

**STATE OF NORTH CAROLINA  
COUNTY OF DURHAM**

**SUBRECIPIENT  
CONTRACT**

**THIS CONTRACT** is entered into as of the \_\_\_\_ day of November, 2012, by the City of Durham (Grantee) and Durham County Department of Social Services (Subrecipient), a political subdivision of the State of North Carolina.

**WHEREAS**, the Grantee desires to make available to the Subrecipient certain funds from the Community Development Block Grant (CDBG) program as prescribed under the Housing and Community Development Act of 1974, as amended, with said grant being made available to the Grantee by the U.S. Department of Housing and Urban Development (HUD) and being designated as grant number **B-12-MC-37-0004** and known as the "grant"; and

**WHEREAS**, the Subrecipient agrees to abide by each paragraph of this Contract and its attachments and all procedures, rules and regulations imposed upon the Grantee by HUD in connection with its receiving the federal grant referenced above; and

**WHEREAS**, the Subrecipient has been awarded CDBG funds by the Grantee for eligible public service activities as set forth in 24 CFR Part 570.201(e) and to meet the national objective for low- and moderate- income benefit activities as set forth in 24 CFR Part 570.208(a)(2)(i)(C) limited clientele activity which shall benefit at least 51% of low- and moderate- income persons; and 24 CFR Part 570.207(b)(4) to make subsistence type grant payments directly to providers of this assistance for a period not to exceed three (3) months on behalf of the a household as required by the Housing and Community Development Act of 1974.; and

**WHEREAS**, the Subrecipient further agrees that all activities conducted under the Contract shall be of a type authorized by the provisions of Part 8, Article 19 of Chapter 160A of the General Statutes of North Carolina, as amended by Chapter 206 of the Session of laws of 1987.

**NOW, THEREFORE**, in consideration of the mutual promises herein exchanged by and between the parties, it is agreed as follows:

**SECTION 1. SCOPE OF SERVICES.**

The Subrecipient promises to perform, or cause to be performed, the services specified in *Attachment A: Scope of Services* which is made part of this Contract by reference. The services performed by the Subrecipient shall be effective beginning November 1, 2012 and completed by October 31, 2013

Activities described in *Attachment A* must commence within 90 days of the execution date of this Contract. Failure to promptly provide the services specified in *Attachment A*, as determined solely by the Grantee, may result in the Grantee exercising its authority to deobligate the funds committed to the Grantee in accordance with Section 21, below.

Contract activities performed prior to the execution date or later than the termination date of this Contract are not considered a part of this Contract and are not billable.

## **SECTION 2. PAYMENT UNDER THE CONTRACT.**

Payments by the Grantee under this Contract are limited to reimbursement of eligible expenditures made, or eligible expenses incurred, by the Subrecipient. Advance payments are explicitly prohibited unless otherwise stated elsewhere in this contract document.

All expenditures and expenses shall be incurred in accordance with the provisions of this Contract. Payments shall be made by the Grantee in accordance with the provisions of this Contract and only for activities specified in *Attachment A*.

A schedule of payments is included as a part of this Contract in *Attachment A*. Payments shall be made based upon this schedule and shall only be made after the Subrecipient has presented documentation of expenses that meets the approval of the Grantee. It is expressly understood and agreed by the Subrecipient that payment by the Grantee shall not exceed the maximum sum of **\$74,000.00** for all of the services specified in *Attachment A*.

Further, the Subrecipient understands and agrees that any payment made under this Contract by the Grantee is limited to funds available under the grant referenced above.

The Grantee shall make payments upon receipt of a request for check from the Subrecipient. The request shall include documentation of achievements, expenditures and expenses incurred and work undertaken by the Subrecipient, where applicable, and any other documentation that the Director of the Department of Community Development (“DCD”), acting for the Grantee, may require from the Subrecipient, not limited to the reports described in *Attachment A*, with all such documentation to be in the form and substance satisfactory to the DCD.

