

2009-05-14-0368

AN ORDINANCE

ADOPTING THE 35TH YEAR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) IN THE AMOUNT OF \$14,604,704.00 AS CONTAINED IN THE FY 2009-2010 CONSOLIDATED PLAN ANNUAL BUDGET; AUTHORIZING THE 35TH FISCAL YEAR CDBG PROGRAM; AND AUTHORIZING THE SUBMISSION OF THE CDBG GRANT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR FY 2009-2010 CONSOLIDATED PLAN ANNUAL BUDGET, CERTIFICATION AND OTHER INFORMATION AS REQUIRED BY HUD.

* * * * *

WHEREAS, the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended (Public Law 93-383), provides cities with annual grant support to enable the rehabilitation and economic development of their urban communities so as to improve conditions for low and moderate income citizens; and

WHEREAS, the City of San Antonio, through its Community Development Block Grant (CDBG) Program, has administered CDBG Grant funds annually beginning with fiscal year 1974-1975 (Year 1), and continuing through fiscal year 2008-2009 (Year 34); and

WHEREAS, pending completion of all required administrative procedures required for official U.S. Department of Housing and Urban Development (HUD) release of funds, fiscal year 2009-2010 CDBG Entitlement funds in the amount of \$14,604,704.00 will become available to the City on October 1, 2009; and

WHEREAS, as required by federal regulation, the Fiscal Year 2009-2010 Consolidated Plan Annual Budget was prepared, encompassing grant funds of the 35th Year CDBG, 18th Year HOME Partnership Entitlement Grant (HOME), 15th Year Emergency Shelter Grant (ESG), and the 15th Year Housing Opportunities for Persons with AIDS Grant (HOPWA); and

WHEREAS, citizen recommendations regarding the allocation of the aforesaid grant funds have heretofore been received at neighborhood and city-wide meetings and at public hearings, notices of which were duly posted; and

WHEREAS, pursuant to applicable HUD regulations designed to ensure adequate citizen input, a public hearing is required in this instance; and

WHEREAS, the required notice having been duly published, and said public hearing having been held before City Council on May 14, 2009, it is now the desire of the City, having considered the aforesaid citizen recommendations, to approve the CDBG Budget as part of the Fiscal Year 2009-2010 Consolidated Plan Annual Budget and to fund the 35th Year CDBG Program on the City's books; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Community Development Block Grant (CDBG) Program Budget of the Fiscal Year 2009-2010 Consolidated Plan Annual Budget is hereby approved and adopted as set forth therein, copies of which are affixed hereto and incorporated by reference herein as **Attachment I**.

SECTION 2. The Thirty-fifth (35th) Year Community Development Block Grant (CDBG) Program beginning October 1, 2009 and terminating September 30, 2010 is hereby authorized.

SECTION 3. Subject to and upon award, Fund Number 28035000 entitled "Community Development Block Grant Thirty-fifth Year" is hereby designated for use in accounting for the above grant and the total sum of \$14,604,704.00 is hereby appropriated in said fund for allocation to projects as set out in the proposed budget affixed hereto and incorporated herein for all purposes as **Attachment I**. A formal budget including General Ledger numbers, Internal Order numbers and WBS Elements will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 4. A Deputy City Manager, all Assistant City Managers, Assistants to the City Manager, and the Grants Administration Manager of the Office of Grants Monitoring and Administration are hereby designated and authorized as representatives of the City Manager for the purpose of CDBG program administration and communication with the U.S. Department of Housing and Urban Development (HUD).

SECTION 5. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to submit to HUD those documents set forth herein as **Attachment I**, with certifications, as well as such other information as required by HUD for award of the aforesaid entitlement funds.

SECTION 6. Subject to and upon award of the aforesaid grant funds, the City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Director of Grants Monitoring and Administration is hereby authorized to accept same and to execute any and all documents required by HUD in connection therewith.

SECTION 7. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby directed to monitor all CDBG-funded neighborhood revitalization and public service project activities so as to assure compliance with goals and objectives adopted by City Council; substantial fiscal or programmatic changes thereto shall in all cases be approved by the City Council.

SECTION 8. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized and directed to carry out the administration of the 35th Year CDBG Program. Such administration shall include, but not be limited to, the execution of any and all contracts and other documents necessary in connection with the 35th Year CDBG Program, two form examples of which are affixed hereto and incorporated

herein for all purposes as Attachments II and III, and the reaffirmation of any and all assurances required of the City by HUD.

SECTION 9. The San Antonio Neighborhood Housing Services (NHS) [CHDO] is hereby authorized to establish the CDBG Revolving Loan Fund for its CDBG-funded housing programs, and loan repayments and interest, designated as program income, are hereby authorized to be deposited in 2009-2010 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the Community Development Policy Guide and as approved by the City. San Antonio NHS shall report program income revenues and expenditures to be received by the Office of Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with CDBG HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 28035000, and to appropriate said amounts to CDBG Project entitled "NHS Revolving Loan Account."

SECTION 10. The San Antonio Alternative Housing Corporation (SAAHC) is hereby authorized to establish the CDBG Revolving Loan Fund for its CDBG-funded housing programs, and loan repayments and interest, designated as program income, are hereby authorized to be deposited in 2009-2010 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the Community Development Policy Guide and as approved by the City. The San Antonio Alternative Housing Corporation shall report program income revenues and expenditures to be received by the Office of Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with CDBG HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 28035000, and to appropriate said amounts to CDBG Project entitled "SAAHC Revolving Loan Account."

SECTION 11. The Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to execute any and all agreements with sub-grantees and/or City departments for each project delineated in **Attachment I**. Further, the Director of the Housing and Neighborhood Services Department is hereby authorized to execute any and all documents in connection with all Owner-Occupied Reconstruction, Rental Rehabilitation and housing revitalization programs. Sub-grantee contracts and interdepartmental agreements are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and agreements must be finalized on or before November 1, 2009 in order to facilitate their execution. The Grants Administration Manager of the Office of Grants Monitoring and Administration and Finance Departments are hereby authorized and directed to automatically cancel and move the full budget allocation provided to any project, including City Administration project allocations, for which acceptable performance indicators are not provided, or for which information for contract/interdepartmental agreement execution has not been received by the appropriate City department by November 1, 2009, to the CDBG Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

SECTION 12. The Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to cancel and reprogram any and all budget allocations provided to any project, in the event any sub-grantee contract and/or interdepartmental agreement is not executed by January 1, 2010.

SECTION 13. All projects in CDBG Entitlement Program funds for the 34th Year with completed scopes of work are hereby closed and unexpended grant monies and program income in said funds are hereby authorized to be placed in the contingency fund in preparation for future reprogramming in compliance with City policies and HUD regulations.

SECTION 14. Transfer of funds, expenditures and encumbrances necessitated and scheduled pursuant to the aforesaid **Attachment I** is hereby authorized for entry into the budgets as therein described.

SECTION 15. The City's Director of Finance is hereby authorized to effect on the books of the City the cancellations, revisions and/or reprogramming in support thereof, set forth in **Attachment I**. The City Manager or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the City's Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to execute any and all contracts and other documents as necessary for (a) implementation of the reductions, revisions and reprogramming set forth in **Attachment I** and (b) compliance with HUD regulations and procedures, and to submit all certifications and such other information to and as required by HUD.

SECTION 16. The Office of Grants Monitoring and Administration's Grants Administration Manager is hereby designated the Program Manager for the CDBG Program. Further program responsibilities shall be as follows:

- (a) The Office of Grants Monitoring and Administration shall administer and monitor all CDBG programs and fiscal activities and requests;
- (b) The Human Resources Department shall monitor all projects and sub-agencies as necessary for compliance with all equal employment opportunity rules, regulations, policies and laws;
- (c) The Department of Economic Development shall monitor all projects and sub-agencies as necessary for compliance with local, state and federal MBE-WBE rules, regulations, policies and laws;
- (d) The Community Initiatives Department shall monitor, where applicable, fair housing compliance and shall administer the handling and resolution of complaints related thereto;
- (e) The Department of Public Works shall monitor flood insurance and floodplain management compliance, shall conduct pre-construction conferences, and shall monitor Davis-Bacon compliance for all CDBG capital improvement projects;

- (f) The Office of the City Auditor shall accomplish fiscal and program compliance audits of the sub-grantee agencies in the CDBG program in compliance with OMB A-133, and in coordination with the City's annual independent audit; and
- (g) The City Attorney's Office shall provide legal services including, but not limited to, contract and loan development and review and the preparation of legal opinions to resolve questions of regulatory application associated with the development and administration of HUD programs administered by the City's Office of Grants Monitoring and Administration.

SECTION 17. The personnel classifications and pay ranges set forth in **Attachment IV** affixed hereto and incorporated herein for all purposes are hereby authorized for carrying out aspects of the approved 35th Year CDBG Program.

SECTION 18. The Finance Department is hereby authorized and directed in its payments to other agencies to follow drawdown procedures established by both the City of San Antonio and HUD whereby CDBG funds shall be drawn down prior to other funds in the case of multi-funded projects where not in conflict with other federal requirements. The Finance Department is further directed to ensure that prior to processing any and all fiscal requests related to Fund 28035000 CDBG accounts, each such request has received prior compliance review and approval by the Grants Administration Manager of the Office of Grants Monitoring and Administration or her designated representative, and that such review and approval is indicated by their signatures or initials affixed to the fiscal request.

SECTION 19. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated.

SECTION 20. The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Grants Administration Manager of the Office of Grants Monitoring and Administration is hereby authorized to complete all documents required by HUD to officially close projects and program financial records following completion of the contracted scope-of-work.

SECTION 21. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, SAP GL Account Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 22. This ordinance shall be effective on and after May 24, 2009.

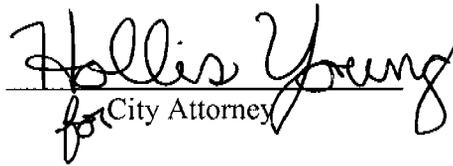
PASSED AND APPROVED this 14th day of May, 2009.


MAYOR

ATTEST:


City Clerk

APPROVED AS TO FORM


for City Attorney

Agenda Item:	7A						
Date:	05/14/2009						
Time:	04:56:05 PM						
Vote Type:	Other: With Amendments Per District						
Description:	An Ordinance adopting the 35th year Community Development Block Grant (CDBG) in the amount of \$14,604,704.00 as contained in the FY 2009-2010 Consolidated Plan Annual Budget; authorizing the 35th fiscal year CDBG program; and authorizing the submission of the CDBG Grant to HUD for FY 2009-2010 Consolidated Plan Annual Budget, certification and other information as required to HUD.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x			x	
Sheila D. McNeil	District 2		x				
Jennifer V. Ramos	District 3		x				
Philip A. Cortez	District 4		x				x
Lourdes Galvan	District 5		x				
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9	x					
John G. Clamp	District 10		x				

**CITY OF SAN ANTONIO
GRANTS MONITORING AND ADMINISTRATION
FY 2009-2010 CONSOLIDATED ANNUAL PLAN/BUDGET
CDBG ADOPTED BUDGET SUMMARY**

ATTACHMENT I

CDBG Revenues

FY 2009-2010 Community Development Block Grant Entitlement (CDBG)	<u>14,604,704.00</u>
Total FY 2009-2010 CDBG Revenues	\$14,604,704.00

CDBG Budget Category Allocations

Administration & Planning Activities (20%)	2,953,775.00
Capital Improvements	6,202,240.00
Housing & Related Activities	2,297,570.00
Neighborhood Revitalization	993,247.00
Public Services (15%)	<u>2,157,872.00</u>
Total FY 2009-2010 Proposed CDBG Allocations	\$14,604,704.00

Adopted CDBG Projects

<u>Administration</u>	<u>Adopted Budget</u>
City Attorney CDBG Legal Administration	335,001.00
City Attorney Code Enforcement	79,612.00
Department of Community Initiatives Fair Housing Program	207,498.00
Finance CDBG/HOME Grants Accounting	65,700.00
Grants Monitoring & Administration Program Monitoring and Oversight	1,916,551.00
Planning & Community Development Community Development Program	329,915.00
Public Works Disability Access Administration	<u>19,498.00</u>
Total Proposed Administration Allocation	\$2,953,775.00

Capital Improvements

District 1 Capital Improvement Fund	175,280.00
District 2 Capital Improvement Fund	175,280.00
District 3 Capital Improvement Fund	175,280.00
District 6 Capital Improvement Fund	175,280.00
District 7 Capital Improvement Fund	175,280.00
District 8 Capital Improvement Fund	175,280.00
HUD Section 108 Loan Payment	4,800,000.00
Mahncke Park Street Reconstruction	175,280.00
Weidner Road Reconstruction	<u>175,280.00</u>
Total Capital Improvement Allocation	\$6,202,240.00

Housing Rehabilitation and Reconstruction

Housing & Neighborhood Services Dept. Housing Operations Administration	1,797,570.00
Housing & Neighborhood Services Lead Based Paint Hazard Control Program	<u>500,000.00</u>
Total Housing Allocation	\$2,297,570.00

Neighborhood Revitalization

Cortez Branch Library	87,640.00
District 4 One Stop Senior Center	87,640.00
District 5 Business Incubator	50,000.00
Economic Development Department Empowerment Zone Outreach	72,414.00
Guadalupe Cultural Arts Theatre	125,280.00
Housing & Neighborhood Services Code Compliance Enforcement	77,600.00
Housing & Neighborhood Services Neighborhood Commercial Revitalization	466,778.00
St. Vincent de Paul Facility Improvement Shortfall	<u>25,895.00</u>
Total Neighborhood Revitalization Allocation	\$993,247.00

Public Services**Adopted Budget**

Antioch Transformation Network	36,816.00
Any Baby Can Case Management	73,428.00
Any Baby Can Prescription Assistance Program	60,582.00
Catholic Charities Foster Grandparent Program	36,749.00
Christian Senior Services Senior Companion Program	50,000.00
Corazon Ministries Basic Services: Food Security	39,473.00
El Centro de Barrio Activity Center for the Frail & Elderly	120,000.00
Emergency Assistance for Low-Income Disabled Women with Cancer	100,000.00
Hispanic Religious Partnership for Community Health Inc., Hunger Relief	62,754.00
Housing & Neighborhood Services Code Compliance	157,861.00
Parks and Recreation Summer Outdoor Pool	76,557.00
Parks and Recreation Summer Youth Program at Community Centers	272,422.00
Project Assist	15,000.00
Project MEND Durable Medical Equipment Program	90,000.00
SAILS Gateway to Abiliites Program	100,000.00
San Antonio AIDS Foundation	74,293.00
San Antonio Food Bank Food Security Initiative	400,000.00
San Antonio Urban Ministries Fairweather Lodges	30,000.00
St. Peter - St. Joseph Children's Home Project Ayuda	67,900.00
YMCA of Greater SA- Active Older Adults	264,037.00
YWCA of San Antonio Self-Employment for Economic Development	<u>30,000.00</u>
Total Public Services Allocation	\$2,157,872.00
Total FY 2009-2010 CDBG Allocation	\$14,604,704.00

ATTACHMENT II

CONTRACT

PROJECT NAME:

PROJECT NO.:
CFDA 14.218

STATE OF TEXAS §
§
COUNTY OF BEXAR §

This CONTRACT is hereby made and entered into by and between the CITY OF SAN ANTONIO (hereinafter referred to as "CITY"), a Texas municipal corporation, acting by and through its Office of Grants Monitoring and Administration pursuant to Ordinance No. _____ dated _____, and _____ (hereinafter referred to as "SUB-GRANTEE"), a Texas non-profit organization, acting by and through its duly authorized _____.

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as "the Community Development Act") for utilization in connection with its Community Development Block Grant (CDBG) Program; and

WHEREAS, the City Council has adopted a budget for such funds and has included therein the expenditure of funds for the project entitled "_____" (hereinafter referred to as "Project"); and

WHEREAS, the City Council has designated the Office of Grants Monitoring and Administration as the CITY's representative responsible for the administration and monitoring of the Project and all matters pertaining thereto; and

WHEREAS, CITY wishes to engage SUB-GRANTEE to implement and manage said Project;

NOW THEREFORE:

The parties hereto severally and collectively agree, and by the execution hereof are bound to the mutual obligations herein contained, and to the performance and accomplishment of the tasks hereinafter described.

I. TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall commence immediately upon its execution and shall terminate on the earlier of (a) _____, or (b) Project completion.

II. RESPONSIBILITIES

2.1 SUB-GRANTEE hereby accepts responsibility for the performance, in a satisfactory and efficient manner as solely determined by CITY, of all services and activities set forth in this CONTRACT.

2.2 Unless written notification by SUB-GRANTEE to the contrary is received and approved by CITY, SUB-GRANTEE's _____ shall be SUB-GRANTEE's designated representative responsible for the management of all contractual matters pertaining to this CONTRACT.

2.3 City's Office of Grants Monitoring and Administration _____ or _____ designate shall be CITY's representative responsible for the administration of this CONTRACT.

2.4 Communications between CITY and SUB-GRANTEE shall be directed to the designated representatives of each as set forth in paragraphs numbered 2.2 and 2.3 hereinabove.

III. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

3.1 SUB-GRANTEE understands that funds provided to it pursuant to this CONTRACT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY. SUB-GRANTEE, therefore, assures and certifies that it will comply with the requirements of the Community Development Act and with all regulations promulgated thereunder as codified as Title 24 of the Code of Federal Regulations. SUB-GRANTEE understands, however, that the Community Development Act in no way is meant to constitute a complete compilation of all duties imposed upon SUB-GRANTEE by law or administrative ruling, or to narrow the standards which SUB-GRANTEE must follow. Accordingly, SUB-GRANTEE understands that if the regulations and issuances promulgated pursuant to the Community Development Act are amended or revised, it shall comply with them or otherwise immediately notify CITY pursuant to the provisions of Article XLVI of this CONTRACT.

3.2 SUB-GRANTEE understands that summaries of certain compliance requirements mandated by applicable laws or regulations are contained in CITY's Federal Compliance Manual, and any amendments thereof, a copy of which is attached hereto and incorporated herein for all purposes as Attachment "III B", and that SUB-GRANTEE must at all times remain in compliance therewith. SUB-GRANTEE further understands that said summaries are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed

upon SUB-GRANTEE by law or administrative ruling, or to narrow the standards which SUB-GRANTEE must follow.

3.3 SUB-GRANTEE assures that all contractors and subcontractors receiving funds in connection with this Project are familiar with, and shall comply with, any and all applicable rules and regulations as contained in CITY's Federal Compliance Manual and that a copy of said Federal Compliance Manual will be included as part of every contract awarded in connection with this Project.

3.4 SUB-GRANTEE shall observe and comply with all city, state and federal laws, regulations, ordinances, and codes affecting SUB-GRANTEE's operations pursuant to this CONTRACT.

IV. SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY (SBEDA)

4.1 CITY's SBEDA, Non-Discrimination and Affirmative Action Policies. SUB-GRANTEE agrees and acknowledges that it is CITY's policy that small, minority, or woman-owned business enterprises shall have the maximum practical opportunity to participate in the performance of public contracts (SBEDA Policy). SUB-GRANTEE agrees that SUB-GRANTEE will not discriminate against any individual or group on account of race, color, sex, age, religion, national origin, or disability and will not engage in employment practices, which have the effect of discriminating against employees or prospective employees because of race, color, religion, national origin, sex, age, or disability. SUB-GRANTEE further agrees that SUB-GRANTEE will abide by all applicable terms and provisions of CITY's Non-Discrimination Policy, CITY's SBEDA Policy, and CITY's Equal Opportunity Affirmative Action Policy, these policies being available in CITY's Department of Economic Development and the City Clerk's Office.

4.2 SBEDA Program. The CITY has adopted a Small Business Economic Development Advocacy Ordinance (the "SBEDA Program"), which is posted on the CITY's Economic Development Department website and is also available in hard copy form upon request to the CITY. In addition to the definitions provided in the SBEDA Program, the following definitions will apply pursuant to SBEDA Program requirements and this CONTRACT:

- (A) SBEDA Enterprise ("SE") – A corporation, limited liability company, partnership, individual, sole proprietorship, joint stock company, joint venture, professional association or any other legal entity operated for profit that is properly licensed, as applicable, and otherwise authorized to do business in the state of Texas and certified pursuant to SBEDA Program requirements.
- (B) Commercially Useful Function – A function performed by an SE when it is responsible for supplying goods or for execution of a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing and supervising the work involved. To determine whether an SE is performing a Commercially Useful Function, the amount of work subcontracted, industry practices and other relevant factors shall be evaluated. Commercially Useful

Function is measured for purposes of determining participation on a contract, not for determination of certification eligibility.

- (C) Conduit – An SE that knowingly agrees to pass the scope of work for which it is listed for participation, and is scheduled to perform or supply on the contract, to a non-SE firm. In this type of relationship, the SE has not performed a Commercially Useful Function and the arranged agreement between the two parties is not consistent with standard industry practice. This arrangement does not meet the Commercially Useful Function requirement and therefore the SE’s participation does not count toward the SE utilization goal.
- (D) SBEDA Plan – SUB-GRANTEE shall submit a Good Faith Effort Plan (“GFEP”), SBEDA Narrative, List of Subcontractors/Suppliers and executed Letters of Intent (all as applicable) to CITY. CITY shall provide a form for the SBEDA Plan to SUB-GRANTEE for submission.

4.3 For this CONTRACT, the Parties agree that:

- (A) The terms of the CITY’s SBEDA Ordinance, as amended, together with all requirements and guidelines established under or pursuant to the Ordinance (collectively, the “SBEDA Program”) are incorporated into this CONTRACT by reference; and
- (B) The failure of SUB-GRANTEE or any applicable SE to comply with any provision of the SBEDA Program shall constitute a material breach of the SBEDA Program and this CONTRACT.
- (C) Failure of SUB-GRANTEE or any applicable SE to provide any documentation or written submissions required by the CITY or SBEDA Program Office pursuant to the SBEDA Program, within the time period set forth by the SBEDA Program Office, shall constitute a material breach of the SBEDA Program and this CONTRACT.
- (D) During the Term of this CONTRACT, and any renewals thereof, any unjustified failure to utilize good faith efforts to meet, and maintain, the levels of SE participation identified in SUB-GRANTEE’s SBEDA Plan shall constitute a material breach of the SBEDA Program and this CONTRACT.
- (E) SUB-GRANTEE shall pay all suppliers and subcontractors identified in its SBEDA Plan in a timely manner for satisfactory work, pursuant to and as outlined in Section VII, Paragraph F(2)(e) of the SBEDA Ordinance, as amended. Documentation of all billing and payment information applicable to SBEDA Plan suppliers and subcontractors shall be submitted by SUB-GRANTEE to the CITY. Failure to pay SE’s in a timely manner or submit the required billing and payment documentation shall constitute a material breach of this CONTRACT.

4.4 The Parties also agree that the following shall constitute a material breach of the SBEDA Program and this CONTRACT:

- (A) Failure of SUB-GRANTEE to utilize an SE that was originally listed in its SBEDA Plan or proposal submission to satisfy SBEDA Program goals, or failing to allow such SE to perform a Commercially Useful Function; and
- (B) Modification or elimination by SUB-GRANTEE of all or a portion of the scope of work attributable to an SE pursuant to this CONTRACT; and
- (C) Termination by SUB-GRANTEE of an SE originally utilized as a Subcontractor, Joint Venturer, Supplier, Manufacturer or Broker pursuant to this CONTRACT, without replacing such SE with another SE performing the same Commercially Useful Function and dollar amount, or without demonstrating each element of Modified Good Faith Efforts to do so; and
- (D) Participation by SUB-GRANTEE in a Conduit relationship with an SE scheduled to perform work pursuant to this CONTRACT.

4.5 Remedies for Violation of SBEDA Program. The Parties further agree that in addition to any other remedies the CITY may have at law or in equity, or under this CONTRACT for material breach, including the specified remedies available under the SBEDA Program for Alternative Construction Delivery Method, the CITY shall be entitled, at its election, to exercise any one or more of the following remedies if SUB-GRANTEE materially breaches the requirements of the SBEDA Program and such breach is not cured within thirty (30) days after SUB-GRANTEE is notified of such breach:

- (A) Terminate this CONTRACT for default;
- (B) Suspend this CONTRACT for default;
- (C) Withhold all payments due to SUB-GRANTEE under this CONTRACT until such violation has been fully cured or the Parties have reached a mutually agreeable resolution; and/or
- (D) Offset any amounts necessary to cure any material breach of the requirements of the SBEDA Program from any retainage being held by the CITY pursuant to the CONTRACT, or from any other amounts due to the SUB-GRANTEE under the CONTRACT.
- (E) Suspension, Revocation or Modification of SE Certification: The SBEDA Program Office may suspend or revoke an offending SE's eligibility for

Certification, and may suspend its participation from counting toward a project goal, based upon such SE's acting as a Conduit, failing to comply with the provisions of the SBEDA Program, failing to perform a Commercially Useful Function on a project, failing to submit information as required by the SBEDA Program Office, submitting false, misleading or materially incomplete statements, documentation or records, or failing to cooperate in investigations. The SBEDA Program Office may further modify the list of areas for which an SE is certified, if the SE is routinely failing to submit bids or proposals for work in a particular area, or if it becomes apparent that the SE is not qualified to perform work in a particular area.

The Parties agree that nothing in the SBEDA Program nor any action or inaction by the SBEDA Program Office or the SBEDA Program Manager shall be deemed a representation or certification that an SE is qualified to perform work in a particular area for the purposes of this CONTRACT.

The remedies set forth herein shall be deemed cumulative and not exclusive and may be exercised successively or concurrently, in addition to any other available remedy.

4.6 Process For Exercising SBEDA Program Remedies. The SBEDA Program Manager shall make all decisions regarding the suspension or revocation of an SE's certification as well as the duration of such suspension or revocation. The SBEDA Program Manager shall make a recommendation to the Managing Department Director regarding appropriate remedies for the CITY to exercise in the event SUB-GRANTEE or an SE violates the SBEDA Program. The Managing Department Director responsible for the CONTRACT shall then make the decision as to what remedies will be exercised.

4.7 Special Provisions for Extension of Contracts. In the event the CITY extends this CONTRACT, the CITY Managing Department responsible for monitoring this CONTRACT shall establish the following, subject to review and approval by the SBEDA Program Manager:

- (A) A SBEDA Utilization Goal for the extended period;
- (B) A modified version of the Good Faith Efforts ("Modified Good Faith Efforts Plan") set forth in the SBEDA Program Ordinance, as amended, if SUB-GRANTEE does not meet the SBEDA Utilization Goal; and
- (C) The required minimum Good Faith Efforts outreach attempts that SUB-GRANTEE shall be required to document in attempting to meet the SBEDA Utilization Goal. The SBEDA Utilization Goal, Modified Good Faith Efforts Plan and the required number of minimum Good Faith Efforts outreach attempts shall be added into the CONTRACT extension document. The SUB-GRANTEE entering into the extension shall either meet the SBEDA Utilization Goal or document that it has made the Good Faith Efforts to

meet the SBEDA Utilization Goal. Failure to do so shall subject SUB-GRANTEE to any of the remedies listed above.

V. LEGAL AUTHORITY

5.1 SUB-GRANTEE represents, warrants, assures, and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this CONTRACT and to perform the responsibilities herein required.

5.2 The signer of this CONTRACT for SUB-GRANTEE represents, warrants, assures, and guarantees that he or she has full legal authority to execute this CONTRACT on behalf of SUB-GRANTEE and to bind SUB-GRANTEE to all terms, performances, and provisions herein contained.

5.3 In the event that a dispute arises as to the legal authority to enter into this CONTRACT of either the SUB-GRANTEE or the person signing on behalf of SUB-GRANTEE, CITY shall have the right, at its option, to either temporarily suspend, or permanently terminate this CONTRACT. Should CITY suspend or permanently terminate this CONTRACT pursuant to this paragraph, however, SUB-GRANTEE shall be liable to CITY for any money it has received from CITY for performance of any of the provisions hereof.

VI. MAINTENANCE OF EFFORT

6.1 SUB-GRANTEE agrees that the funds and resources provided to it under the terms of this CONTRACT shall in no way be substituted for funds and resources provided from other sources, nor shall such funds and resources in any way serve to reduce the funds, resources, services, or other benefits which would have been available to, or provided through, SUB-GRANTEE had this CONTRACT not been executed.

VII. PERFORMANCE BY SUB-GRANTEE

7.1 SUB-GRANTEE, in accordance and compliance with the terms, provisions and requirements of this CONTRACT, shall manage, perform and provide all of the activities and services set forth in the Work Statement attached hereto, and incorporated herein for all purposes as Attachment "I," to CITY's satisfaction, utilizing only those funds remitted to SUB-GRANTEE by CITY under the terms of this CONTRACT. The funds available for utilization hereunder shall be as described in Attachment "II" also attached hereto, and incorporated herein for all purposes.

7.2 Modifications or alterations to Attachment "P" may be made only pursuant to the prior written approval of CITY's Office of Grants Monitoring and Administration or designate.

VIII. REIMBURSEMENT BY CITY

8.1 In consideration of SUB-GRANTEE's performance, in a satisfactory and efficient manner as determined by CITY, of all services and activities set forth in this CONTRACT, CITY agrees to reimburse SUB-GRANTEE for all eligible expenses incurred hereunder. Such reimbursement, however, shall be in accordance with the Project Budget set forth in Attachment "II" and shall be subject to any and all limitations and provisions set forth in this Article and in Article IX hereunder.

8.2 Notwithstanding any other provision of this CONTRACT, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of _____ and _____ /100 Dollars (\$ _____).

8.3 It is expressly understood and agreed by CITY and SUB-GRANTEE that CITY's obligations under this Article are contingent upon the actual receipt of adequate CDBG funds to meet CITY's liabilities hereunder. Should CITY not receive funds to make payments pursuant to this CONTRACT or should fund awards be reduced, CITY shall notify SUB-GRANTEE in writing within a reasonable time after such fact has been determined and may, at its option, either terminate this CONTRACT or reduce the amount of its liability accordingly.

8.4 It is expressly understood by CITY and SUB-GRANTEE that this CONTRACT in no way obligates CITY's general fund monies or any other monies or credits of CITY.

8.5 CITY shall not be liable for any SUB-GRANTEE cost, or portion thereof, which:

- (A) Has been paid, reimbursed or is subject to payment or reimbursement from another source;
- (B) Was incurred prior to the commencement date or subsequent to the termination date of this CONTRACT as specified in Article I hereinabove;
- (C) Is not in strict accordance with the terms of this CONTRACT, including all Attachments attached hereto;
- (D) Has not been billed to CITY within thirty (30) calendar days following billing to SUB-GRANTEE, or termination of this CONTRACT, whichever is earlier; or
- (E) Is not an allowable cost as defined by Article X of this CONTRACT or by the Project Budget (Attachment "II").

8.6 CITY shall not be liable for any SUB-GRANTEE cost, or portion thereof, which is or was incurred in connection with an activity of SUB-GRANTEE where:

- (A) Prior written authorization from CITY is required for the activity and such authorization was not first procured; or
- (B) CITY has requested that SUB-GRANTEE furnish data concerning an activity prior to proceeding further therewith and SUB-GRANTEE nonetheless proceeds without first submitting the data and receiving CITY approval thereof.

8.7 CITY shall not be obligated or liable under this CONTRACT to any party, other than SUB-GRANTEE, for payment of any monies or provision of any goods or services.

**IX. RECEIPT, DISBURSEMENT AND ACCOUNT
OF FUNDS BY SUB-GRANTEE**

9.1 SUB-GRANTEE understands and agrees that it shall maintain a separate numbered account for the receipt and disbursement of all funds received pursuant to this CONTRACT and of any program income resulting therefrom, if applicable. SUB-GRANTEE further agrees that:

- (A) Such account shall contain only those funds received pursuant to this CONTRACT and that no other funds shall be mingled therewith, except funds deemed to be program income as defined in Article XI hereunder;
- (B) All checks and withdrawals from such account shall have itemized documentation in support thereof;
- (C) Such account shall be maintained, under conditions approved by CITY, in a financial institution having federal deposit insurance coverage, with any account balance exceeding the federal deposit insurance coverage likewise collaterally secured; and
- (D) Upon SUB-GRANTEE's written request and solely within the discretion of CITY, an alternative accounting mechanism may be permitted, provided such alternative adheres at all times to generally accepted accounting principles.

9.2 Regarding method of payment, CITY and SUB-GRANTEE agree as follows:

- (A) SUB-GRANTEE shall deliver a Billing Package, a copy of which is attached hereto and incorporated herein for all purposes as Attachment "VI," to CITY's Grants Monitoring and Administration Department, in accordance with one of the following schedules as determined and agreed upon by both parties at the time of execution of this CONTRACT:
 - 1. Monthly billing, with the prior month's Billing Package received by CITY's Grants Monitoring and Administration Department by no later than the fifth (5th) day of each month;

2. Semi-monthly billing, with the prior month's Billing Packages received by CITY's Grants Monitoring and Administration Department by no later than the fifth (5th) and twentieth (20th) day of each month, respectively; or
 3. Weekly billing, with the prior week's Billing Package received by CITY's Grants Monitoring and Administration Department by no later than Wednesday of each week.
- (B) SUB-GRANTEE shall submit to CITY such other reports as may be required by CITY to document CITY liabilities under this CONTRACT.
- (C) Upon receipt of and approval by CITY of each of SUB-GRANTEE's Billing Packages, CITY shall pay to SUB-GRANTEE an amount equal to CITY's liabilities not previously billed to and subsequently paid by CITY, subject to deduction for any costs questioned or not allowable. Delinquent or unacceptable billing of CITY by SUB-GRANTEE, however, shall justify delay of payment by CITY.
- (D) SUB-GRANTEE's financial management system shall provide for an adequate procedure to minimize the time elapsed between CITY's payment to SUB-GRANTEE and SUB-GRANTEE's disbursement of funds.

9.3 Within ten (10) working days of CITY's written request therefor, SUB-GRANTEE shall refund to CITY any sum of money paid by CITY to SUB-GRANTEE later determined to:

- (A) Have resulted in overpayment to SUB-GRANTEE;
- (B) Have not been spent by SUB-GRANTEE strictly in accordance with the terms of this CONTRACT; and/or
- (C) Not be supported by adequate documentation to fully justify the expenditure.

9.4 Upon termination of this CONTRACT, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by CITY, HUD, or any other federal agency, SUB-GRANTEE shall refund such amount to CITY within ten (10) working days of CITY's written request therefor wherein the amount disallowed or disapproved shall be specified. Refunds of disallowed or disapproved costs, however, shall not be made from funds received pursuant to this CONTRACT or from funds received from or through the federal government or CITY.

9.5 In the event that the actual amount expended by SUB-GRANTEE to meet the level of performance specified in Attachment "I," or any amendment thereto, is less than that amount provided to SUB-GRANTEE pursuant to this CONTRACT, then CITY reserves the right to reappropriate or recapture any such underexpended funds.

9.6 Utilizing the format provided by CITY, a "Contract Close-Out Package," together with a final expenditure report, for the period commencing on the date of SUB-GRANTEE's last invoice requesting reimbursement of funds pursuant to this CONTRACT, shall be submitted by SUB-GRANTEE to CITY within fifteen (15) working days following the expiration of the term of this CONTRACT.

9.7 Upon termination of this CONTRACT, all unclaimed (30 days or older) salaries or wages must be returned to CITY in the following format:

- (A) A cashier's check for the net aggregate amount payable to the "City of San Antonio"; and
- (B) A listing showing each person's social security number, full name, last known completed address, and amount owing.

X. ALLOWABLE COSTS

10.1 Costs shall be considered allowable only if approved in writing and incurred directly and specifically in the performance of and in compliance with this CONTRACT and with all city, state and federal laws, regulations and ordinances affecting SUB-GRANTEE's operations hereunder.

10.2 Approval of SUB-GRANTEE's budget as set forth in Attachment "IP", however, shall not constitute prior written approval of the items included therein. For example, CITY's prior written authorization shall be required in order for the following to be considered allowable costs:

- (A) Encumbrance or expenditure during any one month period falling within the term of this CONTRACT which exceeds one-twelfth (1/12) of any budgeted line items for personnel costs as specified in Attachment "IP";
- (B) CITY shall not be obligated to any third party sub-contracts of SUB-GRANTEE, nor shall CITY funds be used to pay for contract services extending beyond the expiration of this CONTRACT;
- (C) Out of town travel;
- (D) Costs or fees associated with the alteration or relocation of the facilities on and in which the activities specified in Attachment "T" are conducted;
- (E) Costs or fees associated with alterations, deletions or additions to the Personnel Schedule incorporated within Attachment "IP";
- (F) Costs or fees for temporary employees or services;

- (G) Costs or fees for consultant and/or professional services; and
- (H) Costs or fees associated with attendance at meetings, seminars, or conferences.

