 786-4098. If the contract has already been awarded, please direct any queries and proof of the requisite insurance coverage to City staff responsible for oversight of the subject project/contract.

CONTRACTOR is responsible to deliver to the CITY for timely review and written approval/disapproval Certificates of Insurance which evidence that all insurance required hereunder is in full force and effect and which name on a primary basis, the CITY as an additional insured on all such coverage.

Throughout the term of this Agreement, CITY, by and through its Risk Manager, reserve the right to review, modify, reject or accept any insurance policies required by this Agreement, including limits, coverages or endorsements. CITY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or failure to operate legally.

Failure to maintain the required insurance shall be considered an event of default. The requirements herein, as well as CITY's review or acceptance of insurance maintained by CONTRACTOR, are not intended to and shall not in any way limit or qualify the liabilities and obligations assumed by CONTRACTOR under this Agreement.

Throughout the term of this Agreement, CONTRACTOR and all subcontractors or other agents hereunder, shall, at their sole expense, maintain in full force and effect, the following insurance coverages and limits described herein, including endorsements.

A. Worker's Compensation Insurance covering all employees and providing benefits as required by Florida Statute, Chapter 440. CONTRACTOR further agrees to be responsible for employment, control and conduct of its employees and for any injury sustained by such employees in the course of their employment.

B. Liability Insurance.

(1) Naming the City of Pompano Beach as an additional insured as CITY's interests may appear, on General Liability Insurance only, relative to claims which arise from CONTRACTOR's negligent acts or omissions in connection with CONTRACTOR's performance under this Agreement.

(2) Such Liability insurance shall include the following checked types of insurance and indicated minimum policy limits.

Type of Insurance	Limits of Liability		
<b>GENERAL LIABILITY:</b>		Minimum 1,000,000 Per Occurrence and \$2,000,000 Per Aggregate	
* Policy to be written on a claims incurred basis			
XX	comprehensive form	bodily injury and property damage	
XX	premises - operations explosion & collapse hazard underground hazard	bodily injury and property damage	
XX	products/completed operations hazard	bodily injury and property damage combined	
XX	contractual insurance	bodily injury and property damage combined	
XX	broad form property damage	bodily injury and property damage combined	
XX	independent CONTRACTORs	personal injury	
XX	personal injury		
	sexual abuse/molestation	Minimum \$1,000,000 Per Occurrence and Aggregate	
___	liquor legal liability	Minimum \$1,000,000 Per Occurrence and Aggregate	
<b>AUTOMOBILE LIABILITY:</b>		Minimum \$1,000,000 Per Occurrence and \$2,000,000 Per Aggregate. Bodily injury (each person) bodily injury (each accident), property damage, bodily injury and property damage combined.	
XX	comprehensive form		
XX	owned		
XX	hired		
XX	non-owned		
<b>REAL &amp; PERSONAL PROPERTY</b>			
XX	comprehensive form	Agent must show proof they have this coverage.	
<b>EXCESS LIABILITY</b>		Per Occurrence	Aggregate
___	other than umbrella	bodily injury and property damage combined	\$2,000,000 \$2,000,000
<b>PROFESSIONAL LIABILITY</b>		Per Occurrence	Aggregate
___	* Policy to be written on a claims made basis	\$1,000,000	\$1,000,000
(3) If Professional Liability insurance is required, CONTRACTOR agrees the indemnification and hold harmless provisions set forth in the Agreement shall survive the			

termination or expiration of the Agreement for a period of three (3) years unless terminated sooner by the applicable statute of limitations.

C. Employer's Liability. If required by law, CONTRACTOR and all subcontractors shall, for the benefit of their employees, provide, carry, maintain and pay for Employer's Liability Insurance in the minimum amount of One Hundred Thousand Dollars (\$100,000.00) per employee, Five Hundred Thousand Dollars (\$500,000) per aggregate.

D. Policies: Whenever, under the provisions of this Agreement, insurance is required of the CONTRACTOR, the CONTRACTOR shall promptly provide the following:

- (1) Certificates of Insurance evidencing the required coverage;
- (2) Names and addresses of companies providing coverage;
- (3) Effective and expiration dates of policies; and
- (4) A provision in all policies affording CITY thirty (30) days written notice by a carrier of any cancellation or material change in any policy.

E. Insurance Cancellation or Modification. Should any of the required insurance policies be canceled before the expiration date, or modified or substantially modified, the issuing company shall provide thirty (30) days written notice to the CITY.

F. Waiver of Subrogation. CONTRACTOR hereby waives any and all right of subrogation against the CITY, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then CONTRACTOR shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy which includes a condition to the policy not specifically prohibiting such an endorsement, or voids coverage should CONTRACTOR enter into such an agreement on a pre-loss basis.

#### Other Insurance Provisions

If any insurance coverage required is provided on a "Claims Made" rather than "Occurrence" form, the Subrecipients/entities agree to maintain the required coverage for a period of four years after the expiration of their awarded Subrecipient Agreement and any extensions thereof.

### **Proof of Coverage**

A Subrecipients will provide its insurance broker(s) with a full copy of these insurance provisions and provide the City of Pompano Beach on or before the effective date of their awarded Subrecipient Agreement with Certificate of Insurance for all required coverage. Copies of all the required Endorsements listed above must be attached to the Certificate(s) of Insurance or other evidence of insurance acceptable to the City of Pompano Beach, which must be provided by Subrecipient's insurance company as evidence of the stipulated coverage.

### **Administrative Oversight**

Upon execution of the awarded Subrecipient Agreement between the City and the Subrecipients, the Subrecipients will:

- Immediately report all changes in its articles of incorporation, bylaws, or tax- exempt status to CDBG Program Staff.
- Ensure no member of the Board of Directors is a paid employee, agent or subcontractor.
- Continue to include representation on the Board of Directors, the broadest possible cross- section of the community.
- Ensure all meetings of the Board of Directors are open to the public, except meetings, dealing with personnel or litigation matters.
- Keep minutes of all regular and special meetings of the Board of Directors, have a regular meeting at least once a year, and upon request, forward copies to CDBG Program Staff.

Subrecipients Administrative Staff responsibilities include:

- Ensure compliance with all HUD CDBG regulations, the awarded Subrecipient Agreement, and the City's CDBG Subrecipient information guidelines.
- Ensure that all expenditures involving the use of federal funds are eligible under the federal and local requirements of the grant
- Preparation and submission (on time) Requests for Reimbursements and Quarterly Reports
- Implement/Maintain an internal control system

### **Fiscal Policies and Procedures**

All agencies awarded CDBG funds must be in compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Requirements) which superseded, consolidated, and streamlined requirement from OMB Circulars:

- OMB A-122: Office of Management and Budget Circular A-122 discusses the rules for cost principals. These are the rules that non-profit agencies using federal funds must abide by when purchasing goods or services;
- A-21, Cost principles for State, Local and Indian Tribal Governments;
- A-89, Catalog of Federal Domestic Assistance;
- A-102, Grants and Cooperative Agreements with State and Local Governments;
- A-110, Uniform Administrative requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals or other Non-Profit Organizations;
- OMB A-133: Office of Management and Budget Circular A-133 discusses auditing rules for all agencies using federal funds. Effective December 26, 2014, the threshold for an A-133 audit was raised to \$750,000 in federal funding expenditures;
- 24 CFR Part 84 and 85: Code of Federal Regulations that govern non-profit agencies using federal funds;
- The guidance in OMB Circular A-50, Audit Follow-up, on Single Audit Act Follow-up, and;
- 24 CFR Part 570 – Code of Federal Regulations

### **Budget Controls**

Subrecipients must have procedures in place to monitor obligations and expenditures against their approved budget(s) for CDBG-funded activities. The City of Pompano Beach is under no obligation to reimburse a subrecipient for expenditures which exceed approved budget line items or the overall budget for CDBG assisted activities. Therefore, the subrecipients need to have an ongoing system to compare actual receipts, encumbrances, and expenditures with the CDBG budget in order to ascertain in a timely fashion whether it will be necessary to initiate a formal budget revision.

