

**Agreement between City of Merced
AND
Symple Equazion
For
Community Development Block Grant
“Symple Soul”
Employment Readiness Program**

THIS AGREEMENT, entered this ____ day of _____, 2023, by and between the City of Merced (herein called the “Grantee,” “City,” and/or “City of Merced Housing Division”) and Symple Equazion (herein called the “Subrecipient”).

WHEREAS, the Grantee applied for and received funding from the United States Department of Housing and Urban Development (“HUD”) under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383 (B-21-MC-06-0044) under the Community Development Block Grant (“CDBG”) and administered by the U.S. Department of Housing and Urban Development (“HUD”) (14.218-Entitlement Grant) with a Federal Award Date of October 27, 2021; and,

WHEREAS, Grantee adopted a Five-Year Consolidated Plan on November 16, 2020, which identifies several populations, including extremely low- and low-income households, homeless person, seniors and frail elderly, youth, and persons with disabilities as those in most need, and identifies projects for increased public services to area nonprofit agencies, particularly those programs that provide services for the homeless, youth, and seniors and those that encourage economic development, which includes job training activities, as essential to the community; and,

WHEREAS, in response to the City’s Notice of Funding Availability published in the Merced Sun-Star and Merced County Times newspapers to solicit public service program proposals, Grantee received an application from Subrecipient, to administer an Employment Readiness Training Program to benefit City of Merced low to moderate income residents, an expansion to the Subrecipient’s current youth personal development programming (“Proposal”); and,

WHEREAS, on July 6, 2021, the City approved an allocation of \$61,310 of its CDBG funds, through the Program Year 2021-2022 Annual Action Plan, towards

eligible costs associated with the Subrecipient's "Symple Soul" Program (herein called "Program"), to be carried out during the 2021-22 Program Year; and,

WHEREAS, Subrecipient implemented and carried out Program during the 2021-22 Program Year on its own volition while Grantee continued to recover from Covid-19-related Consolidated Plan and Annual Action Plan implementation delays resulting in the subsequent delayed preparation of this Agreement, and as this Agreement seeks to establish retroactive terms for reimbursement of Program costs incurred; and,

WHEREAS, use of CDBG Funds for an Employment Readiness Training Program benefitting low to moderate income residents meets the Goals and Policies found in Chapter 9 (Housing Element) of the Merced Vision 2030 General Plan, adopted on July 18, 2016, by the City Council; and,

WHEREAS, Grantee has determined, and Subrecipient certifies, that the provision and operation of the proposed Program pursuant to this Agreement furthers the needs of the City, as well as the Goals and Objectives identified in the City's 2020-2024 Consolidated Plan and 2021 Annual Action Plan; and,

WHEREAS, an Employment Readiness Training program, generally for the purpose of increasing the employability of participants by teaching both general and specific on-the-job skills that are easily applied to certain vocations or fields, is an eligible Public Service for the use of City of Merced CDBG funds, pursuant to the provisions of 24 CFR 570.201(e), and the exceptions provided in 24 CFR 570.207(b)(2). Public Services are defined by 24 CFR, Section 570.201(e) as allowing for the provision of services including but not limited to those concerned with employment, crime prevention, homeless support and prevention, child care, health, education, fair housing counseling, or recreational needs; and,

WHEREAS, Subrecipient represents that it has the necessary experience, expertise, qualifications, and willingness to implement the Program, pursuant to all terms and conditions of this Agreement and in a manner satisfactory to Grantee; and,

WHEREAS, Subrecipient agrees to comply with all applicable HUD regulations, including, but not limited to, those contained in 24 CFR Part 570 – Community Development Block Grants, 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and 2 CFR 230 et. seq., Cost Principles for Non-Profit Organizations (OMB Circular A-122); and,

WHEREAS, Subrecipient is a Non-Profit Organization exempt from Federal income tax under Internal Revenue Code (IRC) Section 501(c)(3) and is a classified as a Public Charity under Section 170(b)(1)(A)(vi) of the Internal Revenue Code, and will deliver services from Subrecipient's primary business address of 1840 T Street, Merced, California 95340, and EIN: 45-2736191, and DUNS No. 012909770; and,

WHEREAS, the purpose of this Agreement is to set forth the responsibilities of the Grantee and Subrecipient in accomplishing the objectives of the HUD CDBG program, as set forth in the Housing and Community Development Act of 1974. The CDBG program and funds related thereto are referred to from time to time as the "CDBG Program" or "CDBG Funds"; and,

WHEREAS, Grantee agrees to engage the services of Subrecipient, and Subrecipient agrees to perform the services for Grantee hereinafter described, for the compensation, during the term, and otherwise subject to the covenants and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto agree as follows:

I. SCOPE OF SERVICE

A. Program Design.

The Program carried out by the Subrecipient shall be designed and prioritized around the goal of solving the following problem(s) or challenge(s), as stated by the Subrecipient in the Proposal and as excerpted and compiled here:

Poverty implies a financial condition where people are unable to maintain the minimum standard of living. Youth unemployment, unemployability, and poverty are major challenges that are facing residents in the City of Merced. In December 2019, the State of California EDD reported the Merced County unemployment rate to be 7.9%. At the same time, the California unemployment rate was reported to be at 3.9%. The services provided by Symple Soul will provide participants with soft skills and work readiness training to increase their employability and assistance in obtaining employment, with the objective being to end their dependency on safety net programs.

B. General.

The Subrecipient is responsible for administering the Program during the 2021-22 Program Year, serving approximately 10 City of Merced residents, in a manner satisfactory to the City and consistent with any standards, statutes, and regulations required by HUD and this Agreement as a condition of providing these funds. The program will be operated within the City limits of Merced, not including County islands.

C. Program Delivery.

The CDBG funds, referenced above and further herein, shall be directed toward the deliverables listed below. Each activity shall be considered a separate, stand-alone component of this program.

By executing this agreement, Subrecipient agrees to utilize the funds in accordance with all applicable HUD/CDBG funding regulations, requirements, eligible cost principles, restrictions, and general activity delivery for the Program. CDBG Funds shall only be disbursed to reimburse documentable incurred costs that are allowed by HUD. Before submitting any requests for reimbursement, the Subrecipient shall assure that all costs are correct, reasonable, responsible, and necessary to the success and sustainability of the Program and represent no conflict of interest.

1. Specific Ineligible Costs.

Since salaries for persons participating in CDBG-assisted job training programs are not an allowable activity delivery cost by HUD, Subrecipient acknowledges that no participants shall be paid with HUD funds for any training they receive through this Program. Subrecipient agrees to repay to the Grantee any CDBG funds that were later found to be paid to participants.