10.3 Written requests for prior approval shall be SUB-GRANTEE's responsibility and shall be made within sufficient time to permit a thorough review by CITY. Written approval by CITY must be obtained prior to the commencement of procedures to solicit or purchase services, equipment, or real or personal property. Procurements and/or purchases which must be approved pursuant to the terms of this CONTRACT shall be conducted entirely in accordance with all applicable terms, provisions and requirements hereof.

XI. PROGRAM INCOME

11.1 For purposes of this CONTRACT, "program income" shall mean earnings of SUB-GRANTEE realized from activities resulting from this CONTRACT or from SUB-GRANTEE's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of SUB-GRANTEE, provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by SUB-GRANTEE pursuant to this CONTRACT.

11.2 On a monthly basis, SUB-GRANTEE shall report and return to CITY all program income received or accrued during the preceding month. Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY.

11.3 Records of the receipt and disposition of program income shall be maintained by SUB-GRANTEE in the same manner as required from other CONTRACT funds and shall be submitted to CITY in the format prescribed by CITY.

11.4 SUB-GRANTEE shall include this Article, in its entirety, in all of its subcontracts involving income-producing services or activities.

11.5 It shall be SUB-GRANTEE's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this CONTRACT, or from the performance thereof, constitutes program income, and unless otherwise approved in writing by CITY, SUB-GRANTEE shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income.

XII. OWNERSHIP OF PROPERTY

12.1 All equipment and/or non-recurring items necessary in connection with this Project shall be purchased or leased by CITY's Purchasing Department through CITY's Grants Monitoring and Administration Department. Furthermore, during the last four (4) months of this CONTRACT, purchases or leasing of expendable items, such as, but not limited to, office

supplies, shall be made only upon the procurement of CITY's written consent where the cumulative cost for such items over said four-month period totals or exceeds the sum of \$200.00.

12.2 Ownership title to all capital acquisitions, supplies, materials or other property purchased with funds received pursuant to this CONTRACT and in accordance with the provisions hereof shall be vested in CITY, and possession thereof, upon termination of this CONTRACT, shall revert to CITY unless otherwise provided for by CITY in writing.

12.3 Upon delivery to SUB-GRANTEE of non-expendable property, written notification thereof shall be provided by SUB-GRANTEE to CITY within five (5) calendar days of the property's delivery so as to enable CITY to effect property identification and recording for inventory purposes. Regarding the property, SUB-GRANTEE shall at all times maintain adequate records thereon and control thereof; SUB-GRANTEE shall further perform annual physical inventories of the property in accordance with Attachment "VI" attached hereto and incorporated herein for all purposes.

12.4 SUB-GRANTEE shall be fully and solely responsible for safeguarding and maintaining all property referred to in this Article. Furthermore, SUB-GRANTEE shall be fully and solely responsible for reporting any and all lost, stolen, missing, damaged or destroyed property referred to in this Article. Inasmuch as funds provided to SUB-GRANTEE pursuant to this CONTRACT are funds which have been made available to CITY by the federal government, all such lost, stolen, missing, damaged or destroyed property shall be reported by SUB-GRANTEE to the local Police Department. SUB-GRANTEE shall make such reports immediately and shall deliver a copy of the official written police report to CITY's Grants Monitoring and Administration office immediately. Prior to such delivery, SUB-GRANTEE shall ascertain that said report includes, at a minimum, the following:

- (A) An accurate and reasonably complete description of such property; and
- (B) An accurate and reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction of such property.

In the event a copy of the official written police report has not been made available to SUB-GRANTEE, a summary of said report shall be provided and delivered by SUB-GRANTEE to CITY's Grants Monitoring and Administration office, including therein the date the report was made to the local Police Department and the name and badge number of the police officer who wrote such police report.

XIII. FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS

13.1 SUB-GRANTEE further represents and warrants that:

- (A) All information, data or reports heretofore or hereafter provided to CITY are, shall be and shall remain complete and accurate as of the date shown on the

information, data or report, and that since said date shown, shall not have undergone any significant change without written notice to CITY;

- (B) Any supporting financial statements heretofore or hereafter provided to CITY are, shall be and shall remain complete, accurate and reflective of the financial condition of SUB-GRANTEE on the date shown on said statements and during the period covered thereby, and that since said date shown, except as provided by written notice to CITY, there has been no material change, adverse or otherwise, in the financial condition of SUB-GRANTEE;
- (C) No litigation or proceedings are presently pending or threatened against SUB-GRANTEE, and that SUB-GRANTEE has no information, or cause to believe, that litigation or proceedings, whether judicial or administrative, against SUB-GRANTEE is imminent;
- (D) None of the provisions contained herein contravene or in any way conflict with the authority under which SUB-GRANTEE is doing business or with the provisions of any existing indenture or agreement of SUB-GRANTEE;
- (E) SUB-GRANTEE has the legal authority to enter into this CONTRACT and accept payments hereunder, and has taken all necessary measures to authorize such execution of CONTRACT and acceptance of payments pursuant to the terms and conditions hereof; and
- (F) None of the assets of SUB-GRANTEE are, both currently and for the duration of this CONTRACT, subject to any lien or encumbrance of any character, except for current taxes not delinquent and except as shown in the financial statements provided by SUB-GRANTEE to CITY.

13.2 During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUB-GRANTEE covenants that it shall not, without the prior written consent of CITY's Office of Grants Monitoring and Administration or designate:

- (A) Mortgage, pledge, or otherwise encumber or cause to be encumbered any of the assets of SUB-GRANTEE now owned or hereafter acquired by it;
- (B) Permit any pre-existing mortgages, liens, or other encumbrances to remain on or attached to any of the assets of SUB-GRANTEE which are allocated to the performance of this CONTRACT and with respect to which CITY has ownership hereunder;
- (C) Sell, assign, pledge, transfer or otherwise dispose of accounts receivable, notes or claims for money due or to become due;

- (D) Sell, convey, or lease all or any substantial part of its assets; or
- (E) Make any advance or loan to, or incur any liability as guarantor, surety or accommodation endorser for any other firm, person, entity, or corporation.

13.3 Each of the foregoing representations, warranties, and covenants shall be continuing and deemed repeated each time SUB-GRANTEE submits a new request for payment in accordance with the terms, provisions and requirements of this CONTRACT.

XIV. MAINTENANCE OF RECORDS

14.1 SUB-GRANTEE agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this CONTRACT. SUB-GRANTEE further agrees:

- (A) That maintenance of said records shall be in compliance with all terms, provisions and requirements of this CONTRACT and with all applicable federal and state regulations establishing standards for financial management; and
- (B) That SUB-GRANTEE's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure.

14.2 SUB-GRANTEE agrees to retain, for the period of time and under the conditions specified by CITY, all books, records, documents, reports, and written accounting policies and procedures pertaining to the operation of programs and expenditures of funds under this CONTRACT.

14.3 SUB-GRANTEE agrees to include the substance of this Article in all of its sub-contracts.

14.4 Nothing in this Article shall be construed to relieve SUB-GRANTEE of:

- (A) Responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this CONTRACT; and
- (B) Fiscal accountability and liability pursuant to this CONTRACT and any applicable rules, regulations and laws.

XV. ACCESSIBILITY OF RECORDS

15.1 At any reasonable time and as often as CITY may deem necessary, SUB-GRANTEE shall make all of its records available to CITY, HUD, or any of their authorized representatives, and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, and make excerpts and/or copies of same. SUB-GRANTEE's records shall include, but shall not be limited to, the following: payroll, personnel and employment records, contracts, and invoices.

XVI. PERFORMANCE RECORDS AND REPORTS

16.1 As often and in such form as CITY may require, SUB-GRANTEE shall furnish CITY such performance records and reports as deemed by CITY as pertinent to matters covered by this CONTRACT.

16.2 At minimum, monthly performance records and reports shall be submitted to CITY by SUB-GRANTEE no later than the tenth day of the following month. Records and reports shall be in accordance with the formats set forth in Attachment "V" attached hereto and incorporated herein for all purposes.

16.3 As of the commencement date of this CONTRACT, SUB-GRANTEE agrees to gather information and data relative to all programmatic and financial reporting.

XVII. MONITORING AND EVALUATION

17.1 CITY shall perform on-site monitoring of SUB-GRANTEE's performance pursuant to the terms of this CONTRACT.

17.2 SUB-GRANTEE agrees that CITY may carry out monitoring and evaluation activities so as to ensure SUB-GRANTEE's compliance with this CONTRACT, with the Community Development Act, with the Work Statement and the Performance Goals, Objectives and Indicators set forth in Attachment "I", with the program assurances and certifications executed by CITY, and with all other laws, regulations and ordinances related to the performance hereof.

17.3 SUB-GRANTEE agrees to cooperate fully with CITY in the development, implementation, and maintenance of record-keeping systems and to provide CITY with any data determined by CITY to be necessary for its effective fulfillment of its monitoring and evaluation responsibilities.

17.4 SUB-GRANTEE agrees that it will cooperate with CITY in such a way so as not to obstruct or delay CITY in its monitoring of SUB-GRANTEE's performance and that it will designate one of its staff to coordinate the monitoring process as requested by CITY staff.

17.5 After each official monitoring visit, CITY shall provide SUB-GRANTEE with a written report of monitoring findings.

17.6 Copies of any fiscal, management, or audit reports by any of SUB-GRANTEE's funding or regulatory bodies shall be submitted to CITY within five (5) working days of receipt thereof by SUB-GRANTEE.

XVIII. INSURANCE

18.1 SUB-GRANTEE agrees to comply with the following insurance provisions:

- (A) Prior to the commencement of any work under this CONTRACT, SUB-GRANTEE shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY's Office of Grants Monitoring and Administration, which shall be clearly labeled " insert project name " in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY's Office of Grants Monitoring and Administration. No officer or employee, other than the CITY's Risk Manager, shall have authority to waive this requirement.
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will CITY allow modification whereupon CITY may incur increased risk.
- (C) SUB-GRANTEE's financial integrity is of interest to the CITY; therefore, subject to SUB-GRANTEE's right to maintain reasonable deductibles in such amounts as are approved by the CITY, SUB-GRANTEE shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at SUB-GRANTEE's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>POLICY TYPES</u>	<u>AMOUNTS</u>

- (D) The CITY shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto as they apply to the limits required by the CITY, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon

either of the parties hereto or the underwriter of any such policies). SUB-GRANTEE shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to CITY at the address provided below within ten (10) days of the requested change. SUB-GRANTEE shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Office of Grants Monitoring and Administration
P.O. Box 839966
San Antonio, Texas 78283-3966

- (E) SUB-GRANTEE agrees that with respect to the above-required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:
- Name the CITY and its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies;
 - Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy;
 - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the CITY; and
 - Provide thirty (30) calendar days advance written notice directly to CITY of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, SUB-GRANTEE shall provide a replacement Certificate of Insurance and applicable endorsements to CITY. CITY shall have the option to suspend SUB-GRANTEE's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon SUB-GRANTEE's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order SUB-GRANTEE to stop work hereunder, and/or withhold any payment(s) which

become due to SUB-GRANTEE hereunder until SUB-GRANTEE demonstrates compliance with the requirements hereof.

- (H) Nothing herein contained shall be construed as limiting in any way the extent to which SUB-GRANTEE may be held responsible for payments of damages to persons or property resulting from SUB-GRANTEE's or its subcontractors' performance of the work covered under this CONTRACT.
- (I) It is agreed that SUB-GRANTEE's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) SUB-GRANTEE and any Subcontractors are responsible for all damage to their own equipment and/or property.

XIX. INDEMNIFICATION

19.1 SUB-GRANTEE covenants and agrees to FULLY INDEMNIFY and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal injury or death and property damage, made upon the CITY, directly or indirectly arising out of, resulting from or related to SUB-GRANTEE's activities under this CONTRACT, including any acts or omissions of SUB-GRANTEE, any agent, officer, director, representative, employee, contractor or subcontractor of SUB-GRANTEE, and their respective officers, agents, employees, directors and representatives while in the exercise or performance of the rights or duties under this CONTRACT, all without, however, waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY, AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF THE CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND/OR REPRESENTATIVES OF CITY, UNDER THIS CONTRACT. The provisions of this INDEMNIFICATION are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. SUB-GRANTEE shall promptly advise the CITY in writing of any claim or demand against the CITY or SUB-GRANTEE known to SUB-GRANTEE related to or arising out of SUB-GRANTEE's activities under this CONTRACT and shall see to the investigation and defense of such claim or demand at SUB-GRANTEE's cost. The CITY shall have the right,

at its option and at its own expense, to participate in such defense without relieving SUB-GRANTEE of any of its obligations under this paragraph.

19.2 It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article (Article XIX), is an INDEMNITY extended by SUB-GRANTEE to INDEMNIFY, PROTECT, and HOLD HARMLESS the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death or damage. SUB-GRANTEE further AGREES TO DEFEND, AT ITS OWN EXPENSE and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

19.3 It is expressly understood and agreed that SUB-GRANTEE is and shall be deemed to be an independent contractor and operator responsible to all parties for its acts or omissions and that CITY shall in no way be responsible therefor.

XX. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

20.1 In the event that SUB-GRANTEE receives funding hereunder in excess of \$10,000.00, SUB-GRANTEE shall submit for CITY approval, within thirty (30) calendar days following execution of this CONTRACT, a written plan for compliance with federal equal employment opportunity and affirmative action rules, regulations and laws.

20.2 SUB-GRANTEE shall comply with all applicable local, state and federal equal employment opportunity and affirmative action rules, regulations and laws.

20.3 So that CITY can investigate compliance with local, state and federal equal employment opportunity and affirmative action rules, regulations and laws, SUB-GRANTEE shall furnish to CITY any and all information and reports requested by CITY, and shall permit access by CITY of any and all of its books, records and accounts.

20.4 In the event of non-compliance by SUB-GRANTEE (or SUB-GRANTEE's sub-contractors) with local, state and federal equal employment opportunity and affirmative action rules, regulations and laws, this CONTRACT may be canceled, terminated, or suspended by CITY, in whole or in part, and SUB-GRANTEE may be barred from further contracts with CITY.

XXI. NONDISCRIMINATION

21.1 SUB-GRANTEE covenants that it, or its agents, employees or anyone under its control, will not discriminate against any individual or group on account of race, color, sex, age, religion,

national origin, handicap or familial status, in employment practices or in the use of or admission to the premises at, in or on which the Project described herein is to be performed, which said discrimination SUB-GRANTEE acknowledges is prohibited.

XXII. PERSONNEL POLICIES, PROCEDURES AND PRACTICES

22.1 Personnel policies, procedures and practices shall be established by SUB-GRANTEE and shall be available for examination. Such policies, procedures and practices, however, shall:

- (A) Be in writing, approved by the governing body of SUB-GRANTEE and submitted to CITY;
- (B) Be no more liberal than CITY's personnel policies, procedures, and practices including, but not limited to, those related to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; however a variance may be permitted upon SUB-GRANTEE's written request and CITY's approval and solely within the CITY's discretion which shall be decided on a case-by-case basis; and
- (C) Indicate that upon termination, for whatever reason, CITY shall not be liable nor responsible to SUB-GRANTEE for reimbursement of accrued annual leave and/or personal leave exceeding a total of two weeks [ten (10) working days] per employee. To this effect, SUB-GRANTEE shall inform its employees of this restriction and shall encourage employees to utilize leave benefits during the fiscal year for which the benefits are provided pursuant to the terms, provisions and requirements of this CONTRACT.

XXIII. CONFLICT OF INTEREST

23.1 SUB-GRANTEE acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the CITY or any CITY agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse, a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity, a business entity in which any individual or entity above listed is a subcontractor on a CITY contract, a partner or a parent or subsidiary business entity.

23.2 Pursuant to the subsection above, SUB-GRANTEE warrants and certifies, and this CONTRACT is made in reliance thereon, that it, its officers, employees, and agents are neither officers nor employees of the CITY. SUB-GRANTEE further warrants and certifies that it has

tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XXIV. NEPOTISM

24.1 SUB-GRANTEE shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUB-GRANTEE or who is a member of SUB-GRANTEE's governing body. The term "member of immediate family" shall include: wife, husband, son, daughter, mother, father, brother, sister, in-law, aunt, uncle, cousin, nephew, niece, step-parent, step-child, half-brother and half-sister.

XXV. POLITICAL ACTIVITY

25.1 None of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, either directly or indirectly, for any political activity including, but not limited to, an activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation.

XXVI. SECTARIAN ACTIVITY

26.1 None of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the construction, operations, maintenance or administration of any sectarian or religious facility or activity, nor shall said performance rendered or funds received be utilized so as to benefit, directly or indirectly, any such sectarian or religious facility or activity.

XXVII. DIRECTORS' MEETINGS

27.1 During the term of this CONTRACT, SUB-GRANTEE shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors. Said copies of notices shall set forth the time and place of each meeting, shall be delivered to CITY in a timely manner so as to give CITY adequate notice thereof and shall include therein an agenda and a brief description of the matters to be discussed thereat.

27.2 SUB-GRANTEE understands and agrees that CITY representatives shall be afforded access to all of SUB-GRANTEE's Board of Directors' meetings.

27.3 Minutes of all meetings of SUB-GRANTEE's governing body shall be submitted to CITY within ten (10) working days of approval.

XXVIII. PUBLICITY

28.1 When appropriate, as determined by and upon written approval of CITY, SUB-GRANTEE shall publicize the activities conducted by SUB-GRANTEE pursuant to the terms of

this CONTRACT. In any news release, sign, brochure, or other advertising medium disseminating information prepared or distributed by or for SUB-GRANTEE, however, mention shall be made that the Project was made possible with HUD funding and CITY participation.

XXIX. PUBLICATIONS

29.1 All published materials and written reports submitted pursuant to this CONTRACT shall be originally developed unless otherwise specifically provided for herein. If material not originally developed is included in a report, however, said material shall have its source identified, either in the body of the report or by footnote, regardless of whether the material is in a verbatim or extensive paraphrase format.

29.2 All published materials submitted pursuant to this Project shall include the following reference on the front cover or title page:

“This document was prepared in accordance with the City of San Antonio’s Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development.”

XXX. RIGHTS TO PROPOSAL AND CONTRACTUAL MATERIAL

30.1 All finished or unfinished reports, documents, data, studies, surveys, charts, drawings, maps, models, photographs, designs, plans, schedules, or other appended documentation to any proposal or contract, and any responses, inquiries, correspondence and related material submitted by SUB-GRANTEE, shall, upon receipt, become the property of CITY.

XXXI. FUNDING APPLICATIONS

31.1 SUB-GRANTEE agrees to notify CITY each time SUB-GRANTEE is preparing or submitting any application for funding. When so preparing or submitting such an application, the following procedures shall be adhered to by SUB-GRANTEE:

- (A) When the funding application is in the planning stages, a description of the funds being applied for and of the proposed use for the funds shall be submitted by SUB-GRANTEE to CITY;
- (B) Upon award or notice of award, whichever is sooner, SUB-GRANTEE shall notify CITY of the award or notice thereof, and of the effect, if any, of such funding on the funds and programs agreed to hereunder. Such notice shall be submitted by SUB-GRANTEE to CITY, in writing, within ten (10) working days of receipt of the award or notice thereof, together with copies of the applicable budget, personnel complement, program description, and contract; and
- (C) Except pursuant to prior written consent of CITY, SUB-GRANTEE shall not use, either directly or indirectly, resources provided hereunder to prepare applications

for other federal or private funds, nor shall said resources be used, directly or indirectly, as contributions.

**XXXII. CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS**

32.1 SUB-GRANTEE certifies, and the CITY relies thereon in execution of this CONTRACT, that neither SUB-GRANTEE nor its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible, or voluntarily excluded for the award of contracts by any Federal governmental agency or department.

32.2 "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).

32.3 SUB-GRANTEE shall provide immediate written notice to CITY, in accordance with Article XLVI, if, at any time during the term of this CONTRACT, including any renewals hereof, SUB-GRANTEE learns that its certification was erroneous when made or has become erroneous by reason of changed circumstances.

32.4 SUB-GRANTEE's certification is a material representation of fact upon which the CITY has relied in entering into this CONTRACT. Should CITY determine, at any time during this CONTRACT, including any renewals hereof, that this certification is false, or should it become false due to changed circumstances, the CITY may terminate this CONTRACT in accordance with Article XXXVI relating to termination of the CONTRACT.

XXXIII. SUB-CONTRACTING

33.1 Any other clause of this CONTRACT to the contrary notwithstanding, none of the work or services covered by this CONTRACT shall be sub-contracted without the prior written approval of CITY. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written contract or agreement and, unless specific waiver is granted in writing by CITY, shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of SUB-GRANTEE.

33.2 SUB-GRANTEE agrees that no sub-contract approved pursuant to this CONTRACT shall provide for payment on a "cost plus a percentage of cost" basis.

33.3 Despite CITY approval of a sub-contract, CITY shall in no event be obligated to any third party, including any sub-contractor of SUB-GRANTEE, for performance of work or services, nor shall CITY funds ever be used for payment of work or services performed prior to the date of CONTRACT execution or extending beyond the date of CONTRACT expiration.

XXXIV. CHANGES AND AMENDMENTS

34.1 Except when the terms of this CONTRACT expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be by amendment in writing executed by both CITY and SUB-GRANTEE.

34.2 Whenever and as often as deemed necessary by CITY, CITY may request and require changes to SUB-GRANTEE's Work Statement (Attachment "I"). Such changes as requested or required by CITY, however, must be by written amendment hereto and may incorporate therein increases or decreases in the total monetary obligation of CITY to SUB-GRANTEE as provided for pursuant to the terms, provisions and conditions of this CONTRACT.

34.3 Except pursuant to (a) prior submission by SUB-GRANTEE of detailed information regarding budget and Project revisions, and (b) prior written approval thereof by CITY, SUB-GRANTEE shall neither make transfers between or among line items approved within the budget categories set forth in the Budget Summary incorporated within Attachment "II," nor shall SUB-GRANTEE alter, add to or delete from the Budget Detail likewise incorporated within said Attachment "II." Instead, SUB-GRANTEE shall request budget revisions in writing and in a form prescribed by CITY; such request for revisions, however, shall not increase the total monetary obligation of CITY as provided for pursuant to this CONTRACT, nor shall said revisions significantly change the nature, intent, or scope of the Project funded hereunder.

34.4 In the event that the level of funding for SUB-GRANTEE or for the Project described herein is altered, SUB-GRANTEE shall submit, immediately upon request by CITY, revised budget and Project information so as to enable re-evaluation by CITY of the original funding levels set forth in Attachment "II."

34.5 It is understood and agreed by the parties hereto that changes in local, state and federal rules, regulations or laws applicable hereto may occur during the term of this CONTRACT and that any such changes shall be automatically incorporated into this CONTRACT without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law.

34.6 SUB-GRANTEE agrees to notify CITY in writing of any proposed change in physical location for work to be performed pursuant to the terms of this CONTRACT. Such notice shall be provided by SUB-GRANTEE to CITY at least thirty (30) calendar days in advance of the proposed change.

34.7 SUB-GRANTEE further agrees to notify CITY of any changes in personnel or governing board composition, such notice to be provided within five (5) working days of the change.

XXXV. SUSPENSION OF FUNDING

35.1 Upon determination by CITY of SUB-GRANTEE's failure to timely and properly perform pursuant to the provisions of this CONTRACT, CITY, without limiting or waiving any rights it may otherwise have, may, at its discretion and upon five (5) working days written notice to SUB-GRANTEE, withhold further payments to said SUB-GRANTEE. CITY's notice shall specifically set forth SUB-GRANTEE's alleged default or failure as well as the action required for cure thereof.

35.2 The period of funding suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed thirty (30) calendar days. Upon expiration of the suspension period:

- (A) Should CITY determine that the default or deficiency has been cured, SUB-GRANTEE may be restored to full compliance status and paid all eligible funds withheld during the suspension period; or
- (B) Should CITY determine continued non-compliance, the provisions of Article XXXVI hereunder may be effectuated.

XXXVI. TERMINATION

36.1 "Termination" of this CONTRACT shall mean termination by expiration of the CONTRACT term or earlier termination pursuant to any of the provisions hereof.

36.2 CITY may terminate this CONTRACT for any of the following reasons:

- (A) Neglect or failure by SUB-GRANTEE to perform or observe any of the terms, conditions, covenants or guarantees of this CONTRACT or of any written contract or amendment between CITY and SUB-GRANTEE;
- (B) Termination or reduction of funding of the Project by HUD;
- (C) Failure by SUB-GRANTEE to cure, within the period prescribed pursuant to the above Article XXXV of this CONTRACT, any default or deficiency basis for suspension of funding hereunder;
- (D) Finding by CITY that SUB-GRANTEE:
 - (1) is in such unsatisfactory financial condition as to endanger performance under this CONTRACT, including, but not limited to:
 - (a) The apparent inability of SUB-GRANTEE to meet its financial obligations;

- (b) The appearance of items that reflect detrimentally on the creditworthiness of SUB-GRANTEE, including, but not limited to, liens, encumbrances, etc., on the assets of SUB-GRANTEE.
- (2) has allocated inventory to this CONTRACT substantially exceeding reasonable requirements; or
- (3) is delinquent, in the ordinary course of business, in the payment of taxes or in the payment of costs of performance of this CONTRACT;
- (E) Appointment of a trustee, receiver or liquidator for all or a substantial part of SUB-GRANTEE's property, or institution of bankruptcy, reorganization, rearrangement of or liquidation proceedings by or against SUB-GRANTEE;
- (F) The entry by a court of competent jurisdiction of a final order providing for the modification or alteration of the rights of SUB-GRANTEE's creditors;
- (G) Inability by SUB-GRANTEE to conform to changes in local, state and federal rules, regulations and laws as provided for in Article III and in paragraph number 34.5 of this CONTRACT; and
- (H) Violation by SUB-GRANTEE of any rule, regulation or law to which SUB-GRANTEE is bound or shall be bound under the terms of this CONTRACT.

36.3 CITY may terminate this CONTRACT for convenience at any time after which SUB-GRANTEE shall be paid an amount not to exceed the total accrued expenditures as of the effective date of termination. In no event, however, will compensation to SUB-GRANTEE exceed an amount which bears the same ratio to the total compensation as the services actually performed by SUB-GRANTEE bears to the total services required of SUB-GRANTEE, less payments previously made.

36.4 SUB-GRANTEE may terminate this CONTRACT for any of the following reasons:

- (A) Cessation of outside funding upon which SUB-GRANTEE depends for performance hereunder; SUB-GRANTEE may opt, however, within the limitations of this CONTRACT and with the written approval of CITY, to seek an alternative funding source, provided that the termination of funding by the initial outside source was not occasioned by a breach of agreement as defined herein or as defined in a contract between SUB-GRANTEE and the funding source in question; or
- (B) Upon the dissolution of the SUB-GRANTEE organization, provided such dissolution was not occasioned by a breach of this CONTRACT.

36.5 Upon a decision to terminate by either CITY or SUB-GRANTEE, written notice of such, and the effective date thereof, shall be immediately provided to the other party.

36.6 Upon receipt of notice to terminate, SUB-GRANTEE shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts which relate to the performance of this CONTRACT. To this effect, CITY shall not be liable to SUB-GRANTEE or SUB-GRANTEE's creditors for any expense, encumbrances, or obligations whatsoever incurred after the date of termination.

36.7 Upon receipt of notice to terminate, all finished or unfinished documents, data, studies, surveys, charts, drawings, maps, models, photographs, designs, plans, schedules, or other appended documentation to any proposal or contract, prepared by or on behalf of SUB-GRANTEE under this CONTRACT shall, at the option of CITY, and in accordance with Article XXX hereof, become the property of CITY and shall, if requested or agreed to by CITY, be delivered by SUB-GRANTEE to CITY in a timely and expeditious manner.

36.8 Within thirty (30) days after receipt of notice to terminate, SUB-GRANTEE shall submit a statement to CITY, indicating in detail the services performed under this CONTRACT prior to the effective date of termination.

36.9 Any termination of this CONTRACT as herein provided shall not relieve SUB-GRANTEE from the payment of any sum(s) that shall then be due and payable or become due and payable to CITY hereunder or as provided for at law or in equity, or any claim for damages then or theretofore accruing against SUB-GRANTEE hereunder or by law or in equity, and any such termination shall not prevent CITY from enforcing the payment of any such sum(s) or claim for damages from SUB-GRANTEE. Instead, all rights, options, and remedies of CITY contained in this CONTRACT shall be construed and held to be cumulative and no one of them shall be exclusive of the other, and CITY shall have the right to pursue any one or all of such remedies or any such other remedy or relief which may be provided by law or in equity whether or not stated in this CONTRACT.

36.10 Should this CONTRACT be terminated by either party hereto for any reason, including termination under Section 36.3 of this CONTRACT, if the work required hereunder of SUB-GRANTEE is not fully completed to the satisfaction of CITY in accordance with the terms of this CONTRACT, SUB-GRANTEE shall refund any and all sums of money paid by CITY to SUB-GRANTEE within ten (10) working days of CITY's written request therefor.

36.11 Upon termination of this CONTRACT by CITY under paragraph number 36.2(A), SUB-GRANTEE shall be barred from future CONTRACTS with CITY absent the express written consent of the City Manager of CITY, or the City Manager's designate.

XXXVII. NOTIFICATION OF ACTION BROUGHT

37.1 In the event that any claim, demand, suit, proceeding, cause of action, or other action (hereinafter collectively referred to as "claim") is made or brought against SUB-GRANTEE,

SUB-GRANTEE shall give written notice thereof to CITY within two (2) working days after itself being notified. SUB-GRANTEE's notice to CITY shall state the date and hour of notification to SUB-GRANTEE of the claim, the names and addresses of those instituting or threatening to institute the claim, the basis of the claim, and the name(s) of any others against whom the claim is being made or threatened. Written notice pursuant to this Article shall be delivered either personally or by mail in accordance with Article XLVI of this CONTRACT.

XXXVIII. ASSIGNMENTS

38.1 SUB-GRANTEE shall not transfer, pledge or otherwise assign this CONTRACT, any interest in and to same, or any claim arising thereunder, without first procuring the written approval of CITY. Any attempt at transfer, pledge, or other assignment shall be void *ab initio* and shall confer no rights upon any third person.

XXXIX. LEGAL EXPENSES

39.1 Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity.

39.2 During the term of this CONTRACT, if SUB-GRANTEE files and/or pursues an adversarial proceeding against the CITY then, at the CITY's option, this CONTRACT and all access to the funding provided for hereunder may terminate if SUB-GRANTEE is in violation of paragraph 39.1.

39.3 SUB-GRANTEE, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceeding against the CITY remains unresolved.

39.4 For purposes of this Article, "adversarial proceeding" includes any cause of action filed by the SUB-GRANTEE in a state or federal court, as well as any state or federal administrative hearing, but does not include Alternative Dispute Resolution proceedings.

XL. SEVERABILITY OF PROVISIONS

40.1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or ordinances of the City of San Antonio, Texas, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal, or unenforceable, there be added as a part of the CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XLII. RENEWAL NOT AUTOMATIC

41.1 Funding under this CONTRACT and any amendments or waivers that may be made or granted hereunder shall not be automatically renewed on the anniversary date of this CONTRACT. To the contrary, funding of any project requiring contract execution shall be achieved only pursuant to approval of the City Council of the City of San Antonio.

XLIII. NON-WAIVER OF PERFORMANCE

42.1 No waiver by CITY of a breach of any of the terms, conditions, covenants, or guarantees of this CONTRACT shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of CITY to insist in any one or more cases upon the strict performance of any of the covenants of this CONTRACT, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification, or discharge by either party hereto of any provision of this CONTRACT shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

42.2 No act or omission of CITY shall in any manner impair or prejudice any right, power, privilege, or remedy available to CITY hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

42.3 No representative or agent of CITY may waive the effect of the provisions of this Article.

XLIV. SPECIAL CONDITIONS

43.1 SUB-GRANTEE acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended:

- (A) The work to be performed under this CONTRACT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170(l)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
- (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C.F.R. 135, which implement Section 3. As evidenced by their execution of this CONTRACT, the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

- (C) SUB-GRANTEE agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of SUB-GRANTEE's commitments under the Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (D) SUB-GRANTEE agrees to include the Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in the Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. 135. SUB-GRANTEE will not subcontract with any subcontractor where SUB-GRANTEE has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. 135.
- (E) SUB-GRANTEE will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. 135.
- (F) Noncompliance with HUD's regulations in 24 C.F.R. 135 may result in sanctions, termination of this CONTRACT for default, and debarment or suspension from further HUD-assisted contracts.
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C.C. 450e) also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

XLIV. ENTIRE CONTRACT

44.1 This CONTRACT constitutes the final and entire agreement between the parties hereto and contains all of the (including all attachments hereto) terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this CONTRACT shall be deemed to exist or to bind the parties hereto unless same be in writing, dated subsequent to the date hereof, and duly executed by the parties.

XLV. INTERPRETATION

45.1 In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes or ordinances, CITY, as the party ultimately responsible to HUD for matters of compliance, shall have the final authority to render or secure an interpretation.

XLVI. NOTICES

46.1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY:

Office of Grants Monitoring and Administration
1400 S. Flores Street
San Antonio, Texas 78204

SUB-GRANTEE:

Notice of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of such change.

XLVII. PARTIES BOUND

47.1 This CONTRACT shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise expressly provided herein.

XLVIII. GENDER

48.1 Words of gender used in this CONTRACT shall be held and construed to include the other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XLIX. RELATIONSHIP OF PARTIES

49.1 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers or any other similar such relationship between the parties hereto.

L. TEXAS LAW TO APPLY

50.1 THIS CONTRACT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS. VENUE AND JURISDICTION ARISING UNDER OR IN CONNECTION WITH THIS CONTRACT SHALL LIE EXCLUSIVELY IN BEXAR COUNTY, TEXAS.

LI. CAPTIONS

51.1 The captions contained in this CONTRACT are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this CONTRACT.

EXECUTED this the _____ day of _____, 2009.

CITY OF SAN ANTONIO

BY: _____

BY: _____

Title:
Office of Grants Monitoring
and Administration

Title:

APPROVED AS TO FORM: _____

ENID M. HOWARD
Assistant City Attorney

Attachments:

Attachment "I"	Work Statement
Attachment "II"	Project Budget
Attachment "III A"	Special Conditions
Attachment "III B"	Federal Compliance Manual
Attachment "IV"	SBEDA Plan
Attachment "V"	Performance Records/Reports
Attachment "VI"	Billing Package
Attachment "VII"	Non-Expendable Property Report
Attachment "VIII"	Income Eligibility Report

ATTACHMENT III

INTERDEPARTMENTAL AGREEMENT

PROJECT NAME:

PROJECT NO.:

CFDA 14.218

STATE OF TEXAS §

§

COUNTY OF BEXAR §

This Interdepartmental Agreement (“AGREEMENT”) is hereby made and entered into by and between the Office of Grants Monitoring and Administration (hereinafter referred to as “GMA”) of the City of San Antonio (hereinafter referred to as “CITY”) and CITY’s Department (hereinafter referred to as “DEPARTMENT”).

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as “Community Development Act”) for utilization in connection with its Community Development Block Grant (CDBG) Program; and

WHEREAS, the City Council has adopted a budget for such funds and has included therein, pursuant to Ordinance No. , dated , the allocation of and /100 Dollars (\$) for a project entitled, “ ” (hereinafter referred to as “Project”); and

WHEREAS, the City Council has designated the Office of Grants Monitoring and Administration as the CITY’s representative responsible for the administration and monitoring of the Project and all matters pertaining thereto; and

WHEREAS, GMA wishes to engage DEPARTMENT to implement and manage said Project; and

WHEREAS, in consideration for the tasks to be performed by DEPARTMENT hereunder, such allocated funds shall be available for use by DEPARTMENT, as herein authorized;

NOW THEREFORE:

The parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

I. TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof, this AGREEMENT shall commence immediately upon its execution and shall terminate on the earlier of (a) _____, or (b) Project completion.

II. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

2.1 DEPARTMENT understands that funds provided to it pursuant to this AGREEMENT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY. DEPARTMENT, therefore, assures and certifies that it will comply with the requirements of the Community Development Act, with all regulations promulgated thereunder as codified at Title 24 of the Code of Federal Regulations, and with any and all applicable amendments or revisions to said Community Development Act or regulations.

2.2 DEPARTMENT understands that summaries of certain compliance requirements mandated by applicable laws or regulations are contained in CITY's Federal Compliance Manual, CDBG and HOME Housing Program Policies, and that DEPARTMENT must at all times remain in compliance therewith. DEPARTMENT further understands that said summaries are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed upon DEPARTMENT by law or administrative ruling, or to narrow the standards which DEPARTMENT must follow.

2.3 DEPARTMENT assures that all contractors and subcontractors receiving funds in connection with this Project are familiar with, and shall comply with, any and all applicable rules and regulations as contained in CITY's Federal Compliance Manual and that a copy of said Federal Compliance Manual will be included as part of every contract awarded in connection with this Project.

2.4 DEPARTMENT shall observe and comply with all city, state and federal laws, regulations, ordinances, and codes affecting DEPARTMENT's operations pursuant to the AGREEMENT.

III. MAINTENANCE OF EFFORT

3.1 DEPARTMENT agrees that the funds and resources provided to it under the terms of this AGREEMENT shall in no way be substituted for funds and resources provided from other sources, nor shall such funds and resources in any way serve to reduce the funds, resources, services, or other benefits which would have been available to, or provided through, DEPARTMENT had this AGREEMENT not been executed.

IV. PERFORMANCE

4.1 DEPARTMENT shall manage, implement, perform, provide, and carry out in a timely manner all of the tasks, activities, and services set forth in the Work Program (Exhibit "A") attached hereto and incorporated herein for all purposes, utilizing funds only in the manner allocated in the Project Budget (Exhibit "B") also attached hereto and incorporated herein for all purposes.

4.2 Modifications or alterations to the Work Program or the Project Budget may be made only pursuant to the prior written approval of GMA.

4.3 Funds are provided for the accomplishment of this Project and its specific work tasks only, as approved by the City Council. Accordingly, when all approved work tasks are completed, DEPARTMENT shall forward to GMA a Project completion statement in conjunction with the final invoice.

V. FISCAL

5.1 Inasmuch as the City Council has designated to GMA the responsibility for fiscal oversight, control and monitoring of CDBG project funds, DEPARTMENT shall submit to GMA, for written approval prior to final processing, all Project matters fiscal in nature including, but not limited to, requests for payment, purchase orders, requisitions, budget adjustments and invoices. DEPARTMENT agrees and understands that funds are awarded only for the current fiscal year. DEPARTMENT is solely responsible for submitting any and all invoices incurred through September of the current fiscal year by no later than October 15th of the next fiscal year.

VI. PROGRAM INCOME

6.1 For purposes of this AGREEMENT, "program income" shall mean earnings of DEPARTMENT realized from activities resulting from this AGREEMENT or from DEPARTMENT's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of DEPARTMENT provided as a result of this AGREEMENT, and payments from clients or third parties for services rendered by DEPARTMENT pursuant to this AGREEMENT.

6.2 On a monthly basis, DEPARTMENT shall report and return to CITY all program income received or accrued during the preceding month. Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY.

6.3 Records of the receipt and disposition of program income shall be maintained by DEPARTMENT in the same manner as required from other AGREEMENT funds and shall be submitted to CITY in the format prescribed by CITY.

6.4 DEPARTMENT shall include this Article, in its entirety, in all of its subcontracts involving income-producing services or activities.

6.5 It shall be DEPARTMENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this AGREEMENT, or from the performance thereof, constitutes program income, and unless otherwise approved in writing by CITY, DEPARTMENT shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income.

VII. MAINTENANCE AND ACCESSIBILITY OF RECORDS

7.1 DEPARTMENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this AGREEMENT. DEPARTMENT further agrees:

- (A) That maintenance of said records shall be in compliance with all terms, provisions and requirements of this AGREEMENT and with all applicable federal and state regulations establishing standards for financial management; and
- (B) That DEPARTMENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure.

7.2 As often, at such times, and in such form as GMA may require, DEPARTMENT shall, upon GMA's verbal or written request, make available and furnish to GMA any and all statements, reports, data, and information deemed by GMA to pertain to matters covered by this AGREEMENT.

VIII. PERFORMANCE REPORTS

8.1 At minimum, DEPARTMENT shall submit project performance reports to GMA in accordance with the following schedule:

<u>Fiscal Quarter</u>	<u>Report Due</u>
First (October-December)	January
Second (January-March)	April
Third (April-June)	July
Fourth (July-September)	October

8.2 Project performance reports shall be submitted to GMA by DEPARTMENT no later than ten (10) working days following the end of each required reporting period.

IX. CHANGES AND AMENDMENTS

9.1 Alterations, additions or deletions to the terms of this AGREEMENT shall be by written amendment executed by both GMA and DEPARTMENT.

X. SPECIAL CONDITIONS

10.1 DEPARTMENT acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended:

- (A) The work to be performed under this AGREEMENT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170(1)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
- (B) The parties to this AGREEMENT agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this AGREEMENT, the parties to this AGREEMENT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- (D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.
- (E) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be

directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. Part 135.

- (F) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this AGREEMENT for default, and debarment or suspension from further HUD-assisted contracts.
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this AGREEMENT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this AGREEMENT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

10.2

EXECUTED this _____ day of _____, 2009

OFFICE OF GRANTS MONITORING AND
ADMINISTRATION

BY: _____

BY: _____

Title:

Title:

APPROVED AS TO FORM:

Assistant City Attorney

ATTACHMENTS

Exhibit "A" Work Program

Exhibit "B" Project Budget

ATTACHMENT IV

CDBG FUNDED PERSONNEL CLASSIFICATIONS
&
PAY RANGES

MONITORING & OVERSIGHT
Housing & Community Development

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0040	Administrative Assistant I	1	3100
0046	Management Analyst	9	3100
0156	Contract Coordinator	5	3100
0178	Contract Manager	3	3100
0826	Fiscal Planning Manger	1	3100
0909	Customer Services Representative	1	3100
1020	Grants Administrator	1	3100
1076	Executive Secretary	1	3100
2063	Administrative Associate	2	3100

HOUSING SERVICES ADMINISTRATION
Housing & Neighborhood Services

0040	Administrative Assistant I	1		6100
0041	Administrative Assistant II		2	6100
0161	Sr. Planner	1		6100
0555	Sr. Construction Inspector		1	6100
0558	Construction Specialists I	6		6100
0559	Construction Specialists II	2		6100
0561	Construction Supervisor	4		6100
0892	Fiscal Officer	1		6100
0910	Sr. Customer Service Representative	3		6100
0978	Housing Loan Officer	4		6100
0979	Housing Loan Coordinator		1	6100
2063	Administrative Associate	1		6100

CODE COMPLIANCE
Housing & Neighborhood Services

0506	Code Enforcement Investigators	4		6100
0507	Code Compliance Supervisor	1		6100

CDBG FAIR HOUSING ADMINISTRATION
Community Initiatives

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0017	Secretary I	1	3800
0918	Program Manager	1	3800
0971	Community Services Specialist	2.5	3800

ATTACHMENT IV

COMMUNITY DEVELOPMENT SERVICES

Planning & Community Development

0125	Real Estate Specialist	1	5000
0146	Sr. GIS Analyst	1	5000
0870	Special Projects Coordinator	1	5000
0937	Community Development Coordinator	1	5000
1069	Assistant Planning Director	1	5000

CDBG /HOME GRANTS ACCOUNTING

Finance

0927	Financial Accountant	1	0700
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EMPOWERMENT ZONE OUTREACH AND TECHNICAL ASSISTANCE

Economic Development

0923	Sr. Economic Development Specialist	1	1600
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NEIGHBORHOOD COMMERCIAL REVITALIZATION ADMINISTRATION

Housing & Neighborhood Services

0040	Administrative Assistant I	1	6100
0161	Sr. Planner	1	6100
0923	Sr. Economic Development Specialist	1	6100

LEGAL ADMINISTRATION

City Attorney's Office

0015	Paralegal	1	0600
0063	Assistant City Attorney II	1	0600
0065	Assistant City Attorney III	1	0600
0093	Legal Secretary	2	0600

ATTACHMENT IV

HOME FUNDED PERSONNEL CLASSIFICATIONS
&
PAY RANGES

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0046	Management Analyst	4	3100
2063	Administrative Associate	1	3100

ESG/HOPWA ADMINISTRATION
DCI, Community Action Division

0046	Management Analyst	1	3800
0961	Caseworker I	1	3800
0971	Caseworker II	2	3800

STATE OF TEXAS

* DELEGATE AGENCY CONTRACT WITH
SAN ANTONIO FAMILY ENDEAVORS
(FORMERLY SAN ANTONIO URBAN MINISTRIES)

COUNTY OF BEXAR

* PROJECT NUMBER 28-035044
CFDA 14 218

CITY OF SAN ANTONIO

*

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as 'CITY') a Texas municipal corporation acting by and through its Grants Administrator of the Office of Grants Monitoring and Administration pursuant to Ordinance No 2009-05-14-0368, dated May 14 2009, and San Antonio Family Endeavors (formerly San Antonio Urban Ministries hereinafter referred to as 'CONTRACTOR')

WITNESSETH

WHEREAS, the CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as 'the Community Development Act') for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the "Grant Fund") for human development services, and

WHEREAS, the Office of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as 'Managing City Department') for the CITY, and

WHEREAS the CITY has adopted a budget for the expenditure of such funds and included therein is an allocation of Thirty Thousand and No/100 Dollars (\$30,000 00) in funds for a project entitled 'San Antonio Urban Ministries Fairweather Lodge' (hereinafter referred to as 'Project'), and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project NOW
THEREFORE

The parties hereto agree as follows

I SCOPE OF WORK

1.1 CONTRACTOR will provide, oversee administer, and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement affixed hereto and incorporated herein for all purposes as Attachment I

II TERM

- 2.1 Except as otherwise provided for pursuant to the provisions hereof this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) September 30, 2010 or (b) Project completion
- 2.2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY, and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal as evidenced by an ordinance duly passed and approved

III CONSIDERATION

- 3.1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No 2009-05-14-0368. Said Project Budget is affixed hereto and incorporated herein for all purposes as Attachment II. It is specifically agreed that reimbursement hereunder shall not exceed the total amount of \$30,000.00

- 3.2 The funding level of this CONTRACT is based on an allocation from the following funding sources:

\$30,000.00 Community Development Block Grant (CDBG)

Consequently, CONTRACTOR agrees to comply with Sections I, II, Exhibit 'A' and III-Exhibit 'A' of the Funding Guide affixed hereto and incorporated herein for all purposes as Attachment III, as may be amended from time to time, and the Special Provisions, affixed hereto and incorporated herein for all purposes as Attachment VIII.

- 3.3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY's liabilities hereunder.

IV PAYMENT

- 4.1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT. Allowable costs are defined as those costs which are necessary, reasonable, and allowable under applicable federal, state, and local law, including but not limited to those laws referenced in Section XI hereof, for the proper administration and performance of the services to be provided under an agreement. All requested reimbursed costs must be consistent with the terms and provisions of the

approved budgeted line items described in Attachment II of this CONTRACT. In no event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT.

- 4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment including the specific reason for such request. The Director of the Managing City Department may in his sole discretion approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need; (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis; and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized:
- (A) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY.
 - (B) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank including all the CITY funds deposited in such separate account exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that causes CONTRACTOR's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.
- 4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department.
- 4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department.
- 4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT unless CONTRACTOR receives written authorization from the Director of the Managing City Department prior

to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period

- 4 6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR)
- 4 7 CONTRACTOR shall maintain a financial management system and acceptable accounting records that provide for
- (A) Accurate current and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available
 - (B) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations un-obligated balances assets equity outlays and income,
 - (C) Effective control over and accountability for all funds property and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project
 - (D) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY financial information should be related to performance and unit cost data,
 - (E) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR,
 - (F) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including, but not limited to, the cost principles referenced in Section XI hereof, and the terms of the award grant, or contract, with the CITY
 - (G) Supporting source documentation (i.e. timesheets employee benefits professional services agreements purchases, and other documentation as required by CITY) and
 - (H) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid and evidence of goods or services

received are to be filed according to the expense account to which they were charged

- 4 8 CONTRACTOR agrees that CONTRACTOR's costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency
- 4 9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan, which ensures that the CITY is paying only its fair share of the costs for services, overhead and staffing not solely devoted to the Project funded by this CONTRACT. The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR's Project. The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program.
- 4 10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately upon receipt, be returned by CONTRACTOR to the CITY.
- 4 11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT the CITY's Director of Finance, the CITY Auditor or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR's systems of internal accounting and administrative controls prior to the release of funds hereunder.

V PROGRAM INCOME

- 5 1 For purposes of this CONTRACT "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be
- (A) Added to the Project and used to further eligible Project objectives in which case proposed expenditures must first be approved by the CITY, or
 - (B) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

- 5 2 In any case, where CONTRACTOR is required to return program income to the Managing City Department CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.
- 5 3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.
- 5 4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.
- 5 5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.
- 5 6 CONTRACTOR shall include this Article V in its entirety, in all of its subcontracts involving income-producing services or activities.

VI ADMINISTRATION OF CONTRACT

- 6 1 THIS SECTION INTENTIONALLY LEFT BLANK.
- 6 2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes, or ordinances, the City Manager as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.
- 6 3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state, or local grant without the prior written approval of the Director of the Managing City Department.
- 6 4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance systems, safes, fire extinguishers, sprinkler systems, etc., to safeguard property and/or equipment authorized by this CONTRACT.

- 6 5 CONTRACTOR s board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement improper inducement obstruction of investigation or other criminal action and to prevent fraud and program abuse These procedures shall specify the consequences to CONTRACTOR s employees and vendors involved in such illegal activities to include but not be limited to termination and prosecution where necessary Said procedures shall be provided to the Managing City Department upon request by the Managing City Department
- 6 6 CONTRACTOR agrees to comply with the following check writing and handling procedures
- (A) No blank checks are to be signed in advance
 - (B) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement not to exceed a \$100 00 maximum per check CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200 00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt
 - (C) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR s receipt of each such check and shall never be cashed for purposes of receiving any of the face amounts back
- 6 7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls faxes, internet service and/or cell phone calls charged to the CITY

VII AUDIT

- 7 1 If CONTRACTOR expends \$500 000 00 or more of CITY funds then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR s fiscal year or termination of this CONTRACT whichever is earlier CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report In addition to the report, a copy of the corrective action plan summary schedule of prior audit findings management letter and/or conduct of audit letter are to be submitted to the Managing City Department by CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor

CONTRACTOR agrees and understands that upon notification from federal, state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies or violations of CONTRACTOR's financial operations a copy of the notification review investigation and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report

- 7.2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than \$500,000.00 in federal funds from the CITY the audit shall be made in accordance with the Single Audit Act Amendments of 1996 the State of Texas Single Audit Circular and U.S. Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana. CONTRACTOR may submit reports through the following website <http://gov.fac@census.gov> and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696

Upon completion of Form SF-SAC, CONTRACTOR may submit the completed report by mail to

Federal Audit Clearinghouse
1201 E 10th Street
Jeffersonville, Indiana 47132

- 7.3 If CONTRACTOR expends less than \$500,000.00 of CITY funds then during the term of this CONTRACT CONTRACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement
- 7.4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY
- 7.5 The CITY reserves the right to conduct, or cause to be conducted, an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY. The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm, or other personnel as designated by the CITY may perform such audit(s) or reviews. The CITY reserves the right to determine the scope of every audit. In accordance herewith CONTRACTOR agrees to make available to the CITY all accounting and Project records

' CONTRACTOR shall during normal business hours, and as often as deemed necessary by the CITY and/or the applicable state or federal governing agency or any other auditing entity make available the books records documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years ' or whatever period is determined necessary based on the Records Retention guidelines established by applicable law for this CONTRACT Said records shall be maintained for the required period beginning immediately after contract termination save and except there is litigation or if the audit report covering such agreement has not been accepted, CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred The auditing entity shall have the authority to audit examine and make excerpts transcripts, and copies from all such books, records, documents and evidence including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT all contracts, invoices materials payrolls records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT

The CITY may in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY s accounting or administrative procedures used in the planning controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT and CONTRACTOR shall abide by such requirements

- 7.6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs which are questioned by the CITY and/or the applicable state or federal governing agency CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY At its sole option the Managing City Department may instead deduct such claims from subsequent reimbursements however, in the absence of prior notice by the CITY of the exercise of such option CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred such refund shall be required and be made to the CITY by cashiers check or money order Should the CITY, at its sole discretion deduct such claims from subsequent reimbursements CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT

- 7 7 If the CITY determines in its sole discretion that CONTRACTOR is in violation of the above requirements the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources

VIII RECORDS, REPORTING, AND COPYRIGHTS

- 8 1 The Managing City Department is assigned monitoring fiscal control and evaluation of projects Therefore at such times and in such form as may be required by the Managing City Department CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds if applicable such statements records data, all policies and procedures and information and permit the CITY and Grantor of the Grant Funds if applicable to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT
- 8 2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by U S Department of Housing and Urban Development (HUD) including Performance Records/Reports a copy of which is affixed hereto and incorporated herein as Attachment IV The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate
- 8 3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by or obtained from the CITY including without limitation reports information project evaluation project designs data other related information (collectively the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure dissemination or publication of the Confidential Information If disclosure is required (1) by law or (11) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8 3 including but not limited to, execution of confidentiality disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information This Article VIII, Section 8 3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT Upon termination of this CONTRACT CONTRACTOR shall return to the CITY all copies of materials related to the Project including the Confidential Information
- 8 4 The Public Information Act Government Code, Section 552 021, requires the CITY to make public information available to the public Under Government Code, Section

552 002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business 1) by a governmental body or 2) for a governmental body and the governmental body owns the information or has a right of access to it Therefore if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT, CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition If the requested information is confidential pursuant to State or Federal law CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR s receipt of such request

- 8 5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201 Section 201 003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J Chapter 441 of the Texas Government Code Thus CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR

CONTRACTOR acknowledges and agrees that all local government records as described herein, produced in the course of the work required by this CONTRACT shall belong to and be the property of the CITY and shall be made available to the CITY at any time CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT CONTRACTOR agrees that it shall not under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction The Managing City Department shall be notified of such request as set forth in Article VIII Section 8 3 of this CONTRACT

- 8 6 Ownership of Intellectual Property CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY CONTRACTOR hereby grants sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project including, without limitation, any and all copyright patent and trade secret rights All intellectual property rights including, without limitation patent, copyright trade secret trademark brand names color schemes designs screens, displays, user interfaces, data structures organization sequences of operation trade dress and other proprietary rights (the "Intellectual Property Rights") in the Project shall be solely vested in the CITY CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights In the event the CITY shall be unable, after reasonable

effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project including without limitation, any letters patent, copyright or other protection relating to the Project for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact, to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR. Provided, however nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY

- 8.7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY. CONTRACTOR understands and agrees that in conjunction with the submission of the final report CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project
- 8.8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR's board functions. Information required for submission shall include but may not be limited to
- (A) Roster of current Board Members (name, title, address telephone number fax number and e-mail address)
 - (B) Current Bylaws and Charter
 - (C) Terms of Officers,
 - (D) Amendments to Bylaws,
 - (E) Schedule of anticipated board meetings for current Fiscal Year,
 - (F) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR's Project records and as such, must be available to the CITY staff upon request provided, however CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of \$1,000,000.00 or greater
 - (G) Board agenda, to be submitted at least three (3) business days prior to each board meeting

8 9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11.3 of this CONTRACT

IX INSURANCE

9 1 CONTRACTOR agrees to comply with the following insurance provisions

- (A) Prior to the commencement of any work under this CONTRACT CONTRACTOR shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY's Office of Grants Monitoring and Administration which shall be clearly labeled 'San Antonio Urban Ministries Fairweather Lodge' in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed with copies of all applicable endorsements directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY's Office of Grants Monitoring and Administration. No officer or employee other than the CITY's Risk Manager shall have authority to waive this requirement.
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by the CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will the CITY allow modification whereupon the CITY may incur increased risk.
- (C) CONTRACTOR's financial integrity is of interest to the CITY therefore subject to CONTRACTOR's right to maintain reasonable deductibles in such amounts as are approved by the CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT and any extension hereof, at CONTRACTOR's sole expense, insurance coverage written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII) in the following types and for an amount not less than the amount listed below:

POLICY TYPES	AMOUNTS
Broad Form Commercial General Liability Insurance to include coverage for the following	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence \$2,000,000 General Aggregate, or its equivalent

a Premises operations b Independent contractors c Products/completed operations c Personal Injury e Contractual Liability	in Umbrella or Excess Liability Coverage
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- (D) The CITY shall be entitled upon request and without expense to receive copies of the policies declaration page and all endorsements thereto as they apply to the limits required by the CITY and may require the deletion revision or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies) CONTRACTOR shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to the CITY at the address provided below within ten (10) days of the requested change CONTRACTOR shall pay any costs incurred resulting from said changes

City of San Antonio
Attn Office of Grants Monitoring and Administration
P O Box 839966
San Antonio Texas 78283-3966

- (E) CONTRACTOR agrees that with respect to the above-required insurance all insurance policies are to contain or be endorsed to contain the following required provisions
- Name the CITY and its officers officials employees volunteers, and elected representatives as additional insureds by endorsement as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies
 - Provide for an endorsement that the other insurance clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy
 - Workers' compensation and employers liability policies will provide a waiver of subrogation in favor of the CITY and
 - Provide thirty (30) calendar days advance written notice directly to the CITY of any suspension, cancellation non-renewal or material

change in coverage and not less than ten (10) calendar days
advance written notice for nonpayment of premium

- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to the CITY. The CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order CONTRACTOR to stop work hereunder and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.
- (H) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its subcontractors performance of the work covered under this CONTRACT.
- (I) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) CONTRACTOR and any subcontractors are responsible for all damage to their own equipment and/or property.

X INDEMNITY

10.1 CONTRACTOR agrees to comply with the following indemnity provision:

- (A) CONTRACTOR covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature including but not limited to personal or bodily injury, death and property damage made upon the CITY directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including any acts or omissions of CONTRACTOR, any agent, officer, director, representative,

employee consultant or subcontractor of CONTRACTOR, and their respective officers agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this CONTRACT, all without however waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES FINES, PENALTIES ACTIONS DEMANDS CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY UNDER THIS CONTRACT The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise to any other person or entity CONTRACTOR shall promptly advise the CITY in writing of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR s activities under this CONTRACT and shall see to the investigation of and defense of such claim or demand at CONTRACTOR s cost The CITY shall have the right at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under this paragraph

- (B) It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article is an INDEMNITY extended by CONTRACTOR to INDEMNIFY PROTECT and HOLD HARMLESS the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury death, or damage CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury death, or damage for which this INDEMNITY shall apply as set forth above

XI APPLICABLE LAWS

- 11.1 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker s Compensation Commission effective April 17 1991 Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments termination of this CONTRACT and debarment and suspension actions

11.2 CONTRACTOR understands that certain funds provided pursuant to this CONTRACT are funds which have been made available by the CITY's General Operating Budget and/or by federal state or other granting entities. Consequently CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars as applicable to the funds received by CONTRACTOR hereunder:

- (A) OMB Circular A-21 entitled 'Cost Principles for Educational Institutions'
- (B) OMB Circular A-87 entitled 'Cost Principles for State, Local, and Indian Tribal Governments'
- (C) OMB Circular A-102 entitled, 'Grants and Cooperative Agreements with State and Local Governments'
- (D) OMB Circular A-122 entitled 'Cost Principles for Non-Profit Organizations' and
- (E) OMB Circular A-133 entitled, 'Audits of States, Local Governments, and Not for Profit Organizations'

11.3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

- Local Government Records Act of 1989 official record retention schedules,
- Government Code Chapter 552 pertaining to Texas Public Information Act
- Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services, and
- Texas Local Government Code

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11.4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide

by all applicable provisions of the City of San Antonio Ordinance No 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions including but not limited to

- (A) Title VII of the Civil Rights Act of 1964 as amended
- (B) Section 504 of the Rehabilitation Act of 1973 as amended
- (C) The Age Discrimination Act of 1975 as amended
- (D) Title IX of the Education Amendments of 1972 as amended (Title 20 USC sections 1681-1688),
- (E) Fair Labor Standards Act of 1938, as amended
- (F) Equal Pay Act of 1963 P L 88-38 and
- (G) All applicable regulations implementing the above laws

11.5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to federal state and local taxes fees special assessments, federal and state payroll and income taxes personal property real estate sales and franchise taxes, are current, and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local state and federal laws including but not limited to

- (A) Worker's compensation
- (B) Unemployment insurance
- (C) Timely deposits of payroll deductions,
- (D) Filing of Information on Tax Return Form 990 or 990T Quarterly Tax Return Form 941, W-2's Form 1099 on individuals who received compensation other than wages, such as car allowance Forms 1099 and 1096 for contract or consultant work non-employee compensation, etc
- (E) Occupational Safety and Health Act regulations and
- (F) Employee Retirement Income Security Act of 1974 P L 93-406

11.6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P L 101-336 enacted July 26, 1990, and all regulations thereunder

- 11 7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations policies and procedures as they may be promulgated
- 11 8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal state and local laws rules and regulations
- 11 9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form 990 or 990T

XII NO SOLICITATION/CONFLICT OF INTEREST

- 12 1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage brokerage or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY For breach or violation of this warrant, the CITY shall have the right to terminate this CONTRACT without liability or at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission percentage, brokerage or contingent fee or to seek such other remedies as legally may be available
- 12 2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest direct or indirect which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT CONTRACTOR further covenants that in the performance of this CONTRACT no persons having such interest shall be employed or appointed as a member of its governing body or of its staff
- 12 3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others particularly those with which they have family business or other ties
- 12 4 No member of the CITY s governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall
 - (A) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership or association in which he or she has a direct or indirect interest, or
 - (B) Have any direct or indirect interest in this CONTRACT or the proceeds thereof
- 12 5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any

contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has a prohibited financial interest in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity; or ten percent (10%) or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is subcontractor on a CITY contract; a partner or a parent or subsidiary business entity.

- 12.6 CONTRACTOR warrants and certifies and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity, CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child, sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity; or ten percent (10%) or more of the fair market value of the business entity.) CONTRACTOR further warrants and certifies that it has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII. TERMINATION

- 13.1 Termination for Cause – Should CONTRACTOR fail to fulfill in a timely and proper manner, obligations under this CONTRACT to include performance standards established by the CITY or if CONTRACTOR should violate any of the covenants, conditions or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any

work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit, or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT, and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.
- 13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may, within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization, or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.
- 14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.
- 14.3 The prohibitions set forth in Article XIV, Sections 14.1 and 14.2 of this CONTRACT include, but are not limited to, the following:
- (A) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat, or final content of local, state, or federal legislation,
 - (B) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to, activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature,

- (C) Coercing personnel whether directly or indirectly, to work on political activities on their personal time, including activities such as taking part in voter registration drives voter transportation activities lobbying, collecting contributions making speeches, organizing or assisting at meetings or rallies or distributing political literature, and
- (D) Using facilities or equipment paid for in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment or supplies, such as telephones computers, fax machines during and after regular business hours

14.4 To ensure that the above policies are complied with CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy. Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department. CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations.

14.5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed reimbursements paid to CONTRACTOR under this CONTRACT may at the CITY's discretion be withheld until the situation is resolved.

14.6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote. Further CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition, if done during time not paid for with CITY funds.

XV PERSONNEL MANAGEMENT

15.1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy. The grievance policy will include procedures to receive, investigate and resolve complaints and grievances in an expeditious manner.

15.2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees. If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees then such additional days are not eligible for reimbursement under this CONTRACT.

15.3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Attachment II) that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City.

Department as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department

- 15 4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization
- 15 5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards, facilitate or coordinate the performance of this CONTRACT
- 15 6 At the sole discretion of the Director of the Managing City Department CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time permanent employees that is not chargeable to annual or personal leave only for the reasons listed below
- (A) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT
 - (B) To serve as a juror,
 - (C) To attend the funeral of someone in the immediate family. Immediate family shall include father, mother, sister, brother, husband, wife or child, and other relatives (including in-laws) if such other relatives are actually members of the employee's household. In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave, or
 - (D) To attend seminars or workshops
- 15 7 Chief Executive Officers (CEOs), directors and other supervisory personnel of CONTRACTOR may not supervise a spouse, parents, children, brothers, sisters, and in-laws standing in the same relationship, (hereinafter referred to as 'Relatives') who are involved in any capacity with program delivery supported through CITY funds. Relatives, however, may be co-workers in the same Project in a non-supervisory position.

XVI ADVERSARIAL PROCEEDINGS

- 16 1 CONTRACTOR agrees to comply with the following special provisions
- (A) Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity and
 - (B) CONTRACTOR, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved.

XVII CITY-SUPPORTED PROJECT

- 17.1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department

XVIII EQUIPMENT

- 18.1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of \$100.00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of \$100.00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms, 'equipment and property' as used herein shall include not only furniture and other durable property but also vehicles.
- 18.2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed whether or not the Project continues to be supported by Federal funds but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable title to said property without the requirement of a court order upon termination for cause of this CONTRACT.
- 18.5 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or programs sponsored by HUD that financed the equipment, second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income.

- 18.4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include
- (A) A description of the equipment including the model and serial number, or other identification number if applicable,
 - (B) The date of acquisition cost and procurement source purchase order number, and vendor number,
 - (C) Information from which one can calculate the percentage of Federal participation in the cost of the equipment
 - (D) An indication of whether the equipment is new or used
 - (E) The vendor's name (or transferred from)
 - (F) The location and condition of the equipment and the date the information was reported
 - (G) The property number shown on the property tag and
 - (H) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share
- 18.5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records. CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference. CONTRACTOR shall in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.
- 18.6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and if applicable the Federal Bureau of Investigation (FBI). CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen, missing, damaged and/or destroyed equipment/property. The report submitted by CONTRACTOR to the Managing City Department shall minimally include
- (A) A reasonably complete description of the missing, damaged or destroyed articles of property including the cost and serial number and other pertinent information

- (B) A reasonably complete description of the circumstances surrounding the loss, theft damage or destruction, and
- (C) A copy of the official written police report or, should the Police not make such copy available a summary of the report made to the Police, including the date the report was made and the name and badge number of the Police Officer who took the report

18 7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire, loss, and theft

18 8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return, and all sale proceeds shall be program income, prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds

XIX TRAVEL

19 1 The cost associated with budgeted travel for business, either in-town or out-of-town are allowable costs provided documentation of expenses is present

(A) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement the employees 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law, and 2) must record, on a daily basis odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(B) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT CONTRACTOR shall 1) provide the CITY with detailed documentation of such business travel expense(s) 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more

liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration, 3) purchase all business travel at economy class rates and shall document such, and 4) submit support for conferences to include itineraries and documentation certifying conference attendance

XX NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 20 1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly for the acquisition, construction, operation maintenance administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship religious instruction or proselytization. CONTRACTOR further agrees not to engage in inherently religious activities, such as worship religious instruction or proselytization when using said facility

XXI DEBARMENT

- 21 1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended proposed for debarment declared ineligible or voluntarily excluded from participation in any state or federal program
- 21 2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein, if at any time during the term of this CONTRACT, including any renewals hereof CONTRACTOR learns that its certification was erroneous when made or have become erroneous by reason of changed circumstances

XXII ASSIGNMENT

- 22 1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable the Grantor of the grant source. Any attempt to transfer pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party

XXIII. AMENDMENT

- 23 1 Any alterations additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance, as to the CITY's approval provided, however the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio if permitted by all applicable local, state and federal

laws, and in the following circumstances

- (A) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) \$25,000 00, whichever is the lesser amount provided, however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount,
- (B) Modifications to the Performance Measures set forth in Attachment I hereto so long as the terms of the amendment stay within the parameters set forth in the Statement of Work also set forth in Attachment I hereto
- (C) Budget line item shifts of funds so long as the total dollar amount of the budget set forth in Section 3.1 of this CONTRACT remains unchanged provided however that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Attachment II) of this CONTRACT, and
- (D) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio's Risk Manager and the Director of the Managing City Department

XXIV SUBCONTRACTING

- 24.1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source if so required by said Grantor.
- 24.2 CONTRACTOR must comply with all applicable local, state and federal procurement standards, rules, regulations and laws in all its sub-contracts related to the work or funds herein. It is further agreed by the parties hereto that the CITY has the authority to monitor, audit, examine, and make copies and transcripts of all sub-contracts, as often as deemed appropriate by the CITY. If, in the sole determination of the CITY it is found that all applicable local, state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such this CONTRACT will be subject to termination in accordance with the provisions hereof.
- 24.3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract and unless specific waiver is granted in writing by the CITY shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR. CONTRACTOR agrees that payment for services of any sub-contractor shall be

submitted through CONTRACTOR, and CONTRACTOR shall be responsible for all payments to sub-contractors

- 24 4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.

XXV OFFICIAL COMMUNICATIONS

- 25 1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed registered or certified mail postage prepaid, to the addresses set forth below:

CITY

Grants Administrator
Office of Grants Monitoring and Administration
1400 S Flores
San Antonio, Texas 78204

CONTRACTOR

Chief Executive Officer
San Antonio Family Endeavors
535 Bandera Road
San Antonio, Texas 78228

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change.

XXVI VENUE

- 26 1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be brought in a court of competent jurisdiction in San Antonio Bexar County, Texas.

XXVII GENDER

- 27 1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender and words in the singular number shall be held to include the plural, unless the context otherwise requires

XXVIII AUTHORITY

- 28 1 The signer of this CONTRACT for CONTRACTOR represents, warrants, assures and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms, conditions, provisions and obligations herein contained. CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body acting in accordance with the governing instruments submitted to the CITY in the application for funding. Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas. CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT.

XXIX LICENSES AND TRAINING

- 29 1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training, license, or certification to provide said services and meet all competence standards promulgated by all other authoritative bodies as applicable to the services provided herein.

XXX INDEPENDENT CONTRACTOR

- 30 1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other.
- 30 2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture, or any other similar such relationship between the parties hereto.
- 30 3 Any and all of the employees of CONTRACTOR wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only, and not of the CITY and any and all

claims that may arise from the Workers Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR

XXXI SEVERABILITY

- 31 1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein, it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XXXII CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual.

- 32 1 CONTRACTOR acknowledges that City Code Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high-risk" discretionary contract as defined by the City of San Antonio Contracting Policy and Process Manual may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ, if the identity of the signatory will be different from the individual submitting the response.
- 32 2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk.
- 32 3 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, that the individual signing this CONTRACT has not made any contributions in violation of City Code, Section 2-309 and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may, in its discretion, declare this CONTRACT void.