## **SECTION 3. BUDGET CHANGES AND UNREIMBURSABLE EXPENSES.**

1. Except for changes made in accordance with subsection (2) below any and all alterations in the approved use of budgeted funds shall be subject to prior review and approval by the City.
2. Funds may be shifted between line items of the Project without prior approval of the City only to the extent that such action does not result in a change in the Project and so long as the amount shifted does not exceed ten percent (10%) of the line item total from which the funds are being removed or to which the funds are being added.
3. A report detailing those funds shifted without prior approval by the City shall be provided in writing to the Director of the Department of Community Development within three (3) working days after the date on which the expenditures could be *anticipated* to not comply with the original budget. Funds shall be considered to have been shifted within budget line items whenever the cumulative total of funds expended on a line item exceeds those appearing in the attached Project Budget.
4. Any costs and expenses not covered by the attached Project Budget, and hence not properly payable from Grant funds, shall be borne entirely by the Subrecipient.

#### **SECTION 4. PROGRAM INCOME.**

Any income earned or received by the Subrecipient as a direct result of an activity funded by this Contract is considered Program Income. Program Income shall only be expended by the Subrecipient on activities specified in *Attachment A*, and shall be expended by the Subrecipient prior to requesting additional reimbursements or payments. The Subrecipient shall report both the receipt and the expenditure of Program Income to the DCD during the month following the month in which the money was received and spent.

#### **SECTION 5. APPLICABLE FEDERAL, STATE AND CITY REQUIREMENTS.**

The Subrecipient shall perform within, and cause its subcontractors and any ultimate recipients of funds under this Contract to comply with, and to be eligible under, the same federal and state laws, regulations and administrative requirements which apply to the Grantee. A compilation of references which may apply to this Contract is included as *Attachment B: Certifications and Compliance Requirements*. The laws and regulations that are checked within *Attachment B* apply to this Contract and are hereby made an integral part of the contract by reference.

#### **SECTION 6. ASSIGNMENT OF CONTRACT PROHIBITED.**

The Subrecipient shall not use this Contract or its anticipated proceeds to borrow money. The Subrecipient shall not assign any interest in this Contract.

#### **SECTION 7. CONFLICT OF INTEREST.**

The Subrecipient shall permit no officer or employee of the Subrecipient, no member of the Grantee's governing body and no other public official of any governing body in the Durham metropolitan area to exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this project to (1) participate in any discussion relating to this Contract if it affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested; or (2) have any interest, direct or indirect, in this Contract or the proceeds thereof.

The Subrecipient shall permit no members of or delegates to the Congress of the United States to be admitted to any share or part thereof or to any benefit to arise herefrom. The Subrecipient covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required to be performed under this Contract. The Subrecipient further covenants that no person having any such interest shall be employed in the performance of this Contract. The Subrecipient shall make no loans to its directors or officers.

The Subrecipient shall be subject to and shall comply with the conflict of interest provisions of the federal regulations as published at 24 CFR Part 570.611, 24 CFR Part 84.42 and 24 CFR Part 85.36.

#### **SECTION 8. POLITICAL ACTIVITY.**

The Subrecipient shall not permit any of the funds, materials, property or services provided under this Contract to be used for any partisan political activity, or to further the election or defeat of any candidate for public office, or for publicity or propaganda purposes designed to

support or defeat legislation pending before the United States Congress, the State of North Carolina, the County of Durham or the City of Durham.

#### **SECTION 9. SUBRECIPIENT LIABLE FOR LEASES.**

Prior to the Subrecipient entering into any lease arrangement that involves the use of funds from this Contract the Subrecipient shall submit a copy of the proposed lease to DCD for review and approval and shall not enter into any lease arrangement that is not pre-approved by DCD.

When any lease is paid for in whole or in part by funds from this Contract, the Subrecipient shall notify the lessor of the date that this Contract is to terminate, and the Subrecipient shall make provisions for payment of the lease from other funds should the Subrecipient desire to continue the lease after the date of termination of the Contract.

The Subrecipient assumes all liability for any damage that occurs to property, either real or personal, which it acquires or possesses under a lease.