Additional ineligible costs for reimbursement:

- Costs related to Public Health food facility permits, land use/zoning permits, registration, and other such required licenses/permits related to the establishment of the training facility prior to start of Program
- Purchase of equipment, supplies, or training facilities prior to the Performance Period
- Training costs for non-City resident participants

2. Activities.

- *Activity #1: In-Classroom Work Readiness Training* - each participant will be provided with up to 80 hours of in-class trainings. Classroom training will provide instruction intended to help participants successfully obtain and retain employment and will include the following personal and work

readiness topics: communication, critical thinking, leadership, positive attitude, teamwork, work ethic, and financial literacy, as well as problem solving and resume preparation. Subrecipient shall document participant attendance in these classes.

Eligible reimbursements include: costs associated with providing classroom instruction and training, including services provided by outside consultants, instruction-only Program staff, and classroom supplies and materials, including workbooks and instructional software programs. Backup documentation required for reimbursement include, but are not limited to: paid invoices for instructional services by contracted outside consultants or agencies; payroll summary logs, hourly/weekly timesheets, and paystubs for any instruction-only staff employed by the Program; and itemized store receipts for allowable materials and supplies purchased.

- Activity #2: “On-the-Job” Training – each participant will be provided with at least 560 hours of “hands-on” training in an established, operating restaurant/mobile food service training facility following completion of the classroom training (Activity #1). Hands-on training shall be designed by the Subrecipient to prepare participants for jobs or careers in the food preparation/food service field or line of work. In this regard, hands-on training will be provided through the Subrecipient’s established “Symple Soul” non-profit food truck facility.

Eligible reimbursements include costs directly related to the delivery and provision of hands-on training to participants, including but not limited to: supplies used during training sessions (examples include: food ingredients, tools, utensils, and other materials required to prepare menu items; sanitation/cleaning supplies; disposable food prep gloves and aprons; paper/plastic serving ware and food packaging supplies; and costs of additional tool/cutlery sets to accommodate all participants); propane required for cooking; gasoline required for mobile power generator, if any; costs of required participant food handler certifications; telephone or internet-based payment- and order-processing applications, equipment, and/or software and services; and printing and publication costs for menus and flyers to advertise the program. Alcohol is an ineligible expense. Any meal stipends provided by the Subrecipient for participant lunch expenses to defray the out-of-pocket costs by participants while attending training are eligible for reimbursement (stipend amounts must be reasonable to cover food costs and shall be used to reimburse lunch expenses incurred by the Subrecipient only - not to be provided directly to participants).

Additionally, the salary costs associated with paid instructional employees tasked with teaching and directing hands-on training shall be considered an eligible activity delivery cost, including any instructional services provided by outside consultants. Backup documentation required for reimbursement of instruction costs include, but are not limited to: paid invoices for instructional services by contracted outside consultants or agencies; payroll summary logs, hourly/weekly timesheets, and paystubs for any instruction-only staff employed by the Program.

The above costs will be reimbursed based off the pro-rata percentage of program participants that are or were City of Merced residents during the Period of Performance. The Subrecipient must provide accurate documentation for each resident including their address, income level, and dates/times of participation. Subrecipient shall verify City residency prior to invoice submittal through the use of current City zoning or other such maps.

It shall be the Subrecipient's responsibility outside of this Agreement to ensure that all proposed classroom and hands-on training locations are properly permitted and licensed per City and State ordinances and regulations.

- Activity #3: Job Placement Assistance following completion of Program – reasonable costs of providing financial assistance to participants following completion of the classroom and hands-on training program are reimbursable on a case-by-case basis. Subrecipient shall submit complete documentation for costs incurred towards this activity with a description of the provided service. Reimbursement shall be processed upon Grantee approval. All submitted costs shall be allowable costs as determined by HUD (2 CFR Part 230).
- Activity #4: Subrecipient Program Activity Delivery/Grant Administration costs - a maximum of 10% of the CDBG grant for the Program, or \$6,131.00 will be provided to reimburse both direct and indirect administrative and facilities costs related to the above activities. Eligible reimbursements include: costs of required general liability and other insurance for the Program during the Period of Performance; administrative support for legal, accounting, human resources, or audit services. For allowable direct and indirect administrative funds utilized up to the 10% maximum, proper backup documentation for all requested reimbursements shall be provided, including an explanation of how the

cost relates to the program and clear calculations of how indirect costs were allocated to the Program (refer to 2 CFR Part 230 and Section VIII(C)(2) of this Agreement). Accuracy of all calculations shall be ensured before submittal of all invoices.

Any funds not used to reimburse grant administration costs shall be used towards Activities 1, 2, or 3 above.

- Activity #5: Demographic data collection and activity reporting - Subrecipient shall collect and submit required client demographic data and reports, which includes identifying client income category qualifications, ethnicity, race, and other pertinent information, which HUD requires for the use and expenditure of CDBG funds. Subrecipient shall use the form at Exhibit C-2, or their own equivalent form that reports the same required data. This reporting shall be performed and submitted with each invoice submittal for each participant assisted.

Grant assistance shall only be disbursed to the business account of the Subrecipient. The Subrecipient shall pay all reimbursable expenses with traceable methods (not paid with cash) and shall provide evidence of such payment as backup documentation when submitting reimbursement requests to the Grantee. Grantee may refuse reimbursement or demand repayment from the Subrecipient if it is determined that a cost is ineligible per HUD Rules and Regulations, determined to be incorrect or inconsistent with provided backup documentation, backup documentation insufficient, or if assistance provided was later found to be duplicative. Recaptured funds shall either be re-used for the program towards other eligible costs that assist the participants within the intent of the program or returned to the Grantee, with thorough and auditable accounting records provided to the Grantee. Proper and thorough backup documentation for all requested reimbursements and transactions shall be provided.

3. Services Provided. Services to be provided with this Agreement by the Subrecipient shall include the following:
 - a. Classroom training and Instruction – Subrecipient will provide in-class training to participants that, at a minimum, will cover the following topics:
 - Communication
 - Critical thinking
 - Leadership

- Positive attitude
- Teamwork
- Work ethic
- Financial literacy

b. Symple Soul “On the Job” hands-on training – The Subrecipient will provide hands-on work readiness training in a vocational field setting (restaurant/food service) through the use of the organization’s existing food truck training facility (Symple Soul) within the city limit boundaries. Training activities may also occur outside the City limits for privately-hired or community/special events only. Training will be provided by a qualified instructor licensed and knowledgeable in safe food preparation practices. Services provided will specifically prepare participants for future employment opportunities in the food service/food preparation industry, while applying knowledge and skills learned in the classroom.

c. Job Placement Assistance – Following each participant’s completion of the program, Subrecipient will provide participants assistance with finding, applying for, and attaining suitable employment using newly-acquired skills.

d. Statistical and Income Eligibility Recordkeeping – Subrecipient will collect, organize, and report complete demographic, income level, race, ethnicity, and other HUD-required statistical information on each program participant. All data collected will be reported to Grantee for subsequent closeout of the Program and to assist Grantee in its annual reporting of beneficiary data to HUD. In this endeavor, Subrecipient will ensure that a minimum of 51% of the primary beneficiaries of CDBG funding are low to moderate income (LMI) City residents.