XXXIII ENTIRE CONTRACT

33 1 This CONTRACT and its attachments if any constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon and supersede all prior negotiations representations, or contracts, either oral or written

In witness of which this CONTRACT has been executed effective the 1st day of October 2009

CITY OF SAN ANTONIO

SAN ANTONIO FAMILY ENDEAVORS

BY Rose Arredondo
for JEANETTA TINSLEY
Grants Administrator
Office of Grants Monitoring
and Administration

BY [Signature]
TRAVIS PEARSON
Chief Executive Officer

APPROVED AS TO FORM

Board President (if required by Agency)

[Signature]
Eric M Howard
Assistant City Attorney

ATTACHMENTS

- Attachment I – Work Statement
- Attachment II – Project Budget
- Attachment III – Funding Guide
- Attachment IV – Federal Compliance Manual
- Attachment VI – Performance Records/Reports
- Attachment VII – Billing Package
- Attachment VIII – Special Provisions

ATTACHMENT I
WORK STATEMENT

WORK STATEMENT

I SUB-GRANTEE San Antonio Family Endeavors

II PROJECT NAME Fairweather Lodge

III STATEMENT OF PROJECT RESPONSIBILITY

A POLICY

City's Department of Grants Monitoring and Administration
San Antonio Family Endeavors Board of Directors and Chief Executive Officer

B ADMINISTRATION

San Antonio Family Endeavors Board of Directors and Chief Executive Officer
Fairweather Lodge, Program Director

C STAFFING

San Antonio Family Endeavors Board of Directors and Chief Executive Officer
San Antonio Family Endeavors Human Resources and Facilities Director
Fairweather Lodges Program Director

D OPERATIONS

San Antonio Family Endeavors Chief Executive Officer
Fairweather Lodges Program Director

E BUDGET & FISCAL MATTERS

City's Department of Grants Monitoring and Administration
San Antonio Family Endeavors, Board of Directors and Chief Executive Officer
San Antonio Family Endeavors, Controller

IV PROJECT DESCRIPTION

This project will provide employment training and independent living skills, training, and services to persons who suffer from mental illness and homelessness

V PROGRAM GOALS, OBJECTIVES, AND PERFORMANCE INDICATORS (See attached)

VI SERVICE AVAILABILITY (Contact Information, i.e. location, phone and days/hours of operation)

Main Office
535 Bandera Road
P O Box 28210
San Antonio TX 78228
Phone (210) 431-6466
Fax (210) 431-6470
Office Hours M-F 9a m -6p m

Fairweather Programs Office
7500 W US Hwy 90, Bldg 3
P O Box 27039
San Antonio, TX 78227
Phone (210) 208-5700
Fax (210) 645-7319
Office Hours M-F 8a m -5p m

VII TARGET POPULATION

Low income homeless/at risk of becoming homeless, mentally ill individuals participating in the Fairweather Lodge Program

VIII ELIGIBILITY CRITERIA

- At least 18 years old
- Have a diagnosed mental illness
- 30 days free from drugs and or alcohol with a current drug test due at admission
- Motivated to work at least 15-20 hours a week, volunteer attend school or other day program
- Compliant with all prescribed medication
- Must be willing to live with others
- Must be able to pay \$466 in rent per month for housing, monthly utilities including electricity, cable phone and water, and weekly grocery shopping including food and toiletries

IX FEES none

X SPECIAL PROVISIONS

See attached

PROJECT PERFORMANCE MEASURES

PROJECT NAME Fairweather Lodge

PROJECT NUMBER 28-035044

SUB-GRANTEE San Antonio Family Endeavors

CONTRACT PERIOD Contract Execution - Earlier of September 30, 2010 or Project Completion

PROJECT MISSION

The mission of this project is to provide employment training and independent living skills, training, and services to persons who suffer from mental illness and homelessness

PERFORMANCE MEASURES

	GOAL/ADOPTED
	FY 2009-2010
Input	
01 Total CDBG Funds	\$30 000
02 Total Other Project Funds	\$254 652
Output	
01 Total CDBG Expenditures	\$30,000
02 Total Other Expenditures	\$254,652
03 Number of Clients Served	28
04 Number of Clients Completed	28
Efficiency	
01 Avg CDBG Cost Per Client	\$1,071
02 Avg Total Cost Per Client	\$9 095
Effectiveness	
01 % of CDBG Funds Expended	100%
02 % of Other Project Funds Expended	100%

ATTACHMENT II

PROJECT BUDGET

- 1 BUDGET DETAIL
- 2 AGENCY FUNDING SOURCES

**BUDGET DETAIL
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010**

SUB-GRANTEE San Antonio Family Endeavors

PROJECT NAME Fairweather Lodge

CONTRACT PERIOD Contract Execution - Earlier of September 30 2010 or Project Completion

SALARIES*

Position*	Total	Other Funding	CDBG Amount
NONE			

FRINGE BENEFITS**

Type **	Total	Other Funding	CDBG Amount
NONE			

CONTRACTUAL ***

Type***	Service Detail	Total	Other Funding	CDBG Amount
	Training Services – 28 participants @ \$35 week Note There are 9 official trainings per month Total cost to be charged for one individual per month is \$140 00	\$30 000 00	\$0	\$30 000 00
TOTAL		\$30,000 00		\$30,000 00

CAPITAL OUTLAY ***

Description	Total	Other Funding	CDBG Amount
NONE			

OTHER ***

Description	Total	Other Funding	CDBG Amount
NONE			

- * Attach Job Descriptions
- ** Indicate Formula for Determination
- *** Requires Prior City Approval

AGENCY FUNDING SOURCES

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
 CITY OF SAN ANTONIO
 FY 2009-2010

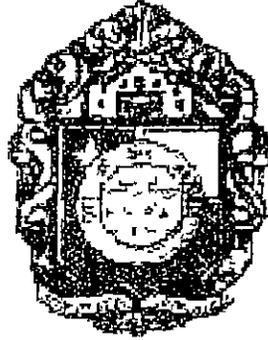
SUB-GRANTEE San Antonio Family Endeavors

PROJECT NAME Fairweather Lodge

CONTRACT PERIOD Contract Execution - Earlier of September 30, 2010 or Project Completion

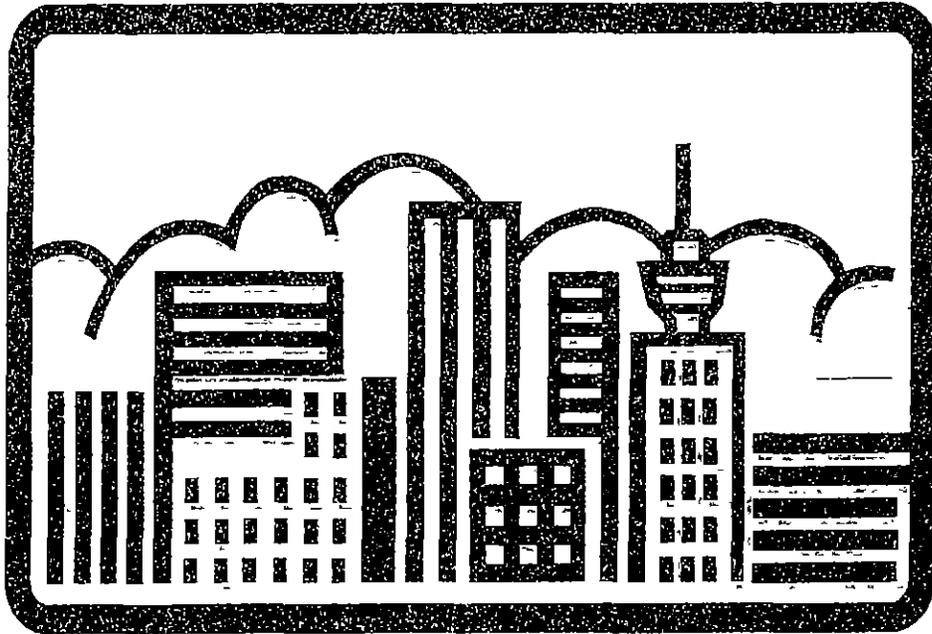
PROGRAM	ALL FUNDING SOURCES	AMOUNT
Fairweather Lodge	Fairweather Professional Services	\$50,004
Fairweather Lodge	CDBG FY 2009-2010	\$30,000
Fairweather Lodge	United Way	\$86,448
Fairweather Lodge	Rents	\$36,000
Fairweather Lodge	Individual Contributions	\$10,065
Fairweather Lodge	Interest and Dividends	\$351
Fairweather Lodge	San Antonio Family Endeavors	71,784

ATTACHMENT III
FUNDING GUIDE



CITY OF SAN ANTONIO

*CONSOLIDATED HUMAN DEVELOPMENT SERVICES FUNDING POOL
FUNDING GUIDE*



Collaborative Effort

City of San Antonio Departments of Community Initiatives, Economic Development, Grants Monitoring & Administration

FY 2009 and FY 2010

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I OVERVIEW

In an effort to maximize financial resources during fiscal years 2009 and 2010, the City of San Antonio (the "City") through its Departments of Grants Monitoring & Administration, Community Initiatives, and Economic Development have established a Consolidated Public Service Funding process. Since funds provided are competitively allocated, organizations interested in providing and administering these Public Service activities are encouraged to submit a proposal highlighting their specific programs and detailing current resources available to conduct the anticipated activities. The competitive solicitation period shall begin in February 2008, and effectively culminate in submission of funding recommendations and budget adoption June 2008. Although some funding sources may be available around July 1, 2008, most funding sources shall be available for release on or about October 1, 2008. Other funds, as they may become available throughout FY09 and FY10 for services procured through the consolidated RFP may be awarded at a later date with approval of City Council of the City of San Antonio.

Funding from the Consolidated Human Development Services Funding Pool RFP of City Council ("City Funds") shall represent a limited percentage of the total agency revenues and expenses for FY2009 and FY2010, which percentage is established by City Council and is subject to change. The percentage of the total agency revenues and expenses that represents non-City Funds is sometimes referred to as the agency's "match" requirement. Contractor shall comply with any matching fund requirements set by City Council that apply to Contractor's contract, regardless of when such requirements are passed. Currently, if Contractor receives \$1,000,000.00 or more in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 35% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. If Contractor receives less than \$1,000,000.00 in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 50% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. These limits are not based on the revenues for the Project, but are based upon and determined by the revenues for all of the Contractor's operations and activities in each contract year.

Contractor shall provide to the Managing City Department acceptable evidence, as determined solely by the Director of the Managing City Department, that Contractor has secured revenues from sources other than from the City ("Non-City Funding") in an amount that meets the required limit no later than December 31, 2008 for Fiscal Year 2009 and no later than December 31, 2009 for Fiscal Year 2010. If Contractor does not provide the Managing City Department with acceptable evidence of the required amount of "Non-City Funding" by December 31 of the respective contract year, then the Contractor understands and agrees that the Director of the Managing City Department may reduce the amount of "City Funds" provided to Contractor in order to comply with this limit without obtaining the approval of the City Council.

Funds reduced as a result of either of the requirements above may be reprogrammed.

Contractor agrees that all amendments to any of the applicable laws in this Contract including the Funding Guide and Federal Compliance Manual shall be incorporated automatically into the Contract.

II CONTRACT ADMINISTRATION

A Department of Grants Monitoring & Administration Administered Contracts

All Contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions

- 1) Contractor understands and agrees from commencement date of contract execution to gather information and data relative to all programmatic and financial reporting
- 2) Contractor understands and agrees that it will cooperate with the Department of Grants Monitoring & Administration staff in such a way so as not to obstruct or delay its monitoring of Contractor's performance and that it shall designate one of its staff to coordinate the monitoring process as requested by CITY staff
- 3) Contractor shall ensure that all services are consistent with the City of San Antonio Consolidated Plan located at <http://www.sanantonio.gov/hcd/pdf/2005%202009%20Five%20Year%20Plan.pdf> Only CDBG Public Service funds will be distributed through the Request for Proposals generated in connection with this Funding Guide

B Department of Community Initiatives Administered Contracts

All Contracts administered through the Department of Community Initiatives shall comply with the following Special Provisions

- 1) Contractor shall comply with the Department of Community Initiatives' policy on Supportive Services as well as any other Department of Community Initiatives policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by said Department upon execution of the contract
- 2) Contractor shall provide family outreach services and/or application assistance for the Children's Health Insurance Program (CHIP). Contractor shall also provide information on the TexCare Partnership program and application assistance for eligible children who are not currently covered under a health insurance plan. Contractor shall also maintain and provide to the City's Department of Community Initiatives in a monthly report, the following information:
 - 1) number of eligible children not covered by a health insurance plan, and
 - 2) information and application assistance provided by the Contractor to eligible families
- 3) Contractor shall disseminate information on the School Readiness Guidelines (hereinafter referred to as "Readiness Guidelines") program to all program participants and to the general public. Contractor shall maintain records on the amount and type of outreach efforts in its

dissemination of information on the Readiness Guidelines, and shall submit on a monthly basis reports of said records to City's Department of Community Initiatives

- 4) The contractor shall disseminate information to the general public on information about the Women, Infants and Children (WIC) Program. The contractor shall assist families, who may be eligible for WIC services, in locating a WIC program office and provide the necessary referral to the family. The contractor shall provide information about other potential sources of food assistance in the local area to individuals who apply for the WIC program, but who cannot be served because the program is operating at capacity in the local area.
- 5) The contractor shall disseminate information to the general public on information about the Texas Food Stamp Program. The contractor shall assist families, who may be eligible for food stamps, in locating a program office and provide the necessary referral to the family.
- 6) The contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. The contractor shall be prepared to offer basic referrals to these services based on the individual needs of the family.
- 7) Contractor shall disseminate information to the general public on the benefits and eligibility for the Federal Earned Income Tax and Child Care Credits. Contractor shall provide participants with referrals to the City of San Antonio, Department of Community Initiatives, and Volunteer Income Tax Assistance (VITA) program. If available, the contractor shall provide office space for VITA volunteers to complete tax returns.
- 8) Contractor shall allow City's Department of Community Initiatives' Community Action staff to train Contractor's staff in certifying participants for SAWS Water Affordability Program in client verification, application processes and monitoring the Campaign. Contractor staff shall provide assistance in the implementation of the SAWS Water Affordability Program Campaign. Contractor shall complete necessary documents and a monthly summary report on the number of households assisted, and forward said monthly reports to the Community Action Office located at 115 Plaza de Armas Ste 150, San Antonio TX 78205. Community Action staff shall provide support for contractor in the execution of these tasks on an on-going basis. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.
- 9) Contractor agrees that it may be selected to provide eligibility determination services to the City for utility assistance credits through Projects WARM (*Winter Assistance Relief Mobilization*) and REAP (*Residential Energy Assistance Partnership, Inc*) to low-income and elderly residents who are City Public Service ("CPS") customers. Contractors may at the sole discretion of the City be required to perform these duties.

If selected by City to conduct Project WARM and REAP eligibility determination services, Contractors understand and agree that said services are part of the consideration for the City's award of funds. Contractors further understand and agree that City may not compensate Contractors for said services. Contractor further understands and agrees that City may not reimburse Contractor for any costs or expenses associated with said services or for Contractor making assistance credit recommendations to City.

Contractor shall allow City's Department of Community Initiatives', Community Action staff, to train Contractor's staff in providing eligibility determination services for Projects WARM and REAP. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.

- 10) Contractor agrees that it may be selected to participate in the Homeless Management Information System (HMIS) project of the City of San Antonio funded through the U.S. Department of Housing and Urban Development. Participation in HMIS must meet all requirements of HMIS. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 11) Contractor agrees that it may be selected to participate in the Child Care Single Portal of Entry (SPE) project of the City of San Antonio. Participation in SPE must meet all requirements of SPE project rules. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 12) Contractor agrees to make reports to the City of San Antonio, Department of Community Initiatives in the form requested by the City.

C Department of Economic Development

All Workforce Development Delegate Agency Contracts will be administered through the Department of Economic Development. All Workforce Development Delegate Agency Contracts shall comply with the following:

- 1) Contractor shall comply with all Economic Development Department policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by the Department upon execution of the contract.
- 2) Contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. Contractor shall be prepared to offer basic referrals to these services based on the individual needs of the participant.
- 3) Contractor agrees to make reports to the City of San Antonio, Economic Development Department in the form requested by the City.

III Statutory Guidelines and Special Provisions

A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, (hereinafter referred to as **Community Development Act**) as amended for utilization in connection with its Community Development Block Grant (CDBG) Program for Public Service. The federal government defines Public Service programs as "activities directed towards improving employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs."

Income Eligibility Requirements for Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is a grant provided by the U.S. Department of Housing and Urban Development. The Department of Grants Monitoring & Administration administers the grant for the City of San Antonio for use in revitalizing neighborhoods providing affordable housing, expanding economic opportunities, and improving community facilities and services.

National Objectives

An activity must meet one of the following CDBG National Objectives to be eligible to receive funds:

- (1) Benefit low- and moderate-income families
- (2) Prevent or eliminate slums or blight, or
- (3) Meet other urgent community development needs

Population to be served and Beneficiaries

In most cases, as direct beneficiaries, clients benefiting from CDBG supported public service activities must be documented as having gross annual household incomes not exceeding 80% of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines.

The Department of Grants Monitoring & Administration has established a Funding Policy under which each application will be considered. This policy identifies a number of general and activity-specific objectives that must be met in order for an application to receive further consideration.

The Funding Policy also makes clear that the Federal CDBG regulations allow up to 15% of the annual grant to be allocated to public service programs. However, the City will award funds to public services based on current funding priorities. Public services include but are not limited to those programs concerned with employment, crime prevention, childcare, day care, health care, drug abuse prevention, education, mental health, energy conservation, welfare, or recreation.

Contractors receiving contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions

1) The federal government defines Public Service programs as activities "directed towards improving the community's public services and/or facilities including, but not limited to, those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs." In most cases, as direct beneficiaries, clients benefiting from CDBG supported Public Service activities must be documented as having gross annual household incomes not exceeding eighty-percent (80%) of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines. *In addition, HUD CDBG regulations require the Public Service program to be a new service or demonstrate a quantifiable increase in the level of an existing service.*

2) Successful Proposers funded through CDBG will be subject to the following Special provisions:

- Department of Labor Regulations (29 CFR Part 5, as amended)

- The Copeland Anti-Kickback Act (18 USC 874), as amended and as supplemented by Department of Labor regulations (29 CFR Part 3, as amended)
- The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), as amended and as supplemented by Department of Labor regulations (29 CFR Part 5, as amended)
- Executive Order 11246 (Equal Opportunity) as amended and as supplemented by Department of Labor regulations (41 CFR, chapter 60 as amended)
- CFR Title 24 CFR Subpart A Part 84 Procurement Standards for Non-Profits

3) Contractor shall comply with applicable uniform administrative requirements as promulgated in Title 24 CFR 570 502

4) Contractor further assures and certifies that if the regulations and issuances promulgated pursuant to the Community Development Block Grant rules and guidelines are added to, amended or revised, it shall comply with them or notify the City as provided in this Contract. Contractor understands and agrees that if the regulations and issuances promulgated pursuant to the Community Development Act are amended or revised it shall comply with them or otherwise immediately notify City pursuant to the provisions of Article XXVI (26.1) of this Contract.

5) Contractor understands and agrees that eligible activities funded under the Community Development Block Grant (CDBG) Program, must meet the National Objectives as defined in the Code of Federal Regulations, 570 208 (a)(2)(1)(A) stating that the services provided must be a direct benefit to "low and moderate" income-limited clientele.

6) Contractor assures and certifies that it will comply with the requirements of the Community Development Act and with all applicable Community Development Block Grant (CDBG) regulations promulgated there under as Title 24 570 200 of the Code of Federal Regulations.

7) Contractor assures that all contractors and subcontractors receiving funds in connection with a CDBG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide.*

8) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents.

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968 as amended:

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170(1)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects --

covered by Section 3, shall to the greatest extent feasible be directed to low- and very low income persons particularly persons who are recipients of HUD assistance for housing

- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire availability of apprenticeship and training positions, the qualifications for each and the name and location of the person(s) taking applications for each of the positions and the anticipated date the work shall begin.
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed where not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts.
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians and (2) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

B Child Care Development Fund Block Grant (CCDF)

The City of San Antonio receives CCDF funds through a contract with the Alamo Workforce Development Inc hereinafter referred to as Alamo WorkSource Based on availability federal matching funds will support local initiatives that improve the quality of early care and education programs for young and school age children through Quality Improvement Activities (QIA) and family strengthening strategies Funding may be awarded from multiple sources including U S Department of Health and Human Services Child Care Development Fund Block Grant (CCDF), Temporary Assistance to Needy Families (TANF), and the U S Department of Labor Welfare to Work or Workforce Investment Act (WIA) programs

1) Contractors funded through CCDF shall comply with the following laws

- Child Care and Development Block Grant Act of 1990 - CFR Title 45, Sections 98 and 99 contain the regulations for the implementation and operation of the CCDBG
- Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (HR3734) (Welfare Reform) amends 42 USC 9858 which creates the Child Care Development Fund (CCDF)
- Public Law 104-193
- Public Law 105-33
- USC Title 42 Section 9858 (The Omnibus Reconciliation Act of 1990) created the Child Care and Development Block Grant (CCDBG) and authorizes payment for certain child care and quality improvement activities
- USC Title 42 Chapter 7, Subchapter II Section 418 – Social Security Act, as amended entitled Federal Old-Age, Survivors, And Disability Insurance Benefits
- USC Title 42 Chapter 7, Subchapter IV Section 601 through 679 entitled Grants to States for Aid and Services to Needy Families With Children and for Child-Welfare Services
- TAC Title 40 Part 20 – Texas Workforce Commission
- TAC Title 40, Part I Chapter 73 Subpart A provides the processes and procedures for the administration of all programs and services receiving state financial assistance directly or through contractual arrangement in accordance with applicable federal civil rights regulations
- TAC Title 40 Chapter 801 and 809
- Texas Education Code, Section 33 902
- Labor Code, Title 2, Chapters 21 81, 301 and 302
- Human Resource Code, Chapter 22 (all), Chapter 31, Section 31 0035, Chapter 44 (all), Chapter 73 (all), and Chapter 121 (all)
- Government Code Title 10, Chapters 771 and 2308
- Texas WorkSource Commission Financial Manual for Grants and Contracts – available in hard copy format from the City of San Antonio, Department of Community Initiatives upon request
- Any other applicable federal, state, and local laws including City and Alamo WorkSource , Inc rules regulations, policies, procedures and issuances promulgated under authority of the legislation and specific program requirements

2) ADDITIONAL RIGHTS IN DATA

Alamo WorkSource shall have the right to reproduce, publish or use the copy right of patent or rights in all data produced through this Contract

3) ADDITIONAL ETHICS REQUIREMENTS

- a) No employee of Contractor or Sub-Contractor, no member of Contractor's or Sub-Contractor's governing board or body and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this Contract shall participate in any decision relating to this Contract which affect his/her personal pecuniary interest
- b) Contractor shall take every reasonable course of action to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Contract shall be administered in an impartial manner free from efforts to gain personal, financial or political benefit tangible or intangible. Contractor, its executive staff and employees while administering this Contract, shall avoid situations, which could give the appearance that any decision was influenced by prejudice, bias, special interest or desire for personal gain
- c) Contractor has disclosed any interest fact or circumstance which does or may present a potential conflict of interest. Contractor shall immediately inform the City of San Antonio at the address in Article XXVI, Section 26.1 of this Contract and Alamo WorkSource at the address in Section (6) below, in writing of any potential conflict of interest which arises at any time during the term of this Contract

4) ADDITIONAL COMMUNICATIONS/NOTICES

In addition to the parties listed in Article XXVI Section 26.1 of this contract Contractor shall also submit all communications and notices to Alamo WorkSource in the same manner as set forth in Article XXVI Section 26.1 of the contract to the address below

Executive Director
115 Travis, Suite 220
San Antonio, TX 78205

5) ADDITIONAL AUDIT / RECORDS INSPECTION

In addition to the requirements set forth in Article VII Section 7.3 and Article VIII, Section 8.1 of this Contract, Contractor further agrees that all records and files with respect to all matters covered by or related to this Contract will be open for inspection and audit at any reasonable time during the term hereof by representatives of Alamo WorkSource and shall continue to be available for a period of three (3) years after the termination date hereof. If at the end of three (3) years, there is litigation or if the audit report covering such agreement has not been accepted the Contractor shall retain the records until the resolution of such litigation or audit

6) ADDITIONAL REQUIREMENTS FOR AMENDMENT

In addition to the requirements set forth in Article XXIV, Section 24.1 of this Contract, Contractor further agrees that except when the terms of this Contract expressly provide otherwise, any alterations additions or deletions to the terms hereof shall be by amendment in writing and approved by Managing City Department and Alamo WorkSource

7) ADDITIONAL REQUIREMENT FOR ASSIGNMENTS

In addition to the requirements set forth in Article XXIII, Section 23.1 of this Contract Contractor further agrees that Contractor shall not assign or transfer Contractor's interest in this agreement without the written consent of Alamo WorkSource

8) ADDITIONAL REQUIREMENT FOR SUBCONTRACTING

In addition to the requirements set forth in Article XXV, Section 25.1 of this Contract, none of the work or services covered by this agreement shall be sub-contracted without the prior written consent of Managing City Department and Alamo WorkSource. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written agreement, and unless specific waiver is granted in writing by Managing City Department and Alamo WorkSource, shall be subject by its terms to each and every provision of this agreement. Compliance by sub-Contractors with this agreement shall be the responsibility of Contractor. Contractor agrees that payment for services of any approved sub-Contractor shall be submitted through Contractor and Contractor shall be responsible for all payments to sub-Contractors.

C Community Services Block Grant (CSBG)

Applicable Laws

The City of San Antonio receives CSBG funds through a contract with the Texas Department of Housing and Community Affairs

1) Contractors funded through CSBG shall comply with the following laws

- Public Law 103-252 which can be found at www.nca.org/csbg.htm
- Community Services Block Grant 42 USC Sections 9901 through 9926
- TAC Title 1, Part 1, Chapter 5 Subchapter A, Division 4, Rules § 5.144, §5.145, §5.150 and §5.167 – pertaining to Uniform Grants and Management Standards

2) Persons served through CSBG funds must meet income eligibility guidelines including having incomes at or below 125% of the Federal Poverty Income Level (FPIL) as established by the U.S. Department of Health and Human Services

3) Contractor agrees to adhere to all the requirements of the Results Oriented Management and Accountability (ROMA) system, a tool designed to measure consistent results of the Contractor's service delivery throughout the Contractor's service delivery period. Texas Department of Housing and Community Affairs (TDHCA) mandates this requirement in accordance with CSBG Policy Issuance 98.12.8

D Emergency Shelter Grant (ESG)

Applicable Laws

The City of San Antonio is the grantee that receives ESG funds through a contract with the U S Department of Housing and Urban Development Through this RFP, the City makes ESG funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations The Emergency Shelter Grants program provides homeless persons with basic shelter and essential supportive services It can assist with the operational costs of the shelter facility, and for the administration of the grant ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs

ESG funds are available for the rehabilitation or remodeling of a building used as a new shelter, operations and maintenance of the facility essential supportive services (i.e., case management, physical and mental health treatment substance abuse counseling, childcare, etc) homeless prevention and grant administration

1) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other federal, state and local grants, and from "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time (See paragraph 4 on page 16 Language appears to be a duplication)

2) Contractors funded through ESG shall comply with the following laws

- USC Title 42, Section 11301 (1998) - Title IV, Subtitle B of the Stewart B McKinney Homeless Assistance Act as amended
- CFR Title 24 CFR Subpart A Part 84, Procurement Standards for Non-Profits
- ESG Regulations – CFR Title 24, Part 91, Section 576 can be found at <http://www.hud.gov/offices/cpd/homeless/rulesandregs/regulations/576esg/index.cfm>
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

3) Contractor assures that all contractors and subcontractors receiving funds in connection with an ESG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY'S Federal Compliance Manual A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project *In the event of conflict between this Contract and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

4) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other state and local grants and must be in cash or cash equivalent for acquisition, rehabilitation, or new construction projects "In-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time may be used as match for service contracts such as operations of a facility or supportive services (Language appears to duplicate language on paragraph 1 of page 15)

5) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

6) The following Special Condition Clauses are applicable to all CDBG HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135 which implement Section 3 As evidenced by their execution of this contract the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions the qualifications for each and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

E Housing Opportunities for Persons with AIDS (HOPWA)

Applicable Laws

The City of San Antonio receives Housing Opportunity for Persons With Aids (HOPWA) entitlement funds through a contract with the U S Department of Housing and Urban Development (HUD). The HOPWA Program was established by (HUD) to address the specific needs of persons living with Human Immunodeficiency Virus (HIV/AIDS) and their families. HOPWA makes grants to local communities, States and nonprofit organizations for projects that benefit low-income persons medically diagnosed with (HIV/AIDS), and their families. HOPWA funding provides housing assistance and related supportive services as part of HUD's Consolidated Planning initiative that works in partnership with communities and neighborhoods in managing federal funds appropriated to HIV/AIDS programs. HOPWA grantees are encouraged to develop community-wide strategies and form partnerships with area non-profit organizations.

1) Contractors funded through HOPWA shall comply with the following laws:

- HOPWA Regulations – CFR Title 24, Part 91 Section 574 can be found at <http://www.hud.gov/offices/cpd/aidshousing/lawsregs/regs/index.cfm>
- Americans with Disabilities Act at USC 42 12101-12213 as codified under CFR Title 28
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

2) Contractor assures that all contractors and subcontractors receiving funds in connection with a HOPWA funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual which shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide.*

- 3) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services
- 4) The following Special Condition Clauses are applicable to all CDBG HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding if any a notice advising the labor organization or workers representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions the qualifications for each; and the name and location of the person(s) taking applications for each of the positions and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions that are filled (1) after the contractor is selected but before the contract is executed and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions termination of this contract for default and debarment or suspension from further HUD-assisted contracts

- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible but not in derogation of compliance with Section 7(b)

IV GLOSSARY OF TERMS

Amendment – An agreement executed by all parties to a Contract subsequent to the original execution date of such Contract which modifies provisions of such Contract

Audit - A systematic review by a CPA or other duly certified and licensed individual or organization to determine and report whether Contractor's financial operations are being properly conducted, financial reports are being presented fairly and applicable laws and regulations are being complied with. All contractors must submit an audit of the program funded under this agreement as is further delineated herein. For purposes of this Funding Guide, an Audit shall mean an OMB Circular A-133 Audit or an audit conducted in accordance with State of Texas or other applicable federal agency requirements

AWS - The Alamo WorkSource, Inc

AWDB - The Alamo Workforce Development Board

City - City of San Antonio, a Texas municipal corporation

Contractor - A service provider or program operator under contract with the City of San Antonio

CCDF – Child Care Development Funds

CSBG - Community Services Block Grant

ESG – An acronym for the Emergency Shelter Grant from HUD

Family See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the Consolidated Plan differs from the Census definition). The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption.

Federal Poverty Income Limits (FPIL) – see Poverty Level

General Fund - Funds that originate from the tax base or fees and fines collected by the City of San Antonio. These funds are generally adopted for expenditure in the City's budget through an ordinance.

Grantor – The organization that provides grant funds to the City.

HHS – U.S. Department of Health and Human Services.

HOPWA – Housing Opportunities for Persons with AIDS grant from HUD.

Household – One or more persons occupying a housing unit.

HUD – U.S. Department of Housing and Urban Development.

HUD Income Definitions - Annual income as defined under the Section 8 Housing Assistance Payments program at (24 CFR 813.106) or Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:

- A. Wages, salaries, tips, commissions, etc.
- B. Self-employment income from own non-farm business including proprietorships and partnerships.
- C. Farm self-employment income.
- D. Interest, dividends, net rental income, or income from estates or trusts.
- E. Social Security or railroad retirement.
- F. Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs.
- G. Retirement, survivor, or disability pensions, and
- H. Any other sources of income received regularly including Veterans' (VA) payments, unemployment compensation, and alimony, or

Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 for individual Federal annual income tax purposes.

Low- and moderate-income household - a household having an income equal to or less than the Section 8 income guideline limits established by HUD.

Low- and moderate-income person - a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose.

Moderate-income household - a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD.

Moderate-income person - a member of a family that has an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Monitoring - The process of observing and/or reviewing performance which may include on-site observation, review of paperwork and files, interviews with staff or customers telephone conversations, and formal evaluation of compliance elements

Ordinance - A law enacted by the City Council of the City of San Antonio

Participant - An individual who has been determined eligible for and who is receiving program services

Policies - Guidelines for management of programs that have been developed using relevant federal and state laws, state rules funding limitations, information from grantors, the public, and the goals of the individual programs

Poverty Level - The annual income threshold at or below which families are considered to live in poverty as established by the U S Department of Health and Human Services 2008 Poverty level is listed below The Federal government changes/updates the Federal Poverty Income Levels (FPIL) annually Updated FPIL can be found at <http://www.hhs.gov/>

2008 HHS Poverty Guidelines

Persons in Family or Household	48 Contiguous States and D C	Alaska	Hawan
1	\$10,400	\$13,000	\$11,960
2	14,000	17,500	16,100
3	17,600	22,000	20,240
4	21,200	26,500	24,380
5	24 800	31,000	28,520
6	28,400	35,500	32 660
7	32,000	40,000	36,800
8	35,600	44,500	40 940
For each additional person add	3,600	4 500	4 140

Procedures - A document that specifies the way to perform an activity and identifies the position responsible for its performance

Profit - An amount in excess of the cost necessary to operate a program Profit is allowable to the extent it is reasonable as determined during contract negotiations and not in excess of 10% of grant funds It includes that amount which is associated with proprietary materials included in the cost of the program Profit may be allocated among the cost categories for WIA (need to spell out what WIA stands for) related costs and may be treated differently for other funding sources Profit may only be earned by private for-profit organizations Profit is not allowable with City of San Antonio General Funds

Program Income - For purposes of this Contract, "program income" shall mean earnings of Contractor realized from activities resulting from this Contract or from Contractor's management of funding provided or received hereunder Such earnings shall include but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of Contractor provided as a result of this Contract, and payments from clients or third parties for services rendered by Contractor pursuant to this Contract Contractor shall include this language, in it's entirety in all of its sub-contracts involving income-producing services or activities

Section 8 Income Guidelines - Income limits established by the Department of Housing and Urban Development (HUD) The newest limits can be found at the HUD website www.hud.gov

2007 Income Limits								
No of Persons	1	2	3	4	5	6	7	8
Very Low-Income	\$11,250	\$12,900	\$14,500	\$16,100	\$17,400	\$18,700	\$19,950	\$21,250
Low-Income	\$30,050	\$34,350	\$38,650	\$42,950	\$46,400	\$49,800	\$53,250	\$56,700

Service Provider - Also referred to as the contractor

Supportive Services - May include the following linkages to community services assistance with transportation costs, assistance with child care, assistance with housing costs referrals to medical services, and assistance with uniforms, work related attire, and work related tool costs including eyeglasses

V REFERENCES

The following list of resources may be used to find the laws, rules regulations, and policies referenced in this document. If you are unable to access via the link provided please copy the link and paste into your browser address line

- **Age Discrimination in Employment Act of 1967** (Public Law 90-202) as amended
<http://www.eeoc.gov/policy/adea.html>
- **Americans with Disabilities Act**, Public Law 101-336 enacted July 26, 1990
<http://www.eeoc.gov/policy/ada.html>
- **City Charter of the City of San Antonio**
<http://www.sanantonio.gov/atty/reference/charter.htm>
- **City of San Antonio Ethics Code**
<http://www.sanantonio.gov/atty/Ethics/codetext.htm>
- **Civil Rights Act of 1991** (Public Law 102-166)
<http://www.eeoc.gov/laws/cra91.html>
- **Title VII of the Civil Rights Act of 1964** (Public Law 88-352)
<http://www.eeoc.gov/policy/cra91.html>
- **Code of Federal Regulations (CFR)**
<http://www.hudclips.org/cgi/index.cgi> for CDBG ESG and HOPWA funded activities
<http://www.gpoaccess.gov/cfr/index.html> for all other federally funded activities

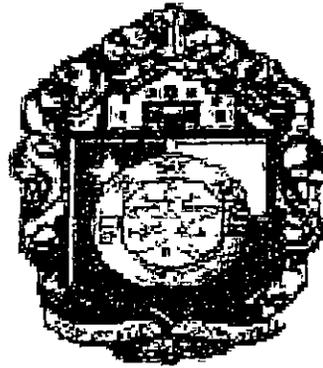
- Title IX of the **Education Amendments** of 1972 (USC Title 20 Sections 1681-1688)
<http://www.dol.gov/oasam/regs/statutes/titleix.htm>
<http://www.usdoj.gov/crt/cor/coord/titleixstat.htm>
 - **Federal Drug-Free Workplace Act** of 1988 as adopted by the Texas Worker's Compensation Commission Rules Chapter 169
http://www4.law.cornell.edu/uscode/html/uscode41/usc_sup_01_41_10_10.html
<http://www.ci.league-city.tx.us/documents/Human%20Resource/DRGPOLIC.htm>
 - **Equal Pay Act** of 1963 (Public Law 88-38)
<http://www.eeoc.gov/types/epa.html>
 - **Employee Retirement Income Security Act (ERISA)** of 1974 (Public Law 93-406)
http://www.efast.dol.gov/ebsa/compliance_assistance.html
 - **Fair Labor Standards Act** of 1938, as amended
http://www.dol.gov/esa/regs/statutes/whd/0002_fair.pdf
 - **Internal Revenue Service (IRS)**
<http://www.irs.gov/index.html> or
http://www.irs.gov/newsroom/article/0_id=15122600.html (for mileage rates)
 - **Occupational Safety and Health Act** regulations
<http://www.osha.gov/comp-links.html>
 - **OMB Circulars**
<http://www.whitehouse.gov/omb/circulars/index.html>
 - **Public Laws**
<http://www.gpoaccess.gov/plaws/index.html>
- NOTE** For most public laws listed in this document, you will need to go to the section of the website entitled "Previous Congresses -- 104th (1995-96) through 108th (2003-04) Congress" then click Search. You search by the number of congress that is the first three numbers in the number of the Public Law. Example: Public Law 104-193 is found in the 104th Congress. Then type in the Public Law number and press Submit. When you get the Search Results simply look in the Hits until you find the Public Law you want to review.
- Sections 501 and 505 of the **Rehabilitation Act** of 1973 (Public Law 93-112)
<http://www.eeoc.gov/policy/rehab.html>
 - Sections 501 through 509 of the **Rehabilitation Act** of 1973
<http://www.access-board.gov/enforcement/Rehab-Act-text/title5.htm>
 - Section 504 of the **Rehabilitation Act** of 1973 for CDBG, ESG and HOPWA contracts
<http://www.hud.gov/progdsc/s-504.cfm>
 - For CSBG and CCDF contracts
<http://www.hhs.gov/ocr/504.html>

- Texas Administrative Code (TAC)
[http://info.sos.state.tx.us/pls/pub/headtac\\$ext_ViewTAC](http://info.sos.state.tx.us/pls/pub/headtac$ext_ViewTAC)
- Texas Comptroller of Public Accounts (for State Agency mileage rates)
<https://fin.cpa.state.tx.us/fin/travel/milerate/index.php>
<http://www.window.state.tx.us/fin/statewise/05/10/5.html> (for State Agency per diem rates)
- Texas Statutes (Codes)
<http://www.capitol.state.tx.us>

NOTE The web link takes you to the Texas Legislature Online. On the left menu, click on Texas Statutes for a list of Codes.