#### **SECTION 10. IDENTIFICATION OF DOCUMENTS.**

All reports, maps and other documents completed as a product of this Contract, other than documents used in the administration of the Contract such as reports to the Grantee, shall have placed thereon by the Subrecipient the following statement:

**NOTE:**

*“The preparation of this document was financed in part through funds from the City of Durham’s Community Development Block Grant Program. This grant was made available to the City of Durham under provisions of Title I of the Housing and Community Development Act of 1974, as amended, and is referred to as grant number B-12-MC-37-0004.”*

#### **SECTION 11. FINANCIAL RECORDS.**

The Subrecipient shall establish and maintain a financial management system that will account for all funds received under this Contract and expenditures made in furtherance of the project activities, and such system shall be created and maintained in accordance with generally accepted accounting practices (GAAP) and procedures. The system shall include the following:

1. Accurate, current and complete disclosure of the financial results of activities under this Contract in accordance with GAAP. If the Subrecipient’s accounting records are maintained on a cash basis, the Subrecipient must develop information of accounts payable and accounts receivable through an analysis of the documents in the file, or on the basis of its best estimates.
2. Records that identify in detail the source and application of funds under this Contract. These records shall contain information pertaining to Contract awards and authorizations, encumbrances and unencumbered balances, assets, liabilities, outlays and income.
3. Effective internal controls and accountability for all funds, property and other assets attributable to the Contract. The Subrecipient shall adequately safeguard all such assets and shall assure that they are used solely for the performance of this Contract.

4. Comparison of actual expenditures with budgeted amounts for those expenditures and comparison of financial information with performance or productivity data, including the production of unit cost information whenever required by the Grantee.
5. Procedures for determining the allowability and allocability of costs.
6. A general ledger in which a summary of all accounting transactions shall be maintained. In addition, the Subrecipient shall maintain a cash receipt and disbursement register in which receipts and disbursements will be documented. Funds disbursed by the Subrecipient must be supported by appropriate, source documentation. Source documentation includes items such as payroll, time and attendance records, invoices, contracts, travel payments, information evidencing the nature and propriety of each payment, and notations showing the approval of an authorized official of the Subrecipient.
7. On request of the Grantee, the Subrecipient shall provide an accounting for all funds paid to it by the Grantee under this Contract.
8. The Subrecipient's financial records shall be audited by a certified public accountant, licensed in good standing to practice in the State of North Carolina, at least annually.
9. A copy of the certified audit of the funds received by the Subrecipient under this Contract, and an accompanying Management Letter, shall be provided to the Grantee for each year in which activities under this Contract were conducted. Should there be an exception taken during any audit, the Subrecipient shall resolve the findings and recommendations within thirty (30) days after completion of the audit.
10. The Subrecipient shall maintain such records and accounts, including property, personal and financial records so as to assure a proper accounting for all project funds, for five (5) years after the date of final payment under this Contract from the Grantee to the Subrecipient. However, at any time after completion and acceptance of required audits and after the Contract termination, the Subrecipient may turn these records over to the Grantee for retention.

The Subrecipient shall provide any information that the DCD may reasonably request pertaining to the Subrecipient's financial management under this Contract.

## **SECTION 12. AUDITS AND INSPECTIONS.**

At any time during normal business hours and as often as the Grantee, HUD or the Comptroller General of the United States may deem necessary, the Subrecipient shall make available to the Grantee, HUD, or representatives of the Comptroller General, for examination, all of the Subrecipient's records with respect to matters covered by this Contract. The Grantee, HUD or representatives of the Comptroller General shall be permitted to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials payable, records or personnel, and other data relative to all matters covered by this Contract except for information that is confidential pursuant to NCGS 108A, 7B, 132 or similar.

### **SECTION 13. INSURANCE AND BUSINESS LICENSES**

1. Fidelity Insurance is not applicable to the Contract. Payments will be made as reimbursements for the cost of pre-approved activities or expenditures.

### **SECTION 14. REPORTING.**

The Subrecipient shall submit monthly progress reports and invoices to the Grantee within fifteen (15) calendar days following the end of the prior month's reporting period.

Delays by the Subrecipient in making any report to the Grantee required by this Contract may, at the Grantee's sole discretion, result in delays in payment to the Subrecipient of part or all of the Subrecipient's requests for funds, and may be considered a breach of the terms of this Contract. A delay in making a disbursement by the Grantee to the Subrecipient does not change the time requirements of the Subrecipient to submit reports to the Grantee.