D. National Objectives. All activities funded with CDBG funds must meet one of the three following primary CDBG National Objectives as further defined in 24 CFR 570.208:

- (a) Activities benefiting LMI persons;
- (b) Activities which aid in the prevention or elimination of slums or blight;
- (c) Activities designed to meet community development needs having a particular urgency.

The Subrecipient certifies that the Program activities that will be carried out under this Agreement will meet the primary National Objective to benefit LMI persons, as described in Section III – Program Description, below. Reporting of the Performance Indicator noted shall be submitted with each invoice.

In meeting the National Objective, each beneficiary, through services provided by the Subrecipient, and as a condition of receiving assistance, will provide source documentation of income eligibility, including but not limited to income tax returns, pay stub records, or other relevant records as may be needed to prove income eligibility, so that it is evident that the assistance is reaching the intended beneficiaries and meeting CDBG National Objective requirements.

Additionally, the following requirements must be met:

- Documentation shall be provided indicating that a minimum of 51% percent of the beneficiaries (participants) will be LMI City of Merced residents, in meeting the determined National Objective for the program (24 CFR 570.208(a)(2)(B)).

In lieu of requiring source documentation from all participants to verify income, the Subrecipient may use verifiable Self-Certification Form methods of ensuring income limits are being met in processing participants' applications, if so desired (Exhibit C-3). However, if Self-Certification Form methods are used, the Subrecipient shall randomly require source documentation be provided by at least 51% of the participants served upon intake of the participants, and verify such income before funds are disbursed, to consistently ensure that the information being provided on the self-certification form is true and correct as signed and certified by the beneficiary, and to ensure that at least 51% of the clients served are low to moderate income, per the designated National Objective and to meet HUD requirements. Subrecipient shall retain all source documentation records. In the event any beneficiary was later found to be over-income after disbursement of funds, those funds shall be re-paid to the Grantee by the Subrecipient.

- E. Levels of Accomplishment – Performance Measures. The purpose of measuring the proposed activities is to gather information that determines how well programs and activities are meeting established needs and goals. Defining program objectives should closely mirror the statutory objective of each program, broadly framed to capture the community impacts that occur as a result of a program's activities. Further defining each program into expected outcomes helps further refine the objective and is designed to capture the nature of the change or the expected result of the objective the program seeks to achieve.

For this program, HUD's Outcome Performance Measurement System will measure the following objectives, outcomes, and indicators:

1. Performance Objective: Creating Suitable Living Environments - this objective applies to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective relates to activities that are intended to address a wide range of issues faced by LMI persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy, or elderly health services.

For this program, the objective is to provide beneficiaries with knowledge, personal development, job skills, workplace experience, critical thinking, financial management, and self-confidence that will enable them to find meaningful employment, thereby helping to lift themselves and their families out of poverty by providing the skills to obtain, retain, and excel in employment, manage the challenges faced in the workforce and at home, to be successful in future employment throughout their lifetime, and provide a positive path for permanent poverty avoidance.

2. Performance Outcome: Availability/Accessibility - this outcome applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to LMI people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to LMI people where they live.

For this Program, the primary expected outcome is to improve the accessibility of skilled employment opportunities and likelihood of job attainment when transitioning out of the Subrecipient's work readiness Program. Additionally, educational classes provided by the Program will provide participants with the emotional control skills, financial literacy, confidence and self-esteem necessary to handle daily challenges.

3. Performance Indicators. HUD requires reporting of data elements relevant to most HUD-assisted activities that indicate the ability of the Program to carry out the primary objectives of CDBG programs. As such, the Subrecipient shall report the following data in end-of-the-year reports, using the templates shown in the attached Exhibits, as applicable:

- Amount of other funds leveraged for this activity, including other Federal, state, local, or private sources, if any.
- The number of persons assisted.
- List household size of persons assisted by number of persons in household, including children, and indicate if head of household is female.
- List household income levels of persons assisted by: 30 percent, 50 percent, or 80 percent of area median income (AMI).
- Race, ethnicity, and disability data elements for each individual.
- List containing number and subject of training sessions; attendance; and, absences.
- Copy of entrance and post assessments for each participant
- Copy of sign in sheets for participant training sessions
- Photos of events/training
- 6-month outcome post completion (beginning with last month of assistance), when possible.

4. Expected Levels of Accomplishment. Subrecipient is expected to meet at least one of the following anticipated outcomes:

- Provide classroom and hands-on work readiness training to a minimum of 10 City of Merced LMI residents

The Subrecipient shall set attainable goals reflecting the number of participants to be served and the expected success rate. A final report showing the goals created and attained by the Subrecipient as of June 30, 2022 (Year-End), shall be submitted with the final invoice and shall include the final outcomes of the program including job search or attainment challenges and successes.

F. Performance Monitoring. The Grantee will monitor the performance of the Subrecipient against goals, performances standards, and expenditure deadlines as stated elsewhere in this agreement. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the Grantee, suspension, or termination procedures applicable to this Agreement will be initiated.

G. Staffing. Subrecipient shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation.

Subrecipient recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed below shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship, resignation, or conflict of interest, in which case substitutes shall be subject to the City's approval.

The Subrecipient will dedicate the following staffing to the Program:

Program Oversight (Overall): Kelly Turner-Phillips, Chief Executive Officer
Email: kturner@sympleequazion88.com
Telephone: (209)349-8355
Program Oversight (Alternate): Louise Jones, Director
Email: ljones@sympleequazion88.com
Telephone: (209)349-8169
Financial Oversight: Ronald Phillips, Chief Financial Officer
Email: rphillips@sympleequazion88.com
Telephone (main): (209)658-2804

II. TERM OF PERFORMANCE

Eligible program expenses for the activities and services carried out by the Subrecipient shall be considered to have started on July 1, 2021 (start of 2021 Program Year) and end on June 30, 2022 (end of Program Year). With additional time considered due to the delay in the execution of this Agreement, all invoices for reimbursement of eligible expenses and reporting of participant/beneficiary data for the Program shall be submitted to the City of Merced, at the earliest possible time, but no later than April 1, 2023.

The term of this Agreement shall be extended to allow the Subrecipient time for any corrections or inquiries requested by the Grantee thereof, and to cover any additional time during which the Subrecipient remains in control of CDBG funds or other CDBG assets.

III. PROGRAM DESCRIPTION

Type of Program: Public Service
HUD-CDBG Eligible Activity: Employment Training
HUD Matrix Code: 05H
Basic Eligibility Citation: 24 CFR 570.201(e)

Service Area: Low- to Moderate Income City of Merced residents during the 2021 Program Year

National Objective: Low/Mod Limited Clientele Benefit (LMC) - 24 CFR 570.208(a)(2)(B) – an activity which benefits a limited clientele, at least 51 percent of whom are low- and moderate-income persons and meets the benefit test of: (B) requiring information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low and moderate income limit.