- Texas WorkSource Commission <http://www.twc.state.tx.us/>
- Worker's Compensation statutory regulations
<http://www.td1.state.tx.us/wc/referencesandforms.html>
- Unemployment Insurance statutory regulations
<http://www.twc.state.tx.us/customers/rpm/rpmsub1.html>
- United States Code (USC)
<http://uscode.house.gov/search/criteria.shtml>
- United States General Services Commission (travel per diem rates)
http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASICSIC

ATTACHMENT IV
FEDERAL COMPLIANCE MANUAL



CITY OF SAN ANTONIO
DEPARTMENT OF GRANTS MONITORING AND ADMINISTRATION
FEDERAL COMPLIANCE MANUAL

Revised February 2008

Introduction

As sub-grantees you are an indispensable part of the City's federal grant program. You provide the City of San Antonio and the U.S. Department of Housing and Urban Development (HUD) with assurance that the diverse communities, groups and individuals whom the federal program is intended to serve are in fact reached by the program.

Procedures established for administration of the City of San Antonio and U.S. Department of Housing and Urban Development supported grant programs require adherence to several applicable Federal Regulations. To aid in the identification of those regulations and to establish uniformity in policies and procedures utilized for compliance with them, the Department of Grants Monitoring and Administration has compiled the "Federal Compliance Manual." This manual is not meant to constitute a complete compilation of all duties imposed upon sub-grantees by law or administrative ruling or to narrow the standards to which sub-grantees must adhere.

Certain requirements defined in this manual may not be the direct duty of the sub-grantee. Nevertheless, the sub-grantee has ultimate responsibility for seeing that the requirement is met. All City departments, agencies and other contractors receiving federal funds for the operation of a project are required to adhere to all applicable regulations included in this manual.

DISCLAIMER

The views and materials presented herein are those of the City of San Antonio's Department of Grants Monitoring and Administration and not those of HUD. The recommendations and interpretations offered in this manual are meant to supplement, not replace, the formal regulations and policies of the Community Development Block Grant and HOME Entitlement Program. In areas of doubt, readers are advised to consult the specific program regulations.

FEDERAL COMPLIANCE MANUAL

I Record Keeping

Accurate record keeping is crucial to the successful management of City funded activities. Insufficient documentation is likely to lead to monitoring findings and these findings will be more difficult to resolve if records are *missing*, inadequate or inaccurate.

- A. The requirements for financial management systems and reporting are found in 24 CFR Part 85.20 for governmental and public agency sub-grantees and in OMB Circular A-122 Attachment F for non-profit sub-grantees. The purpose of these requirements are to ensure that a sub-grantee receiving federal funds has a financial management system sufficient to
 - 1. Provide effective control over and accountability for all funds, property and other assets,
 - 2. Identify the source and application of funds for federally sponsored activities including verification of the reasonableness, allowability, allocability of costs and verification that funds have not been used in violation of the restrictions or prohibitions that apply to this federal assistance and
 - 3. Permit the accurate, complete, and timely disclosure of financial results, in accordance with the reporting requirements of the City or HUD.
- B. The soundness of any organization's financial management structure is determined by its system of internal controls. Internal controls consist of a combination of procedures, specified job responsibilities, qualified personnel, and records which together create accountability in an organization's financial system and safeguard its cash, property, and other assets. Through its system of internal controls an agency's management can ensure that
 - 1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations and policies,
 - 2. These resources are protected against waste, mismanagement or loss and
 - 3. Reliable information on the source, amount and use of resources is secured, maintained up-to-date and disclosed in appropriate records and reports.
- C. Some of the basic elements that a sub-grantee should consider in developing its system of internal controls include
 - 1. An organizational chart setting forth the actual lines of responsibility of individuals involved

- in approving or recording financial transactions
 - 2 Written definition of the duties of key employees
 - 3 A formal system of authorization and supervision sufficient to provide accounting control over assets, liabilities receipts, and expenditures This should include
 - a Maintenance of a policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures and
 - b Written procedures for the recording of transactions as well as an accounting manual and a chart of accounts
 - 4 Adequate separation of duties so no one individual has authority over an entire financial transaction In organizations with very limited staff it may be difficult to achieve optimal separation of duties In such instances, the most critical functional areas are separation between custody of cash, record keeping for cash, and control of assets easily converted to cash Separation of duties specifically involves the separation of three types of functional responsibilities
 - a Authorization to execute a transaction
 - b Recording of the transaction and
 - c Custody of the assets involved in the transaction
 - 5 Hiring policies to ensure that staff qualifications are commensurate with job responsibilities
 - 6 Physical access to records blank forms cash and other assets should be limited to authorized personnel only For example access to accounting records should be limited to only those individuals having record-keeping or supervisory responsibility for them
 - 7 Periodic comparisons of financial records to actual assets and liabilities with corrective action taken in response to any discrepancies As with separation of duties, it is a crucial exercise to uncover and correct inadvertent record-keeping errors in a timely manner It is also essential for identifying potential weaknesses in an organization's system for safeguarding resources, as well as possible instances of fraud or misuse of assets
- D The system of authorizations should provide a way for management to ensure supervisory approval of transactions, and documentation of these transactions for accounting purposes A system of authorizations can be general - as in a procedure manual which explains how accounting functions are to be performed - or very specific as in identifying who has the authority to sign a contract on behalf of the organization or to sell a piece of equipment

- E Sub-grantees are required to have accounting records that adequately identify the source and application of City funds provided to them. To meet this requirement, a sub-grantee's accounting system should include at least the following elements:
- 1 A chart of accounts. This is a list of names and the numbering system for the individual accounts that contain the basic information about particular classifications of financial transactions for the organization.
 - 2 Cash receipts journal. This journal documents (in chronological order) when funds were received, in what amounts, and from what sources.
 - 3 A cash disbursements journal. This journal documents the expenditures of the organization in chronological order (e.g., when the expense was incurred, how much was spent, to whom it was paid, and for what purpose).
 - 4 A payroll journal. This journal documents the organization's expenses for salaries and benefits, and distinguishes different categories for regulatory purposes.
 - 5 A general ledger. After a transaction is entered in a journal, that information also should be transferred to the proper accounts contained in the general ledger. The general ledger summarizes in chronological order the activity and financial status of all the accounts of an organization. The entries in the journal and ledger should be cross-indexed to permit the tracing of any recorded transaction (i.e., an audit trail).
- F For the City's programs, these accounting records must contain reliable and up-to-date information about the source and uses of funds, including:
- 1 Federal grant awards (or sub-grantee allocations) received by the organization,
 - 2 Current authorization and obligations of City funds,
 - 3 Un-obligated balances (funds remaining available for distribution)
 - 4 Assets and liabilities,
 - 5 Program income,
 - 6 Actual outlays or expenditures, with further breakdown by
 - a The grant program from which the funds are derived,
 - b The eligible activity classifications (housing and rehabilitation, economic development, public facilities, public service, etc.) or similar classifications that clearly indicate use of program funds for eligible activities.
- G The internal control requirements provide for the separation of duties and the secure storage of accounting records in limited access areas. In maintaining these accounting records, a sub-grantee should also ensure that

- 1 Journal entries are properly approved and explained/supported
 - 2 Posting and trial balances are performed on a regular basis, and
 - 3 Fidelity bond coverage is obtained for responsible officials of the organization
- H The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of federally financed activities are found in 24 CFR Part 85 for governmental sub-grantees, and in OMB A-122 for nonprofit sub-grantees. According to basic guidelines contained within these OMB circulars, a cost is allowable under the federal program if
- 1 The expenditure is necessary, reasonable and directly related to the grant. This standard applies equally to such items as salaries and administrative services contracts, as well as to real property and equipment purchases or leases, travel, and other administrative expenditures. In determining the reasonableness of a given cost, consideration shall be given to
 - a Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or performance of the award,
 - b The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, federal and state laws and regulations, terms and conditions of the award
 - c Whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the organization, its members, employees and clients, the public at large, and the government, and
 - d Significant deviations from the established practices of the organization that may unjustifiably increase the award costs
 - 2 The expenditure has been authorized by the City, generally through approval of the budget for activity. The City, based upon the provision of the contract, may disallow any expenditure by sub-grantee on such activities exceeding the approved amount.
 - 3 The expenditure is not prohibited under federal, state, or local laws or regulations.
 - 4 The expenditure is consistently treated, in the sense that the sub-grantee applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-federally assisted activities.
 - 5 The cost must be allocable to the federal program. A cost is allocable to a particular cost objective (e.g., grant program or activity) in proportion to the relative benefits received by that objective. This means that
 - a If an office is utilized by two programs during the same hours, the costs of the office must

- be allocated between the two programs on an equitable basis
 - b The same expense cannot be claimed against more than one account (e.g. double billing is prohibited)
 - c A cost originally allocable to a particular program cannot be shifted to another program in order to overcome deficiencies, to avoid restrictions imposed by the funding source or by law or for any other reason,
 - d The composition of direct and indirect costs must be clear. Direct costs must be identified specifically with a particular activity. Indirect costs are those incurred for common objectives which benefit more than one activity. A sub-grantee's indirect costs must be supported by an indirect cost proposal/cost allocation plan.
- 6 The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The sub-grantee is not allowed to make a profit from any costs charged to City funds.
- I The general standard is that all accounting records must be supported by source documentation. Supporting documentation is necessary to show that the costs charged against City funds were incurred during the effective period of sub-grantee's contract with the City, were actually paid (or properly accrued), were expended on allowable items, and had been approved by the responsible officials in the sub-grantee's organization.
- 1 The source documentation must explain the basis of the costs incurred, as well as showing the actual dates and amount of expenditures.
 - a With respect to payroll, source documentation includes employment letters and all authorizations for rates of pay, benefits, and employee withholdings. For staff time charged to the program activity, time and attendance records must be available.
 - b With respect to the cost of space and utilities, space costs must be supported by documentation such as rental or lease agreements. The bills from the utility companies will support payment of utilities. Both types of expenses will be supported by canceled checks. If the cost of space or utilities is split between City funds and other funding sources, there must be a reasonable method in place to allocate the charges fairly among the sources.
 - c With respect to supplies, documentation includes purchase orders or requisition forms initiated by an authorized representative of the sub-grantee, an invoice from the vendor (which has been signed and dated by the sub-grantee) indicating the goods were received and the canceled check from the vendor demonstrating that payment was made and

information regarding where the supplies are being stored, and for what cost objectives they are being used

- 2 All source documentation does not have to be located in the Department of Grants Monitoring and Administration's project files, but it must be readily available for review by the City HUD or other authorized representatives at all times
 - 3 The sub-grantee must ensure that either (a) an encumbrance/obligation is recorded whenever a contract is signed or purchase order is issued or (b) up-to-date information on the status of all obligations is otherwise readily accessible
 - 4 The sub-grantee must maintain a complete accurate and up-to-date record of the receipt and use of City generated program income
- J Sub-grantees must have procedures in place to monitor obligations and expenditures against their approved budget(s) for City funded activities. The City is under no obligation to reimburse a sub-grantee for expenditures that exceed approved budget line items or the overall budget for City assisted activities. Therefore the sub-grantee must have an on-going system to compare actual receipts, encumbrances and expenditures with the City program budget in order to ascertain in a timely fashion whether it will be necessary to initiate a formal budget revision. In addition since the budget reflects the sub-grantee's best estimate of the resources necessary to accomplish the project scope of services any pattern of line item overruns should prompt a careful re-assessment of whether the available resources will still be sufficient to achieve the agreed-upon objective
- K Sub-grantees are required to have procedures in place to minimize the time elapsed between receipt of funds from the City and the actual disbursement of those funds
- 1 The City operates under the cost reimbursement method that entails a transfer of City funds to the sub-grantee based on actual expenditures or incurred cost by the sub-grantee prior to the request for funds
 - 2 Sub-grantee must include accurate information in its reimbursement requests. This requirement is intended to address the intentional falsification of reimbursement information
 - 3 Sub-grantee must return erroneously reimbursed funds to the City in a timely fashion
 - 4 Program income (other than program income deposited in a City authorized revolving fund) must be disbursed in payment of program costs prior to requesting further reimbursements from the City (24 CFR 570.504(b)(2)(ii) and 570.504 (c))
- L Financial reports prepared by a sub-grantee must be accurate timely current and represent a complete disclosure of the financial activity and status in each program under which assistance is received. A sub-grantee's accounting and record-keeping system must be able to support the data

included in (a) its reimbursement requests (b) its other financial and progress reports and (c) any submission necessary for the sub-grantee's performance reports

II Procurement and Contracting

This section outlines the requirements for using Federal funds to purchase materials, products or services under the CDBG and HOME Entitlement programs. Whether you are a small agency purchasing occasional office supplies or a large organization contracting for millions of dollars of construction services, the requirements governing the purchasing process are designed to ensure free and open competition. You should seek to buy with City funds only what is necessary under the terms of your contract and no more. You should also be able to ensure the integrity of your purchasing decisions: to document the history, results and decisions behind your purchases, to follow the rules for certain kinds of transactions and to offer opportunities to low and disadvantaged firms to respond to your purchasing needs. By following these requirements you are helping to guarantee the fairness and the vitality of our free market system, and to ensure that taxpayer resources are not being wasted.

Sub-grantees will maintain a written code of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the sub-grantees shall participate in 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. Such a conflict would arise when (i) The employee, officer or agent, (ii) Any member of his/her immediate family, (iii) His/her partner, or (iv) An organization which employs or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts. Sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions or other disciplinary actions for violations of such standards by the sub-grantee's officers, employees or agents or by contractors or their agents. The City/County may by regulation provide additional prohibitions relative to real, apparent or potential conflicts of interest.

A. Grantee Responsibilities

This section covers general information about the procurement requirements

- 1 General provisions
- 2 Summary of Federal requirements
- 3 Bonding and insurance
- 4 Use of local small, minority and/or women-owned businesses
- 5 Procurement Options
 - a Small Purchases
 - b Competitive Sealed Bid
 - c Competitive Proposals
 - d Non-competitive Proposals/Sole Source
- 6 Other Options for Performing the work
- 7 Continuing with a previously-selected contractor

B. General Provisions

The standards and procedures for procurement are intended to ensure that supplies, equipment, construction and other services acquired in whole or part with federal funds are

- Obtained as efficiently and economically as possible, and
- Procured in a manner that provides to the maximum extent practical open and free competition

Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the sub-grantee. Solicitations for goods and services must be based on a clear and accurate description of the material, product or service to be procured, and cannot contain features which unduly restrict competition. Some of the situations considered to be restrictive of competition include, but are not limited to

- Placing unreasonable qualifying requirements on firms,
- Requiring unnecessary experience and excessive bonding,
- Specifying only "brand name" products instead of allowing an "equal" product,
- Non-competitive pricing practices between firms or affiliated companies, and
- Non-competitive awards to consultants on retainer contracts

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the sub-grantee, price and other factors considered. Any and all bids may be rejected when it is in the sub-grantee's interest to do so. The sub-grantee must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor

integrity compliance with public policy, record of past performance and financial and technical resources

C Summary of Federal requirements

- 1 Records and files According to 24 CFR 85 36(b)(9), the sub-grantee must maintain records to detail the significant history of a procurement. The sub-grantee must maintain files on the rationale for selecting the methods of procurement used, selection of contract type, the contractor selection/rejection process, and the basis for the cost or price of a contract. (See Chapter 7 for more on recordkeeping.)
- 2 Pre-qualified lists of vendors/contractors If such lists are used, they must be current, developed through open solicitation, include adequate numbers of qualified sources, and must allow entry of other firms to qualify at any time during the solicitation period (24 CFR 85 36(c)(4)).
- 3 Unfair competitive advantage To eliminate unfair competitive advantage, if the sub-grantee has used a contractor to develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals, the sub-grantee should exclude that contractor from the competition for such.
- 4 Debarred/ineligible contractors The sub-grantee must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, 'Debarment and Suspension' (24 CFR 85 35).
- 5 Written procedures for contractor selection The sub-grantee must have written selection procedures for procurement transactions adequate to ensure that
 - a The purchase of unnecessary or duplicate items is avoided. Where appropriate, an analysis should be made of lease vs. purchase alternatives (24 CFR 85 36(b)(4)),
 - b Whenever possible, use of federal excess and surplus property or of intergovernmental agreements for procurement or use of common goods and services should be considered as a way to foster greater economy and efficiency (24 CFR 85 36(b)(5) and (6)),
 - c All purchase orders (and contracts) are signed by the sub-grantee's authorized official(s),
 - d Items delivered and paid for are consistent with the purchase order and/or contract for the goods or services,
 - e Timely payment to vendors occurs once the order is delivered, inspected, accepted, and payment authorized,
 - f A cost or price analysis is performed for every procurement action, including contract modifications, and documentation to that effect is maintained in the sub-grantee's files. The

method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point the sub-grantee must make independent estimates before receiving bids or proposals (24 CFR 85 36(f)), and,

g Profit or fee is negotiated separately from price where competition is lacking or a cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area (24 CFR 85 36(f)(2))

6 Contract pricing The sub-grantee must not use "cost plus a percentage of cost" pricing for contracts (24 CFR 85 36(f)(4)), in addition, the sub-grantee should use "time and material" type contracts only after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk (24 CFR 85 36(b)(10))

7 Protest procedures The sub-grantee must have protest procedures in place to handle and resolve disputes relating to procurement (24 CFR 85 36(b)(12))

8 Documenting contractor performance The sub-grantee must have a documented system of contract administration for determining the adequacy of contractor performance (24 CFR 85 36(b)(2))

9 Code of conduct The sub-grantee must have a written code of conduct governing employees officers or agents engaged in the award or administration of contracts (24 CFR 85 36(b)(3))

D Bonding and insurance

For construction or facility improvement contracts or subcontracts exceeding \$100,000, the sub-grantee must ensure that its procurement meets the minimum federal requirements (24 CFR 85 36(h)) for bid guarantees, performance bonds and payment bonds. These include

- 1 A bid guarantee from each bidder equivalent to 5% of the bid price. The bid guarantee must be a firm commitment in the form of a bid bond, certified check or other negotiable instrument as assurance that the bidder is prepared to execute a contract within the time specified for the bid amount.
- 2 A performance bond from the (sub)contractor for 100% of the contract price to secure the (sub)contractor's fulfillment of all obligations under the contract and,
- 3 A payment bond from the (sub)contractor for 100% of the contract price, to assure payment of all persons supplying labor and material under the contract.

E Use of local small minority and/or women-owned businesses

- 1 Federal regulations make it very clear that sub-grantees should make every effort to use local business firms and contract with small minority-owned, and women-owned businesses in the procurement process. Specifically, the sub-grantee must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms in the grantee's CDBG-financed activities (24 CFR 85.36(e)). For example, the sub-grantee should
 - a Incorporate such businesses in solicitation lists whenever they are potential sources,
 - b Ensure that such businesses are solicited when identified as potential sources
 - c Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses, and
 - d Require prime contractors, when subcontracts are let, to take affirmative steps to select such firms

- 2 In conformance with the requirements of Section 3 of the Grants Monitoring and Administration Act of 1968, to the greatest extent feasible, the sub-grantee must award contracts for work to be performed to eligible business concerns located in or owned by residents of the target area to ensure that the employment and other economic opportunities generated by federal financial assistance for Grants Monitoring and Administration programs shall to the greatest extent feasible be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing (see 24 CFR 570.607(b)).

Note, however, that the desire to award contracts to local firms is not a legitimate excuse for avoiding an open and competitive procurement process.

- 3 The City of San Antonio, as a public employer, has a policy to ensure equal employment opportunity and the City carries out affirmative action programs to fulfill that policy in the allocation of City of San Antonio contracts. It shall be the purpose of the Small Business Economic Development Advocacy (SBEDA) Program to increase minority business enterprise utilization in the awarding of City of San Antonio contracts for professional services, construction, and procurement, and, to better assist small business enterprise in competitively bidding on City projects or procurement. This program shall also assist business enterprises owned and controlled by women and business enterprises owned and controlled by handicapped individuals.

- a It is the policy of the City of San Antonio that Small and/or Minority Business Enterprises shall have a maximum practicable opportunity to participate in the awarding of City contracts
- b The contractor agrees to use its best efforts to carry out this policy through award of sub-contracts to small and/or minority business enterprises to the fullest extent consistent with the efficient performance of the contract to which this Manual is attached and/or to which it relates
- c To the greatest extent feasible, sub-grantees shall adhere to the herein described SBEDA participation and utilization policies and provisions

In the event of the contractor's failure or refusal to comply with this SBEDA clause, either during the bidding process or at any time during the term of a contract, the contract may be cancelled, terminated or suspended in whole or in part by the City of San Antonio

F Procurement Options

Contracted If the sub-grantee wants to contract out for services, the sub-grantee must go through a procurement process. If the total cost of the project from all funding sources is less than \$100,000 the sub-grantee can procure services using one of several options discussed below. If the total cost of the project exceeds \$100,000, the sub-grantee may not use the small purchase method.

No loss leader arrangements The intent of federal regulations is to require maximum open and free competition. Any "loss leader" type of arrangement in which a consultant offers to provide free services before an applicant receives a grant in return for a future contract is prohibited by federal regulations.

Note about the procurement methods Among the procurement approaches described below the competitive sealed bid resulting in a firm, fixed price contract is the preferred procurement approach when there are numerous available and qualified providers when the requirements and specifications are thoroughly detailed and are unlikely to change and where the sub-grantee has the opportunity to make the provider assume a large share of the risk for non-performance.

HUD allows grantees to follow either their local small purchase procurement policy or the federal policy. If the local policy is used it must be at least as stringent as the federal policy described below.

I Small Purchase

The small purchase method may be used for procurement of \$100,000 or less in the aggregate, pursuant to 24 CFR 85.36(d)(1). A procurement of more than \$100,000 may not

be inappropriately broken up into smaller components solely to qualify for the small purchase approach. Competition is sought through oral or written price quotations. The grantee must document the receipt of an adequate number (usually three) of price or rate quotations from qualified vendors.

2 Competitive Sealed Bid [24 CFR 85.36(d)(2)]

The competitive sealed bid is the preferred method for procuring construction services. This method must lend itself to a firm, fixed price contract (lump sum or unit price) where the selection can be made principally on the basis of price.

- a. The sub-grantee must advertise the Invitation for Bid (IFB) in publications of general circulation.
- b. The IFB must include complete and accurate specifications and pertinent attachments, and clearly define items or services needed, in sufficient detail for the bidders to properly respond.
- c. Bids must be opened publicly at the time and place stated in the IFB.
- d. The sub-grantee must receive at least two or more responsible bids for each procurement transaction, and
- e. If awarded the contract must be given to the lowest responsive and responsible bidder. The sub-grantee can, however, decide not to make the award to any of the bidders.

3 Competitive Proposals [24 CFR 85.36(d)(3)]

This method has two sub-parts—the Request for Proposal and the Request for Qualifications.

Request for Proposals

- a. The Request for Proposals (RFP) must clearly and accurately state the technical requirements for the goods and services required.
- b. The sub-grantee must publicize the RFP and to the maximum extent practicable honor reasonable requests by parties to have an opportunity to compete.
- c. Proposals must be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement.
- d. The sub-grantee must conduct a technical evaluation of the submitted proposals to identify the responsible offerors.
- e. As necessary, the sub-grantee must conduct negotiations with those offerors who are deemed responsive and responsible and fall within a competitive price range based on the sub-grantee's evaluation of the bidders' pricing and technical proposals. After

negotiations these bidders may be given the opportunity to submit a "best and final" offer, and

- f The sub-grantee must award the contract to the most responsive and responsible offeror after price and other factors are considered through scoring the proposals or "best and final" offers according to predetermined evaluation criteria. The successful proposal/offeror must clearly be the most advantageous source of the goods and services.

Request for Qualifications

For procurement involving architecture or engineering services, the sub-grantee may use the Request for Qualifications (RFQ) competitive proposal procedure whereby competitors' qualifications are evaluated and the most qualified competitor is selected subject to negotiation of fair and reasonable compensation. In these instances price is not used as a selection factor.

Once the most qualified firm is identified, only that firm is asked for a price proposal that is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm, until a fair and reasonably priced contract can be awarded. The sub-grantee must take care to document the basis for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may not be used to purchase types of services other than architectural and engineering services (24 CFR 85.36(d)(3)(v)).

For applicants' information, the above-cited federal rule relating to the procurement of architectural and engineering (A/E) services is quoted verbatim:

"Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort."

This means that

- Qualifications-based procurement can be used only for A/E services
- A Request for Qualifications may be issued
- The competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation
- An RFQ cannot be used to purchase other types of services, even though A/E firms are potential sources to perform other types of services

In addition, the federal procurement regulations generally discourage the use of local geographical preferences in the evaluation of bids or proposals except where mandated by federal statutes due to the restrictions on open competition that result. However, in procuring architectural and engineering services, geographic location is permitted as a selection criteria provided this criterion leaves an appropriate number of qualified firms (24 CFR 85.36(c)(2))

4 Non-Competitive Proposals/Sole Source [24 CFR Part 85.36 (d) (4)]

This method may be used only under very limited circumstances and the sub-grantee must obtain the Department of Grants Monitoring and Administration's approval before using this method. When requesting permission to use this method, the sub-grantee will have to show that another method of procurement was not feasible because

- a The item or service was only available from a single source,
- b A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement, or
- c Competition was determined to be inadequate after solicitation of proposals from a number of sources

G Continuing with a previously selected contractor

If the jurisdiction has a consultant under a pre-existing, multi-year contract, it is permissible to continue to use that consultant for the new grant as long as the activity to be carried out was outlined in the original scope of work used to procure the consultant, and the process used to procure the consultant met Federal requirements.

Please note that multi-year contracts should be limited to three years and to one specialty area such as housing, public works, or economic development. A single RFP for CDBG administrative services including housing, public works, and economic development is not consistent with federal procurement requirements. That is, an RFP of such broad scope would place unreasonable requirements on firms in order for them to qualify to do business. Therefore, the Department of Grants Monitoring and Administration restricts three-year contracting to specific specialty areas. A single RFP to carry out all CDBG and HOME housing-related activities or all CDBG economic

development-related activities is acceptable

III Civil Rights and Fair Housing Employment and Contracting Opportunities

For a more complete explanation of the standard and procedures relevant to any particular requirement, refer to the federal regulations to the executive orders or laws cited, and to your written contract with the City of San Antonio

The sub-grantee must certify that it will administer its federal funds in compliance with the following laws and Executive Orders

- A Title V of the Civil Rights Act of 1964 (Public Law 88-352) This law states that no person shall be refused on the grounds of race, color or national origin, or be excluded from participation in be denied the benefits of or be subjected to discrimination under any program or activity receiving federal financial assistance
- B The Fair Housing Act - Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) This law prohibits discrimination in the sale, rental, and financing of housing and the provisions of brokerage services because of race color, religion, sex, national origin, handicap, or familial status
- C Executive Order 11063 as amended by Executive Order 12259 (implemented in 24 CFR Part 107) This order and its implementing regulations require the Department of Grants Monitoring and Administration to take all actions necessary to prevent discrimination because of race, color, religion sex or national origin in the use, occupancy sale, leasing, rental or other disposition of residential property assisted with federal loans advances grants or contributions
- D Section 104 (b) of Title I of the Grants Monitoring and Administration Act of 1974 as amended This law provides that any grant under section 106 shall be made only if the sub-grantee certifies to the satisfaction of the Secretary of HUD that the sub-grantee will, among other things, affirmatively further fair housing
- E Section 109 of Title I of the Grants Monitoring and Administration Act of 1974, as amended This section mandates that no person on the grounds of race color, national origin sex, or religion shall be excluded from participation denied the benefits of or otherwise be subject to discrimination under any activity funded in whole or in part with federal funds
- F Section 504 of the Rehabilitation Act of 1973, as amended This section specifies that no otherwise qualified individual shall solely by reason of his or her handicap, be excluded from participation (including employment) denied program benefits, or subjected to discrimination

- under any program or activity receiving federal assistance
- G Americans with Disabilities Act of 1990 This law prohibits discrimination on the basis of disability in employment, state and local government services, and in public accommodation and commercial facilities The Act defines the range of conditions that qualify as disabilities, and the reasonable accommodations that must be made to assure equality of opportunity full participation independent living, and economic self-sufficiency for persons with disabilities
- H The Age Discrimination Act of 1975 as amended This law provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving federal assistance
- I Executive Order 11246 (as amended by Executive Order 11375 and 12086) Equal Opportunity Under HUD Contracts and HUD assisted Construction Contracts This order requires that grantees and sub-grantees, and their contractors and subcontractors, agree not to discriminate against any employee or applicant for employment because of race, color, creed religion, sex, or national origin
- 1 Exemptions to Equal Opportunity Clause (41) CFR Chapter 50
 - a Contracts and subcontracts not exceeding \$10,000 (other than government bills of lading) are exempt The total amount of the contract, rather than the amount of the federal financial assistance shall govern in determining the applicability of this exemption
 - b Except in the case of subcontractors for the performance of construction work at the site of construction, the clause shall not be required to be inserted in subcontracts below the second tier
 - c Contracts and subcontract not exceeding \$100,000 for standard commercial supplies or raw materials are exempt
 - 2 Anyone contracting with the City for federally funded projects must insert the above clauses in all applicable subcontracts
 - 3 The subcontractor will submit a quarterly report to the Department of Grants Monitoring and Administration three months after the start of work on the contract and every three months thereafter Said report shall be made on HUD Form 3 (Economic Opportunities for Low and Very Low Income Persons in Completion with Federally Assisted Project) and the New Hire Form
 - 4 Should the Department of Grants Monitoring and Administration determine a contractor to be in non-compliance with the equal opportunity requirements, procedures to 'show cause' why funds should not be withheld will be reported with a copy of the report going to HUD

- J Section 3 of the Grants Monitoring and Administration Act of 1968 requires that to the greatest extent feasible, a sub-grantee must
- 1 Ensure opportunities for training and employment arising in connection with housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction or other public construction project are given to low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible priority should be provided to low and very low-income residents 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
 - 2 Award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards) housing reconstruction, or other public construction projects to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the federally funded project is located where feasible priority should be given to business concerns which provide economic opportunities to low and very low-income residents 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

IV Labor Standards

Sub-grantees are strongly encouraged to consult closely with the City during the planning of any construction or rehabilitation projects in order to assure that all the requisite labor standards will be properly observed

A. Statutory provisions

- 1 The Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Copeland (Anti Kickback) Act apply to construction being assisted with federal funds except that housing rehabilitation projects with less than eight units do not trigger these requirements. The Fair Labor Standards Act (relating to minimum wages) will be applicable in most cases whether or not the previous acts apply. Sub-grantees must include provisions relating to the foregoing listed acts as more particularly described below in each application contract
- 2 Davis-Bacon and Related Act (40 USC 276 (A)-7) ensures that mechanics and laborers employed in construction work under federally assisted contracts are paid wages and fringe benefits equal to those which prevail in the locality where the work is performed. This act

also provides for the withholding of funds to ensure compliance and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs

- 3 The Copeland ("Anti Kickback") Act (40 USC 276c) governs the deductions from paychecks which are allowable and makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance
- 4 The Contract Work Hours and Safety Standards Act as amended (40 USC 327-333) provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week, and provides for the payment of liquidated damages where violations occur This act also addresses safe and healthy working conditions
- 5 Fair Labor Standards Act of 1938, as amended (29 USC 201, etc seq) Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards

V Davis-Bacon Act Compliance Requirements

The Davis-Bacon Act was enacted in 1931, amended in 1935 and 1964, to protect communities and workers from the economic disruption caused by competition arising from non-local contractors coming into an area and obtaining federal construction contracts by underbidding local wage levels

The Davis-Bacon Act requires payment of locally "prevailing wages" and benefits to laborers or mechanics employed on direct federal contracts in excess of \$2,000 for construction, alteration or repair (including painting and decorating) of public buildings or public works

A complete copy of the Davis-Bacon and Related Acts is on file and available for review in the City's Department of Grants Monitoring and Administration

- A All laborers and mechanics employed or working on the site of the work shall be paid unconditionally and not less often than once a week the full amount of wages and bona fide fringe benefits computed at rates not less than those contained in the wage determination
 - 1 Employers who do not make contributions or payments to bona fide fringe benefits funds, plans, or programs shall pay an amount equivalent to the fringe benefit rate (if any) required on the wage determination directly to the employee added to the basic hourly rate of pay
 - a The employer may make payroll deductions as permitted by the Department of Labor

(DOL) Regulations 29 CFR Part 3 These regulations prohibit the employer from requiring employees to "kick back" any of their earnings. Deductions may include employee obligations for income taxes, Social Security payments, insurance premiums, retirement savings accounts, and any other legally permissible deduction authorized by the employee. Deductions may also be made for payments on judgments and other financial obligations legally imposed against the employee.

- b. Each laborer and mechanic shall be classified in accordance with the work classification listed on the wage determination and the actual type of work he/she performs and shall be paid the appropriate wage rate and fringe benefits for the classification regardless of the level of skill.
 - c. Laborers and mechanics that perform work in more than one classification may be compensated at the rate specified for each classification provided that the employer maintains time records that accurately set forth the time spent in each classification in which work was performed. If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed.
 - d. If the wage determination does not include a work classification needed for the construction of the project, HUD may approve an additional classification and wage rate.
2. Apprentices and trainees may be compensated at rates less than prescribed by the wage determination for their craft only in accordance with the following parameters:
- a. The apprentice or trainee shall be individually registered in a bona fide certification program.
 - b. Each apprentice and trainee shall not be paid less than the specified rate in the registered program for his/her level of progress. If the rate specified is represented as a percentage of the journeyman rate for that craft, the percentage shall be applied to the corresponding wage rate contained in the applicable wage determination.
 - c. The maximum number of apprentices or trainees employed on the site of work may not exceed the ratio of apprentices or trainees to journeymen permitted to the employer in the certified program. Apprentices or trainees, who are employed at the site in excess of the allowable ratio, shall be paid the wage rate contained on the applicable wage determination for classification of work actually performed. Compliance with the allowable ratio shall generally be met on a day-to-day basis.
 - d. In the event approval of an apprenticeship or trainee program is withdrawn, the employer

shall no longer be permitted to utilize apprentices/trainees at less than the predetermined rate for the type of work performed, unless or until an acceptable program is approved

- 3 Payrolls and basic records to such payrolls shall be maintained by each employer with respect to his/her workforce employed on the site of the work. The principal contractor shall maintain such records relative to all laborers and mechanics working on the site of the work. Payrolls and related records shall be maintained during the course of the construction work and preserved by the contractor and all employers for at least 3 years following the completion of the work. Such records shall contain
 - a The name, address and social security number of each laborer and mechanic
 - b His or her correct work classification(s)
 - c Hourly rates of pay including rates of contributions or costs anticipated for fringe benefits,
 - d Daily and weekly number of hours worked, including any overtime hours
 - e Deductions made and actual net wages paid,
 - f Evidence pertaining to any fringe programs,
 - g Evidence of the approval of any apprenticeship or trainee program, the registration of each apprentice or trainee and the ratios and wages contained in the program
- 4 Certified weekly payroll reports (CPRs) shall be submitted with respect to each week any contract work is performed. The principal contractor is responsible for full compliance with regard to its own workforce and with regard to the compliance of every subcontractor. For this reason, all CPRs and any related records are submitted to the CITY through the principal contractor
 - a CPR information may be submitted in any form provided that the CITY can reasonably interpret the information to monitor employer compliance with the labor standards
 - b CPRs shall be submitted for each contractor/subcontractor (employer) beginning with the first week such employer performs work on the site of the work. CPRs shall be submitted promptly following the close of each such pay week
 - c CPRs for each employer shall be numbered sequentially beginning with "1". The CPR for the last week of work performed on the project by each employer shall be clearly marked "final".
 - (1) The first payroll on which each employee appears shall contain the employee's name, address and social security number. Thereafter, the address and social security only need to be reported if there is a change in such information.