The Subrecipient shall provide to the Grantee any other information determined by the Grantee to be necessary or appropriate for the proper monitoring of this Contract except for information that is confidential pursuant to NCGS 108A, 7B, 132 or similar.

### **SECTION 15. PROOF OF CONTRACTING REQUIREMENTS.**

If the Subrecipient should choose to execute a subcontract using funds from this Contract, the Subrecipient shall, within fifteen (15) calendar days of execution of such subcontract, provide a copy of that document to the DCD.

Any such subcontracts shall require the subcontractor to comply with all of the terms of this Contract and all applicable federal, state and local laws and regulations. All subcontracts shall be in a form and substance acceptable to the DCD.

### **SECTION 16. PROHIBITION AGAINST SOLICITING AND ACCEPTING FAVORS AND PROCUREMENT.**

Officials and employees of the Subrecipient shall neither solicit nor accept gratuities, favors or anything of monetary value from subcontractors or potential subcontractors. The Subrecipient further agrees that all procurement transactions that the Subrecipient may enter into as a result of this Contract shall be conducted in a manner so as to provide maximum open and free competition and in accordance with the provisions of all applicable Uniform Administrative Requirements as described in the CDBG regulations at 24 CFR Part 570.502.

Subrecipients engaged in procurement activities with CDBG funds are also required to maintain a contract administration system that ensures that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders as described at 24 CFR Part 85.36.

### **SECTION 17. MAINTENANCE OF EFFORT.**

The Subrecipient shall maintain a level of aggregate expenditures for its other projects or activities which is not less than the level of aggregate expenditures that existed prior to the execution of this Contract. The Subrecipient shall promptly notify the Grantee of any matters which have a material tendency to affect compliance with this requirement.

**SECTION 18. EQUAL OPPORTUNITY.**

The Subrecipient shall comply with the non-discrimination requirements as required by U.S. Executive Order 11246. Excerpts of Executive Order 11246 are attached to this Contract as *Attachment C*, and Executive Order 11246 is hereby made part of this Contract by reference.

**SECTION 19. EMPLOYMENT OPPORTUNITIES FOR SMALL BUSINESSES AND LOWER INCOME PERSONS.**

The Subrecipient shall take affirmative steps to assure that the small businesses and lower income persons of the project area (defined as the City of Durham) are utilized whenever possible as sources of supplies, equipment, construction and services.

**SECTION 20. EQUAL BUSINESS OPPORTUNITY (EBO) ORDINANCE.**

The Contractor/Subrecipient shall comply with all applicable provisions of Chapter 26 of the Durham City Code (Equal Business Opportunities Ordinance), as amended from time to time. The failure of the Contractor/Subrecipient to comply with that chapter shall be a material breach of Contract which may result in the rescission or termination of this Contract and/or other appropriate remedies in accordance with the provisions of that Chapter, this Contract, and state law. The Participation Plan submitted in accordance with that Chapter is binding on the Contractor/Subrecipient.

Section 26-10(f) of that Chapter provides, in part, "If the City Manager determines that the Contractor (Subrecipient) has failed to comply with the provisions of the Contract, the City Manager shall notify the Contractor (Subrecipient) in writing of the deficiencies. The Contractor (Subrecipient) shall have 14 days, or such time as specified in the Contract, to cure the deficiencies or establish that there are no deficiencies." It is stipulated and agreed that those two quoted sentences apply only to the Contractor's/Subrecipient's alleged violations of its obligations under Chapter 26 and not to the Contractor's/Subrecipient's alleged violations of other obligations.

**SECTION 21. RELIGIOUS ORGANIZATIONS.**

The Subrecipient agrees and understands that no Community Development Block Grant funds provided under this Contract shall be used for any religious activities, to promote any religious interests, or for the benefit of a religious organization in accordance with the federal regulations as specified in 24 CFR 570.200(j).