Reimbursement will only be provided for allowable costs as approved by the City of Pompano Beach and must be directly related to the Grant. Reimbursements should be submitted on a quarterly basis. When reimbursement requests are submitted, they must include a Quarterly Progress Report, copies of receipts, check registers, payroll reports, and paid invoices. The City of Pompano Beach will only reimburse the subrecipients for expenditures actually incurred.

### **Internal Controls**

Agencies receiving CDBG funding will have:

- A written set of Policies and Procedures which define staff qualifications and duties, lines of authority, separation of functions, and access to assets and sensitive documents.
- Written Accounting Procedures, including procedures for approving and recording transactions and regular reconciliation of records to check for completeness and accuracy.

A good internal control system should include several basic features, regardless of the organization's size. These characteristics include:

- An organization plan that safeguards resources by segregating duties;
- A system of authorization and recording procedures that provides effective accounting control over assets, liabilities, revenues, and expenses;
- An established system of procedures followed by each organizational component in performing its duties and functions;
- Personnel capable of performing their responsibilities, and;
- An effective system of internal reviews.

The internal control requirements provide for the separation of duties and the secure storage of accounting records in limited access areas. In maintaining these accounting records, a subrecipients/entities should also ensure that:

- Journal Entries are properly approved and explained/supported;
- Posting and trial balances are performed on a regular basis; and;
- Fidelity bond coverage is obtained for responsible officials of the organization.

### **Recordkeeping**

To ensure eligibility of costs, subrecipient files will include copies of:

- CDBG application, Awarded Subrecipient Agreement with the City,
- Amendment, if applicable;
- Procurement and bid information for all purchases, Contracts with vendors, if applicable;
- Up to date budget, including copies of budget change requests, if applicable;
- Expenditure and payment information including supporting documentation;
- Characteristics and location of clients served;
- Program status and progress reports, Audits;
- Monitoring reports, and;
- Other relevant correspondence.

## **Record Retention Policy**

All records relating to the City of Pompano Beach CDBG Program, including supporting documentation, shall be retained for the greater of three years from closeout of the grant to the City, as described under 24 CFR § 570.490(d), unless there is litigation, claims, audit, negotiation, or other actions involving the records. In such case, records must be retained until completion of the action and resolution of all issues.

For subrecipients, the record retention period begins from the annual date of submission of the grantee's Consolidated Annual Performance and Evaluation Report (CAPER) in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award.

Each subrecipient is required to maintain documentation on clients benefiting from activities and programs funded through the City's CDBG program. Information to be retained includes:

- Client name and address
- Gender
- Ethnicity/race
- Head of household status income
- Application for assistance, if applicable
- Client Income Documentation or Certification Form or Documentation of Limited Clientele Documentation as to services provided
- Pre- and post-program evaluations, if applicable

## **Access to Records**

The City, HUD, and the Comptroller General of the United States, or their authorized representatives, have the right to access subrecipient agency program records. All CDBG grantees are required to provide citizens with reasonable access to records regarding the currently funded programs and past, consistent with applicable State and local laws regarding privacy and confidentiality.

Information may be provided utilizing aggregate statistics. All clients may be lumped into categories, but no personal information may be released. For example, a report may state: 150 clients served this month, 60 Caucasian, 60 African American, 15 Native Americans, 15 Asian. Of those clients, 25 were female head of household, 30 were Veterans, 100 were very low-income, and 50 were moderate-income.

## **Audits**

The awarded Subrecipient Agreement with the City may be subject to a 2 CFR Part 200 Audit, a CPA Audited Financial Statement or a Certified Financial Statement (CFA), depending on expenditures.



The Office of Management and Budget requires that grant recipients who expend \$750,000 or more in federal funds in one fiscal year conduct a Single Audit per 2 CFR Part 200. Subrecipients are responsible for ensuring that their auditors conduct the proper type of audit. Not all Certified Public Accountants (CPA's) are qualified to perform a Federal audit.

Any agency that expends between \$200,000 and \$749,999 in federal funds will be required to have a CPA-Audited Financial Statement. The funds expended may be from one or multiple federal sources. If allowable by program regulations, the City may only pay for the portion of the audit, which represents the percentage of City federal funds in the program budget.

Subrecipients who do not qualify for 2 CFR Part 200 or Audited Financial Statement must submit a Certified Annual Financial Statement (CFA). This is the lowest audit criteria and will only be accepted from those non-profits who can document that they did not qualify for 2 CFR Part 200 or a CPA audited financial statement. The Treasurer and the Board President must sign a statement certifying the CFA. The statement should read as follows:

*We, the undersigned, as Executive Director and Treasurer of (Name of Agency), hereby certify that, to the best of our understanding and knowledge, the attached Financial Statements fairly and accurately represent the financial condition and operations of this organization.*

#### **Audit Due Date**

Audits have different due dates depending on the type the agency qualifies to conduct:

- Certified Annual Financial Statements are due three (3) months after the end of the fiscal year;
- CPA conducted audits are due six (6) months after the end of the fiscal year, and
- 2 CFR Part 200 Audits are due nine (9) months after the end of the fiscal year.

All Subrecipients who fall under the requirements of 2 CFR Part 200 Auditing rules must submit a full and complete copy of such audits to the City's Office of Housing and Urban Improvement. It is the responsibility of the Subrecipients to ensure that audits are completed in a proper and timely manner.

#### **City Internal Audit Reviews**

The City reserves the right to have its Office of Housing and Urban Improvement review all Subrecipients records and transactions. Audit findings resulting in monetary repayment to the City will be collected by the City from the Subrecipient's non- federally funded resources.

Progress on the compliance is also monitored. Failure to rectify findings within the given time frame may result in suspension, termination of the awarded Subrecipient Agreement, and/or disbarment from future grant funding.

## Source Documentation

The general standard is that all accounting records must be supported by source documentation. This is necessary to show that the costs charged against CDBG funds were incurred during the effective period of the awarded Subrecipient Agreement with the City, were actually paid out, were expended on allowable items, and had been approved by the responsible officials in the subrecipients/entities organization.

The source documentation must explain the basis of the costs incurred, as well as show the actual dates and amount of expenditures. For example:

- For staff time charged to the CDBG program activity, time and attendance records should be available. If an employee's time is split between CDBG and another funding source, there must be time distribution records supporting the award of charges among the sources. Canceled checks from the employees, payroll service provider, etcetera, or evidence of direct deposits will document the actual outlay of funds.
- Rental or lease agreements, and bills from the respective companies must support space and utilities costs. Both types of expenses will be supported by canceled checks. If the cost is split between CDBG and other sources, there must be a reasonable method in place to allocate the charges equitably among the sources.
- Supplies should be supported by purchase orders or requisition forms initiated by an authorized representative of the subrecipients, an invoice from the vendor which has been signed off by the subrecipients to indicate the goods have been received, the canceled check to the vendor demonstrating payment was made, and information regarding where the supplies are stored and for what cost objectives they are being used.

All source documentation does not have to be located in the CDBG project files, but it must be readily available for review by the City, HUD or other authorized representatives at all times. By accepting CDBG funds, all of the Subrecipient's organization records are open for review. Subrecipients must develop and maintain a central filing system. This will ensure that audits and monitoring visits go smoothly, and documentation is readily accessible.

Every grant related financial transaction must be recorded immediately in the accounting system. Source documents, such as invoices or timecards, should provide all details of each transaction or activity. The information contained in the source documents is necessary for accounting purposes and should be recorded in the computer accounting/accounts payable system. The source documents must be readily accessible during monitoring visits. A variety of source documents and records are needed to properly account for grant transactions. These documents include but are not limited to the following:

**Invoices:** All Subrecipients are required to retain original invoices or sales receipts for all purchases. All invoices must be marked "PAID" with the check number and date paid included. If any original document for an expense cannot be located during a monitoring visit, the amount may be deducted from the next reimbursement request or may be required to be repaid.