CPD Performance Measurement System: *Objective:* Creating Suitable Living Environments; *Outcome:* Availability/Accessibility; *Indicators:* 1) number of persons assisted, 2) income levels of persons assisted by 30%, 50%, and 80% of area median income; 3) race, ethnicity, and disability data; 4) Amount of money leveraged from other Federal, state, local, and private sources.

IV. BUDGET

<u>Line Item</u>	<u>Amount:</u>
Activity #'s 1 through 3 – Direct Program Costs	\$ 55,179
<u>Activity #4 – Activity Delivery Costs/Admin (10% grant max)</u>	<u>\$ 6,131</u>
TOTAL	\$ 61,310

Reimbursable administrative expenses directly related to the Program shall be limited to 10 percent (10%) of the total CDBG funding, or a maximum of \$6,131. Any available administrative budget line funds not utilized for administrative purposes shall be used towards Activities 1 through 3.

Any indirect costs the Subrecipient wishes to charge must be consistent with the conditions of Paragraph VIII(C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

V. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$61,310. Drawdowns for the payment of eligible expenses shall be made against the line-item budgets and activities specified in Paragraph IV and Section I(C) herein and in accordance with performance. Each draw-down request shall be accompanied with an invoice itemizing all program expenses, previously drawn program grant funds, thorough backup documentation

for each expense (including weekly/biweekly timesheets documenting direct program hours worked), supporting expenses and calculations, and amount of program funds being requested. The Subrecipient will ensure that all calculations are correct and directly related to this Program before submitting for reimbursements. No amount of reimbursement will be granted for paid time off for any employees of the Subrecipient, including sick hours; accordingly, all amounts and invoices will be related to the Subrecipient's time put into the Program.

The Subrecipient shall meet with City of Merced Housing Division and/or Finance Department staff whenever necessary, to review, clarify, and discuss: 1) requirements for reimbursement of invoices; 2) qualifying expenses; and, 3) allowable administration expenses per 2 CFR part 200.

The Subrecipient shall submit a final invoice requesting reimbursement of qualified expenses to City of Merced Housing Division staff no later than April 1, 2023. The final invoice shall be marked "final", and all invoices shall be submitted with "wet" signature on single-sided paper.

VI. NOTICES

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

Communications and details concerning this Agreement shall be directed to the following representatives of the parties:

GRANTEE

Kim Nutt
Housing Program Supervisor
City of Merced
678 West 18th Street
Merced, CA 95340
(209) 388-8988
nuttk@cityofmerced.org

SUBRECIPIENT

Kelly Turner-Phillips
Chief Executive Officer
Symple Equazion
1840 T Street
Merced, CA 95340
(209) 349-8355
kturner@sympleequazion88.com

VII. GENERAL CONDITIONS

- A. General Compliance. The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning CDBG, including Subpart K of these regulations), except that the Subrecipient does not assume the Grantee's environmental responsibilities described in 24 CFR 570.604.

The Subrecipient also agrees to comply with all other applicable Federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

- B. Independent Contractor. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement,¹ life and/or medical insurance,² and Worker's Compensation Insurance, as the Subrecipient is an independent contractor.

Subrecipient shall determine the method, details, and means by which it provides Services, so long as they are consistent with all applicable HUD requirements. Subrecipient shall be responsible to the City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to the City's control with respect to the physical action or activities of Subrecipient in fulfillment of this Agreement. If in the performance of this Agreement, any third persons are employed by Subrecipient, such persons shall be entirely and exclusively under the direction, supervision, and control of Subrecipient. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirements of law, shall be determined by Subrecipient.

- C. Indemnity/Hold Harmless. Except as to the sole negligence or willful misconduct of the City, the Subrecipient shall agree to indemnify, protect, defend (with counsel selected by the City), save, and hold the City, its officers, employees,

¹ Unless the services under this Agreement are provided by a former City employee who is now retired and Grantee is otherwise obligated to pay for the same.

² Unless the services under this Agreement are provided by a former City employee who is now retired and Grantee is otherwise obligated to pay for the same.

agents, and volunteers harmless from any and all claims, suits, charges, judgements, actions, damages, or whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent conduct, whether active or passive, on the part of the Subrecipient or of Subrecipient's employees, subcontractors, or agents. Subrecipient understands and agrees that it shall defend the City from any claim even if it appears to be without merit. Subrecipient shall also defend, indemnify, and hold the City harmless from any loss, damage, or cost incurred because of any claim by any person or entity, regarding Subrecipient has failed to meet any requirements of HUD. Parties agree that this Section shall survive the expiration or early termination of the Agreement.

- D. Insurance & Bonding. The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee. The Subrecipient shall comply with the bonding and insurance requirements of 24 CFR 84.31 and 84.48, Bonding and Insurance.

Prior to the City's execution of this Agreement, Subrecipient shall provide copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms, and ratings as required herein. The rating and required insurance policies and coverages may be modified in writing by the City, or a designee, unless such modification is prohibited by law. The City, and its officers, agents, employees, and volunteers shall be named as additional insureds under all Subrecipient's insurance policies for work done by and on behalf of the named insured for the City of Merced.

Any insurance policy or coverage provided by Subrecipient or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

1. Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Subrecipient's indemnification obligations.

2. Cancellation. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to the City by certified or registered mail, postage prepaid.
3. Adequacy. City, its officers, employees, and agents make no representation that the types or limits of insurance specified to be carried by Subrecipient pursuant to this Agreement are adequate to protect Subrecipient. If Subrecipient believes that any required insurance coverage is inadequate, Subrecipient will obtain such additional insurance coverage, as Subrecipient deems adequate, at Subrecipient's sole expense.
4. Workers' Compensation Insurance. By executing this Agreement, Subrecipient represents that Subrecipient is aware of and will comply with Section 3700 of the California Labor Code requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Subrecipient shall carry the insurance or provide for self-insurance required by California law to protect said Subrecipient from claims under the Workers' Compensation Act for all of its employees involved in the performance of this Agreement. Prior to the City's execution of this Agreement, Subrecipient shall file with City either (1) a certificate of insurance showing that such insurance is in effect, or that Subrecipient is self-insured for such coverage, or (2) a certified statement that Subrecipient has no employees, and acknowledging that if Subrecipient does employ any person, the necessary certificate of insurance will immediately be filed with the City. Any certificate filed with the City shall provide that the City will be given at least ten (10) days prior written notice before modification or cancellation thereof. The policy shall be endorsed to waive the insurer's subrogation rights against the City.
5. Commercial General Liability. Prior to the City's execution of this Agreement, Subrecipient shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance as required to insure Subrecipient against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Subrecipient.