**SECTION 22. TERMINATION OF CONTRACT.**

(1) For Cause:

If through any cause, the Subrecipient shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the Subrecipient shall violate any of the covenants, agreements or stipulations of the Contract; or if the grant from HUD under which this Contract is made is terminated, reduced, impounded, suspended or withheld by HUD, the Grantee shall thereupon have the right to terminate this Contract. Termination shall be accomplished by the Grantee giving written notice to the Subrecipient at least ten (10) days prior to the date that the Contract is to be terminated.

In the event that HUD reduces the amount of its grant, however, the parties hereto may amend this Contract so that it will accommodate and reflect the action taken by HUD.

(2) For Convenience:

The Contract may also be terminated by the Grantee without cause and independently from any action by HUD pertaining to the federal grant under which this Contract has been funded, at the convenience and the sole discretion of the Grantee.

The Grantee shall provide the Subrecipient with at least thirty (30) days written notice prior to the effective date of termination under this paragraph. In the event of termination for convenience, the Grantee shall make payment for the services performed and authorized expenditures incurred by the Subrecipient in accordance with the terms of this Contract, if any, prior to the termination date. In the event of termination, all property, finished or unfinished documents, data, studies and reports purchased or prepared by the Subrecipient under this Contract, shall become the property of the Grantee and shall be delivered to the Grantee within thirty (30) days of the completion of the certified audit of this Contract pursuant to Section 10, Part 10, above.

### **SECTION 23. HOLD HARMLESS PROVISION**

The Subrecipient is an independent contractor with respect to the services to be performed under this Contract. No person performing any of the work or services described hereunder shall be considered an officer, agent, servant or employee of the Grantee, nor shall any such person be entitled to any benefits available or granted to employees of the Grantee. The Grantee shall not be obligated to pay the Subrecipient any payments, fees, expenses, or compensation other than the Contract amount.

To the extent permitted by law, Subrecipient shall be solely responsible for any litigation arising from any Claims made by third parties relating to Subrecipient's, its employees, subcontractors and officers acts or omissions in performing the services under this contract. However, under no circumstance shall the Sub-recipient be required to provide legal representation for the Grantee (see N.C.G.S. 153A-97). If an action is brought in the name of the Grantee, the Subrecipient shall cooperate in allowing the dismissal of the Grantee. Such cooperation shall not waive any rights of the Subrecipient to assert any immunities or other defenses it may have against the parties who allege injury as a result of the Subrecipient's act or omission. "Claims" means complaints, costs, damages, losses, demands, liabilities, duties, obligations, fines, penalties, royalties, and expenses.

### **SECTION 24. REVERSION OF ASSETS.**

Upon the expiration of this Contract or termination with or without cause, the Subrecipient shall transfer to the Grantee any CDBG funds on hand at the time of expiration and any accounts receivable and/or Program Income attributable to the use of CDBG funds.

Any real property under the control of the Subrecipient, improved in whole or in part with CDBG funds, and using CDBG funds in excess of twenty-five thousand dollars (\$25,000), must continue to meet the National Objective described in this Contract until five (5) years after expiration or termination of this Contract, or such longer period of time as determined to be appropriate by the Grantee, or must be disposed of in a manner to cause the Grantee to be reimbursed in the amount of the current fair market value of the property less any portion

thereof attributable to expenditure of non-CDBG and Non-City of Durham funds for acquisition of, or improvements to, the property.

The Subrecipient shall repay to the Grantee the full amount of any funds lost, misapplied, unaccounted for or inadequately accounted for, in violation of this Contract, within thirty (30) days of notification of the debt.

## **SECTION 25. CITY NON-DISCRIMINATION POLICY**

The City of Durham opposes discrimination on the basis of race and gender, and urges all of its Subrecipients and Contractors to provide a fair opportunity for minorities and women to participate in their work force and as subcontractors and vendors under any City contract.

## **SECTION 26. ENVIRONMENTAL REVIEW REQUIREMENT.**

This project has been determined to be exempt from environmental review requirements. The Subrecipient may commence with program activities upon receipt of a fully-executed copy of this Contract.