- **Timesheets:** All Subrecipients will maintain concise documentation for both the time worked and tasks undertaken. The employee and his/her immediate supervisor must sign employee timesheets.
- **Service Contracts:** All grant-funded service contracts e.g. accounting, leases, janitorial, etcetera, must be a written agreement between the Subrecipients and the firm/individual.

### **Program Income**

Interest earned on federal grant funds must be reported to the City on a quarterly basis as Program Income (PI) and must be used in the operation of the specific grant program. Organizations providing services funded through the City of Pompano Beach CDBG grant may charge fees to clients to reduce the costs of service delivery. Such fees, or any other earnings generated using CDBG funds, are considered to be PI. PI includes, but is not limited to, fees charged for services, proceeds from the sale of tangible personal or real property, usage or rental fees, and patent or copyright royalties. PI must be recorded separately and returned to the City for disposition. Upon approval by the City, PI from the Project may be retained by Subrecipients provided that written notification is given to the Office of Housing and Urban Improvement and that the income is to be used for the exclusive benefit of the Program. Such income will be subject to guidelines for use of such income in accordance with HUD regulations. All PI must be reported. A total amount under \$100 may be reported quarterly rather than in the month in which it is collected. Donations are defined as free will offerings to an organization not related to receiving a service or benefit. Donations are not PI and do not have to be reported. PI does not reduce the size of the organization's CDBG grant if the PI is spent on eligible items. However, any PI not spent will result in a reduction in the amount of funds reimbursed.

### **Reimbursement Requests**

Requests for reimbursement of expenses starting from October 1st-September 30<sup>th</sup> of the program year can be submitted on a monthly or quarterly basis. Only items listed on your budget will be considered for reimbursement. Subrecipients shall complete a Request for Reimbursement Form and attach appropriate back-documentation to substantiate the request. If the proper documentation is not provided payments will be delayed. Reimbursements and reports will only be submitted and processed through the City's Neighborly Software portal.

Requests for Reimbursement of personnel expenses must include TWO of three following back-up documentations for ALL employees in which you are claiming reimbursement:

1. Copy of payroll register
  2. Copies of timesheets (MUST be signed by the employee and the Supervisor)
- and/or -

### 3. Copies of pay checks

The completed and signed timesheet should clearly indicate the hours AND the percentage of time spent working on the CDBG funded project. If more than one employee's wages are being reimbursed, list each employee by name, title, and amount of reimbursement requested (indicate exact percentage for each employee, if applicable).

Requests for Reimbursement of paid invoices must include a copy of the Invoice AND the sub-recipient has paid a copy of the check showing the invoice. If the invoice has been paid through more than one source of funding, clearly indicate the amount of City of Pompano Beach CDBG funds applied to that expense on the invoice.

Complete and sign Request for Reimbursement Form, and submit with all required documentation through the Neighborly Software.

Link: <https://portal.neighborlysoftware.com/copbfl/participant/Login>

The first payment request will be processed after we have an executed Sub-recipient Contract and a Purchase Order in place.

Monthly and/or Quarterly Compliance Reports must be current and fully complete in Neighborly in order to receive reimbursement payments.

All reimbursement requests will be reviewed by staff for accuracy, completeness, and compliance with program guidelines. You may be contacted with questions or for requests for additional documentation if needed. Requests for payment that are complete accurate and in compliance will be processed and paid within 10 days of submission. RUSH PAYMENTS WILL NOT BE ISSUED.

If you have questions regarding how to complete the Request for Reimbursement Form or what required documentation needed, please contact the Office of Housing and Urban Improvement at 954-786-4659.

CDBG Program Staff will review each request for reimbursement submitted by the Subrecipient. Questionable or ineligible expenses will be identified and the Subrecipient will be requested to submit clarifications, corrections, or additional information. If a request for payment is reviewed and found to have errors or missing documentation, the invoice will be returned to the Subrecipients with instructions for re-submittal. Requests for payment will not be made until all documentation and information has been satisfactorily provided to CDBG Program Staff, including any outstanding reports or other requests for information.

A Request for Payment must include:

- Coversheet
- Quarterly and/or Monthly Progress Report
- Reimbursement Request Form (Form below)

- General Ledger Detail Page
- Supporting Documentation e.g. timesheets; cancelled checks, invoices; evidence of direct deposit, etcetera

# **SUB-RECIPIENT REQUEST FOR REIMBURSEMENT**

CDBG Fiscal Year: 2023--2024  
 Period Covered: 10/1/2023 thru 9/30/2024  
 Invoice Number: \_\_\_\_\_

Previous Balance \$ \_\_\_\_\_  
 Amount Requested \$ \_\_\_\_\_  
 Account Balance \$ \_\_\_\_\_

Agency				Project Name			
To Be Completed by Project Coordinator				To Be Completed by City			
Check No.	Date	Payee/Description	Total Amount	Amount Requested	Adjustments Amount Code	Reimbursed	
Total Requested :				Total Reimbursed:			

## **CERTIFICATE**

I certify that this claim is for authorized expenditures incurred pursuant to this grant project and the appropriate documentation is attached. \*I further certify that the financial records, supporting documents, statistical records and all other records pertinent to this grant project shall be retained for a period of three (3) years according to regulations contained in CFR 570.502(b)(3), 24 CFR 85.42, and OMB Circular A-110, Attachment C.

**\*Appropriate supporting documentation includes copies of bills/invoices and proof of payment in the form CANCELLED checks.**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **FOR OFFICE USE ONLY**

Adjustment Code Explanations: PO # \_\_\_\_\_ Reviewed by: \_\_\_\_\_  
 NCB – Not Currently Budgeted  
 I – Ineligible  
 A – Approved for reimbursement  
 Date: \_\_\_\_\_

## **Eligible Activities**

All programs and activities funded CDBG and HOME dollars must meet the criteria of being an eligible activity as defined by HUD. For the CDBG program specifically, the funded programs must meet one of the three national objectives as well as the specific eligible activities to be carried out to meet the objective. Within this context, the Office of Housing and Urban Improvement (OHUI) policy on HUD funded programs will be to focus on funding activities that are without question eligible activities under the HUD regulations.

OHUI as a policy will not fund activities that are questionable and will pose a potential audit finding or sanction for the City of Pompano Beach. Activities such as entertainment activities; travel for trips, awards/award ceremonies, banquets, holiday events/dinners, amusement park field trips, etc. are not an allowable expense. Food/Snacks are only eligible if it is an integral part of the program. Please contact OHUI for guidance. It is the policy of OHUI the funded activities should focus on salaries, administrative cost, equipment, direct client services, and in some cases technical assistance for the sub-recipients.

In short, CDBG funds can be used to pay labor costs, supplies, and materials needed to provide a service. Activities such as entertainment, as listed above, should be supported with other internal/external budget funds or by outside support/sponsorship, donation or partnership with other community organizations or programs. When sub-recipients purchase equipment using CDBG or HOME funds, they are required to keep an inventory log of the purchased items, which should be open to inspection at any given time.

In an effort to ensure that OHUI can meet this policy objective, the OHUI will advise the subrecipients as to whether their activities are eligible through ongoing discussions, meetings, training sessions and onsite monitoring visits.

**IMPORTANT:** The amount charged to CDBG must be clearly notated on supporting documentation. **Personnel time charged to CDBG must be based on actual time worked.**

Subrecipients must review the request documentation and amounts prior to submission. The City cannot reimburse for taxes, or items or services paid for prior to the beginning of the contract, or after the end of the program year.

## **Spending Requirements**

CDBG funds must be spent in a timely manner. Unless an alternative spending plan has been approved in writing, funds must be expended during the program year of the grant award. Unspent funds cannot be carried forward and are forfeited. Sales tax will not be reimbursed.