Subrecipient's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products completed operations liability, independent contractor's liability, personal injury liability, and

contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

Said policies shall be in the usual form of commercial general and automobile liability insurance policies but shall include the following provisions:

a. Subcontractors' Insurance. Subrecipient shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss, which may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers' Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon the City's request, Subrecipient shall provide the City with satisfactory evidence that subcontractors have obtained insurance policies and coverages required by this section.

b. Commercial Automobile Insurance. Subrecipient is required to provide commercial automobile liability insurance for this Agreement with the exception being those subrecipients that do not require the use of an automobile to meet program requirements as detailed in the Scope of Work.

If Subrecipient requires the use of an automobile or must drive to meet program requirements in the Scope of Work, Subrecipient must submit insurance certificates acceptable to the City that meet the following requirement(s): Subrecipient's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Subrecipient's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Subrecipient's performance of this Agreement, which vehicles shall include, but are not limited to, Subrecipient owned vehicles, Subrecipient leased vehicles, Subrecipient's employee vehicles, non-Subrecipient owned vehicles, and hired vehicles.

6. Cyber Liability Insurance and Protections for Consumer Data Privacy. If the Subrecipient stores electronic information on residents served for tax or service reasons, and the risk of loss of such electronic data will not be recovered by the Subrecipient's general liability insurance, Subrecipient shall maintain cyber liability insurance or such other coverage, sufficiently broad to respond to the duties and obligations as is undertaken by Subrecipient under this Agreement, including but not limited to claims involving infringement of

copyright or trademark, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security. The policy shall provide coverage for breach response costs, as well as regulatory fines and penalties and credit monitoring expenses, with limits sufficient to respond to these obligations. Due to the technological capacity limitations of many non-profit organizations, acceptable policy limits to satisfy this requirement shall be the maximum coverage that Subrecipient can reasonably obtain from an insurance provider.

Additionally, Subrecipient shall implement and maintain reasonable security procedures and practices with respect to protection of any personal identifying information ("PII") that may be disclosed to the Subrecipient in the performance this Agreement. Subrecipient shall notify the City within twenty-four (24) hours of the Subrecipient's determination that a security breach has occurred with regard to any personal information and shall conduct such investigation and provide such notice as may be required by State and/or Federal law in the event of such breach.

E. Duplication of Benefits. HUD requires that there are adequate procedures in place to prevent any duplication of benefits, as required by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5155 et seq), as amended by Section 1210 of the Disaster Recovery Reform Act of 2018 (Division D of Public Law 115-254; 42 U.S.C. 51212 et seq.), the framework for HUD's role in preparing for and recovering from a disaster, and which helps to guard against fraud and ineligible uses of taxpayer dollars.

Duplication of service occurs when a person, household, business, government, or entity receives financial assistance from multiple sources for the same purpose, and the total assistance received, available, or forthcoming for that purpose is more than the total need for assistance. As such, establishing a process to effectively manage available funding streams and/or other awarded grant funds shall be carried out by Subrecipient.

The basic method and procedure for determining unmet need is as follows:

1. Assess Need: Determine the total amount of need by collecting all documentation provided by the beneficiary and all other documentation that provides clear demonstration of the need for assistance and reasonableness of the amount requested.

2. Determine Assistance: Identify all potentially duplicative assistance that has or will be provided from all sources to pay for the costs by collecting documentation of other assistance received, applied for, awarded but not yet received, etc.
3. Calculate Unmet Need: Determine the amount of assistance already provided compared to the need, to determine the maximum award/assistance available (deduct assistance determined to be duplicative).
4. Document Analysis and Recordkeeping: Maintain the resulting calculation of unmet need and related documents in the program record.
5. Total Assistance: The total assistance provided to the beneficiary must be less than or equal to the unmet.

Subrogation Statement: the Subrecipient, by entering into this Agreement, agrees to repay in full to the Grantee any assistance that is disbursed to a beneficiary and later found to be duplicative.

- F. Grantee Recognition. The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all advertisements, notifications, publications, signs, brochures, and other promotional or information material made possible with funds made available under this Agreement.
- G. Amendments. The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee 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 Grantee and Subrecipient.

H. Suspension or Termination.

1. For Cause. In accordance with 24 CFR 85.43, the City may suspend or terminate this Agreement immediately if Subrecipient materially fails to comply with any terms of this Agreement, including but not limited to:
 - a. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
 - b. Failure, for any reason, to fulfill in a timely and proper manner its obligations under this Agreement;
 - c. Improper use of Grant Funds provided under this Agreement; and
 - d. Submission of reports that are incorrect or incomplete in any material respect.
2. For Cause - Additional Remedies. If Subrecipient materially fails to comply with any term of this Agreement, the City, in addition to immediate termination or suspension, may also take any one or more of the following actions as appropriate in the circumstances:
 - a. Temporarily withhold cash payments pending correction of the deficiency by Subrecipient;
 - b. Disallow all or part of the cost of the activity or action not in compliance;
 - c. Withhold further awards for the Program; and
 - d. Take other remedies that may be legally available.
3. Availability of Funding. The City's allocation of funding to Subrecipient pursuant to this Agreement is contingent upon the availability to the City of Grant Funds and continued authorization for program activities by HUD. In the event of funding reduction, the City may reduce the budget for this program as a whole or as to cost category, and may, at its sole discretion, limit Subrecipient's authority to commit and spend funds, and may restrict Subrecipient's use of both its uncommitted and its unspent funds. Should funding change, the City may suspend the operation of this Agreement for up to sixty (60) days, upon three (3) days written notice to Subrecipient of its intention to so act. In no event, however, shall any revision made by the City affect expenditures and legally binding commitments made by Subrecipient before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable and that such commitments are consistent with HUD cash withdrawal guidelines.

4. Without Cause. Notwithstanding any other provision of this Agreement, this Agreement may be terminated for convenience by either Party, upon thirty (30) days written notice to the other Party, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.
5. Costs Following Termination. Costs of Subrecipient resulting from obligations incurred by the Subrecipient during a suspension or after termination of this Agreement are not allowable unless the City expressly authorizes them in the Notice of Suspension or Termination. Other Subrecipient costs during suspension or after termination which are necessary and not reasonably avoidable are allowed if: (a) the costs resulted from obligations which were properly incurred by Subrecipient before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are noncancellable; and (b) the costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.
6. Inconsistent or Conflicting Terms in Agreement and Exhibits. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control. Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Exhibits A, B-1, B-2, B-3, C-1, C-2, and C-3 are attached hereto and incorporated by reference. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.
7. Ambiguities. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

8. Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.
9. Authority to Execute. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.
10. Counterparts. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management.