## **SECTION 27. RECORDS TO BE MAINTAINED.**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 507.506 that are pertinent to the activities to be funded under this Contract. These records shall be retained for a period of five (5) years from the date of the final payment from the Grantee to the Subrecipient. Such records shall include, but not be limited to:

1. This Contract and any amendments;
2. 24 CFR Part 570 CDBG regulations;
3. Records providing a full description of each activity undertaken;
4. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
5. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG Program;
6. Financial records as required by 24 CFR Part 570.502, OMB Circular A-110, and OMB Circular A-122;
7. Other records necessary to document compliance with Subpart K of 24 CFR 570.

## **SECTION 28. ATTACHMENTS.**

The following documents are attached to this Contract and are hereby made a part of it by reference:

- Attachment A - Scope of Work
- Attachment B - Certifications & Compliance Requirements
- Attachment C - Executive Order 11246 - Equal Employment Opportunity

**SECTION 29. PRIMARY CONTACTS.**

Unless otherwise required under this Contract, notices permitted or required to be given will be deemed sufficient if given by e-mail, fax, mail, or courier service, addressed to the individual specified below, or to such other individuals as the respective parties may designate by notice from time to time. Notices so given shall be effective upon receipt by the party to whom the notice is given.

**For the Grantee:**

Reginald Johnson  
Interim Director  
Dept. of Community Development  
City of Durham  
807 E. Main Street, #2-200  
Durham, NC 27701  
Tel: 919-560-4570  
Fax: 919-560-4090  
E-mail: [reginald.johnson@durhamnc.gov](mailto:reginald.johnson@durhamnc.gov)

**For the Subrecipient:**

Mike Ruffin  
County Manager  
Durham County  
220 E. Main Street  
Durham, NC 27701  
Tel: 919-560-0000  
Fax: 919-560-8101  
E-mail: [mruffin@durhamcountync.gov](mailto:mruffin@durhamcountync.gov)

**SECTION 30. SOLE AGREEMENT.**

This document contains the entire agreement between the parties with respect to the subject matter of this Contract. No statements, promises or inducements made by either party, or any representative of either party, with respect to the subject matter of this Contract, that is not contained in this document and its attachments, shall be valid and/or binding. This Contract may not be enlarged, modified or altered except by written amendment signed by all parties.

**SECTION 31. WARRANTY OF AUTHORITY.**

Each individual signing below warrants that he or she has the power and authority to sign on behalf of the entity listed above their signature, that such signature alone is binding on such entity, and that the governing body of such entity has duly authorized the execution of this Contract.

IN WITNESS WHEREOF, the undersigned duly authorized officials have executed this Contract as of the date first written above.

**CITY OF DURHAM**

By: \_\_\_\_\_  
Thomas J. Bonfield, City Manager

**ATTEST: DURHAM**

By: \_\_\_\_\_  
City Clerk

**DURHAM COUNTY**

By: \_\_\_\_\_  
Michael M. Ruffin, County Manager

**ATTEST: DURHAM COUNTY**

By: \_\_\_\_\_  
Clerk to the Board

(Affix Corporate Seal Here)

**NORTH CAROLINA  
DURHAM COUNTY**

I, a Notary Public in and for the aforesaid County and State certify that \_\_\_\_\_ personally appeared before me this day, and acknowledged that he or she is the \_\_\_\_\_ City Clerk of the City of Durham, a municipal corporation, and that by authority duly given and as the act of the City, the foregoing contract or agreement was signed in its corporate name by its City Manager, sealed with its corporate seal, and attested by its said City Clerk or Deputy City Clerk. This the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_.

Notary Public: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**NORTH CAROLINA  
DURHAM COUNTY**

I, a Notary Public in and for the aforesaid County and State, certify that \_\_\_\_\_ personally appeared before me this day and stated that he or she is the clerk to the Board of Commissioners for the County of Durham, a North Carolina political subdivision, and that by authority duly given and as the act of the County, the foregoing contract or agreement with the City of Durham was signed in its name by the County Manager, whose name is \_\_\_\_\_, sealed with its corporate seal, and attested by him/herself as its said Clerk. This the \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

Notary Public: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**Pre-Audit Certification**

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act. This the \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
City of Durham, Finance Officer