## **Backup Documentation Required for Reimbursement Requests**

CDBG funds are paid to subrecipients on a reimbursement basis. Therefore, it is extremely important that subrecipients verify the eligibility of an expense prior to expending funds. Accuracy of submittals is important as errors slow down the process. When submitting a large reimbursement request that includes non-CDBG expenses, subrecipients must specifically notate the CDBG amount(s) that are to be reimbursed by the City. For the City to reimburse

subrecipients, detailed documentation must be submitted to show who, what, when, and how the invoice was paid. Only copies of paid invoices which must be marked paid will be accepted. A quote or order form will not be accepted. In addition to the paid invoice, proof of payment must be kept onsite at Subrecipient's office. For invoices paid by credit card, submit a copy of the statement showing the invoice was paid.

To streamline the CDBG Program Staff's review of the documentation, subrecipients are encouraged to highlight the amount paid on the receipt, and the reimbursable portion. When charging a percentage, the percentage of participants who are low-income residents of the City of Pompano Beach must be documented. To do this, subrecipients must maintain a copy of the client roster, with their addresses and highlight the city residents. This permits verification of the percentage whenever verification is needed. **Copies submitted to CDBG Program Staff must be legible;** the original versions of the receipts must remain within the Subrecipient's files at their office. Receipts cannot be dated prior to the execution date of the awarded Subrecipient Agreement or after the end of the program year. If requesting payroll reimbursement, copies of timesheets and evidence of payment must be submitted.

#### **Mileage and Travel**

Per the IRS allowances found at [www.irs.gov](http://www.irs.gov), the CDBG program will reimburse those reasonable mileage and travel costs that are necessary to carry out the services identified in the awarded Subrecipient Agreement with the City. Mileage and travel expenses not necessary for the program, or of a personal nature, are not eligible for reimbursement. Volunteers authorized



by the program to be reimbursed for mileage relating to services for the program must provide proof of automobile insurance, copies of which must be kept at the Subrecipient's office.

- **Mileage:** Subrecipients must submit written mileage records identifying the driver of the vehicle, the number of miles driven on each day, and the purpose of the trip. Subrecipients must certify the accuracy of the information reported. Travel to and from work is not an eligible expense for mileage reimbursement.
- **Travel:** Reimbursable costs include conferences, lodging, food, and other non-mileage costs. The City's policy requires that all travel costs be kept to a minimum. Supporting documentation must be provided with all requests for travel reimbursement.
  - **Local Travel:** Defined as travel within Florida.
  - **Out-of-State Travel:** Approval for out-of-state travel must be requested in writing from the CDBG Program Staff at least 10 working days prior to the trip. CDBG Program Staff will review the request and provide a response within five (5) working days.

### **Telephone Expenses**

The CDBG program will reimburse only those reasonable costs for local and non-local telephone calls necessary to carry out the services identified in the awarded Subrecipient Agreement with the City. Actual costs of phone calls and the monthly cost of supporting the phone system are eligible for reimbursement. Such expenses include equipment rental or lease and monthly service charges. The City will not reimburse personal calls. If the program receives funding from several sources, only those telephone expenses solely related to the that portion of the activity which is funded out of the Subrecipient's CDBG grant are reimbursable. All such costs must be specifically identified to the City's satisfaction. Additionally, if the amount of the Subrecipient's CDBG grant is less than the program total budget, phone costs are reimbursable at a percentage equal to the level of CDBG funding as compared to total program funding.

### **Purchasing and Subcontracting**

A price or cost analysis must be made in connection with every procurement action in accordance with the City's Purchasing Policy. Price analysis involves comparing the bottom-line price quoted, with typical prices paid for the same or similar materials or services. Cost analysis means that Subrecipients will make all efforts to obtain the best price with the best service. Typically, a minimum of three bids, quotes, or estimates, is required.

If applicable, Subrecipients must meet with CDBG Program Staff to schedule pre-bid and preconstruction meetings and to discuss the compliance process. **Contacting, informing, and including CDBG Program Staff from the beginning of the project ensures compliance with all rules and a smoother contract management process.**

### **Subcontracts**

Should a Subrecipient find it necessary to subcontract in order to meet its obligations under its awarded Subrecipient Agreement with the City, it must enter into a written agreement with those

individuals or organizations providing services. All subcontracts require review and approval by the City and must be submitted at least 10 business days prior to an effective date. CDBG Program Staff will typically respond to the request for approval within 7 working days. Subcontracts must be approved by the City prior to contract execution by any of the parties.

#### **Provisions Required in Subcontracts**

- Name, address, phone number and social security number of Subcontractor.
- A termination clause requiring twenty days' notice by which either party may terminate the agreement.
- A City un-involvement clause releasing the City from any liability for any breach of the subcontract by either party.
- A scope of services.
- The total dollar amount of the subcontract.
- A termination date no later than the end of the current CDBG program year.
- A clause requiring the contractor to comply with conditions of federal funding as required in 2 CFR Part 200. Subrecipient may request this information from Grantee if needed.
- An independent contractor clause stating that the subcontractor is an independent contractor or employee of the Subrecipients/entities. Subcontractor is not an agent or employee of the City, and as such waives any claims to any rights or benefits which accrue to employees of the City.
- Signature of person authorized by Subrecipient/entity's Board of Directors to execute agreements.
- Signature of person authorized by subcontractor to execute agreements.

#### **Required Subcontract Documentation**

The Subrecipients/entities must maintain the following documentation in its files:

- Summary of bids and proposals received.
- Justification for any non-competitive procurement of contract services and reasons for the selection of the subcontractor.
- Justification for the selection of other than the lowest bidder in a competitive procurement.
- Section 3 compliance documentation, if required.

#### **Types of Subcontracts**

- Bookkeepers and auditors.
- Contractual personnel services i.e. those not on the Subrecipients/entity's payroll.

Office equipment rental and space rental.

- Rental of vehicle e.g. van, bus, etcetera to be used on a regular basis for carrying clients of the Subrecipients/entities.

### **Codes of Conduct**

The subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent will participate in the selection, award, or administration of a contract supported by Federal Funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements. However, recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

### **Equipment Procurement**

Equipment is defined as tangible property costing more than \$500 and having a useful life of more than one year. Items which cost less than \$500 and which have a useful life of less than one year are considered to be supplies, except for computer equipment, which must be inventoried and accounted for. Under HUD regulations, the purchase of equipment, fixtures, or furnishings that are not an integral structure fixture is ineligible except when necessary for use by the City or a Subrecipients in the administration of the overall City CDBG grant or as part of the administration of a public service program. The City does not allow for purchase of vehicles with CDBG funds, unless explicitly approved in writing beforehand.

### **Notification Requirements**

All purchases of equipment require prior CDBG Program Staff approval. Requests to purchase equipment are to be sent to the CDBG Program Staff at least 45 days prior to the purchase order date. Exceptions may be granted on a case by case basis. The request is to include the cost of the item, where it will be purchased, a detailed explanation of why it should be bought rather than leased or rented, and where the funds for the purchase will come from. If City CDBG funds will only be paying a portion of the purchase, list other funding sources and the respective amounts. CDBG Program Staff will typically review the request and issue a decision within 10 working days. Rationale for a negative decision will be included in the response.

### **Reversion to City/HUD**

Under HUD regulation, 24 CFR Part 570 Subpart J - Grant Administration, the City/HUD has the option to obtain the equipment from the program when funding stops for the program. The review of the type of equipment to be purchased will include mention of its possible usefulness to the City. The City may also permit the Subrecipients to retain the equipment at the time the

funding ends. All other personal property, supplies and equipment purchased pursuant to the awarded Subrecipient Agreement and not consumed may become property of the City/HUD.

#### **Inventory Instructions**

1. Agency: Name of Agency receiving grant.
2. Description: A brief description of the item or property.
3. Manufacturer's Serial Number: Provide the manufacturer's serial number for all items.
4. Title or Owner: Name of Agency on property's title.
5. Acquisition Date: Date of Purchase.
6. Percentage of Federal Participation: Portion paid by CDBG funds.
7. Cost: Supply the actual purchase price.
8. Disposal Date: Date sold or disposed of.