1. Revenue Disclosure Requirement. Subrecipient certifies that it has previously filed with the City a written statement listing all revenue received, or expected to be received, by Subrecipient from federal, state, city, or county sources, and from other governmental agencies, and applied or expected to offset, in whole or in part, any of the costs incurred by Subrecipient in conducting current or prospective projects, programs, or business activities, including, but not limited to the Program. Such statement shall reflect the name and a description of such project, program, or business activity, the dollar amount of funding provided, or to be provided, by each and every governmental agency to each such project, program, or business activity, and the full name and address of such governmental agency. For those projects, programs, and business activities in which there are sources of funds from the private sector, Subrecipient shall provide proof of such funding. City shall not pay for any services provided by Subrecipient which are funded by other sources. All restrictions and/or requirements provided in this Agreement relative to accounting, budgeting, and reporting, apply to the total project, program, or business activity regardless of funding sources.
2. Accounting Standards. The Subrecipient agrees to comply with 2 CFR Part 200 and 24 CFR 84.21–28 and agrees to adhere to the accounting principles

and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

3. Cost Principles. The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principals for Non-Profit Organizations," 2 CFR part 200, Subpart E – Cost Principles, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis. Misuse of program funds is a federal offense and is subject to reimbursement and immediate cancellation of this Agreement.
4. Use of Grant Funds. Except as otherwise limited by this Agreement, Grant Funds shall be used exclusively to implement the Program and carry-out the Services. Grant Funds shall not be used as security or to guarantee payments for any non-program obligations, nor as loans or grants for non-program activities. All bank accounts for Subrecipient shall be non-interest bearing and Subrecipient agrees that it shall not use Grant Funds to pay for entertainment, meals, or gifts.
5. Budget. Subrecipient hereby certifies and agrees that Grant Funds shall be used exclusively as described in the Proposed Budget, attached hereto as Exhibit "A" and incorporated herein by reference. Subrecipient shall not make expenditures that deviate from the Budget without prior written approval of the City. City may approve Budget modifications to this Agreement for the movement of funds within the budget categories when such modifications: (i) do not exceed \$10,000 per budget cost category; (ii) do not alter the amount of compensation subject to or under this Agreement; (iii) will not change the project, program, activity goals, or scope of services; and (iv) are in the best interests of the City and Subrecipient in performing the scope of services under this Agreement.

B. Documentation and Record Keeping

1. Records to be Maintained. The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:
 - a. Records providing a full description of each activity undertaken, including the amount of CDBG funds budgeted, obligated, and expended for the activities, and the provision in 24 CFR 570 Subpart C under which it is eligible;

- b. Records demonstrating that each activity undertaken meets the National Objective of the CDBG program;
 - c. Records that demonstrate the Subrecipient has made the income determinations required as a condition of eligibility of certain activities, as specifically required in 24 CFR 570.506(b)(3);
 - d. Records which demonstrate compliance with 24 CFR 570.503(b)(7) and 570.505 regarding use of real property acquired or improved in whole or in part with CDBG funds in excess of \$25,000;
 - e. Records which demonstrate compliance with the requirements in 24 CFR 570.606 regarding acquisition, displacement, relocation, and replacement housing;
 - f. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
 - g. Financial records as required by 24 CFR 570.502, 2 CFR part 200, and 24 CFR 84.21–28.
 - h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.
 - i. Documentation of all Grant Funds received from the City or other funds to operate the project, program, or business activity herein by Subrecipient.
 - j. If the services of other businesses within the City of Merced are used in the implementation of this program and reimbursement for those services is requested, City of Merced business license records of such businesses shall be provided. Subrecipient may contact either the Finance Department or Housing Division to verify current business license status.
 - k. Any other related records as City shall require.
2. Retention. The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.
3. Client Data. The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be

made available to Grantee monitors or their designees for review upon request.

4. Disclosure. The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.
5. Close-outs. The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), requirements for retention of assets, reporting of beneficiary data, and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG-CV/CDBG funds and/or assets, including program income.
6. Audits & Inspections. All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Subrecipient audits and Uniform Guidance.

As a non-Federal entity, Subrecipient is subject to all applicable provisions under 2 CFR Part 200 Subpart F – Audit Requirements. As such, pursuant to 2 CFR 200.501(d), an exemption from Federal audit requirements is provided to non-Federal entities when expending less than \$750,000 during their fiscal year in total Federal funding. A non-Federal entity (NFE) is defined as “a State, local government, Indian tribe, Institution of Higher Education (IHE),

or non-profit organization that carries out a Federal award as a recipient or subrecipient.”

Notwithstanding the above exemption, at any time, the City reserves the right to request a certified audit be performed by an accredited certified public accountant and provided, at Subrecipient’s cost, of all Federal funds received or utilized by Subrecipient, including the distribution of CDBG Funds.

C. Reporting and Payment Procedures

1. Program Income. The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.
2. Indirect Costs. HUD defines indirect costs as those “serving common or joint objectives of the organization as a whole,” and shared across multiple programs or cost centers, such as: rent, utilities, maintenance, and other expenditures related to shared office or facility space; administrative and executive team functions that support multiple program areas; or, purchases, transportation, and staff expenses that benefit multiple areas of the Subrecipient’s organization. Therefore, indirect costs do not directly benefit a particular program or activity. If indirect costs are charged, the Subrecipient shall develop an indirect cost allocation plan per HUD Guidelines, using one of three alternative methods for allocating direct costs (Simplified Allocation Method, Direct Allocation Method, or ‘De Minimis’ Indirect Cost Rate) for determining the appropriate Subrecipient’s share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.
3. Payment Procedures. The Grantee will pay to the Subrecipient the funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy

concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

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

D. Procurement

1. Compliance. The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.
2. Office of Management and Budget Standards. Unless specified otherwise within this Agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40–48 “Procurement Standards.”
3. Travel. The Subrecipient shall obtain written approval from the Grantee for any travel costs, per Section 2 CFR 200.474 “Travel Costs,” using funds provided under this Agreement. When requesting reimbursement for such travel costs, a mileage log showing origination and destination addresses of all trips (including multiple billable destinations in one day), current mileage rate, total mileage, dates of travel, and name(s) of traveler(s) shall be submitted as required backup documentation.

- E. Use and Reversion of Assets. The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR part 200, 24 CFR Part 84 and 24 CFR 570.502, 570.503, and 570.504 as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

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

IX. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights.

1. Compliance. The Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107, and 12086.
2. Nondiscrimination. The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the Housing and Community Development Act of 1974, prohibiting discrimination on the basis of race, color, national origin, disability, age, religion, or gender, are still applicable.

3. Land Covenants. This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.
4. Section 504. The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action.