## ATTACHMENT A SCOPE OF WORK

### Subrecipient Performance Requirements:

Durham County Department of Social Services (DSS) has been awarded the maximum sum of \$74,000.00 to provide ongoing comprehensive case management services and emergency grant payments to households in the City of Durham who are on the verge of being evicted in order to prevent homelessness. A minimum of 35 households must be assisted by either case management or emergency assistance. Pending eviction must be evidenced by a court issued eviction notice. Case management services include but are not limited to employment and self-sufficiency counseling, linking households to benefits or programs provided by DSS or other providers and identifying child/elder care resources. Billing by DSS for case management will be at the rate of \$500.00 per household. Emergency grant payments are limited to rent and utility payments for a period of up to three consecutive months to the landlord or utility provider on behalf of an individual or household. Utility assistance is limited to households on the verge of eviction. Direct grant assistance to an individual or household is not allowed.

### Budget:

It is expressly agreed and understood that the maximum amount to be paid by the Grantee to the Subrecipient under this Contract shall not exceed \$74,000.00.

Eligible Activities	Budgeted Amount
Case Management Rental Assistance Utility Assistance	\$74,000.00

### Client Eligibility:

All participants shall be eligible under 24 CFR Part 570.208(a) (2) (i) (C) and 24 CFR Part 570.207 (b) (4).

The case management services for households and a series of three-months of subsistence type grant payments for rental assistance for those who are on the verge of being evicted in order to prevent homelessness. All clients receiving case management and rental assistance must be entered into the Carolina Homeless Information Network system. All billable activities under the scope must meet the national objective for low- and moderate- income benefit activities as set forth in 24 CFR Part 570.208(a)(2)(i)(C) who are low to moderate income persons as required by the Housing and Community Development Act of 1974.

### PERFORMANCE MEASURES & REIMBURSEMENT:

Durham County DSS will provide comprehensive case management services or provide rental assistance (series of three subsistence payments) to a minimum of 35 households who are at-risk of becoming homeless. The following criteria that must be met under the CDBG program:

- Monthly invoices are due on the 15<sup>th</sup> of each month for reimbursement.
- All financial assistance provided must be documented with Durham County's official financial ledger with identified vendor listed to reflect payment for reimbursement.

- Case Manager must provide a comprehensive reporting on services rendered to clients on a monthly basis.
- Subrecipient is required to actively participate and enter into the Homeless Management Information System or Carolina Homeless Information Network (HMIS/CHIN) all required client data on a monthly basis. The HMIS/CHIN is a system for tracking the use of homeless programs and related activities producing an unduplicated count of the people using those services.
- Monthly Beneficiary Report that provides the Grantee with the number of and demographic information about all beneficiaries/participants. The Subrecipient shall, to the best of their ability, provide the Grantee with demographic information, including race, age, gender, ethnicity and family status for all participants. If over the passage of time in performance of the Contract, the number of households served are not proportionate to the total number of minimum households to be served under this contract, Grantee may take actions including reducing the payments under this Contract
- Submit Third Party Income (pay stubs, two-year tax returns if self employed, or Verification of Employment) for participants to determine if household is below 80% Area Median Income.
- Minimum Housing Code Inspection must be conducted in all homes prior to financial assistance being rendered to landlord.

**Final Draw and Close-Out:**

**FUNDING ALLOCATION:**

The City will reimburse Durham County DSS not more than a total of \$74,000.00 in CDBG funds for comprehensive case management services and/or rental assistance (series of three subsistence payments) to a minimum of 35 households during the period of this contract on the following basis:

- Case Manager to provide comprehensive case management services at a rate of \$500.00 per household;
- Reimbursement for rental assistance (series of three subsistence payments) provided to clients who are 80% AMI or below and on the verge of being evicted as specified in the budget and in the this Scope;

At no time shall the City of Durham advance funds to Durham County DSS beyond the amount of money that has been spent on pre-approved eligible CDBG activities, and at no time will CDBG funds be paid unless Durham County DSS has “earned” that reimbursement by meeting their performance goal.