#### **Reporting**

Subrecipients are required to submit quarterly reports as described in each contract. Subrecipients must report quarterly the number of clients served, including their incomes, race/ethnicity, and status of head of household. **Data must be unduplicated** i.e. a client receiving a particular service from a Subrecipient three times during the program year must appear only once on a quarterly report, and that client should not appear again on any following monthly reports during the program year. If subrecipients have not fully expended their grant funds by September 30th and the Subrecipient provides assistance in the new grant year to a client who was assisted in the previous program year, then that client should be notated as a new client on the associated quarterly report.

Quarterly reports are due no later than the 15th of January, April, July and October even if a request for payment has not been submitted. The quarterly status report explains the progress the program has made in relation to the goals and performance indicators outlined in the awarded Subrecipient Agreement's Scope of Work/Services. The quarterly report must be submitted on the form provided by CDBG Program Staff, unless approved in writing, in advance. No other format will be accepted. Failure to submit quarterly reports may result in delayed reimbursements.

**Data must be recorded for all unduplicated clients i.e. beneficiaries obtaining services in the program. Total client count for each of the Ethnicity, Race, and Annual Household Income categories must be the same as each other as per the following example:**

[illegible]

HUD has implemented a reporting system that requests client information for one ethnicity option and 10 options for race. It is very important to note that HUD **does not** consider Hispanic to be a separate race category. Therefore, a client may identify as **Hispanic and White**, **Hispanic and Asian**, **Hispanic and Asian and Black/African American**, etcetera.

During the client intake process, some clients may state that they are a particular Ethnicity, but choose to not select a Race also. In such a situation, HUD has advised that the Subrecipient's staff person performing the intake process should notate the race that they believe to be most likely for the client.

The Annual Household Income for unduplicated clients served is reported in one of three categories: Extremely Low (EL), Very Low (VL), and Low (L). Income Guidelines are updated by HUD annually. CDBG Program Staff monitors HUD communications so that they may provide the most current information to Subrecipients. Subrecipients/entities are responsible for ensuring that the most current information is utilized. All quarterly reporting information must be checked by the Subrecipient for accuracy. *Timeliness and accuracy of quarterly reports are considerations when Subrecipients apply for additional funding in future program years.*

### **Closeout Reports**

Programmatic close-out will consist of, but will not be limited to, the following:

- Review and verification of annual client statistical and narrative report due 15 days after the end of the program year (September, 30<sup>th</sup>). Submitting the final quarterly report with year-to-date client totals, along with a year-end-accomplishment narrative, will be sufficient.
- Review of subrecipients/entities record keeping system, including, but not limited to:
  - Activity documentation
  - Personnel files
  - Inventory control files
- Evaluation of activity and program accomplishment

Financial close-out will consist of, but will not be limited to the following:

- Review and verification of information submitted in the final drawdown request.
- Review of subrecipients/entities record keeping system:
  - Accounting records and ledgers
  - Source documentation e.g. invoices, timecards, canceled checks, etcetera
  - Budget documentation e.g. modifications, etcetera
  - Equipment purchases
- Evaluation of activity financial accomplishment

## **Monitoring**

Subrecipients must adhere to HUD's recordkeeping requirements as contained in 24 CFR Part 570 Subpart J. HUD-funded records must be retained for three years after the submission of the program year CAPER or five years after the completion of the program, in order to allow access for audit and public examination. If audit findings are not resolved, the records must be retained beyond the five years.

### **Programmatic Monitoring**

Subrecipients/entities must submit a quarterly report detailing the implementation and administration of the activity or program. The programmatic report must include the following:

- Progress in meeting stated goals and objectives;
- Changes in staff or Board of Directors;
- Problems encountered and steps taken to resolve them;
- Other general information as appropriate;
- Client Summary that identifies the income, ethnicity, and household status of clients receiving
- CDBG-funded assistance within the reporting period.

These reports must be submitted to CDBG Program Staff by the 15th following the end of the quarter (December, March, June and October) when services were provided.

### **On-Site Visits or Desk Monitoring**

Formal monitoring visits are performed annually. For new subrecipients or those experiencing program challenges, monitoring may be more frequent. The subrecipients are notified via letter/email provided with a list of items that will be reviewed including, but not limited to, the following:

- Conformance to awarded Subrecipient Agreement;
- Client Files;
- Quarterly Progress Reports;
- Management and Financial Systems;
- Policies and Procedures;
- Equipment Inventory, if CDBG funds were used;
- Non-discrimination, and Actions to Further Fair Housing;
- Equal Employment Opportunity;

- Section 3, and Women and Minority Enterprise; and
- Compliance with Consolidated Plan

The letter/email include information that CDBG Program Staff will need to see, as well as any particular staff person that may be needed. If there are any findings during the monitoring visit, these will be included in a letter to the subrecipient, with an expected outcome and time frame to correct the issue(s) identified.

## **Other Provisions and Requirements**

### **Conflict of Interest**

Conflicts of interest arise when officials or staff may benefit, either directly or indirectly through business partners or relatives, from the awarding or contracting of grant funds. All of those who are involved with CDBG funding, including the City and Subrecipients, are encouraged to avoid conflicts of interest to the greatest extent possible as serious issues may arise for all parties if a conflict of interest issue is overlooked or undisclosed. When conflicts of interest arise, CDBG Program Staff will identify, disclose, and manage them in compliance with Super Circular 2 CFR Part 200.112 Conflict of Interest, and 24 CFR Part 570.611 Conflict of Interest for CDBG.

In the procurement of supplies, equipment, construction, and services by the City and by Subrecipients, the conflict of interest provisions in 2 CFR 200.318 will apply. In all cases not governed by 2 CFR 200.318, this policy will be followed. Such cases include the acquisition and disposition of real property and the provision of assistance by the City or by its Subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance e.g. rehabilitation, preservation, and other improvements of private properties or facilities pursuant to §570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to §570.203, 570.204, 570.455, or 570.703(i).

### **Religious Activities**

In accordance with the First Amendment to the United States Constitution regarding the separation of Church/State Principles, CDBG assistance may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities. Subrecipients may not use CDBG funds for the acquisition of property or the construction or rehabilitation of structures to be used for religious purposes or which will otherwise promote religious interests.

However, CDBG funds may be used to rehabilitate buildings owned by primarily religious entities if the primarily religious entity agrees to provide all eligible activities under this program in a manner that is free from religious influences and to be used for a wholly secular purpose under certain conditions, as cited at 24 CFR 570.200(j)(1)(2)(3).

- **Likely Eligible:** A church hosts a weekly soup kitchen in their auditorium. No other activities are hosted in the auditorium. While the building as a whole is a religious institution and volunteers are often members of the congregation, there are no religious requirements or activities surrounding the soup kitchen, and no other activities take place in the auditorium. CDBG funds could thus be used to improve



aspects of the auditorium, such as making the entrance of the auditorium handicap accessible.

- **Likely Ineligible:** A church runs a homeless shelter which requires residents to pray daily. This religious affiliated homeless shelter would not be eligible for CDBG improvements.

### **Political Activities**

Subrecipients must not use CDBG funds to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as sponsoring candidate forums, distributing brochures, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to host meetings, candidate forums, or voter registration, provided that all parties and organizations have access to the facility on an equal basis and are assessed equal rent or use charges, if any.

### **Hatch Act**

The Hatch Act, Chapter 15, Title 5 U.S. Code (Public Law 76-252), as amended, prohibits local

Community Development Program officials or other personnel employed by a Community Development Program from undertaking certain political activities or from using Community Development funds for political activities. In addition, personnel covered under this Act may not be a candidate for elected office unless candidacies are nonpartisan. The Hatch Act applies to employees of Subrecipients only if the statute through which the organization derives its federal funding contains a provision, which states that recipient organizations will be deemed to be state or local government agencies for the purposes of the Hatch Act.

### **Anti-Lobbying**

Section 319 of Public Law 101-121, of the Department of the Interior Appropriations Act, prohibits subrecipients/entities from using appropriated Federal funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a specific contract, grant, or loan. Further, the law requires that no Federal appropriated funds have been paid or will be paid, by or on behalf of subrecipients/entities 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.