- (2) The first payroll on which any apprentice or trainee appears shall be accompanied with a copy of that apprentice's or trainee's registration in an approved program. A copy of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears.
 - (3) The division of hours worked in different classifications shall be accurately maintained and clearly reported. The employer may list the employee once for each classification, distributing the hours of work accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications.
 - (4) The CPR should reflect only hours worked at the site of work. If an employee performs work at job sites other than the project for which the CPR is prepared, those hours should not be reported on the CPR. In these cases the employer should list employee's name, classification and the hours for this project only and the rate of pay and gross earnings on this project. Deductions and net pay may be reflected based upon the employee's total earnings (for all projects) for the week.
- d. Employers are not required to submit CPRs for weeks during which no work was performed on the site of the work, provided that the CPRs are numbered sequentially or that the employer has provided written notice that its work on the project has been suspended.
- e. Each weekly payroll shall be accompanied by a "Statement of Compliance". The Statement of Compliance shall be executed by the original signature of the principal executive of the contractor/subcontractor or of a person authorized in writing by the principal. The statement shall certify to the following:
- (1) That the payroll period documents contain the information required to be maintained and that the information is correct and complete.
 - (2) That each laborer or mechanic (including each helper, apprentice or trainee) employed on the contract during the payroll period has been paid the full weekly wages earned without rebate either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned other than permissible deductions as set forth in federal regulation 29 CFR 3, and
 - (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed as specified in the applicable wage determination incorporated into the contract.

- f The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code
- (1) Each employer shall make the required records (CPRs and related documents) available for inspection copying or transcription by authorized representatives of the CITY, HUD or DOL. In addition each employer shall permit authorized representatives to interview employees during work hours on the job site
 - (2) Failure by an employer to submit the required records or to make them available or permit on-site employee interviews may after written notice to the contractor, cause a suspension of any further payment, advance or guarantee of funds. In addition failure to submit the records on request or to make them available may be grounds for debarment action pursuant to 29 CFR 5.12
 - (3) In order to protect the personal privacy interests of employees copies of weekly payrolls shall not be released to outside parties and may be withheld under Exemption 6 of the Freedom of Information Act (FOIA) unless the employees personal identifiers (e.g., name, address, and social security number) are first deleted
 - (4) The identity of any person providing information concerning the labor standards compliance of any contractor or subcontractor shall not be disclosed in any manner to anyone other than authorized City or Federal officials unless written consent is provided in advance by such person. Additionally any portions of a statement or written document provided by such person that would reveal the identity of the source shall not be disclosed without prior written consent. Disclosure of such statements and documents shall be governed by the provisions of the Freedom of Information Act and the Privacy Act of 1974

VI Labor Standards Administration, Compliance Monitoring and Enforcement

Routine monitoring of projects Certified Payroll Records and related documentation is performed to ensure compliance of all employers with the applicable labor standards provisions. Monitoring identifies possible misunderstandings on the part of the employers discrepancies in the records, and violations. Written monitoring reports to the principal contractor advise the contractor of the status of compliance, provide clarification where misunderstanding may exist, and informs the contractor of any additional submissions which may be required to correct discrepancies or to complete the record

- A. The City is responsible for the administration and enforcement of labor standards provisions for HUD assisted programs administered by the City. For each program and proposed project or contract the City shall
1. Determine the specific labor standard parameters applicable to the project
 2. Obtain the Davis-Bacon wage and hour determination and labor standards provisions applicable to the project from the HUD Labor Relations Field staff and ensure incorporation of the same in the project specifications
 3. Ensure that the wage determination is still current at bid opening or other appropriate wage determination effective date
 4. Verify the eligibility of the principal contractor
 5. Conduct a Pre-construction Conference to inform and instruct the contractor and subcontractors concerning their wage and reporting obligations
 6. Identify and initiate requests for additional classifications and wage rates needed for the construction of the project
 7. Perform timely routine monitoring reviews of CPRs and related submissions for compliance with labor standards
 8. Notify the principal contractor in writing of any labor standards deficiencies and required corrective actions
 9. Investigate complaints of underpayment or other labor standards violations
 10. Prepare and submit to HUD reports on all enforcement activity
 11. As necessary refer cases for administrative hearing (29 CFR, Part 5, 5.11) and/or makes recommendations for debarment (29 CFR Part 5.5.12)
 12. As necessary, require escrow accounts to ensure the payment of outstanding wage or liquidated damages liability
 13. Dispose of any escrow accounts established for labor standards purposes
 14. Establish and maintain full documentation of all labor standards administration and enforcement activities
- B. The City is responsible for the creation, maintenance and preservation of labor standards enforcement files for each project. The files shall be kept up-to-date, maintained in a consistent manner and secured for the life of the active monitoring of the project and preserved for at least three (3) years following the completion of the project and the final disposition of any compliance issues. The City shall establish a system of labor standards enforcement files for each covered project.

- C The City is responsible for the following monitoring activities
- 1 Interviews of workers will be conducted on a regular basis and will include a broad sampling of the work classifications being employed on the project (Record of Employee Interviews Form (form HUD-11))
 - 2 On-site inspections will be made to ensure that the required notices are posted
 - 3 Weekly payrolls will be reviewed and compared with employee interviews and wage rates to verify compliance with applicable labor standards and requirements (e.g. payment of minimum wages, payment of overtime, no ineligible deductions, etc.)
 - 4 Once the project is completed, a final wage compliance report shall be filed with HUD
- D For each construction contract the Sub-grantee shall maintain a file with the following documentation
- 1 Copy of wage rate request
 - 2 Copy of wage rate along with any additional classifications,
 - 3 Bid/contract documents with labor standards provision included,
 - 4 Contractor eligibility verification,
 - 5 Ten-day call verification
 - 6 Pre-construction conference minutes/sign-in sheet,
 - 7 Payrolls with evidence of their review,
 - 8 Notice of start of construction
 - 9 Employee interviews
 - 10 Evidence of any violations and corrective actions
 - 11 Final wage compliance reports and
 - 12 Monthly employment utilization reports, where applicable
- E Violations of the labor standards and requirements must be corrected. Failure to pay sufficient overtime wages will result in the assessment of liquidated damages in the amount of \$10 per worker per day. Only HUD and the Department of Labor are authorized to reduce or waive these liquidated damages. The contractor must be notified of his or her liability. Then, if appropriate, he or she may request a waiver.
- F Debarred, Suspended and Ineligible Contractors and Sub-recipients Federal cannot be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or sub-recipient during any period of debarment, suspension or placement of ineligibility status. CITY will check all contractors, subcontractors, lower tier contractors and

sub-grantees against the Federal publication that lists debarred, suspended and ineligible contractors.

VII Environmental Requirements

In its use of federal funds, the City is required to assume responsibility for environmental review, decision-making and other actions that would otherwise apply to HUD under the National Environmental Policy Act of 1969 and other provisions of law. The Federal regulations explicitly prohibit Sub-grantees from assuming the City's environmental responsibilities.

However, under the applicable regulations, Sub-grantees are not allowed to incur program expenses until the City has completed an environmental review of the proposed activities, received the release of funds, and provided the Sub-grantee with formal clearance with directives for any action necessary to mitigate negative environmental impacts.

VIII Historic Preservation

Sub-grantees must comply with the provisions of the Historic Preservation Act and related laws and Executive Orders. Before any commitments are made for any physical improvements, alterations or demolition of any building, a sub-grantee must receive assurances from the City that they are in compliance.

Part of the City's responsibility is to consult with the State Historic Preservation Officer as to (1) whether the property is or could be declared a historic property, (2) if the property is located in a historic district or an area which could be declared a historic district, (3) if the proposed changes to the property could adversely affect historic properties or neighborhoods which could be declared historic.

If properties can be adversely affected, prior to initiating project work, an agreement must be reached on appropriate mitigating measures with all parties identified. (36 CFR Part 800)

IX National Flood Insurance Program

If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, federal funds cannot be used for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question.

X Relocation Real Property Acquisition and One-for-One Housing Replacement

A sub-grantee must comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and 24 CFR 570.606(b), and (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan (Plan) under section 104(d) of the GMA Act. The policies and requirements of these laws are described in HUD Handbook 1378, Tenant Assistance Relocation and Real Property Acquisition.

Under URA and the Plan, the sub-grantee must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations and farms) that are permanently displaced as a direct result of acquisition, rehabilitation, demolition or conversions for a federally assisted project. All property occupants must be issued certain notices on a timely basis. (Failure to issue timely notices may result in unnecessary expenses.)

The Plan also requires one-for-one replacement of any occupied or vacant low/moderate income housing that is demolished or converted to another non-residential use in connection with a federally assisted project. Finally, the Plan requires the identification of the steps that will be taken to minimize displacement.

XI Lead-Based Paint

There is a general prohibition against the use of lead-based paint in connection with any federally funded activities involving the construction or rehabilitation of residential structures. In addition:

- A. For properties constructed prior to 1978, the sub-grantee must notify applicants for rehabilitation assistance and tenants or purchasers of properties owned by the sub-grantee or City and acquired or rehabilitated with federal funds of the hazards of lead-based paint poisoning and the other specific information set out in 24 CFR 570.608(b)(2)(I) through (v1).
- B. According to 24 CFR 570.608(c)(3), for housing built prior to 1978 that is being rehabilitated with federal funds which may be occupied or frequented by families with children under seven years of age, the sub-grantee must undertake steps to ensure that such housing is inspected for defective paint and those surfaces found to be defective must be tested for the presence of lead paint. If lead-based paint is detected, all interior and exterior chewable surfaces found to contain lead must be treated in accordance with 24 CFR 570.608(c)(4).

XII Political Activity

Sub-grantees are prohibited from using federal funds to finance the use of facilities or equipment for political purposes, or to engage in other partisan political activities such as sponsoring candidate forums, brochures voter transportation, or voter registration

XIII Conflict of Interest

Except for the use of federal funds to pay for salaries and other related administrative or personnel costs, the general standard is that no employee, agent, or officer of the sub-grantee, who exercises decision making responsibility with respect to the funds and activities, is allowed to obtain a financial interest in or benefit from the activities or have a financial interest in any contract, subcontract or agreement regarding those activities or in the proceeds of the activities. Specific provisions include these requirements

- A Applies to any person who is an employee, agent consultant or officer, or elected or appointed official of the grantee designated public agency or sub-recipient, and their immediate family members, and business partner(s)
- B Applies for such person during their tenure and for a period of one year after leaving the grantee or sub-grantee organization
- C Is applicable to the procurement of supplies equipment construction, and services, acquisition and disposition of real property provision of assistance to individuals, businesses and other private entities for all eligible activities (24 CFR 570 201-204), and provision of loans to individuals, businesses, and other private entities

Part 570 611 Conflict of Interest

(a) *Applicability*

- 1 In the procurement of supplies equipment, construction and services by sub-recipients, the conflict of interest provisions in 24 CFR 85 36 shall apply (see below)
- 11 In all cases not governed by 24 CFR 85 36, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the sub-grantee to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g. rehabilitation, preservation, and other improvements of private properties or facilities)

- (b) *Conflicts prohibited* The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG/HOME activities assisted under this part, 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 or benefit from a CDBG/HOME-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG/HOME-assisted activity or with respect to the proceeds of the CDBG/HOME-assisted activity either for themselves or those with whom they have business or immediate family ties during their tenure or for one year thereafter.
- (c) *Persons covered* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of sub-grantee that is receiving funds under this part.
- (d) *Exceptions* (May happen in rare circumstances see regulations for specifics)

Upon written request, exceptions may be granted by HUD, through the City, after consideration of the cumulative effect of various factors on a case-by-case basis and only with (a) full disclosure of the potential conflict and (b) a legal opinion of the sub-grantee's attorney that there would be no violation of state or local laws in granting the exception.

XIV Citizen Participation

The citizen participation segment of the federal funding process must provide citizens with adequate information and notification regarding the amount of funds available for community development and housing activities, the range and scope of activities eligible, as well as other important program requirements as specified in the City of San Antonio Consolidated Plan Budget. Sponsors may submit proposals for projects that address priorities and needs as identified during the citizen participation process.

XV Resident Aliens

Certain newly legalized aliens are not eligible to apply for benefits under covered activities handled by the CDBG and HOME programs. "Covered activities" are activities meeting

requirements of 24 CFR 570.208(a) that either (1) have income requirements limiting benefits exclusively to low and moderate income persons, or (2) are targeted geographically or otherwise to primarily benefit low and moderate income persons (except for activities that benefit the public at large) and provide benefits on the basis of an application

XVI References

- 24 CFR 85 referred to as the "HUD common rule," establishes administrative requirements for grants to local government. 24 CFR 85.36 specifically addresses procurement. This chapter is largely based on the language contained in 24 CFR 85.36.
- 24 CFR 570.502(a)(12) invokes the "HUD common rule" for the State CDBG program.
- Federal Circular OMB A-87 establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with state and local governments.
- Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that to the greatest extent feasible, opportunities for training and employment that arise through State CDBG-financed projects shall be given to lower-income residents of a project area, and that contracts awarded in connection with such projects be awarded to businesses located in the project area or businesses owned in substantial part by residents of the project area.
- Section 109 of the Grants Monitoring and Administration Act of 1974 as amended provides that no person shall be excluded from participation or employment, or be denied benefits, or be subjected to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part by the CDBG Program.
- Title VII Civil Rights Act of 1964, provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination based on race, color, or national origin under any program or activity receiving federal financial assistance.
- Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of federal or federally assisted construction contracts.

ATTACHMENT V
PERFORMANCE REPORT

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28 035044

SUBGRANTEE San Antonio Family Endeavors

PROJECT NAME Fairweather Lodge

PREPARED BY _____

FOR MONTH OF _____

APPROVED BY _____

FISCAL YEAR 2009 2010	ANNUAL GOAL	Quarter 1			Quarter 2			Quarter 3			Quarter 4			ANNUAL TOTAL/AVG
		Oct-2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May-2010	Jun 2010	Jul-2010	Aug 2010	Sep 2010	
Input														
01 Available CDBG Funds	\$ 30 000													\$ 30 000
02 Available Other Funds	\$ 254 652													\$ 254 652
Output														
01 Total CDBG Expenditures	\$ 30 000													\$
02 Total Other Expenditures	\$ 254 652													\$
03 Number of Unduplicated Participants Served	28													
Efficiency														
01 CDBG Cost Per Participant	\$ 1 071													
02 Other Cost Per Participant	\$ 9 085													
Effectiveness														
01 % CDBG Funds Expended	100%													0%
02 % Other Funds Expended	100%													0%

CDBG Direct Benefit Data													
Unduplicated Clients Served By Ethnicity (Ethnicity codes as reported on direct benefit form)	11	12	13	14	15	16	17	18	19	20	Total	Hispanic Total	
											0		
Unduplicated Clients Served By District	Dist 1	Dist 2	Dist 3	Dist 4	Dist 5	Dist 6	Dist 7	Dist 8	Dist 9	Dist 10	Total	Female Head of Household	
											0		

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)/DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)/DATE _____

ATTACHMENT VI

BILLING PACKAGE

INVOICE

SUB-GRANTEE San Antonio Family Endeavors PROJECT NO 28-035044
PROJECT NAME Fairweather Lodge INVOICE NO _____
ADDRESS _____
BANK _____
PERIOD COVERED _____
PROGRAM Fairweather Lodge

Internal Order Number	Budget	Cost to Date	Less Payment Rec'd	Amount Due
131000001779	\$30 000 00			
TOTAL	\$30,000 00	\$	\$	\$

Certified Correct _____

City Approval _____

Title _____

Date _____

Date _____

SUMMARY OF EXPENDITURES

PROGRAM Fairweather Lodge

PERIOD COVERED _____

Internal Order Number	Line Item	Detail	Total Amount
131000001779			
		TOTAL	S

VOUCHER

(Attach Required Documentation)

PROGRAM Fairweather Lodge

AMOUNT _____

CHECK # _____

CHECK DATE _____

VENDOR

NAME San Antonio Family Endeavors

ADDRESS _____

DESCRIPTION AND PURPOSE

Approved by _____

Title _____

Date _____

BUDGET ADJUSTMENT*

SUB-GRANTEE San Antonio Family Endeavors PROJECT NO 28-035044

ADDRESS _____ ADJUSTMENT NO _____

_____ DATE _____

PROGRAM _____

Internal Order Number	Activity	Current Budget	Revisions		Revised Budget
			(+)	(-)	
131000001779					
TOTAL					

Submitted By _____

City Approval _____

Title Chief Executive Officer

Date _____

Date _____

Narrative justification must be attached

ATTACHMENT VII

DIRECT BENEFIT FORM

CITY OF SAN ANTONIO
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG Direct Benefit Data

PARTICIPANT'S NAME _____

Home Address _____

Phone Number _____

Check One

Female head of household Yes No

Participants *Race

Check One

- 11 White
- 12 Black/African American
- 13 Asian
- 14 American Indian or Alaska Native
- 15 Native Hawaiian or Pacific Islander
- 16 American Indian or Alaskan Native AND White
- 17 Asian AND White
- 18 Black/African American AND White
- 19 American Indian or Alaska Native AND Black/African American
- 20 Other multi-racial

*Ethnicity

Check One

Hispanic Yes No

**This information is confidential and is only used for government reporting purposes. You are not required to furnish this information. The law provides that we may neither discriminate on the basis of this information nor on whether you choose to furnish it. However, if you choose not to furnish it under Federal regulations we are required to note race on the basis of visual observation or surname.*

- 11 **White** A person having origins in any of the peoples of Europe, North Africa, or the Middle East
- 12 **Black or African American** A person having origins in any of the black racial groups of Africa
- 13 **Asian** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam
- 14 **American Indian or Alaska Native** A person having origins in any of the original peoples of North and South America (including Central America), and who maintain affiliation or community attachment
- 15 **Native Hawaiian or Other Pacific Islander** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands
- 16 **American Indian or Alaska Native and White** A person having these multiple race heritages as defined above
- 17 **Asian and White** person having these multiple race heritages as defined above
- 18 **Black or African American and White** person having these multiple race heritages as defined above
- 19 **American Indian or Alaska Native and Black or African American** A person having these multiple race heritages as defined above
- 20 **Other Multi-Racial** For reporting individual responses that are not included in any of the other categories listed above

Hispanic Those who are White, Black, Asian, Pacific Islander, American Indian or Other Multi-Racial who are Hispanic

ATTACHMENT VIII

SPECIAL PROVISIONS

SPECIAL PROVISIONS

I	AGENCY	San Antonio Family Endeavors (formerly San Antonio Urban Ministries Fairweather Lodge)
II	PROJECT NAME	San Antonio Urban Ministries Fairweather Lodge
III	PROJECT NUMBER	28-035044
IV	SPECIAL PROVISIONS	

- 1 Contractor agrees and understands that this is a Cost Reimbursement contract, and that such funds will be disbursed on a cost reimbursement basis in accordance with applicable local and federal regulations and this CONTRACT
- 2 Contractor shall undergo an independent audit for the Project funded hereunder
- 3 Contractor shall submit, no later than the tenth (10th) calendar day of each month, the Project Monthly Performance Reports and the Direct Benefit Activities form to the CITY in the format acceptable to CITY
- 4 Contractor shall exercise prudent fiscal management by remaining within the allocated budget. Any and all amounts expended over and above the approved budget shall be sole responsibility of the Contractor.
- 5 Contractor shall process, store and maintain all information, including, without limitation, correspondence, monthly reports, and invoices, pertaining to the Project and this CONTRACT at the Contractor's office.
- 6 Contractor shall be required to operate its programs in accordance with all Community Development Block Grant regulations and the City of San Antonio's Human Development goal and objectives. Contractor shall maintain information reflecting the agency's performance in meeting client-based and outcomes performance measures. Contractor shall incorporate the principles of Human Development performance measures and the City's Human Development's initiative goals and objectives into its program descriptions.
- 7 CITY has determined that program income will not be collected by agency and therefore no reporting is necessary.
- 8 Contractor acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended, when applicable:
 - (A) The work to be performed under this CONTRACT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to

low- and very low income persons particularly persons who are recipients of HUD assistance for housing,

- (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C F R Part 135, which implement Section 3. As evidenced by their execution of this CONTRACT the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations,
- (C) Contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each and the name and location of the person(s) taking applications for each of the positions and the anticipated date the work shall begin,
- (D) Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135. Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135.
- (E) Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed were not filled to circumvent the Contractor's obligations under 24 C F R Part 135,
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions, termination of this CONTRACT for default, and debarment or suspension from further HUD-assisted contracts, and
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

STATE OF TEXAS

* DELEGATE AGENCY CONTRACT WITH
EL CENTRO DEL BARRIO

COUNTY OF BEXAR

* PROJECT NUMBER 28-035033
CFDA: 14.218

CITY OF SAN ANTONIO

*

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as "CITY"), a Texas municipal corporation, acting by and through its Grants Administrator of the Office of Grants Monitoring and Administration pursuant to Ordinance No 2009-05-14-0368, dated May 14, 2009, and El Centro Del Barrio (hereinafter referred to as "CONTRACTOR")

WITNESSETH:

WHEREAS, the CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as "the Community Development Act") for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the "Grant Fund") for human development services, and

WHEREAS, the Office of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as "Managing City Department") for the CITY, and

WHEREAS, the CITY has adopted a budget for the expenditure of such funds, and included therein is an allocation of One Hundred Twenty Thousand and No/100 Dollars (\$120,000 00) in funds for a project entitled, "El Centro Del Barrio Activity Center for the Frail and Elderly" (hereinafter referred to as "Project"), and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project, **NOW THEREFORE:**

The parties hereto agree as follows

I. SCOPE OF WORK

1 1 CONTRACTOR will provide, oversee, administer, and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement affixed hereto, and incorporated herein for all purposes as Attachment I

II. TERM

- 2 1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) September 30, 2009, or (b) Project completion
- 2 2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term, (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY, and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal, as evidenced by an ordinance duly passed and approved

III. CONSIDERATION

- 3 1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No 2009-05-14-0368 Said Project Budget is affixed hereto and incorporated herein for all purposes as Attachment II It is specifically agreed that reimbursement hereunder shall not exceed the total amount of \$120,000 00
- 3 2 The funding level of this CONTRACT is based on an allocation from the following funding sources

\$120,000 00 Community Development Block Grant (CDBG)

Consequently, CONTRACTOR agrees to comply with Sections I, II- Exhibit "A" and III- Exhibit "A" of the Technical Workbook, affixed hereto and incorporated herein for all purposes as Attachment III, as may be amended from time to time, and the Special Provisions, affixed hereto and incorporated herein for all purposes as Attachment VIII

- 3 3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY's liabilities hereunder

IV. PAYMENT

- 4 1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT Allowable costs are defined as those costs which are necessary, reasonable and allowable under applicable federal, state, and local law, including but not limited to those laws referenced in Section XI hereof, for the proper administration and performance of the services to be provided under an agreement All

requested reimbursed costs must be consistent with the terms and provisions of the approved budgeted line items described in Attachment II of this CONTRACT. In no event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT.

4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment, including the specific reason for such request. The Director of the Managing City Department may, in his sole discretion, approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need, (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis, and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized:

(A) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner, defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY.

(B) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank, including all the CITY funds deposited in such separate account, exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that causes CONTRACTOR's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.

4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly, as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department.

4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department.

4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT, unless CONTRACTOR receives written authorization from the Director of the Managing City Department prior

to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period

4 6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR)

4 7 CONTRACTOR shall maintain a financial management system, and acceptable accounting records that provide for

- (A) Accurate, current, and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required, CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available,
- (B) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations, un-obligated balances, assets, equity, outlays, and income,
- (C) Effective control over and accountability for all funds, property, and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project,
- (D) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY, financial information should be related to performance and unit cost data,
- (E) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR,
- (F) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including, but not limited to, the cost principles referenced in Section XI hereof, and the terms of the award, grant, or contract, with the CITY,
- (G) Supporting source documentation (i.e., timesheets, employee benefits, professional services agreements, purchases, and other documentation as required by CITY), and
- (H) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid, and evidence of goods or services

received are to be filed according to the expense account to which they were charged

- 4 8 CONTRACTOR agrees that CONTRACTOR's costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency
- 4 9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan, which ensures that the CITY is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this CONTRACT. The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR's Project. The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program.
- 4 10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT, all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately, upon receipt, be returned by CONTRACTOR to the CITY.
- 4 11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT, the CITY's Director of Finance, the CITY Auditor, or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR's systems of internal accounting and administrative controls prior to the release of funds hereunder.

V. PROGRAM INCOME

- 5 1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be
- (A) Added to the Project and used to further eligible Project objectives, in which case proposed expenditures must first be approved by the CITY, or
 - (B) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

- 5 2 In any case, where CONTRACTOR is required to return program income to the Managing City Department, CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income, CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.
- 5 3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.
- 5 4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.
- 5 5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.
- 5 6 CONTRACTOR shall include this Article V, in its entirety, in all of its subcontracts involving income-producing services or activities.

VI. ADMINISTRATION OF CONTRACT

- 6 1 THIS SECTION INTENTIONALLY LEFT BLANK.
- 6 2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes, or ordinances, the City Manager, as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.
- 6 3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state, or local grant without the prior written approval of the Director of the Managing City Department.
- 6 4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance systems, safes, fire extinguishers, sprinkler systems, etc., to safeguard property and/or equipment authorized by this CONTRACT.

- 6 5 CONTRACTOR's board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse. These procedures shall specify the consequences to CONTRACTOR's employees and vendors involved in such illegal activities to include, but not be limited to, termination and prosecution where necessary. Said procedures shall be provided to the Managing City Department upon request by the Managing City Department.
- 6 6 CONTRACTOR agrees to comply with the following check writing and handling procedures:
- (A) No blank checks are to be signed in advance.
 - (B) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a \$100.00 maximum per check. CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200.00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit. Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt.
 - (C) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR's receipt of each such check, and shall never be cashed for purposes of receiving any of the face amounts back.
- 6 7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls, faxes, internet service, and/or cell phone calls charged to the CITY.

VII. AUDIT

- 7 1 If CONTRACTOR expends \$500,000.00 or more of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report. In addition to the report, a copy of the corrective action plan, summary schedule of prior audit findings, management letter and/or conduct of audit letter are to be submitted to the Managing City Department by CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor.

CONTRACTOR agrees and understands that upon notification from federal, state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies, or violations of CONTRACTOR's financial operations, a copy of the notification, review, investigation, and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report

- 7 2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than \$500,000 00 in federal funds from the CITY, the audit shall be made in accordance with the Single Audit Act Amendments of 1996, the State of Texas Single Audit Circular, and US Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana CONTRACTOR may submit reports through the following website [http //gov fac@census gov](http://gov.fac@census.gov) and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696

Upon completion of Form SF-SAC, CONTRACTOR may submit the completed report by mail to

Federal Audit Clearinghouse
1201 E 10th Street
Jeffersonville, Indiana 47132

- 7 3 If CONTRACTOR expends less than \$500,000 00 of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement
- 7 4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY
- 7 5 The CITY reserves the right to conduct, or cause to be conducted an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm, or other personnel as designated by the CITY, may perform such audit(s) or reviews The CITY reserves the right to determine the scope of every audit In accordance herewith, CONTRACTOR agrees to make available to the CITY all accounting and Project records

"CONTRACTOR shall, during normal business hours, and as often as deemed necessary by the CITY and/or the applicable state, or federal governing agency or any other auditing entity, make available the books, records, documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years" or whatever period is determined necessary based on the Records Retention guidelines, established by applicable law for this CONTRACT. Said records shall be maintained for the required period beginning immediately after contract termination, save, and except there is litigation or if the audit report covering such agreement has not been accepted, CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred. The auditing entity shall have the authority to audit, examine and make excerpts, transcripts, and copies from all such books, records, documents and evidence, including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT, all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT.

The CITY may, in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT, and CONTRACTOR shall abide by such requirements.

- 7.6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs, which are questioned by the CITY and/or the applicable state or federal governing agency, CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs.

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit, CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. At its sole option, the Managing City Department may instead deduct such claims from subsequent reimbursements, however, in the absence of prior notice by the CITY of the exercise of such option, CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred, such refund shall be required and be made to the CITY by cashiers check or money order. Should the CITY, at its sole discretion, deduct such claims from subsequent reimbursements, CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project.

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT.

7 7 If the CITY determines, in its sole discretion, that CONTRACTOR is in violation of the above requirements, the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources

VIII. RECORDS, REPORTING, AND COPYRIGHTS

8 1 The Managing City Department is assigned monitoring, fiscal control, and evaluation of projects Therefore, at such times and in such form as may be required by the Managing City Department, CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds, if applicable, such statements, records, data, all policies and procedures, and information and permit the CITY and Grantor of the Grant Funds, if applicable, to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT

8 2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by US Department of Housing and Urban Development (HUD), including Performance Records/Reports, a copy of which is affixed hereto and incorporated herein as Attachment IV The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate

8 3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by, or obtained from the CITY including, without limitation, reports, information, project evaluation, project designs, data, other related information (collectively, the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure, dissemination, or publication of the Confidential Information If disclosure is required (i) by law or (ii) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8 3 including, but not limited to, execution of confidential disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information This Article VIII, Section 8 3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT Upon termination of this CONTRACT, CONTRACTOR shall return to the CITY all copies of materials related to the Project, including the Confidential Information

8 4 The Public Information Act, Government Code, Section 552 021, requires the CITY to make public information available to the public Under Government Code, Section

552 002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business 1) by a governmental body, or 2) for a governmental body and the governmental body owns the information or has a right of access to it Therefore, if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT, CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition If the requested information is confidential pursuant to State or Federal law, CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR's receipt of such request

- 8 5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201, Section 201 003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code Thus, CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR

CONTRACTOR acknowledges and agrees that all local government records, as described herein, produced in the course of the work required by this CONTRACT, shall belong to and be the property of the CITY and shall be made available to the CITY at any time CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT CONTRACTOR agrees that it shall not, under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction The Managing City Department shall be notified of such request as set forth in Article VIII, Section 8 3 of this CONTRACT

- 8 6 Ownership of Intellectual Property CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY CONTRACTOR hereby grants, sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project, including, without limitation, any and all copyright, patent and trade secret rights All intellectual property rights including, without limitation, patent, copyright, trade secret, trademark, brand names, color schemes, designs, screens, displays, user interfaces, data structures, organization, sequences of operation, trade dress, and other proprietary rights (the "Intellectual Property Rights") in the Project shall be solely vested in the CITY CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights In the event the CITY shall be unable, after reasonable

effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project, including without limitation, any letters patent, copyright, or other protection relating to the Project, for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact, to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR. Provided, however, nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY

- 8.7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT, CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY. CONTRACTOR understands and agrees that in conjunction with the submission of the final report, CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project.
- 8.8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR's board functions. Information required for submission shall include but may not be limited to
- (A) Roster of current Board Members (name, title, address, telephone number, fax number and e-mail address),
 - (B) Current Bylaws and Charter,
 - (C) Terms of Officers,
 - (D) Amendments to Bylaws,
 - (E) Schedule of anticipated board meetings for current Fiscal Year,
 - (F) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR's Project records and as such, must be available to the CITY staff upon request, provided, however, CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of \$1,000,000.00 or greater,
 - (G) Board agenda, to be submitted at least three (3) business days prior to each board meeting

8 9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11 3 of this CONTRACT

IX INSURANCE

9 1 CONTRACTOR agrees to comply with the following insurance provisions

- (A) Prior to the commencement of any work under this CONTRACT, CONTRACTOR shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY's Office of Grants Monitoring and Administration, which shall be clearly labeled "El Centro Del Barrio Activity Center for the Frail and Elderly " in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY's Office of Grants Monitoring and Administration. No officer or employee, other than the CITY's Risk Manager, shall have authority to waive this requirement.
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by the CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will the CITY allow modification whereupon the CITY may incur increased risk.
- (C) CONTRACTOR's financial integrity is of interest to the CITY, therefore, subject to CONTRACTOR's right to maintain reasonable deductibles in such amounts as are approved by the CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at CONTRACTOR's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>POLICY TYPES</u>	<u>AMOUNTS</u>
Broad Form Commercial General Liability Insurance to include coverage for the following	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence, \$2,000,000 General Aggregate, or its equivalent

a Premises operations b Independent contractors c Products/completed operations d Personal Injury e Contractual Liability	in Umbrella or Excess Liability Coverage
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(D) The CITY shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto as they apply to the limits required by the CITY, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies) CONTRACTOR shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to the CITY at the address provided below within ten (10) days of the requested change CONTRACTOR shall pay any costs incurred resulting from said changes

City of San Antonio
Attn Office of Grants Monitoring and Administration
P O Box 839966
San Antonio, Texas 78283-3966

(E) CONTRACTOR agrees that with respect to the above-required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions

- Name the CITY and its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies,
- Provide for an endorsement that the 'other insurance' clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy,
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the CITY, and
- Provide thirty (30) calendar days advance written notice directly to the CITY of any suspension, cancellation, non-renewal or material

change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium

- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to the CITY. The CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order CONTRACTOR to stop work hereunder, and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.
- (H) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its subcontractors' performance of the work covered under this CONTRACT.
- (I) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) CONTRACTOR and any subcontractors are responsible for all damage to their own equipment and/or property.

X. INDEMNITY

10.1 CONTRACTOR agrees to comply with the following indemnity provision:

- (A) CONTRACTOR covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including any acts or omissions of CONTRACTOR, any agent, officer, director, representative,

employee, consultant or subcontractor of CONTRACTOR, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this CONTRACT, all without, however, waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS CONTRACT. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CONTRACTOR shall promptly advise the CITY in writing of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR's activities under this CONTRACT and shall see to the investigation of and defense of such claim or demand at CONTRACTOR's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under this paragraph.

- (B) It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article is an INDEMNITY extended by CONTRACTOR to INDEMNIFY, PROTECT and HOLD HARMLESS, the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death, or damage. CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE, and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

XI APPLICABLE LAWS

- 11.1 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker's Compensation Commission effective April 17, 1991. Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments, termination of this CONTRACT, and debarment and suspension actions.