1. Approved Plan. The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965, as amended. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.
2. Women- and Minority-Owned Businesses (W/MBE). The Subrecipient will use its best efforts to afford small businesses (to include microenterprises), minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "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 African American, Hispanic, Pacific Islander, Asian, and/or Native American persons. The Subrecipient may rely on written

representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records. The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records, and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.
4. Notifications. The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement. The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.
6. Subcontract Provisions. The Subrecipient will include the provisions of Paragraphs X.A - Civil Rights, and X.B. - Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions.

1. Prohibited Activity. The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.
2. Labor Standards.
 - a. The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and

regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

- b. The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.
- c. Advice of Prevailing Wage: Pursuant to Section 1781 of the Labor Code, Consultant/Contractor is advised that the work contemplated in this contract may be subject to the payment of prevailing wages and all other requirements of the Prevailing Wage Law. The prevailing wage of each job classification may be found by inquiry with the California Department of Industrial Relations. Consultant/Contractor shall comply with all laws related to the performance of public work including, but not limited to, the employment of apprentices pursuant to Section 1777.5 of the Labor Code, work day/week hours and overtime rates pursuant to Sections 1813 and 1815 of the Labor Code and the obligation set forth in Sections 1774-1776 of the Labor Code in regards to payment of prevailing wages and to provide the City of Merced and Department of Industrial Relations certified payrolls when required. A certified copy of all payroll records relative to this project shall be submitted to the City of Merced along with the related invoice. Receipt of certified payroll records is a prerequisite to receiving payment.

- d. No Consultant/Contractor or sub-consultant/contractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. No Consultant/Contractor or sub-consultant/ contractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. All Consultants/Contractors or sub-consultants/contractors must furnish electronic certified payroll records to the Labor Commissioner. This requirement applies to all public works projects, whether new or ongoing. Consultant/Contractor is further advised that the work contemplated herein is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

3. “Section 3” Clause.

- a. Compliance. Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 75, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“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 City Limits of Merced in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the City Limits of Merced in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the City Limits of Merced in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

- b. Notifications. The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- c. Subcontracts. The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 75 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct.

1. Assignability. The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.
2. Subcontracts.
 - a. Approvals. The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.
 - b. Monitoring. The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
 - c. Content. The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.
 - d. Selection Process. The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.
 - e. Debarred Contractors. Per Executive Order 12549, "Debarment and Suspension" (48 CFR part 9, subpart 9.4), CDBG funds may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of, any contractor during any period of debarment, suspension or placement of ineligibility status. Subrecipient shall check all contractors against the Federal publication that lists debarred, suspended, and ineligible contractors.
3. Hatch Act. The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged

in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest. The Subrecipient agrees to abide by the provisions of 24 CFR 84.42 (Codes of Conduct) and 24 CFR 570.611 (Conflict of Interest), which include (but are not limited to) the following:
 - a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by Federal funds.
 - b. No employee, officer, or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
 - c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.
5. Lobbying. The Subrecipient hereby certifies that:
 - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly.
 - d. Lobbying Certification. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. 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.
6. Copyright. If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use, the work or materials for governmental purposes.
7. Religious Activities. The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization, as part of the programs or services funded under this Agreement. If Subrecipient conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this Agreement, and participation must be voluntary for the beneficiaries of HUD-funded programs or services. Additionally, Subrecipient shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

X. ENVIRONMENTAL CONDITIONS

Subrecipient shall confirm with the grantee regarding all project specific locations. The Grantee is considered the responsible entity for the community and is responsible for ensuring all required environmental documents are completed prior to disbursement of federal funds into a project, including Public Services.

A. Air and Water. The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint. The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation. The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

E. If Grant Funds in excess of Twenty-five Thousand Dollars (\$25,000) are used by Subrecipient to acquire real property or construct or add fixtures to a public facility, Subrecipient shall comply with the National Environment Policy Act of 1969, the California Environment Quality Act, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and California Government Code § 7260, et seq.

XI. SEVERABILITY

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

XII. SECTION HEADINGS AND SUBHEADINGS

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

XIII. WAIVER

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

XIV. ENTIRE AGREEMENT

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

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

GRANTEE:
CITY OF MERCED

A California Charter Municipal Corporation

BY: _____
City Manager

ATTEST:
Stephanie R. Dietz, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  _____
City Attorney Date 1.24.23

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

SUBRECIPIENT:
Symple Equazion

BY: 
(Signature)

Kelly Turner-Phillips
(Typed or Printed Name)

Its: Chief Executive Officer
(Title)

Taxpayer I.D. No.: 45-2736191

Address: 1840 T Street
City: Merced, CA 95340
Phone: 209-349-8355
Email: kturner@sympleequazion88.com

EXHIBIT A
Proposed Project Budget
Symple Equazion
FY 2021-22

FY 2021-22 CDBG PROJECT - Amended for Allowable Costs

AGENCY: Symple Equazion
PROJECT NAME: Symple Soul 2021-22

MISCELLANEOUS PROJECT COSTS:

Administrative Costs (not to exceed 10% of total grant)	\$ 6,130.00
Includes General/Auto/Workers Comp/Cyber Liability insurance; legal, accounting, human resources, and audit services; executive director's direct hours allocated to program oversight, charged as a ratio of direct vs. total hours worked	
Supplies Ingredients for menu items, disposable food prep/cleaning supplies, serving ware	30,000.00
Postage	19,200.00
Consultant Services Instructional Staff/Consultants only - direct hours	2,280.00
Maintenance/Repair gas line for generator/propane for cooking/necessary repairs	
Publications/Printing	
Transportation/Travel Required for Business Rent (portion allocated to this program) Equipment Rental	
Insurance Included as Admin Costs above	
Utilities	
Telephone Square transactions/dedicated line for program & call-in orders	480.00
Other Expenses (Specify):	3,220.00

Food safety classes/certification - participants \$200
Lunch stipend for participants \$3020

CIP REQUESTS ONLY:

Lead-based paint assessment/abatement	
Construction/Renovation	
Consultant/Professional Services Construction Management	
Other Expenses (Specify):	

TOTAL CDBG PROJECT BUDGET:

\$ 61,310.00

EXHIBIT B-1

Invoicing

Invoice to Request Reimbursement for Activities

2021 HUD Annual Plan INVOICE		Organization Name: Mailing Address: Program Name: Program Year:	Date of Invoice: Invoice Number:
FY 2021-22			

Administrative Expenses (list here & describe in space provided below)		Budget	Billed on previous invoices	Billed this invoice	Remaining on Contract
1	Admin Expense 1				-
2	Admin Expense 2				
3	Admin Expense 3				
Total Administrative Expenses:		\$ -	\$ -	\$ -	\$ -

Program Expenses (list here & describe in space provided below)		Budget	Billed on previous invoices	Billed this invoice	Remaining on Contract
1	Activity 1				\$ -
2	Activity 2				
3	Activity 3				
4	Activity 4				
Total Program Expenses:		\$ -	\$ -	\$ -	\$ -
TOTALS FOR THIS PROGRAM:		\$ -	\$ -	\$ -	\$ -

Explanation of Administrative Expenses requested for reimbursement (itemize, and please list backup items attached):

Explanation of Program Expenses requested for reimbursement (itemize, and please list backup items attached):

This information is true and correct to the best of my knowledge. (Signed) _____ Date: _____

Invoicing

Payroll Reimbursement Summary of Charges – Example

[illegible]

EXHIBIT B-3

Invoicing

Mileage Log (for Use in Reimbursement Requests for Public Services Activities)

Mileage Log and Expense Report for City of Merced Housing Program Grants

Organization Name _____

Employee Name _____

Vehicle Description (make, model, license) _____

Authorized By _____

Rate Per Mile _____

For Period _____

Total Mileage _____

Total Reimbursement **\$0.00**

Year and Source where mileage rate obtained _____

Year: _____ Source: _____

www.irs.gov/tax-professionals/standard-mileage-rates

For current mileage rate information, please see the link above. Please note that Standard Mileage Rates are issued yearly on January 1st of each year.