### **Anti-Discrimination Policies**

CDBG Subrecipients are prohibited from discriminating on the basis of:

Race, color, religion, national origin, disability status, including prior, alcohol and illegal substance addictions, familial status, ethnicity, gender identity, language(s) spoken, literacy, sexual orientation and veteran status.

Discrimination is prohibited in delivery of services, program administration, and any enforcement mechanisms. No person in the United States will on the ground of race, color, national origin, or any of the other items listed above, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal funding and/or assistance.

### **Access for Persons with Disabilities**

Subrecipients will comply fully with any and all provisions of the Americans with Disabilities Act (ADA) of 1990. This law prohibits discrimination on the basis of disability in employment by state and local governments and in places of public accommodation and commercial facilities. The ADA also requires that facilities that are newly constructed or altered, by, on behalf of, or for use of a public entity, be designed and constructed in a manner that makes the facility readily accessible to and usable by persons with disabilities. The Act defines the range of conditions that qualify as disabilities and the reasonable accommodations that must be made to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for persons with disabilities.

### **Section 504 Non-Discrimination based on Handicap in Programs Funded by HUD**

Subrecipients/entities must comply with Section 504 of the Rehabilitation Act of 1974.

### **General Requirements**

No qualified individual with disabilities will, solely on the basis of disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program funded by HUD, including CDBG. Subrecipients may not deny the opportunity, provide less of an opportunity or otherwise limit qualified individuals with disabilities from participating in or receiving services and benefits. This includes participating as a member of the planning or advisory boards or occupying a housing unit provided by the agency.

### **Communications**

Appropriate auxiliary aids must be provided where necessary or reasonably requested e.g. telecommunication devices for deaf persons, for applicants, clients, and employees of the agency. This does not include wheelchairs, hearing aids, or other devices of a personal nature.

Procedures must be in place to ensure that individuals with disabilities can obtain information on services and their location. This may include the provision of printed materials in Braille, large type, cassette, or disk. Subrecipients must provide proper notification e.g. in brochures and general printed information to applicants, clients, and employees of the agency, including those with impaired vision or hearing, that the agency does not discriminate based on disability.

The above notifications should include a telecommunications device number for deaf persons.

### **Employment**

Subrecipients must not discriminate in their hiring practices against qualified individuals with disabilities. Discrimination in employment also applies to promotions, tenure, transfers, terminations, rates of pay, job assignments, leaves of absences, sick leave, fringe benefits, and

any other terms of employment. Subrecipients must make reasonable accommodations to the known physical or mental limitations of an otherwise qualified applicant or employee with disabilities. This may include the provision of equipment or devices, job relocation, job restructuring, or facilities modifications.

### **Accessibility Self-Evaluation**

Each Subrecipient must conduct a review and self-evaluation of its programs, policies procedures, communications, employment practices, facilities, and other aspect of its programs to determine compliance with regulations concerning accessibility and non- discrimination on the basis of disability. Furthermore, any practices or policies that do not meet accessibility requirements must be modified by the Subrecipients to achieve accessibility, and any discrimination revealed by the self- evaluation must be corrected. All Subrecipients must:

- Maintain the results of the above self-evaluation on file and make it available for three years. Designate an employee to coordinate compliance with HUD disability regulations.
- Adopt grievance procedures for people with disabilities.
- Provide proper notices that the agency does not discriminate based on disability.

### **Environmental Standards**

According to the National Environmental Policy Act (40 CFR 1500-1508) and Part 58, the Subrecipient is required to ensure that environmental information is available before decisions are made and before actions are taken. In order to achieve this objective, Part 58 prohibits the commitment or expenditure of CDBG funds until CDBG Program Staff has completed the environmental review process. Subrecipients may not spend either public or private funds (CDBG, other Federal or non- Federal funds), or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site until environmental clearance has been achieved. Grantees must avoid any and all actions that would preclude the selection of alternative choices before a final decision is made, that decision being based upon an understanding of the environmental consequences and actions that can protect, restore and enhance the human environment i.e. the natural, physical, social, and economic environment. Activities that have physical impacts or which limit the choice of alternatives cannot be undertaken, even with the grantee or other project participant's own funds, prior to obtaining environmental clearance.

### **Exemptions**

Certain activities which by their nature are unlikely to have any direct impact on the environment may be exempt from the procedural requirements of environmental review.

### **National Flood Insurance Program**

Subrecipients must comply with the Flood Disaster Protection Act of 1973, and the regulations in 44 CFR Parts 59 through 79. The 1973 Act made the purchase of flood insurance mandatory for the protection of property located in Special Flood Hazard Areas. If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management

Agency (FEMA) as having special flood hazards, CDBG funds cannot be spent for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question. There is also a statutory prohibition against providing Federal assistance to a person who had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance and the person failed to obtain and maintain such insurance. (24 CFR 58.6(b)).

### **Equal Employment Opportunity**

Subrecipients must comply with Executive Order 11246, which provides for Equal Employment Opportunity. The Executive Order prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin. It also requires Government contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

### **Section 3**

Section 3 of the Housing and Urban Development Act of 1968 with implementing regulations at 24 CFR Part 135, also applies to employment and contracting opportunities. Section 3 requires that Subrecipients of CDBG funds, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods. Subrecipients/entities need to comply with "Section 3" requirements and to include the following language in all subcontracts:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the area in which the project is located."

### **Women- and Minority-Owned Businesses (W/MBE)**

Subrecipients/entities will make its best efforts to afford small businesses, minority business enterprises, and women's business enterprises. "Small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

### **Use of Debarred, Suspended, or Ineligible Contractors/Vendors**

No Contract will be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs List, found online at [www.sam.gov](http://www.sam.gov). Subrecipients/entities must procure goods and services in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

### **Limited English Proficiency Access**

Subrecipients must ensure meaningful access to their programs and activities by persons who do not speak English as their primary language and who have limited ability to speak, read, write, or understand English, pursuant to Executive Order 13166. This Executive Order mandates that the federal government reduce language barriers to Limited English Proficiency (LEP) persons with regard to accessing federal benefits. In certain situations, failure to ensure persons who have Limited English Proficiency have access to CDBG programs or services may violate Title VI's prohibition against national origin discrimination. If 25% or more of a CDBG Activity's service clientele has limited English proficiency and speak a non-English language, the CDBG Activity must provide key documents translated in that population's language. If 50% or more of a CDBG Activity's service clientele has limited English proficiency and speak a non-English language, the CDBG Activity must make every attempt to provide assistance to a person in their designated language, either through translation services or by employing staff who speak the language. If CDBG funds are provided for counseling, mental health services, medical services, and/or case management, these services MUST be provided in the client's native language, regardless of the size of the population the provider serves.

### **Drug Free Workplace**

The subrecipients/entities agrees that it will comply with the provisions of the Drug-Free Workplace Act of 1988, 24 CFR Part 21, by taking the following steps:

- Publish and give a policy statement to all covered employees informing them that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace and specifying the actions that will be taken against employees who violate the policy.
- Establish a drug-free awareness program to make employees aware of a) the dangers of drug abuse in the workplace; b) the policy of maintaining a drug-free workplace; c) any available drug counseling, rehabilitation, and employee assistance programs; and d) penalties that may be imposed upon employees for drug abuse violations.
- Notify employees that as a condition of employment on a Federal contract or grant, the employee must a) abide by the terms of the policy statement; and b) notify the employer, within five calendar days, if the employee is convicted of a criminal drug violation in the workplace.
- Notify the contracting or granting agency within 10 days after receiving notice that a covered employee has been convicted of a criminal drug violation in the workplace.

- Impose a penalty on or require satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is convicted of a reportable workplace drug conviction.
- Make an ongoing, good faith effort to maintain a drug-free workplace by meeting the requirements of the Act.

A contractor or grantee who fails to comply with these requirements is subject to certain penalties.