11 2 CONTRACTOR understands that certain funds provided it pursuant to this CONTRACT are funds which have been made available by the CITY's General Operating Budget and/or by federal, state, or other granting entities. Consequently, CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars, as applicable to the funds received by CONTRACTOR hereunder:

- (A) OMB Circular A-21, entitled, "Cost Principles for Educational Institutions",
- (B) OMB Circular A-87, entitled, "Cost Principles for State, Local, and Indian Tribal Governments",
- (C) OMB Circular A-102, entitled, "Grants and Cooperative Agreements with State and Local Governments",
- (D) OMB Circular A-122, entitled, "Cost Principles for Non-Profit Organizations", and
- (E) OMB Circular A-133, entitled, "Audits of States, Local Governments, and Not for Profit Organizations"

11 3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

- Local Government Records Act of 1989 official record retention schedules,
- Government Code Chapter 552 pertaining to Texas Public Information Act,
- Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services, and
- Texas Local Government Code

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11 4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide

by all applicable provisions of the City of San Antonio Ordinance No 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions, including but not limited to

- (A) Title VII of the Civil Rights Act of 1964, as amended,
- (B) Section 504 of the Rehabilitation Act of 1973, as amended,
- (C) The Age Discrimination Act of 1975, as amended,
- (D) Title IX of the Education Amendments of 1972, as amended, (Title 20 USC sections 1681-1688),
- (E) Fair Labor Standards Act of 1938, as amended,
- (F) Equal Pay Act of 1963, P L 88-38, and
- (G) All applicable regulations implementing the above laws

11 5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to, federal, state, and local taxes, fees, special assessments, federal and state payroll and income taxes, personal property, real estate, sales and franchise taxes, are current, and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local, state, and federal laws including, but not limited to

- (A) Worker's compensation,
- (B) Unemployment insurance,
- (C) Timely deposits of payroll deductions,
- (D) Filing of Information on Tax Return Form 990 or 990T, Quarterly Tax Return Form 941, W-2's Form 1099 on individuals who received compensation other than wages, such as car allowance, Forms 1099 and 1096 for contract or consultant work, non-employee compensation, etc ,
- (E) Occupational Safety and Health Act regulations, and
- (F) Employee Retirement Income Security Act of 1974, P L 93-406

11 6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P L 101-336, enacted July 26, 1990, and all regulations thereunder

- 11 7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations, policies, and procedures as they may be promulgated
- 11 8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal, state, and local laws, rules and regulations
- 11 9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form 990 or 990T

XII. NO SOLICITATION/CONFLICT OF INTEREST

- 12 1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage, brokerage, or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY For breach or violation of this warrant, the CITY shall have the right to terminate this CONTRACT without liability or, at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee, or to seek such other remedies as legally may be available
- 12 2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT CONTRACTOR further covenants that in the performance of this CONTRACT, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff
- 12 3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties
- 12 4 No member of the CITY's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall
- (A) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest, or
 - (B) Have any direct or indirect interest in this CONTRACT or the proceeds thereof
- 12 5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any

contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has "prohibited financial interest" in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse, a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity, a business entity in which any individual or entity above listed is subcontractor on a CITY contract, a partner or a parent or subsidiary business entity.

- 12.6 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity, CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child, sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity.) CONTRACTOR further warrants and certifies that it has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII TERMINATION

- 13.1 Termination for Cause – Should CONTRACTOR fail to fulfill, in a timely and proper manner, obligations under this CONTRACT to include performance standards established by the CITY, or if CONTRACTOR should violate any of the covenants, conditions, or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any

work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit, or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT, and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.
- 13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV. PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.
- 14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.
- 14.3 The prohibitions set forth in Article XIV, Sections 14.1 and 14.2 of this CONTRACT include, but are not limited to, the following:
- (A) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation,
 - (B) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature,

- (C) Coercing personnel, whether directly or indirectly, to work on political activities on their personal time, including activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature, and
 - (D) Using facilities or equipment paid for, in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment, or supplies, such as telephones, computers, fax machines, during and after regular business hours
- 14 4 To ensure that the above policies are complied with, CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy. Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department. CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations.
- 14 5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed, reimbursements paid to CONTRACTOR under this CONTRACT may, at the CITY's discretion, be withheld until the situation is resolved.
- 14 6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote. Further, CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition, if done during time not paid for with CITY funds.

XV PERSONNEL MANAGEMENT

- 15 1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy. The grievance policy will include procedures to receive, investigate, and resolve complaints and grievances in an expeditious manner.
- 15 2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees. If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees, then such additional days are not eligible for reimbursement under this CONTRACT.
- 15 3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Attachment II) that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City.

Department, as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department

- 15 4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization
- 15 5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards, facilitate, or coordinate the performance of this CONTRACT
- 15 6 At the sole discretion of the Director of the Managing City Department, CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time, permanent employees that is not chargeable to annual or personal leave only for the reasons listed below
- (A) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT,
 - (B) To serve as a juror,
 - (C) To attend the funeral of someone in the immediate family Immediate family shall include father, mother, sister, brother, husband, wife or child, and other relatives, (including in-laws) if such other relatives are actually members of the employee's household In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave, or
 - (D) To attend seminars or workshops
- 15 7 Chief Executive Officers (CEOs), directors and other supervisory personnel of CONTRACTOR may not supervise a spouse, parents, children, brothers, sisters, and in-laws standing in the same relationship, (hereinafter referred to as "Relatives") who are involved in any capacity with program delivery supported through CITY funds Relatives, however, may be co-workers in the same Project in a non-supervisory position

XVI ADVERSARIAL PROCEEDINGS

- 16 1 CONTRACTOR agrees to comply with the following special provisions
- (A) Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity, and
 - (B) CONTRACTOR, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved

XVII CITY-SUPPORTED PROJECT

- 17 1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department

XVIII EQUIPMENT

- 18 1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget, prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of \$100 00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of \$100 00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms, "equipment," and "property," as used herein, shall include not only furniture and other durable property, but also vehicles
- 18 2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed, whether or not the Project continues to be supported by Federal funds, but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall, at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination for cause of this CONTRACT
- 18 3 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or programs sponsored by HUD that financed the equipment, second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income

- 18 4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include
- (A) A description of the equipment, including the model and serial number, or other identification number, if applicable,
 - (B) The date of acquisition, cost, and procurement source, purchase order number, and vendor number,
 - (C) Information from which one can calculate the percentage of Federal participation in the cost of the equipment,
 - (D) An indication of whether the equipment is new or used,
 - (E) The vendor's name (or transferred from),
 - (F) The location and condition of the equipment and the date the information was reported,
 - (G) The property number shown on the property tag, and
 - (H) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share
- 18 5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records. CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference. CONTRACTOR shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.
- 18 6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining, and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and, if applicable, the Federal Bureau of Investigation (FBI). CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen, missing, damaged, and/or destroyed equipment/property. The report submitted by CONTRACTOR to the Managing City Department shall minimally include
- (A) A reasonably complete description of the missing, damaged or destroyed articles of property, including the cost and serial number and other pertinent information,

(B) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction, and

(C) A copy of the official written police report or, should the Police not make such copy available, a summary of the report made to the Police, including the date the report was made and the name and badge number of the Police Officer who took the report

18 7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire, loss, and theft

18 8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return, and all sale proceeds shall be program income prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment, it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds

XIX TRAVEL

19 1 The cost associated with budgeted travel for business, either in-town or out-of-town, are allowable costs provided documentation of expenses is present

(A) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement, the employees 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law, and 2) must record, on a daily basis, odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(B) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT, CONTRACTOR shall 1) provide the CITY with detailed documentation of such business travel expense(s), 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more

liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration, 3) purchase all business travel at economy class rates and shall document such, and 4) submit support for conferences to include itineraries and documentation certifying conference attendance

XX NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 20 1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the acquisition, construction, operation, maintenance, administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship, religious instruction, or proselytization. CONTRACTOR further agrees not to engage in inherently religious activities, such as worship, religious instruction, or proselytization when using said facility

XXI DEBARMENT

- 21 1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program
- 21 2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein, if, at any time during the term of this CONTRACT, including any renewals hereof, CONTRACTOR learns that its certification was erroneous when made or have become erroneous by reason of changed circumstances

XXII ASSIGNMENT

- 22 1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable, the Grantor of the grant source. Any attempt to transfer, pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party

XXIII AMENDMENT

- 23 1 Any alterations, additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance, as to the CITY's approval, provided, however, the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio, if permitted by all applicable local, state and federal

laws, and in the following circumstances

- (A) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) \$25,000 00, whichever is the lesser amount, provided, however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount,
- (B) Modifications to the Performance Measures set forth in Attachment I hereto, so long as the terms of the amendment stay within the parameters set forth in the Statement of Work, also set forth in Attachment I hereto,
- (C) Budget line item shifts of funds, so long as the total dollar amount of the budget set forth in Section 3 1 of this CONTRACT remains unchanged, provided, however, that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Attachment II) of this CONTRACT, and
- (D) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio's Risk Manager and the Director of the Managing City Department

XXIV. SUBCONTRACTING

- 24 1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source, if so required by said Grantor
- 24 2 CONTRACTOR must comply with all applicable local, state and federal procurement standards, rules, regulations, and laws in all its sub-contracts related to the work or funds herein. It is further agreed by the parties hereto that the CITY has the authority to monitor, audit, examine, and make copies and transcripts of all sub-contracts, as often as deemed appropriate by the CITY. If, in the sole determination of the CITY, it is found that all applicable local, state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such, this CONTRACT will be subject to termination in accordance with the provisions hereof
- 24 3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract, and unless specific waiver is granted in writing by the CITY, shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR. CONTRACTOR agrees that payment for services of any sub-contractor shall be

submitted through CONTRACTOR, and CONTRACTOR shall be responsible for all payments to sub-contractors

- 24 4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program

XXV. OFFICIAL COMMUNICATIONS

- 25 1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below

CITY

Grants Administrator
Office of Grants Monitoring and Administration
1400 S Flores
San Antonio, Texas 78204

CONTRACTOR

President and CEO
El Centro Del Barrio
3750 Commerical Avenue
San Antonio, Texas 78221

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change

XXVI VENUE

- 26 1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be brought in a court of competent jurisdiction in San Antonio, Bexar County, Texas

XXVII. GENDER

- 27 1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires

XXVIII. AUTHORITY

- 28 1 The signer of this CONTRACT for CONTRACTOR represents, warrants, assures, and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms, conditions, provisions and obligations herein contained. CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body, acting in accordance with the governing instruments submitted to the CITY in the application for funding. Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas. CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT.

XXIX. LICENSES AND TRAINING

- 29 1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training, license, or certification to provide said services, and meet all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

XXX. INDEPENDENT CONTRACTOR

- 30 1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore, and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other.
- 30 2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture, or any other similar such relationship, between the parties hereto.
- 30 3 Any and all of the employees of CONTRACTOR, wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only, and not of the CITY, and any and all

claims that may arise from the Workers' Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR

XXXI SEVERABILITY

- 31 1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code, or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein, it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable

XXXII. CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual

- 32 1 CONTRACTOR acknowledges that City Code, Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high-risk" discretionary contract, as defined by the City of San Antonio Contracting Policy and Process Manual, may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ, if the identity of the signatory will be different from the individual submitting the response
- 32 2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk
- 32 3 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, that the individual signing this CONTRACT has not made any contributions in violation of City Code, Section 2-309, and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may, in its discretion, declare this CONTRACT void

XXXIII ENTIRE CONTRACT

33 1 This CONTRACT and its attachments, if any, constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon, and supersede all prior negotiations, representations, or contracts, either oral or written

In witness of which this CONTRACT has been executed effective the 1st day of October, 2009

JK CITY OF SAN ANTONIO

CONTRACTING AGENCY.

EL CENTRO DEL BARRIO

for Rose Arredondo

JENEATTA TINSLEY
Grants Administrator
Office of Grants Monitoring and
Administration

Ernesto Gomez

ERNESTO GOMEZ
President and CEO

APPROVED AS TO FORM

Emil M Howard

Emil M Howard
Assistant City Attorney

Board President (if required by
Agency)

ATTACHMENTS.

- Attachment I – Work Statement
- Attachment II – Project Budget
- Attachment III – Technical Workbook
- Attachment IV – Federal Compliance Manual
- Attachment V – Performance Report
- Attachment VI – Billing Package
- Attachment VII – Direct Benefit Form
- Attachment VIII – Special Provisions

ATTACHMENT I

WORK STATEMENT

WORK STATEMENT

I SUB-GRANTEE

El Centro del Barrio d/b/a CentroMed
3750 Commercial Avenue
San Antonio, TX 78221
Phone 210-334-3700 Fax 210-922-0162
Email egomez cdb@tachc.org and aserrano cdb@tachc.org

II PROJECT NAME.

Activity Center for the Frail and Elderly (ACFE)

III STATEMENT OF PROJECT RESPONSIBILITY

A POLICY

El Centro del Barrio, doing business at CentroMed, is a community-based bilingual-bicultural health and human service agency incorporated as a private, non-profit organization in 1973. CentroMed's mission is to improve the health status of the community in partnership with community residents. CentroMed has provided services to indigent residents in south San Antonio, Texas for 35 years in 2008 and has had service contracts with the City of San Antonio for 34 years.

CentroMed has a long history of successfully administering needed medical and social services to persons who are economically disadvantaged, homeless, and medically underserved persons through eight programs operating from 20 sites. Services provided include comprehensive medical and dental services, mental health counseling, nutrition services, HIV testing, education and primary medical care, day activity centers for frail and disabled adults, child development, parent education, and case management services.

CentroMed will operate the program in conformance with CDBG requirements, City of San Antonio contract provisions, Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) standards, generally accepted accounting principles, clinical guidelines, and fiscal, personnel, operations, and other CentroMed policies as set by the Board of Directors.

Name	Title	Address	Phone
B ADMINISTRATION			
Ernesto Gomez, PhD	President and CEO	Administration 3750 Commercial Avenue San Antonio, TX 78221	210-334-3700
Chuck Walzel, MBA, CPA	Vice President and CFO		
Don Macaulay, MBA	Vice President and COO		
C STAFFING			
Arlene Taylor, LVN	Director of Elder Services	Elder Services 123 Ascot San Antonio, TX 78224	210-927-6883
Celvia Gonzalez, LVN	Licensed Vocational Nurse		
Ernestina Solis, CNA	Certified Nurse Aide		
Bertha Bustamante	Medical Aide and Activity Director		
Adrian Bueno	Driver		
Elisa Torres	Driver		
D OPERATIONS			

Name	Title	Address	Phone
Don Macaulay, MBA	Vice President and COO	Administration	210-334-3700
Anna Serrano, MPH, MBA	Director of Quality Management and Administrative Services	3750 Commercial Avenue San Antonio, TX 78221	
Arlene Taylor, LVN	Director of Elder Services	Elder Services 123 Ascot San Antonio, TX 78224	210-927-6883
E BUDGET AND FISCAL MATTERS			
Chuck Walzel, MBA, CPA	Vice President and CFO	Administration 3750 Commercial Avenue San Antonio, TX 78221	210-334-3700

IV PROJECT DESCRIPTION.

CentroMed's Activity Center for the Frail and Elderly (ACFE) targets frail and elderly City of San Antonio residents age 62 and over. ACFE opened in 1989 and has served for almost 20 years now as an alternative to premature institutionalization of frail and elderly persons on the Southside of San Antonio by providing nutritional meals and an environment with activities designed to reduce social isolation.

Loneliness and social isolation are common among older persons who have little or no opportunity to socialize with others of like circumstances due to lack of financial resources, transportation, or familial support. Those targeted often live alone or with adult children. The Texas Department of Protective and Regulatory Services (TDPRS) identifies isolation as one of the major issues facing vulnerable elderly people. This particularly affects those who are chronically ill, widowed, living alone, have reduced resources, and are female. Isolation is of particular concern because it often leads to self-neglect, a condition that can be life threatening (TDPRS, *Why Not Forgotten*, 2004).

Mental health is also an issue for the elderly in San Antonio. According to the TDPRS, 15 of every 100 elderly suffer from depression (TDPRS, *Why Not Forgotten*, 2004). Depression in the elderly can be caused by biological changes in the brain, physical illness, or the inability to recover from grief over the loss of a loved one. The 2007 Bexar County Community Health Collaborative community health assessment reports that more Southside residents suffer chronic depression, with 30% of Southsiders reporting being depressed for two years or longer as compared to 24% in Bexar County as a whole (Bexar County Community Health Collaborative (BCCHC), 2007).

Poor nutrition is another common problem in the elderly. Physical, mobility, and cognitive limitations make shopping for, preparing, and consuming food difficult. Additionally, changes in the sense of taste can cause decreases in the desire to eat or to eat sufficient quantities of food. Financial problems can also negatively impact nutrition. According to the BCCHC assessment, only 15% of Southside residents consume fruits two or more times per day, as compared to 23% in North Central San Antonio. Only 22% of Southside residents consume vegetables three or more times per day, as compared to 50% of North Central residents. The elderly are also often sedentary due to legitimate concerns about becoming injured while alone, but only 63% of elderly and non-elderly Southsiders engage in leisure time physical activity – the lowest proportion in the county. Proper diet and exercise are critical for elder physical and mental health.

Finally, due to transportation issues, cognitive and physical limitations, and poverty, many elderly do not receive the medical and pharmaceutical care required to manage chronic diseases and prevent life-threatening diseases (e.g., influenza) and complications (e.g., diabetic limb amputation or

blindness) Regular medical checkups and medication compliance are critical for longevity and quality of life among the elderly

Hot, nutritious noon meals and mid-morning and afternoon snacks are served each day. Special diets are provided as required. Both the nutrition and social benefits of the group meal contribute to the overall well-being of clients. Active group exercise helps participants maintain or regain strength and normal muscle functioning, as well as improving immune system functioning and overall physical health. Although the mechanism is not well understood, exercise is also now known to have significant effects on mental health, particularly in alleviating depression and anxiety. In addition, self-esteem and a sense of independence are enhanced through exercise. Individual and group activities include recreation, such as arts and crafts and dancing, and educational opportunities like guest lectures and field trips. Of course, mealtimes and group exercise offer further socializing opportunities. Participation in recreational activities encourages clients to interact with one another. All of these activities offer the additional benefit of encouraging clients to form positive self-images.

Monthly screenings and immunizations are provided to all clients. In addition, the nurse provides a significant amount of one-on-one education and assistance to clients, answering questions about their health conditions, the purposes and dosages of their medications, the times and locations of their medical appointments and other issues related to their health. Clients are assisted with medication administration, diet counseling, and other health concerns as needed or requested by the client. A podiatrist and family practice physician make regular visits for diabetic care, and a nutritionist makes monthly visits to provide group and individual nutrition counseling. Clients without primary care "medical homes" are connected to one of CentroMed's clinics, and other services are provided through referral when needed. In many cases, CentroMed's ability to refer to its own programs can overcome typical barriers to access, like lack of transportation and financial resources to pay for care. One client with severe oral health problems is now receiving services at a CentroMed dental clinic a short distance from Elder Services, transportation is provided. Another client is currently engaged in counseling as a result of an internal referral to CentroMed's Family Resource Center, located next door to Elder Services.

Provision of medical services alleviates some concerns of clients, such as worry about whether the proper amount of medication was taken, which in turn frees them to focus on other areas of their lives. The advantages of daily interaction with nursing and other staff can be even more dramatic in one incident, for example, a client came in one morning shuffling and having some difficulty speaking. Because staff were experienced in recognizing the signs of stroke and knew that these behaviors were very unusual for the client, they were able to notify the client's family that he needed immediate medical attention. Although they observed the same symptoms, the client's family members did not recognize that a stroke had occurred.

In addition to the benefits that accrue directly to the client, the program provides respite for the elderly or disabled person's caregivers, who are often overwhelmed by the responsibilities of caring for a loved one with decreasing self-sufficiency, particularly those clients with more serious medical conditions. Working with persons who are experiencing medical difficulties is emotionally and physically tiring, particularly if only one caregiver is available to provide care day and night. The Elder Services program provides relief from this situation. Furthermore, in some cases having the elderly or disabled person in a day program enables caregivers who otherwise could not do so to pursue employment or educational opportunities.

Participants and their families are active in planning activities for the ACFE program, including field trips, daily activities, and crafts. Family members are asked about the interests of those participants who have physical or cognitive difficulties expressing their preferences. Family members and participants also provide samples of crafts to suggest day activities. Finally, information received through the participant and caregiver satisfaction surveys is used to improve other program areas.

The center is open Monday through Friday from 7 a.m. to 5 p.m., excluding six agency holidays per year. Participants come to the center as often as they and their caregivers choose and their health allows, attendance typically averages three to four days per week. Although program participants often receive health care and mental health counseling via intra-agency referral to other CentroMed programs, the ACFE program is directly staffed by the Director of Elder Services (an LVN), a Medical Assistant, a Medical Aide, and Driver.

V. PROGRAM GOALS, OBJECTIVES, AND PERFORMANCE INDICATORS (See attached)

The goal of the ACFE program is to improve the social and physical health status of low-income frail and elderly San Antonians, preventing premature institutionalization. The objectives are to provide comprehensive community-based family strengthening services, to enable the elderly and disabled to retain an independent and healthy quality of life through the provision of nutrition, personal care, transportation, and community engagement, and to ensure progress toward identified performance and budget targets.

The goal and objectives are achieved by offering improved nutrition, physical activity, reduced social isolation, and mentally engaging educational and recreational activities in a community-based activity center setting. In addition, elder participation in the weekday activity center offers caregivers respite from the demands of round-the-clock care of frail and elderly loved ones still able to live at home, and allows family members time to work during the week.

The performance measures are detailed in the *Project Performance Measures* section. In summary, program performance is measured by

- Unduplicated number of participants served
- Number of client attendance days
- Number of service units delivered, where a service unit is an health service or activity unit
- Percent of participants reporting being happier, healthier, and less lonely as a result of program services
- Percent of caregivers reporting being less stressed, better able to maintain employment, and better able to care for the client as a result of program services
- Cost per client attendance day

Number of participants served, number of client attendance days, number of activity units (including health screenings and immunizations) provided are documented in and tracked via the client paper chart and transferred to an Excel database built for the program. The 15-item Symptom Distress Scale is used to calculate the percentage of clients who are happier, healthier, and less lonely. Caregiver surveys are used to determine the percent of caregivers who are less stressed, more able to maintain employment, and better able to care for the client as a result of services. Finally, cost per client attendance day is measured through calculating the average cost compared to the total budget.

VI SERVICE AVAILABILITY (Contact Information, i.e location, phone and days/hours of operation)

ACFE is located in a Southside San Antonio neighborhood at 123 Ascot, two blocks west of Interstate 35 and one block north of Military Drive. The 5,200 s f center is open Monday through Friday from 7 a m to 5 p m , excluding six agency holidays per year. ACFE can be contacted by phone at (210) 927-6883. Participants come to the center as often as they and their caregivers choose and their health allows, attendance typically averages three to four days per week. Although program participants often receive health care and mental health counseling via intra-agency referral to other Centromed programs, the ACFE program is directly staffed by the Director of Elder Services (an LVN), a Licensed Vocational Nurse, a Certified Nurse Assistant, medical aide, and two drivers.

VII. TARGET POPULATION

The target population is residents of Southside San Antonio 62 years of age and older, this population is predominantly Spanish speaking, Hispanic, and low-income. Fourteen percent of the Southside service area population of 255,037 is aged 62 and older. Nearly six in ten are female, 81% are Hispanic, and 24% have incomes at or below 100% of the Federal Poverty Level.

VIII. ELIGIBILITY CRITERIA

ACFE is open to San Antonio residents aged 62 or older.

IX FEES

No fees are charged to program participants.

X. SPECIAL CONSIDERATIONS

(See Attachment VII)

PROJECT PERFORMANCE MEASURES

PROJECT NAME Activity Center for the Frail and Elderly

PROJECT NUMBER 28-035033

SUB-GRANTEE El Centro del Barrio d/b/a CentioMed

CONTRACT PERIOD October 1, 2009 through September 30 2010

PROJECT MISSION

The goal of this program is to improve the social and physical health status of the elderly, preventing premature institutionalization. The objectives are to provide comprehensive community-based family strengthening services, to enable the elderly and disabled to retain an independent and healthy quality of life through the provision of nutrition, personal care, transportation, and community engagement, and to ensure progress toward identified performance and budget targets.

PERFORMANCE MEASURES

											GOAL/ADOPTED
											FY 2009-2010
Input											
01 Total CDBG Funds											\$120,000
02 Total Other Project Funds											\$32,001
03 Total CDBG-supported staff											5.75 FTE
Output											
01 Total CDBG Expenditures											\$120,000
02 Total Other Expenditures											\$32,001
03 Total number of unduplicated participants served											40
04 Number of clients served per month (new or duplicated)											40
05 Number of service health units delivered (i.e. screenings, immunizations, nutrition counseling, etc.)											450
06 Number of service activity units delivered (i.e. field trips, daily activities, crafts, etc.)											12,180
05 Total number of unduplicated clients served by council district											
District	1	2	3	4	5	6	7	8	9	10	Total
# of Clients	1	0	3	29	6	0	1	0	1	0	40
Efficiency											
01 CDBG Cost per unduplicated participant											\$ 3,000
02 CDBG Cost per service unit											\$9.50
03 Average CDBG cost per client served											\$ 3,000
Effectiveness											
01 % of CDBG Funds Expended											100%
02 % of Other Project Funds Expended											100%
03 Percent of participants reporting being happier, healthier, and less lonely as a result of program services, where "participant" is defined as an elder participating in the program for at least 30 days and a minimum of once per week											100%
04 Percent of caregivers reporting being less stressed, better able to maintain employment, and better able to care for the client as a result of program services, where "caregiver" is defined as a family member with caregiving responsibilities for clients participating in the program for at least 30 days and a minimum of once per week											90%

ATTACHMENT II

PROJECT BUDGET

- 1 BUDGET DETAIL
- 2 AGENCY FUNDING SOURCES

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010**

SUB-GRANTEE El Centro del Barrio d/b/a CentroMed

PROJECT NAME Activity Center for the Frail and Elderly

CONTRACT PERIOD Contract Execution - Earlier of 9/30/10 or Project Completion

SALARIES*

Position*	Total	Other Funding	CDBG Amount
Driver/Aide (CDBG pays 100% of salary)	17,160 00	0	17,160 00
Driver (CDBG pays 50% of salary)	17,680 00	8,840 00	8,840 00
LVN/Director of Elder Svcs (CDBG pays 75% of salary)	29,979 00	7,495 00	22,484 00
LVN (CDBG pays 50% of salary)	26,162 00	13,081 00	13,081 00
Medical Aide (CDBG pays 100% of salary)	18,850 00	0	18,850 00
Medical Aide, Activity Director (CDBG pays 100% of salary)	19,630 00	0	19,630 00
TOTAL	\$129,461 00	29,416 00	\$100,045 00

FRINGE BENEFITS**

Type **		Total	Other Funding	CDBG Amount
FICA	7 65%	9,904 00	2,250 00	7,654 00
Life Insurance	0 34%	440 00	100 00	340 00
Worker's Compensation	0 60%	777 00	176 00	601 00
Unemployment Insurance	0 20%	259 00	59 00	200 00
Health Insurance	\$155 per month per employee	11,160 00	0	11,160 00
TOTAL		\$ 22,540 00	2,585 00	\$ 19,955 00

CONTRACTUAL ***

Type***	Service Detail	Total	Other Funding	CDBG Amount
None				
TOTAL				

CAPITAL OUTLAY ***

Description	Total	Other Funding	CDBG Amount
None			

OTHER ***

Description	Total	Other Funding	CDBG Amount
None			

- * Attach Job Descriptions
- ** Indicate Formula for Determination
- *** Requires Prior City Approval

AGENCY FUNDING SOURCES

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

SUB-GRANTEE El Centro del Barrio d/b/a CentroMed

PROJECT NAME Activity Center for the Frail and Elderly

CONTRACT PERIOD Contract Execution - Earlier of 9/30/10 or Project Completion

PROGRAM	ALL FUNDING SOURCES	AMOUNT
Activity Center for the Frail and Elderly (ACFE)	City of San Antonio CDBG	\$120,000
Activity Center for the Frail and Elderly (ACFE)	El Centro del Barrio (CentroMed)	\$32,001

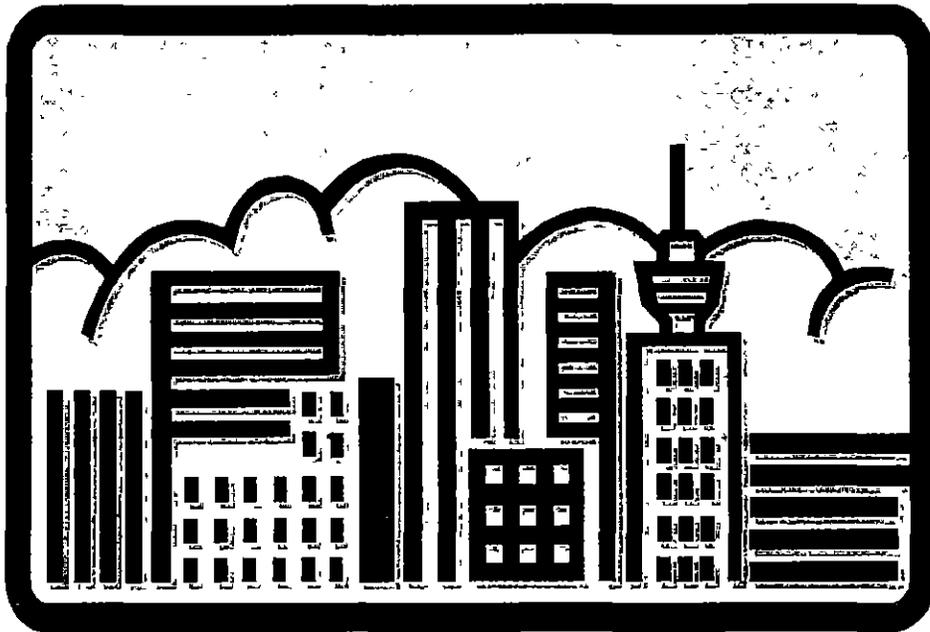
ATTACHMENT III

FUNDING GUIDE



CITY OF SAN ANTONIO

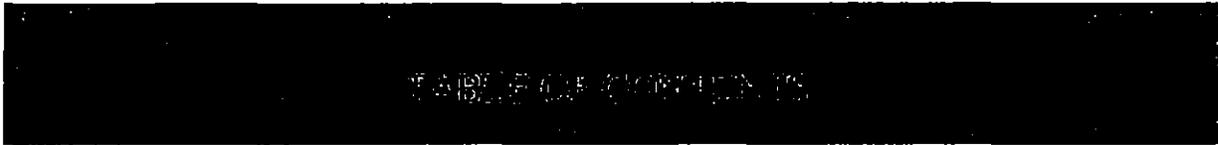
**CONSOLIDATED HUMAN DEVELOPMENT SERVICES FUNDING POOL
FUNDING GUIDE**



Collaborative Effort

City of San Antonio Departments of Community Initiatives, Economic Development, Grants Monitoring & Administration

FY 2009 and FY 2010



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I OVERVIEW

In an effort to maximize financial resources during fiscal years 2009 and 2010, the City of San Antonio (the "City") through its Departments of Grants Monitoring & Administration, Community Initiatives, and Economic Development have established a Consolidated Public Service Funding process. Since funds provided are competitively allocated, organizations interested in providing and administering these Public Service activities are encouraged to submit a proposal highlighting their specific programs and detailing current resources available to conduct the anticipated activities. The competitive solicitation period shall begin in February 2008, and effectively culminate in submission of funding recommendations and budget adoption June 2008. Although some funding sources may be available around July 1, 2008, most funding sources shall be available for release on or about October 1, 2008. Other funds, as they may become available throughout FY09 and FY10 for services procured through the consolidated RFP may be awarded at a later date with approval of City Council of the City of San Antonio.

Funding from the Consolidated Human Development Services Funding Pool RFP of City Council ("City Funds") shall represent a limited percentage of the total agency revenues and expenses for FY2009 and FY2010, which percentage is established by City Council and is subject to change. The percentage of the total agency revenues and expenses that represents non-City Funds is sometimes referred to as the agency's "match" requirement. Contractor shall comply with any matching fund requirements set by City Council that apply to Contractor's contract, regardless of when such requirements are passed. Currently, if Contractor receives \$1,000,000.00 or more in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 35% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. If Contractor receives less than \$1,000,000.00 in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 50% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. These limits are not based on the revenues for the Project, but are based upon and determined by, the revenues for all of the Contractor's operations and activities in each contract year.

Contractor shall provide to the Managing City Department, acceptable evidence, as determined solely by the Director of the Managing City Department, that Contractor has secured revenues from sources other than from the City ("Non-City Funding") in an amount that meets the required limit no later than December 31, 2008 for Fiscal Year 2009 and no later than December 31, 2009 for Fiscal Year 2010. If Contractor does not provide the Managing City Department with acceptable evidence of the required amount of "Non-City Funding" by December 31 of the respective contract year, then the Contractor understands and agrees that the Director of the Managing City Department may reduce the amount of "City Funds" provided to Contractor in order to comply with this limit without obtaining the approval of the City Council.

Funds reduced as a result of either of the requirements above may be reprogrammed.

Contractor agrees that all amendments to any of the applicable laws in this Contract including the Funding Guide and Federal Compliance Manual shall be incorporated automatically into the Contract.

II. CONTRACT ADMINISTRATION

A. Department of Grants Monitoring & Administration Administered Contracts

All Contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions

- 1) Contractor understands and agrees from commencement date of contract execution to gather information and data relative to all programmatic and financial reporting
- 2) Contractor understands and agrees that it will cooperate with the Department of Grants Monitoring & Administration staff in such a way so as not to obstruct or delay its monitoring of Contractor's performance and that it shall designate one of its staff to coordinate the monitoring process as requested by CITY staff
- 3) Contractor shall ensure that all services are consistent with the City of San Antonio Consolidated Plan located at <http://www.sanantonio.gov/hcd/pdf/2005%202009%20Five%20Year%20Plan.pdf> Only CDBG Public Service funds will be distributed through the Request for Proposals generated in connection with this Funding Guide

B. Department of Community Initiatives Administered Contracts

All Contracts administered through the Department of Community Initiatives shall comply with the following Special Provisions

- 1) Contractor shall comply with the Department of Community Initiatives' policy on Supportive Services as well as any other Department of Community Initiatives policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by said Department upon execution of the contract
- 2) Contractor shall provide family outreach services and/or application assistance for the Children's Health Insurance Program (CHIP). Contractor shall also provide information on the TexCare Partnership program and application assistance for eligible children who are not currently covered under a health insurance plan. Contractor shall also maintain and provide to the City's Department of Community Initiatives, in a monthly report, the following information:
 - 1 number of eligible children not covered by a health insurance plan, and
 - 2 information and application assistance provided by the Contractor to eligible families
- 3) Contractor shall disseminate information on the School Readiness Guidelines (hereinafter referred to as "Readiness Guidelines") program to all program participants and to the general public. Contractor shall maintain records on the amount and type of outreach efforts in its

dissemination of information on the Readiness Guidelines, and shall submit on a monthly basis reports of said records to City's Department of Community Initiatives

- 4) The contractor shall disseminate information to the general public on information about the Women, Infants and Children (WIC) Program. The contractor shall assist families, who may be eligible for WIC services, in locating a WIC program office and provide the necessary referral to the family. The contractor shall provide information about other potential sources of food assistance in the local area to individuals who apply for the WIC program, but who cannot be served because the program is operating at capacity in the local area.
- 5) The contractor shall disseminate information to the general public on information about the Texas Food Stamp Program. The contractor shall assist families, who may be eligible for food stamps, in locating a program office and provide the necessary referral to the family.
- 6) The contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. The contractor shall be prepared to offer basic referrals to these services based on the individual needs of the family.
- 7) Contractor shall disseminate information to the general public on the benefits and eligibility for the Federal Earned Income Tax and Child Care Credits. Contractor shall provide participants with referrals to the City of San Antonio, Department of Community Initiatives, and Volunteer Income Tax Assistance (VITA) program. If available, the contractor shall provide office space for VITA volunteers to complete tax returns.
- 8) Contractor shall allow City's Department of Community Initiatives' Community Action staff to train Contractor's staff in certifying participants for SAWS Water Affordability Program in client verification, application processes and monitoring the Campaign. Contractor staff shall provide assistance in the implementation of the SAWS Water Affordability Program Campaign. Contractor shall complete necessary documents and a monthly summary report on the number of households assisted, and forward said monthly reports to the Community Action Office, located at 115 Plaza de Armas, Ste 150, San Antonio, TX 78205. Community Action staff shall provide support for contractor in the execution of these tasks on an on-going basis. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.
- 9) Contractor agrees that it may be selected to provide eligibility determination services to the City for utility assistance credits through Projects WARM (*Winter Assistance Relief Mobilization*) and REAP (*Residential Energy Assistance Partnership, Inc*) to low-income and elderly residents who are City Public Service ("CPS") customers. Contractors may, at the sole discretion of the City, be required to perform these duties.