**ATTACHMENT B:  
CERTIFICATIONS AND COMPLIANCE REQUIREMENTS**

1.  24 CFR Part 84 Uniform Administrative Requirements for Grants and Cooperative Agreements to Hospitals, Institutes of Higher Education and Non-profit Organizations, which sets forth rules for administering all federal grant funds.
2.  Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-7), and as supplemented by Department of Labor regulations (29 CFR, Part 5), which requires fair wages be paid to construction workers on any project that funded in whole or in part with federal dollars.
3.  Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by the Department of Labor regulations (29CFR, Part 5), which requires affirmative nondiscrimination against workers and applicants for work on construction projects funded in whole or in part with federal dollars.
4.  Title VI of the Civil Rights Act of 1964 (PL88-352) and regulations issued pursuant thereto (24 CFR Part 1) on nondiscrimination in federally assisted programs.
5.  Section 109 of the Housing and Community Development Act of 1974 and regulations issued pursuant thereto (24 CFR Part 570.602 et seq., known as subpart K), which requires that no person in the United States shall, on the grounds of age, race, color, national origin, religion, disability or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance
6.  Executive Order 11246 and the regulations issued pursuant thereto (41 CFR Chapter 60) on nondiscrimination in employment.
7.  Copeland "Anti-Kick Back" Act (18 U.S.C. 874), which protects workers wages on projects funded in whole or in part by federal funds.
8.  Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR Part 135 that sets guidelines for training and employment of lower-income residents of project areas and for awarding of contracts within the project area.
9.  Lead Based Paint Poisoning Prohibition (Public Law 91-695), which requires that hazards posed by the presence of lead be addressed and made safe.
10.  North Carolina General Statute 143-128 et seq. which proscribes procedures for bidding and structuring contracts on publicly funded construction projects.
11.  Hatch Act (5 U.S.C. 1501-1508) prohibiting federal, state and local government employees from benefiting from federal grants.
12.  Building design, construction or alteration must comply with "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (#A-117.1-R 1971).
13.  Executive Order 11296 relating to evaluation of flood hazards in areas where construction or rehabilitation will be funded in whole or in part by federal funds.
14.  Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), as amended Fair Housing

Policy, which requires that no person shall be prohibited from purchasing or renting a home based on age, race, color, national origin, religion, disability or sex.

15.  Executive Order 11063 which addresses equal opportunity in housing and non-discrimination.
16.  Section 306 of the Clean Air Act (42 U.S.C. 1857(h)) which sets forth monitoring and reporting procedures for any program that affects air quality.
17.  Environmental Protection Agency regulations (40 CFR, Part 15), which sets requirements for protecting the environment on federally funded projects.
18.  Age Discrimination Act of 1967, as amended.
19.  The Rehabilitation Act of 1973, as amended, Sections 503 and 504, which prohibit discrimination against the handicapped.
20.  City of Durham's Disadvantaged Business Enterprise Plan, which requires that opportunities for contracts to provide goods and services be made available to small and disadvantaged businesses in Durham.
21.  OMB Circular A-122: Cost Principles for Non-Profit Organizations, which sets forth parameters for expenditures made with federal grant money.
22.  Treasury Circular 1075 relating to the use of Community Development funds within 72 hours after drawdown, which requires that the Grantee manage the grant funds on a specific timetable.
23.  Community Development Block Grant regulations at 24 CFR 570, which describes all requirements and prohibitions for the administration of a program funded in whole or in part with federal Community Development Block Grant money.
24.  N. C. Fair Housing Law, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing units.
25.  City of Durham Fair Housing Ordinance, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing in Durham.
26.  OMB Circular A-133: Audits of States, Local Governments and Nonprofit Organizations, which sets forth requirements and methodologies for auditing programs funded in whole or in part with federal grant money.

**ATTACHMENT C:**  
**U. S. EXECUTIVE ORDER 11246 (excerpts)**  
EQUAL EMPLOYMENT OPPORTUNITY

"During the performance of this Contract, the contractor agrees as follows:"

1. "The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause."

2. "The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin."

3. "The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract officer, advising the labor union or workers' representative of the contractor's commitments under Section 2020 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment."

4. "The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor."

5. "The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and, by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders."

6. "In the event of the contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965 or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law."

7. "The contractor will include the provisions of Paragraphs 1 through 7 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided however, that in the event the contractor becomes involved in, or is threatened with, litigation

with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interest of the United States."