#### **Rights to Inventions Made Under a Contract or Agreement**

Contracts or agreements for the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.

#### **Clean Air Act and the Federal Water Pollution Control Act**

Subrecipients/entities and their contractors/vendors must comply with the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations must be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).



## SECTION II

### MAXIMUM HOUSEHOLD INCOME LIMITS 2023 Income Limits

<i>Household Size /</i>	1	2	3	4	5	6	7	8
<i>Income Group</i>								
<b>30%-LMI</b>	20,200	23,050	25,950	30,000	35,140	40,280	45,420	50,560
<b>Extremely Low</b>								
<b>50%-LMI</b>	33,600	38,400	43,200	48,000	51,850	55,700	59,550	63,400
<b>Low</b>								
<b>80%-LMI</b>	53,800	61,450	69,150	76,800	82,950	89,100	92,250	101,400
<b>Moderate</b>								

*Note: The income guidelines are updated by HUD annually. The agency using this Intake Sheet should update this information accordingly.*

### Neighborly Software – User Guide

**<https://portal.neighborlysoftware.com/copbfl/participant>**



## SECTION III

- OMB SUPER CIRCULAR - <https://www.hudexchange.info/programs/cdbg/>
- Sub-recipient oversight and monitoring – A roadmap to improved results

Link: [https://portal.hud.gov/hudportal/documents/huddoc?id=DOC\\_17086.pdf](https://portal.hud.gov/hudportal/documents/huddoc?id=DOC_17086.pdf)

- Playing by the rules for Sub-recipient -

<https://www.hudexchange.info/onecpd/assets/File/Playing-by-the-Rules-Handbook-CDBG-Subrecipients-Administrative-Systems-Chapter-1.pdf>

CPD Monitoring Handbook: 6509.2 -

[https://www.hud.gov/program\\_offices/administration/hudclips/handbooks/cpd/6509.2](https://www.hud.gov/program_offices/administration/hudclips/handbooks/cpd/6509.2)





## **Exhibit B - Work Plan**

**Activities that are subject to this Subrecipient Agreement shall include those activities meeting the national objective criteria of 24 CFR 570.208(a)(2).**

Handwritten initials, possibly "R" or "K", written in black ink.

# **CITY OF POMPANO BEACH**

## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

### **2023-2024 Program Year**

#### **Submitted By:**

**RUSSELL LIFE SKILLS AND READING FOUNDATION, INC**

[pdoyley@russellreadingroom.com](mailto:pdoyley@russellreadingroom.com)

[www.russellreadingroom.com](http://www.russellreadingroom.com)

#### **Scope of Work**

The Russell Education Foundation (REF) will address the critical issue of illiteracy for LMI students in the City of Pompano Beach by providing tutoring instruction, homework assistance and comprehensive education services designed to improve reading, language, math, and science skills, with a primary goal of improving literacy and reading skills by at least one grade level upon completion of the year-long program. In addition to educational strategies, REF will provide mentoring and family engagement activities that encourage excitement about learning and promote long-term success in school and in life.

#### **D/B/A RUSSELL EDUCATION FOUNDATION**

**499 NW 70<sup>th</sup> Ave, Suite 106**

**Plantation, FL 33317**

**Telephone: 954-921-3787**

During the 2023-2024 academic year, REF's Russell Reading Program will serve approximately 95 LMI kindergarten through fifth grade students (ages five – 12) residing in Pompano Beach and determined to be at-risk in their reading skills for several reasons including learning, economic, and language-based difficulties. The Russell Reading Program will be offered at four community sites operated by the City of Pompano Beach's Parks and Recreation Department: Mitchell Moore Park, Pompano Beach Civic Center, McNair Center, and Highlands Park. The program period will encompass a full 9 months from 10/1/2023 to 9/30/2024 (excluding summer months). After-school instruction will take place on school days, three or 4 days per week for two (2) hours per day, for an estimated total of 145 days. Reading instruction will be provided every day, with math instruction provided three times per week, science once per week and homework assistance four days per week.

Anticipated program outcomes include:

- A minimum of 98% of returning students will be promoted to the next grade level at the end of the academic year.
- 80% of students will enhance social interaction (staff-child, child-child).
- 95% of students will demonstrate improved literacy & reading skills.
- 84% of students will demonstrate benchmarked progress in math and science.

PROGRAM EXPENDITURES	CDBG/HOME	FUNDRAISING	GRANTS	OTHER	TOTAL PROJECT COSTS
Salaries/Wages	\$ -				
Administrative Staff (VP of Development Dir. of Programs, Dir. Of Development) \$110,000 @	\$ -	\$ 15,040.00	\$ 9,160.00	\$ -	\$ 24,200.00
Employee Benefits	\$ -		\$ -	\$ -	\$ -
Payroll Taxes & Benefits - Administrative Staff	\$ -	\$ 10,044.06	\$ 2,832.94	\$ -	\$ 12,877.00
Payroll Taxes & Benefits - Teachers, Site Directors, and Evaluator	\$ -	\$ 9,808.50	\$ 2,766.50	\$ -	\$ 12,575.00
Professional Contract Services	\$ -		\$ -	\$ -	\$ -
4 certified teachers @\$24/hr x 2hrs/day x 145 days (total of 6 teachers for all sites) - Partial	\$ 12,500.00	\$ 7,880.00	\$ 13,000.00	\$ -	\$ 41,760.00
1 Program Evaluator	\$ 1,000.00	\$ 2,000.00		\$ -	\$ 3,000.00
3 Site Directors @\$26/hr x 2 hours/day x 145 days- Partial (total of 4 Site Directors for all sites)	\$ 12,000.00	\$ 5,770.00	\$ 7,770.00	\$ -	\$ 30,160.00
Office Supplies	\$ -		\$ -	\$ -	\$ -
Postage/Printing (printint & duplication)	\$ -	\$ 3,000.00	\$ -	\$ -	\$ 3,000.00
Notices/Subscriptions	\$ -		\$ -	\$ -	\$ -
Utilities	\$ -		\$ -	\$ -	\$ -
Travel/Training (50 miles per week x 36 weeks x \$.545/mile)	\$ -		\$ 981.00	\$ -	\$ 981.00
Rent/Facility Costs	\$ -		\$ -	\$ -	\$ -
Insurance/Legal/Financial Services	\$ -		\$ -	\$ -	\$ -
Fundraising	\$ -		\$ -	\$ -	\$ -
Materials/Supplies	\$ -		\$ -	\$ -	\$ -
Standards Assessment, reading folders @\$35/student x 95 students)	\$ -		\$ 3,325.00	\$ -	\$ 3,325.00
Mad Science - Virtual/in classroom Science Project	\$4,500	\$ 1,500.00	\$ 2,000.00		\$ 6,000.00
Lunch/Snacks	\$ -		\$ -	\$ -	\$ -
Assistive Technology	\$ -		\$ -	\$ -	\$ -
Administrative Costs (Insurance, professional fees, rent, utilities, communication)	\$ -	\$ 11,917.00	\$ -	\$ -	\$ 11,917.00
Scholarship Awards	\$ -		\$ -	\$ -	\$ -
Scholarship Maintenance Fee	\$ -		\$ -	\$ -	\$ -
Camp(s)	\$ -		\$ -	\$ -	\$ -
Supplies/Activities	\$ -		\$ -	\$ -	\$ -
Classroom Supplies (Paper, pencil, pens, markers, rulers, etc. @\$6.15 x 95 students)			\$ 584.25	\$ -	\$ 584.25
Classes	\$ -		\$ -	\$ -	\$ -
Field Trips	\$ -		\$ -	\$ -	\$ -
Capital Equipment	\$ -		\$ -	\$ -	\$ -
Direct Client Services	\$ -		\$ -	\$ -	\$ -
Other (please list)	\$ -		\$ -	\$ -	\$ -
<b>Totals:</b>	<b>\$ 30,000.00</b>	<b>\$66,959.56</b>	<b>\$ 42,419.69</b>	<b>\$ -</b>	<b>\$ 150,379.25</b>

## EXHIBIT C

### COMPENSATION AND BUDGET SUMMARY

#### **The Russell Life Skills and Reading Foundation, Inc.**

- A. All payments shall be in the form of reimbursements for program services provided. SUBRECIPIENT will be paid according to the approved budget submitted to the CITY for the specific program. The budget determined for The Russell Life Skills and Reading Foundation, Inc., for the funding period beginning October 1, 2023 through September 30, 2024 is attached and hereby incorporated and made part of Exhibit C.