This mileage log meets IRS minimum mileage documentation and reporting requirements for business tax credit purposes. Please refer to IRS Publication #463 for more information.

Date	Starting Location Address	Destination Address	Description/Purpose/Notes	Odometer Start	Odometer End	Mileage	Reimbursement
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
						0	\$0.00
Totals						0	\$0.00

EXHIBIT C-1
Reporting Requirements - General
Symple Equazion
FY 2021-22

1. Progress reports are due each quarter, at a minimum. Each report should contain the information listed below, using the Microsoft Excel spreadsheet provided by the City of Merced Housing Division.
2. In addition to the monthly/quarterly reporting required, the sub-recipient shall provide the grantee with an end of year report. Reporting forms will be emailed to you by City Housing staff to complete and return.
3. Database containing service provided; number of participants; male and female breakdown; number of sessions; attendance; copies of entrance and post exams; and, absences.
4. Furnish a copy of an entrance and post tests for each attendee.
5. Copy of sign-in sheets of activity attendees, time cards of employees, etc.
6. Photographs of events, special trips, and/or training
7. Demographic information:
 - a. Household Size
 - b. Household Income
 - c. Are the household members Hispanic or Latino
 - d. Race/Ethnicity (see list below)
 - White
 - Black/African American
 - Black/African American and White
 - Asian
 - Asian and White
 - American Indian/Alaskan Native
 - American Indian/Alaskan Native and White
 - American Indian/Alaskan Native and Black/African American
 - Native Hawaiian/Other Pacific Islander
 - Other Multi-Racial
 - e. Household's Average Median Income.
 - f. Is the Head of Household a Female (yes or no).
8. Submittal of a six-month outcome report for clients served (beginning with last month of assistance), when possible.

Reporting Requirements – Data Entry

For activities that meet the Low/Mod Limited Clientele (LMC) National Objective

[illegible]

EXHIBIT C-3

HUD Self-Certification of Annual Income by Beneficiary Form – City of Merced (Form may be customized, but at a minimum, must contain the below information)

U.S. Department of Housing and Urban Development
Community Planning and Development
Community Development Block Grant (CDBG)

SELF CERTIFICATION OF ANNUAL INCOME BY BENEFICIARY

Printed on:

Effective Date:

INSTRUCTIONS: This is a written statement from the beneficiary documenting the definition used to determine "Annual (Gross) Income", the number of beneficiary members in the family or household (as applicable based on the activity), and the relevant characteristics of each member for the purposes of income determination. To complete this statement, select the definition of income used, fill in the blank fields below, and check only the boxes that apply to each member. Adult beneficiary members must then sign this statement to certify that the information is complete and accurate, and that source documentation will be provided upon request.

Definition of Income

☐ HUD 24 CFR Part 5	☐ IRS Form 1040	☐ American Community Survey
---	-------------------------------------	---

Beneficiary Information

Last Name:	Beneficiary ID (if applicable):
------------	---------------------------------

Member Information

First Names:	Member IDs (if applicable):	HH	CH	DIS	62+	S≥18	<18	<15
1								
2								
3								
4								
5								
6								

HH = Head of Household; CH = Co-Head of Household; DIS = Person with disabilities; 62+ = Person 62 years of age or older; S≥18 = Fulltime student age 18 or over; <18 = Child under the age of 18 years; <15 = Minor under the age of 15 years

Contact Information

Address Line 1:	City:	
Address Line 2:	State:	Zip Code:

Income Information – Annual income of all household members

Member 1 _____ Member 4 _____ Member 7 _____
Member 2 _____ Member 5 _____ Member 8 _____
Member 3 _____ Member 6 _____ Member 9 _____
Annual household gross income (total of all members) = \$ _____ per Month/Year (circle one)

Certification

I/we certify that this information is complete and accurate. I/we agree to provide, upon request, documentation on all income sources to the HUD Grantee/Program Administrator.

COMPLETE SIGNATURES ON SECOND PAGE

**U.S. Department of Housing and Urban Development
Community Planning and Development
Community Development Block Grant (CDBG)**

I/we certify that this information is complete and accurate. I/we agree to provide, upon request, documentation on all income sources to the HUD Grantee/Program Administrator.

SELF CERTIFICATION OF ANNUAL INCOME BY BENEFICIARY

Printed on:

Effective Date:

Beneficiary ID: _____

HEAD OF HOUSEHOLD		
Signature	Printed Name	Date

OTHER BENEFICIARY ADULTS*		
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date
Signature	Printed Name	Date

* Attach another copy of this page if additional signature lines are required.

WARNING: The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government.

EXHIBIT C-4

Clientele Data Collection Form

(This or similar form to be used for collection of demographic data from client)

City of Merced	
HUD Clientele Race and Ethnicity Data Collection Form	
Program Name: _____	
HUD collects this information to ensure nondiscrimination and equal opportunity in its funded programs. Information collected will remain private and confidential.	
<i>Thank you for providing your information.</i>	
TODAY'S DATE: _____	
Client Name (or other assigned identifier): _____	
Is this your first time receiving food assistance?	_____ YES _____ NO
I live in the City or County of Merced	_____ CITY _____ COUNTY
Head of household?	_____ YES _____ NO
I am/identify as:	_____ MALE _____ FEMALE
Household size - include any children:	_____ Persons in household
<u>Ethnicity:</u>	_____ Non-Hispanic _____ Hispanic
<u>Race</u>	
<i>I consider my race as (mark X on all that apply):</i>	
White/Caucasian	_____
Black/African American	_____
Black/African American and White	_____
Asian	_____
Asian and White	_____
American Indian or Alaskan Native	_____
American Indian, Alaskan Native, and White	_____
American Indian, Alaskan Native, and Black/African American	_____
Native Hawaiian/Other Pacific Islander	_____
Other Multi-racial greater than 1% (please specify: _____)	