The City shall pay The Russell Life Skills and Reading Foundation, Inc., (hereinafter referred to as the "SUBRECIPIENT") as maximum compensation for the services required pursuant to this Agreement the sum of **Thirty Thousand Dollars (\$30,000.00)**.

- B. During the term hereof and for a period of one (1) year following the date of the last payment made hereunder, the CITY shall have the right to review and audit the time records and related records of the SUBRECIPIENT pertaining to any payments by the CITY.
- C. Requests for payment should be made at least on a monthly basis, by the 15<sup>th</sup> of the month. Reimbursement requests should be electronically submitted to the City through its Neighborly Software system, within thirty (30) calendar days after the indebtedness has been incurred, using a completed reimbursement request form provided by the Office of Housing and Urban Improvement, together with the required expense documentation, which shall be separately scanned and uploaded at the same time as the completed Reimbursement Request form. Subrecipient shall file monthly progress reports by completing them online using the Neighborly Software system report form as a condition of reimbursement.
- D. The SUBRECIPIENT must submit the final request for payment to the City within 30 calendars days following the expiration date or termination date of this Agreement on a form a provided by the Office of Housing and Urban Improvement. If the SUBRECIPIENT fails to comply with this requirement, the SUBRECIPIENT shall forfeit all rights to payment and the City shall not honor any request submitted thereafter.
- E. Any payment due under this Agreement may be withheld pending the receipt and approval by the City of all reports due from the SUBRECIPIENT as a part of this Agreement and any modifications.

Twan Russell - Board Chair  
Authorized Name and Title

Date

10-6-2023

## EXHIBIT D

### CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

#### CERTIFICATION REGARDING LOBBYING

#### CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid, or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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.

(2) If any funds other than Federal appropriated funds have been 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, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(1) The undersigned shall require that the language of this certification be included in the award documents for "All" sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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 pre-requisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. 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.

Russell Life Skills and Reading Foundation, Inc.

SUBRECIPIENT

*TUAN Russell*  
PRINT NAME OF CERTIFYING OFFICIAL

*TUAN Russell*  
SIGNATURE OF CERTIFYING OFFICIAL

*10-6-2023*  
DATE

\* Note: In these instances, "All" in the Final Rule is expected to be clarified to show that it applies to covered contract/grant transactions over \$100,000 (per OMB).

## EXHIBIT E

### CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

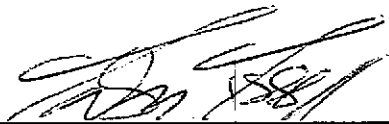
#### CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS PRIMARY COVERED TRANSACTIONS

1. The Subrecipient certifies to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.
  - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 1.b of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall submit an explanation to the City of Pompano Beach.

SUBRECIPIENT

TUAN Russell

PRINT NAME OF CERTIFYING OFFICIAL



SIGNATURE OF CERTIFYING OFFICIAL

10-6-2023

DATE

## EXHIBIT F

CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

SWORN STATEMENT PURSUANT TO SECTION 287.133(3) (A).  
FLORIDA STATUTES ON PUBLIC ENTITY CRIME

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to City of Pompano Beach  
By Tuan Russell- Board Chair

(print this individual's name and title)

for The Russell Life Skills And Reading Foundation, Inc  
d/b/a Russell Education Foundation  
(print name of entity submitting statements)

whose business address is 499 NW 70<sup>th</sup> Ave, Suite 106, Plantation, FL 33317

and if applicable is Federal Employer Identification Number (FEIN) is 65-0922490

If the entity has no FEIN, include the Social Security Number of the individual signing this sworn Statement:

2. I understand that a "public entity crime" as defined in paragraph 287.133(1)(a), Florida Statutes, mean a violation of any state or federal law by a person with respect to and directly related to the transactions of business with any public entity or with an agency or political subdivision of any other state or with the United States including, but not limited to any bid or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes means a finding of guilt or a conviction of a public entity crime, with or without adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a Jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in paragraph 287.133(1)(a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of public entity crime; or
2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
5. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.
6. Based on information and belief, the statement which I have marked below is true in a relation to the entity submitting this sworn statement. (Please indicate which statement applies).

Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or any affiliate of the entity has been charged with and convicted of a public entity crime within the past 36 months.

\_\_\_\_\_ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity or an affiliate of the entity has been charged with and convicted of a public entity crime within the past 36 months. AND (Please indicate which additional statement applies).

\_\_\_\_\_ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or agents who are active in the management of the entity, or an affiliate of the entity has





been charged with and convicted of a public entity crime within the past 36 months. However, there has been a subsequent proceeding before a Hearing Officers of the State of Florida, Division of Administrative Hearings and the Final Order by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. (Attached is a copy of the final order).

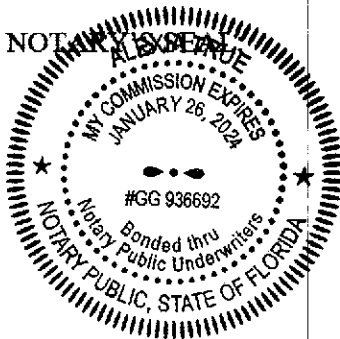
I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THE PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED AND FOR THE PERIOD OF THE CONTRACT ENTERED INTO, WHICHEVER PERIOD IS LONGER. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Twain Russell, Board Chair

11/23  
Date

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me, by means of ☒ physical presence or ☐ online notarization, this 11 day of October, 2023, by Twain Russell as Board Chair of TRISARE, Inc., a Florida corporation, on behalf of the corporation, who is personally known to me or who has produced \_\_\_\_\_ as identification



NOTARY PUBLIC, STATE OF FLORIDA

Alexa True

(Name of Acknowledger Typed, Printed or Stamped)

1126/2024  
Commission Number



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/04/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> NSI Insurance Group LLC 5875 NW 163 Street Suite 207 Miami Lakes FL 33014		<b>CONTACT</b> NAME: Luly Pascual-Cabrera PHONE (A/C, No, Ext): (305) 558-1488 FAX (A/C, No): (305) 558-3680 EMAIL: lulyh@nsigroup.org ADDRESS: lulyh@nsigroup.org	
<b>INSURED</b> The Russell Life Skills and Reading Foundation Inc. 486 NW 70th Ave. #108 Plantation FL 33317		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Northfield Ins Co INSURER B: Retail First Insurance Company INSURER C: Landmark American Ins Co INSURER D: INSURER E: INSURER F:	

**COVERAGES** CERTIFICATE NUMBER: 23/24 GL, WC, Prof Liab REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

LINE	TYPE OF INSURANCE	APOL	INSUR	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		WS554209	08/04/2023	08/04/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			WS554209	08/04/2023	08/04/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N		52050100	02/27/2023	02/27/2024	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL. EACH ACCIDENT \$ 500,000 EL. DISEASE - EA EMPLOYEE \$ 500,000 EL. DISEASE - POLICY LIMIT \$ 500,000
C	Professional Liability			LHR850687	07/22/2023	07/22/2024	Each Claim \$ 1,000,000 Aggregate Limit \$ 1,000,000 Sexual Abuse Limit \$ 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Sexual Abuse Sub-Limit of \$100,000/\$300,000

Certificate Holder is Listed as Additional Insured with Respect to General Liability.

**APPROVED**

By Danielle Thorpe at 4:09 pm, Aug 23, 2023

<b>CERTIFICATE HOLDER</b> City of Pompano Beach PO Box 1300 Pompano Beach FL 33061	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Oscar Serrano
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