If selected by City to conduct Project WARM and REAP eligibility determination services, Contractors understand and agree that said services are part of the consideration for the City's award of funds. Contractors further understand and agree that City may not compensate Contractors for said services. Contractor further understands and agrees that City may not reimburse Contractor for any costs or expenses associated with said services or for Contractor making assistance credit recommendations to City.

Contractor shall allow City's Department of Community Initiatives', Community Action staff, to train Contractor's staff in providing eligibility determination services for Projects **WARM** and **REAP**. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.

- 10) Contractor agrees that it may be selected to participate in the Homeless Management Information System (HMIS) project of the City of San Antonio funded through the U.S. Department of Housing and Urban Development. Participation in HMIS must meet all requirements of HMIS. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 11) Contractor agrees that it may be selected to participate in the Child Care Single Portal of Entry (SPE) project of the City of San Antonio. Participation in SPE must meet all requirements of SPE project rules. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 12) Contractor agrees to make reports to the City of San Antonio, Department of Community Initiatives in the form requested by the City.

C Department of Economic Development

All Workforce Development Delegate Agency Contracts will be administered through the Department of Economic Development. All Workforce Development Delegate Agency Contracts shall comply with the following:

- 1) Contractor shall comply with all Economic Development Department policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by the Department upon execution of the contract.
- 2) Contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. Contractor shall be prepared to offer basic referrals to these services based on the individual needs of the participant.
- 3) Contractor agrees to make reports to the City of San Antonio, Economic Development Department in the form requested by the City.

III Statutory Guidelines and Special Provisions

A. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, (**hereinafter referred to as Community Development Act**), as amended for utilization in connection with its Community Development Block Grant (CDBG) Program for Public Service. The federal government defines Public Service programs as "activities directed towards improving employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs."

Income Eligibility Requirements for Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is a grant provided by the U S Department of Housing and Urban Development. The Department of Grants Monitoring & Administration administers the grant for the City of San Antonio for use in revitalizing neighborhoods, providing affordable housing, expanding economic opportunities, and improving community facilities and services.

National Objectives

An activity must meet one of the following CDBG National Objectives to be eligible to receive funds:

- (1) Benefit low- and moderate-income families,
- (2) Prevent or eliminate slums or blight, or
- (3) Meet other urgent community development needs

Population to be served and Beneficiaries

In most cases, as direct beneficiaries, clients benefiting from CDBG supported public service activities must be documented as having gross annual household incomes not exceeding 80% of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines.

The Department of Grants Monitoring & Administration has established a Funding Policy under which each application will be considered. This policy identifies a number of general and activity-specific objectives that must be met in order for an application to receive further consideration.

The Funding Policy also makes clear that the Federal CDBG regulations allow up to 15% of the annual grant to be allocated to public service programs. However, the City will award funds to public services based on current funding priorities. Public services include but are not limited to those programs concerned with employment, crime prevention, childcare, day care, health care, drug abuse prevention, education, mental health, energy conservation, welfare, or recreation.

Contractors receiving contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions:

1) The federal government defines Public Service programs as activities "directed towards improving the community's public services and/or facilities including, but not limited to, those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs." In most cases, as direct beneficiaries, clients benefiting from CDBG supported Public Service activities must be documented as having gross annual household incomes not exceeding eighty-percent (80%) of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines. **In addition, HUD CDBG regulations require the Public Service program to be a new service or demonstrate a quantifiable increase in the level of an existing service.**

2) Successful Proposers funded through CDBG will be subject to the following Special provisions:

- Department of Labor Regulations (29 CFR Part 5, as amended)

- The Copeland Anti-Kickback Act (18 USC 874), as amended, and as supplemented by Department of Labor regulations (29 CFR Part 3, as amended)
- The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), as amended, and as supplemented by Department of Labor regulations (29 CFR Part 5, as amended)
- Executive Order 11246 (Equal Opportunity), as amended, and as supplemented by Department of Labor regulations (41 CFR, chapter 60, as amended)
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits

3) Contractor shall comply with applicable uniform administrative requirements, as promulgated in Title 24 CFR 570 502

4) Contractor further assures and certifies that if the regulations and issuances promulgated pursuant to the Community Development Block Grant rules and guidelines are added to, amended or revised, it shall comply with them or notify the City as provided in this Contract. Contractor understands and agrees that if the regulations and issuances promulgated pursuant to the Community Development Act are amended or revised, it shall comply with them or otherwise immediately notify City pursuant to the provisions of Article XXVI (26 1) of this Contract

5) Contractor understands and agrees that eligible activities funded under the Community Development Block Grant (CDBG) Program, must meet the National Objectives as defined in the Code of Federal Regulations, 570 208 (a)(2)(1)(A), stating that the services provided must be a direct benefit to "low and moderate" income-limited clientele

6) Contractor assures and certifies that it will comply with the requirements of the Community Development Act and with all applicable Community Development Block Grant (CDBG) regulations promulgated there under as Title 24 570 200 of the Code of Federal Regulations

7) Contractor assures that all contractors and subcontractors receiving funds in connection with a CDBG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

8) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects

covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing

- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135
- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

B. Child Care Development Fund Block Grant (CCDF)

The City of San Antonio receives CCDF funds through a contract with the Alamo Workforce Development, Inc hereinafter referred to as Alamo WorkSource. Based on availability, federal matching funds will support local initiatives that improve the quality of early care and education programs for young and school age children through Quality Improvement Activities (QIA) and family strengthening strategies. Funding may be awarded from multiple sources including U S Department of Health and Human Services Child Care Development Fund Block Grant (CCDF), Temporary Assistance to Needy Families (TANF), and the U S Department of Labor Welfare to Work or Workforce Investment Act (WIA) programs.

1) Contractors funded through CCDF shall comply with the following laws

- Child Care and Development Block Grant Act of 1990 - CFR Title 45, Sections 98 and 99 contain the regulations for the implementation and operation of the CCDBG
- Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (HR3734) (Welfare Reform) amends 42 USC 9858 which creates the Child Care Development Fund (CCDF)
- Public Law 104-193
- Public Law 105-33
- USC Title 42 Section 9858 (The Omnibus Reconciliation Act of 1990) created the Child Care and Development Block Grant (CCDBG) and authorizes payment for certain child care and quality improvement activities
- USC Title 42, Chapter 7, Subchapter II Section 418 – Social Security Act, as amended entitled Federal Old-Age, Survivors, And Disability Insurance Benefits
- USC Title 42, Chapter 7, Subchapter IV, Section 601 through 679 entitled Grants to States for Aid and Services to Needy Families With Children and for Child-Welfare Services
- TAC Title 40 Part 20 – Texas Workforce Commission
- TAC Title 40, Part I, Chapter 73 Subpart A provides the processes and procedures for the administration of all programs and services receiving state financial assistance directly or through contractual arrangement, in accordance with applicable federal civil rights regulations
- TAC Title 40, Chapter 801 and 809
- Texas Education Code, Section 33.902
- Labor Code, Title 2, Chapters 21, 81, 301 and 302
- Human Resource Code, Chapter 22 (all), Chapter 31, Section 31.0035, Chapter 44 (all), Chapter 73 (all), and Chapter 121 (all)
- Government Code Title 10, Chapters 771 and 2308
- Texas WorkSource Commission Financial Manual for Grants and Contracts – available in hard copy format from the City of San Antonio, Department of Community Initiatives upon request
- Any other applicable federal, state, and local laws, including City and Alamo WorkSource, Inc rules regulations, policies, procedures and issuances promulgated under authority of the legislation and specific program requirements

2) ADDITIONAL RIGHTS IN DATA

Alamo WorkSource shall have the right to reproduce, publish or use the copy right of patent or rights in all data produced through this Contract

3) ADDITIONAL ETHICS REQUIREMENTS

- a) No employee of Contractor or Sub-Contractor, no member of Contractor's or Sub-Contractor's governing board or body, and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this Contract shall participate in any decision relating to this Contract which affect his/her personal pecuniary interest
- b) Contractor shall take every reasonable course of action to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Contract shall be administered in an impartial manner, free from efforts to gain personal, financial or political benefit, tangible or intangible. Contractor, its executive staff and employees, while administering this Contract, shall avoid situations, which could give the appearance that any decision was influenced by prejudice, bias, special interest or desire for personal gain
- c) Contractor has disclosed any interest, fact or circumstance, which does or may present a potential conflict of interest. Contractor shall immediately inform the City of San Antonio at the address in Article XXVI, Section 26.1 of this Contract and Alamo WorkSource at the address in Section (6) below, in writing of any potential conflict of interest which arises at any time during the term of this Contract

4) ADDITIONAL COMMUNICATIONS/NOTICES

In addition to the parties listed in Article XXVI, Section 26.1 of this contract, Contractor shall also submit all communications and notices to Alamo WorkSource in the same manner as set forth in Article XXVI, Section 26.1 of the contract to the address below

Executive Director
115 Travis, Suite 220
San Antonio, TX 78205

5) ADDITIONAL AUDIT / RECORDS INSPECTION

In addition to the requirements set forth in Article VII, Section 7.3 and Article VIII, Section 8.1 of this Contract, Contractor further agrees that all records and files with respect to all matters covered by or related to this Contract will be open for inspection and audit at any reasonable time during the term hereof by representatives of Alamo WorkSource and shall continue to be available for a period of three (3) years after the termination date hereof. If at the end of three (3) years, there is litigation or if the audit report covering such agreement has not been accepted, the Contractor shall retain the records until the resolution of such litigation or audit

6) ADDITIONAL REQUIREMENTS FOR AMENDMENT

In addition to the requirements set forth in Article XXIV, Section 24.1 of this Contract, Contractor further agrees that except when the terms of this Contract expressly provide otherwise, any alterations additions or deletions to the terms hereof shall be by amendment in writing and approved by Managing City Department and Alamo WorkSource

7) ADDITIONAL REQUIREMENT FOR ASSIGNMENTS

In addition to the requirements set forth in Article XXIII, Section 23 1 of this Contract, Contractor further agrees that Contractor shall not assign or transfer Contractor's interest in this agreement without the written consent of Alamo WorkSource

8) ADDITIONAL REQUIREMENT FOR SUBCONTRACTING

In addition to the requirements set forth in Article XXV, Section 25 1 of this Contract, none of the work or services covered by this agreement shall be sub-contracted without the prior written consent of Managing City Department and Alamo WorkSource Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written agreement, and unless specific waiver is granted in writing by Managing City Department and Alamo WorkSource , shall be subject by its terms to each and every provision of this agreement Compliance by sub-Contractors with this agreement shall be the responsibility of Contractor Contractor agrees that payment for services of any approved sub-Contractor shall be submitted through Contractor, and Contractor shall be responsible for all payments to sub-Contractors

C. Community Services Block Grant (CSBG)

Applicable Laws

The City of San Antonio receives CSBG funds through a contract with the Texas Department of Housing and Community Affairs

1) Contractors funded through CSBG shall comply with the following laws

- Public Law 103 252 which can be found at www.ncaf.org/csbg.htm
- Community Services Block Grant 42 USC Sections 9901 through 9926
- TAC Title 1, Part 1, Chapter 5, Subchapter A, Division 4, Rules § 5 144, §5 145, §5 150 and §5 167 – pertaining to Uniform Grants and Management Standards

2) Persons served through CSBG funds must meet income eligibility guidelines including having incomes at or below 125% of the Federal Poverty Income Level (FPIL) as established by the U S Department of Health and Human Services

3) Contractor agrees to adhere to all the requirements of the Results Oriented Management and Accountability (ROMA) system, a tool designed to measure consistent results of the Contractor's service delivery throughout the Contractor's service delivery period Texas Department of Housing and Community Affairs (TDHCA) mandates this requirement in accordance with CSBG Policy Issuance 98 12 8

D Emergency Shelter Grant (ESG)

Applicable Laws

The City of San Antonio is the grantee that receives ESG funds through a contract with the U S Department of Housing and Urban Development Through this RFP, the City makes ESG funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations The Emergency Shelter Grants program provides homeless persons with basic shelter and essential supportive services It can assist with the operational costs of the shelter facility, and for the administration of the grant ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs

ESG funds are available for the rehabilitation or remodeling of a building used as a new shelter, operations and maintenance of the facility, essential supportive services (i e, case management, physical and mental health treatment, substance abuse counseling, childcare, etc), homeless prevention, and grant administration

1) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other federal, state and local grants, and from "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time (See paragraph 4 on page 16 Language appears to be a duplication)

2) Contractors funded through ESG shall comply with the following laws

- USC Title 42, Section 11301 (1998) - Title IV, Subtitle B of the Stewart B McKinney Homeless Assistance Act, as amended
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits
- ESG Regulations – CFR Title 24, Part 91, Section 576 can be found at <http://www.hud.gov/offices/cpd/homeless/rulesandregs/regulations/576esg/index.cfm>
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

3) Contractor assures that all contractors and subcontractors receiving funds in connection with an ESG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project *In the event of conflict between this Contract and the Federal Compliance Manual, the Federal Compliance Manual shall control Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

4) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other state and local grants and must be in cash or cash equivalent for acquisition, rehabilitation, or new construction projects "In-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time may be used as match for service contracts such as operations of a facility or supportive services (Language appears to duplicate language on paragraph 1 of page 15)

5) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

6) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

E Housing Opportunities for Persons with AIDS (HOPWA)

Applicable Laws

The City of San Antonio receives Housing Opportunity for Persons With Aids (HOPWA) entitlement funds through a contract with the U S Department of Housing and Urban Development (HUD). The HOPWA Program was established by (HUD) to address the specific needs of persons living with Human Immunodeficiency Virus (HIV/AIDS) and their families. HOPWA makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons medically diagnosed with (HIV/AIDS), and their families. HOPWA funding provides housing assistance and related supportive services as part of HUD's Consolidated Planning initiative that works in partnership with communities and neighborhoods in managing federal funds appropriated to HIV/AIDS programs. HOPWA grantees are encouraged to develop community-wide strategies and form partnerships with area non-profit organizations.

1) Contractors funded through HOPWA shall comply with the following laws

- HOPWA Regulations – CFR Title 24, Part 91, Section 574 can be found at <http://www.hud.gov/offices/cpd/aidshousing/lawsregs/regs/index.cfm>
- Americans with Disabilities Act at USC 42 12101-12213 as codified under CFR Title 28
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

2) Contractor assures that all contractors and subcontractors receiving funds in connection with a HOPWA funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual which shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

3) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

4) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C. 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

IV. GLOSSARY OF TERMS

Amendment – An agreement executed by all parties to a Contract subsequent to the original execution date of such Contract which modifies provisions of such Contract

Audit - A systematic review by a CPA or other duly certified and licensed individual or organization to determine and report whether Contractor's financial operations are being properly conducted, financial reports are being presented fairly and applicable laws and regulations are being complied with All contractors must submit an audit of the program funded under this agreement as is further delineated herein For purposes of this Funding Guide, an Audit shall mean an OMB Circular A-133 Audit or an audit conducted in accordance with State of Texas or other applicable federal agency requirements

AWS - The Alamo WorkSource, Inc

AWDB - The Alamo Workforce Development Board

City - City of San Antonio, a Texas municipal corporation

Contractor - A service provider or program operator under contract with the City of San Antonio

CCDF – Child Care Development Funds

CSBG - Community Services Block Grant

ESG – An acronym for the Emergency Shelter Grant from HUD

Family. See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the Consolidated Plan differs from the Census definition) The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption

Federal Poverty Income Limits (FPIL) – see Poverty Level

General Fund - Funds that originate from the tax base or fees and fines collected by the City of San Antonio. These funds are generally adopted for expenditure in the City's budget through an ordinance.

Grantor – The organization that provides grant funds to the City

HHS – U S Department of Health and Human Services

HOPWA – Housing Opportunities for Persons with AIDS grant from HUD

Household One or more persons occupying a housing unit

HUD – U S Department of Housing and Urban Development

HUD Income Definitions - Annual income as defined under the Section 8 Housing Assistance Payments program at (24 CFR 813.106) or Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:

- A Wages, salaries, tips, commissions, etc,
- B Self-employment income from own non-farm business, including proprietorships and partnerships
- C Farm self-employment income
- D Interest, dividends, net rental income, or income from estates or trusts,
- E Social Security or railroad retirement,
- F Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs,
- G Retirement, survivor, or disability pensions, and
- H Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation and alimony, or

Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040) for individual Federal annual income tax purposes

Low- and moderate-income household - a household having an income equal to or less than the Section 8 income guideline limits established by HUD

Low- and moderate-income person - a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose.

Moderate-income household - a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD

Moderate-income person - a member of a family that has an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Monitoring - The process of observing and/or reviewing performance which may include on-site observation, review of paperwork and files, interviews with staff or customers, telephone conversations, and formal evaluation of compliance elements

Ordinance - A law enacted by the City Council of the City of San Antonio

Participant - An individual who has been determined eligible for and who is receiving program services

Policies - Guidelines for management of programs that have been developed using relevant federal and state laws, state rules, funding limitations, information from grantors, the public, and the goals of the individual programs

Poverty Level - The annual income threshold at or below which families are considered to live in poverty as established by the U S Department of Health and Human Services 2008 Poverty level is listed below The Federal government changes/updates the Federal Poverty Income Levels (FPIL) annually Updated FPIL can be found at [http //www hhs gov/](http://www.hhs.gov/)

2008 HHS Poverty Guidelines

Persons in Family or Household	48 Contiguous States and D.C	Alaska	Hawai
1	\$10,400	\$13,000	\$11,960
2	14,000	17,500	16,100
3	17,600	22,000	20,240
4	21,200	26,500	24,380
5	24,800	31,000	28,520
6	28,400	35,500	32,660
7	32,000	40,000	36,800
8	35,600	44,500	40,940
For each additional person, add	3,600	4,500	4,140

Procedures - A document that specifies the way to perform an activity and identifies the position responsible for its performance

Profit - An amount in excess of the cost necessary to operate a program Profit is allowable to the extent it is reasonable as determined during contract negotiations and not in excess of 10% of grant funds It includes that amount which is associated with proprietary materials included in the cost of the program Profit may be allocated among the cost categories for WIA (need to spell out what WIA stands for) related costs and may be treated differently for other funding sources Profit may only be earned by private for-profit organizations Profit is not allowable with City of San Antonio General Funds

Program Income - For purposes of this Contract, "program income" shall mean earnings of Contractor realized from activities resulting from this Contract or from Contractor's management of funding provided or received hereunder Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of Contractor provided as a result of this Contract, and payments from clients or third parties for services rendered by Contractor pursuant to this Contract Contractor shall include this language, in it's entirety, in all of its sub-contracts involving income-producing services or activities

Section 8 Income Guidelines - Income limits established by the Department of Housing and Urban Development (HUD) The newest limits can be found at the HUD website www.hud.gov

2007 Income Limits								
No. of Persons	1	2	3	4	5	6	7	8
Very Low-Income	\$11,250	\$12,900	\$14,500	\$16,100	\$17,400	\$18,700	\$19,950	\$21,250
Low-Income	\$30,050	\$34,350	\$38,650	\$42,950	\$46,400	\$49,800	\$53,250	\$56,700

Service Provider - Also referred to as the contractor

Supportive Services - May include the following linkages to community services, assistance with transportation costs, assistance with child care, assistance with housing costs, referrals to medical services, and assistance with uniforms, work related attire, and work related tool costs including eyeglasses

V REFERENCES

The following list of resources may be used to find the laws, rules, regulations, and policies referenced in this document. If you are unable to access via the link provided, please copy the link and paste into your browser address line

- **Age Discrimination in Employment Act of 1967** (Public Law 90-202) as amended
<http://www.eeoc.gov/policy/adea.html>
- **Americans with Disabilities Act**, Public Law 101-336, enacted July 26, 1990
<http://www.eeoc.gov/policy/ada.html>
- **City Charter of the City of San Antonio**
<http://www.sanantonio.gov/atty/reference/charter.htm>
- **City of San Antonio Ethics Code**
<http://www.sanantonio.gov/atty/Ethics/codetext.htm>
- **Civil Rights Act of 1991** (Public Law 102-166)
<http://www.eeoc.gov/laws/cra91.html>
- **Title VII of the Civil Rights Act of 1964** (Public Law 88-352)
<http://www.eeoc.gov/policy/cra91.html>
- **Code of Federal Regulations (CFR)**
<http://www.hudchips.org/cgi/index.cgi> for CDBG, ESG and HOPWA funded activities
<http://www.gpoaccess.gov/cfr/index.html> for all other federally funded activities

- Title IX of the **Education Amendments** of 1972 (USC Title 20, Sections 1681-1688)
<http://www.dol.gov/oasam/regs/statutes/titleix.htm>
<http://www.usdoj.gov/crt/cor/coo1d/titleixstat.htm>
- **Federal Drug-Free Workplace Act** of 1988 as adopted by the Texas Worker's Compensation Commission Rules Chapter 169
http://www4.law.cornell.edu/uscode/html/uscode41/usc_sup_01_41_10_10.html
<http://www.ci.league-city.tx.us/documents/Human%20Resource/DRGPOLIC.htm>
- **Equal Pay Act** of 1963 (Public Law 88-38)
<http://www.eeoc.gov/types/epa.html>
- **Employee Retirement Income Security Act (ERISA)** of 1974 (Public Law 93-406)
http://www.efast.dol.gov/ebsa/compliance_assistance.html
- **Fair Labor Standards Act** of 1938, as amended
http://www.dol.gov/esa/regs/statutes/whd/0002_fair.pdf
- **Internal Revenue Service (IRS)**
<http://www.irs.gov/index.html> or
http://www.irs.gov/newsroom/article/0,,id=151226_00.html (for mileage rates)
- **Occupational Safety and Health Act** regulations
<http://www.osha.gov/comp-links.html>
- **OMB Circulars**
<http://www.whitehouse.gov/omb/circulars/index.html>
- **Public Laws**
<http://www.gpoaccess.gov/plaws/index.html>

NOTE For most public laws listed in this document, you will need to go to the section of the website entitled "Previous Congresses -- 104th (1995-96) through 108th (2003-04) Congress" then click Search. You search by the number of congress that is the first three numbers in the number of the Public Law. Example: Public Law 104-193 is found in the 104th Congress. Then type in the Public Law number and press Submit. When you get the Search Results simply look in the Hits until you find the Public Law you want to review.

- Sections 501 and 505 of the **Rehabilitation Act** of 1973 (Public Law 93-112)
<http://www.eeoc.gov/policy/rehab.html>
- Sections 501 through 509 of the **Rehabilitation Act** of 1973
<http://www.access-board.gov/enforcement/Rehab-Act-text/title5.htm>
- Section 504 of the **Rehabilitation Act** of 1973 for CDBG, ESG and HOPWA contracts
<http://www.hud.gov/progdsc/s-504.cfm>
- For CSBG and CCDF contracts
<http://www.hhs.gov/ocr/504.html>

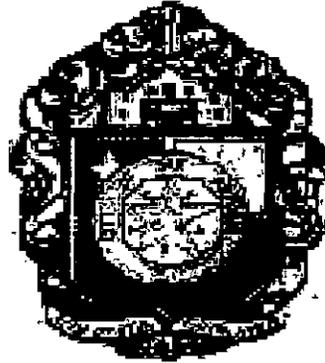
- **Texas Administrative Code (TAC)**
[http://info.sos.state.tx.us/pls/pub/eadtac\\$ext_ViewTAC](http://info.sos.state.tx.us/pls/pub/eadtac$ext_ViewTAC)
- **Texas Comptroller of Public Accounts** (for State Agency mileage rates)
<https://fm.xcpa.state.tx.us/fm/travel/milerate/index.php>
<http://www.window.state.tx.us/fm/statewise/05/10/5.html> (for State Agency per diem rates)
- **Texas Statutes (Codes)**
<http://www.capitol.state.tx.us>

NOTE The web link takes you to the Texas Legislature Online. On the left menu, click on Texas Statutes for a list of Codes.

- **Texas WorkSource Commission** <http://www.twc.state.tx.us/>
- **Worker's Compensation** statutory regulations
<http://www.tdi.state.tx.us/wc/referencesandforms.html>
- **Unemployment Insurance** statutory regulations
<http://www.twc.state.tx.us/customers/rpm/rpmsub1.html>
- **United States Code (USC)**
<http://uscode.house.gov/search/criteria.shtml>
- **United States General Services Commission** (travel per diem rates)
http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASICSIC

ATTACHMENT IV

FEDERAL COMPLIANCE MANUAL



**CITY OF SAN ANTONIO
DEPARTMENT OF GRANTS MONITORING AND ADMINISTRATION
FEDERAL COMPLIANCE MANUAL**

Revised February 2008

Introduction

As sub-grantees you are an indispensable part of the City's federal grant program. You provide the City of San Antonio and the U.S. Department of Housing and Urban Development (HUD) with assurance that the diverse communities, groups and individuals whom the federal program is intended to serve are in fact reached by the program.

Procedures established for administration of the City of San Antonio and U.S. Department of Housing and Urban Development supported grant programs require adherence to several applicable Federal Regulations. To aid in the identification of those regulations and to establish uniformity in policies and procedures utilized for compliance with them, the Department of Grants Monitoring and Administration has compiled the "Federal Compliance Manual." This manual is not meant to constitute a complete compilation of all duties imposed upon sub-grantees by law or administrative ruling or to narrow the standards to which sub-grantees must adhere.

Certain requirements defined in this manual may not be the direct duty of the sub-grantee. Nevertheless, the sub-grantee has ultimate responsibility for seeing that the requirement is met. All City departments, agencies and other contractors receiving federal funds for the operation of a project are required to adhere to all applicable regulations included in this manual.

DISCLAIMER

The views and materials presented herein are those of the City of San Antonio's Department of Grants Monitoring and Administration and not those of HUD. The recommendations and interpretations offered in this manual are meant to supplement, not replace, the formal regulations and policies of the Community Development Block Grant and HOME Entitlement Program. In areas of doubt, readers are advised to consult the specific program regulations.

FEDERAL COMPLIANCE MANUAL

I. Record Keeping

Accurate record keeping is crucial to the successful management of City funded activities. Insufficient documentation is likely to lead to monitoring findings, and these findings will be more difficult to resolve if records are *missing*, inadequate or inaccurate.

A. The requirements for financial management systems and reporting are found in 24 CFR Part 85.20 for governmental and public agency sub-grantees, and in OMB Circular A-122 Attachment F, for non-profit sub-grantees. The purpose of these requirements are to ensure that a sub-grantee receiving federal funds has a financial management system sufficient to

1. Provide effective control over and accountability for all funds, property, and other assets,
2. Identify the source and application of funds for federally sponsored activities, including verification of the reasonableness, allowability, allocability of costs, and verification that funds have not been used in violation of the restrictions or prohibitions that apply to this federal assistance, and
3. Permit the accurate, complete, and timely disclosure of financial results, in accordance with the reporting requirements of the City or HUD.

B. The soundness of any organization's financial management structure is determined by its system of internal controls. Internal controls consist of a combination of procedures, specified job responsibilities, qualified personnel, and records which together create accountability in an organization's financial system and safeguard its cash, property, and other assets. Through its system of internal controls, an agency's management can ensure that

1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies,
2. These resources are protected against waste, mismanagement or loss, and
3. Reliable information on the source, amount and use of resources is secured, maintained up-to-date, and disclosed in appropriate records and reports.

C. Some of the basic elements that a sub-grantee should consider in developing its system of internal controls include

1. An organizational chart setting forth the actual lines of responsibility of individuals involved.

- in approving or recording financial transactions
- 2 Written definition of the duties of key employees
 - 3 A formal system of authorization and supervision sufficient to provide accounting control over assets, liabilities, receipts, and expenditures This should include
 - a Maintenance of a policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures, and
 - b Written procedures for the recording of transactions as well as an accounting manual and a chart of accounts
 - 4 Adequate separation of duties so no one individual has authority over an entire financial transaction In organizations with very limited staff it may be difficult to achieve optimal separation of duties In such instances, the most critical functional areas are separation between custody of cash, record keeping for cash, and control of assets easily converted to cash Separation of duties specifically involves the separation of three types of functional responsibilities
 - a Authorization to execute a transaction,
 - b Recording of the transaction, and
 - c Custody of the assets involved in the transaction
 - 5 Hiring policies to ensure that staff qualifications are commensurate with job responsibilities
 - 6 Physical access to records, blank forms, cash and other assets should be limited to authorized personnel only For example, access to accounting records should be limited to only those individuals having record-keeping or supervisory responsibility for them
 - 7 Periodic comparisons of financial records to actual assets and liabilities, with corrective action taken in response to any discrepancies As with separation of duties, it is a crucial exercise to uncover and correct inadvertent record-keeping errors in a timely manner It is also essential for identifying potential weaknesses in an organization's system for safeguarding resources, as well as possible instances of fraud or misuse of assets
- D The system of authorizations should provide a way for management to ensure supervisory approval of transactions, and documentation of these transactions for accounting purposes A system of authorizations can be general - as in a procedure manual which explains how accounting functions are to be performed - or very specific, as in identifying who has the authority to sign a contract on behalf of the organization or to sell a piece of equipment

- E Sub-grantees are required to have accounting records that adequately identify the source and application of City funds provided to them. To meet this requirement, a sub-grantee's accounting system should include at least the following elements:
- 1 A chart of accounts. This is a list of names and the numbering system for the individual accounts that contain the basic information about particular classifications of financial transactions for the organization.
 - 2 Cash receipts journal. This journal documents (in chronological order) when funds were received, in what amounts, and from what sources.
 - 3 A cash disbursements journal. This journal documents the expenditures of the organization in chronological order (e.g., when the expense was incurred, how much was spent, to whom it was paid, and for what purpose).
 - 4 A payroll journal. This journal documents the organization's expenses for salaries and benefits, and distinguishes different categories for regulatory purposes.
 - 5 A general ledger. After a transaction is entered in a journal, that information also should be transferred to the proper accounts contained in the general ledger. The general ledger summarizes in chronological order the activity and financial status of all the accounts of an organization. The entries in the journal and ledger should be crossed-indexed to permit the tracing of any recorded transaction (i.e., an audit trail).
- F For the City's programs, these accounting records must contain reliable and up-to-date information about the source and uses of funds, including:
- 1 Federal grant awards (or sub-grantee allocations) received by the organization,
 - 2 Current authorization and obligations of City funds,
 - 3 Un-obligated balances (funds remaining available for distribution)
 - 4 Assets and liabilities,
 - 5 Program income,
 - 6 Actual outlays or expenditures, with further breakdown by
 - a The grant program from which the funds are derived,
 - b The eligible activity classifications (housing and rehabilitation, economic development, public facilities, public service, etc.) or similar classifications that clearly indicate use of program funds for eligible activities.
- G The internal control requirements provide for the separation of duties and the secure storage of accounting records in limited access areas. In maintaining these accounting records a sub-grantee should also ensure that

- 1 Journal entries are properly approved and explained/supported,
 - 2 Posting and trial balances are performed on a regular basis, and
 - 3 Fidelity bond coverage is obtained for responsible officials of the organization
- H The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of federally financed activities are found in 24 CFR Part 85 for governmental sub-grantees, and in OMB A-122 for nonprofit sub-grantees. According to basic guidelines contained within these OMB circulars, a cost is allowable under the federal program if
- 1 The expenditure is necessary, reasonable and directly related to the grant. This standard applies equally to such items as salaries and administrative services contracts, as well as to real property and equipment purchases or leases, travel, and other administrative expenditures. In determining the reasonableness of a given cost, consideration shall be given to
 - a Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or performance of the award,
 - b The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, federal and state laws, and regulations, terms, and conditions of the award,
 - c Whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the organization, its members, employees and clients, the public at large, and the government, and
 - d Significant deviations from the established practices of the organization that may unjustifiably increase the award costs
 - 2 The expenditure has been authorized by the City, generally through approval of the budget for activity. The City, based upon the provision of the contract, may disallow any expenditure by sub-grantee on such activities exceeding the approved amount
 - 3 The expenditure is not prohibited under federal, state, or local laws, or regulations
 - 4 The expenditure is consistently treated, in the sense that the sub-grantee applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-federally assisted activities
 - 5 The cost must be allocable to the federal program. A cost is allocable to a particular cost objective (e.g., grant, program or activity) in proportion to the relative benefits received by that objective. This means that
 - a If an office is utilized by two programs during the same hours, the costs of the office must

- be allocated between the two programs on an equitable basis
- b The same expense cannot be claimed against more than one account (e.g., double billing is prohibited)
 - c A cost originally allocable to a particular program cannot be shifted to another program in order to overcome deficiencies, to avoid restrictions imposed by the funding source or by law, or for any other reason,
 - d The composition of direct and indirect costs must be clear. Direct costs must be identified specifically with a particular activity. Indirect costs are those incurred for common objectives, which benefit more than one activity. A sub-grantee's indirect costs must be supported by an indirect cost proposal/cost allocation plan.
- 6 The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The sub-grantee is not allowed to make a profit from any costs charged to City funds.
- I The general standard is that all accounting records must be supported by source documentation. Supporting documentation is necessary to show that the costs charged against City funds were incurred during the effective period of sub-grantee's contract with the City, were actually paid (or properly accrued), were expended on allowable items, and had been approved by the responsible officials in the sub-grantee's organization.
- 1 The source documentation must explain the basis of the costs incurred, as well as showing the actual dates and amount of expenditures.
 - a With respect to payroll, source documentation includes employment letters and all authorizations for rates of pay, benefits, and employee withholdings. For staff time charged to the program activity, time and attendance records must be available.
 - b With respect to the cost of space and utilities, space costs must be supported by documentation such as rental or lease agreements. The bills from the utility companies will support payment of utilities. Both types of expenses will be supported by canceled checks, if the cost of space or utilities is split between City funds and other funding sources, there must be a reasonable method in place to allocate the charges fairly among the sources.
 - c With respect to supplies, documentation includes purchase orders or requisition forms initiated by an authorized representative of the sub-grantee, an invoice from the vendor (which has been signed and dated by the sub-grantee) indicating the goods were received and the canceled check from the vendor demonstrating that payment was made, and

information regarding where the supplies are being stored, and for what cost objectives they are being used

- 2 All source documentation does not have to be located in the Department of Grants Monitoring and Administration's project files, but it must be readily available for review by the City, HUD or other authorized representatives at all times
 - 3 The sub-grantee must ensure that either (a) an encumbrance/obligation is recorded whenever a contract is signed or purchase order is issued, or (b) up-to-date information on the status of all obligations is otherwise readily accessible
 - 4 The sub-grantee must maintain a complete, accurate and up-to-date record of the receipt and use of City generated program income
- J Sub-grantees must have procedures in place to monitor obligations and expenditures against their approved budget(s) for City funded activities. The City is under no obligation to reimburse a sub-grantee for expenditures that exceed approved budget line items or the overall budget for City assisted activities. Therefore, the sub-grantee must have an on-going system to compare actual receipts, encumbrances, and expenditures with the City program budget in order to ascertain in a timely fashion whether it will be necessary to initiate a formal budget revision. In addition, since the budget reflects the sub-grantee's best estimate of the resources necessary to accomplish the project scope of services, any pattern of line item overruns should prompt a careful re-assessment of whether the available resources will still be sufficient to achieve the agreed-upon objective.
- K Sub-grantees are required to have procedures in place to minimize the time elapsed between receipt of funds from the City and the actual disbursement of those funds
- 1 The City operates under the cost reimbursement method that entails a transfer of City funds to the sub-grantee based on actual expenditures or incurred cost by the sub-grantee prior to the request for funds
 - 2 Sub-grantee must include accurate information in its reimbursement requests. This requirement is intended to address the intentional falsification of reimbursement information
 - 3 Sub-grantee must return erroneously reimbursed funds to the City in a timely fashion
 - 4 Program income (other than program income deposited in a City authorized revolving fund) must be disbursed in payment of program costs prior to requesting further reimbursements from the City (24 CFR 570.504(b)(2)(ii) and 570.504 (c))
- L Financial reports prepared by a sub-grantee must be accurate, timely, current, and represent a complete disclosure of the financial activity and status in each program under which assistance is received. A sub-grantee's accounting and record-keeping system must be able to support the data

included in (a) its reimbursement requests, (b) its other financial and progress reports, and (c) any submission necessary for the sub-grantee's performance reports

II. Procurement and Contracting

This section outlines the requirements for using Federal funds to purchase materials, products or services under the CDBG and HOME Entitlement programs. Whether you are a small agency purchasing occasional office supplies or a large organization contracting for millions of dollars of construction services, the requirements governing the purchasing process are designed to ensure free and open competition. You should seek to buy with City funds only what is necessary under the terms of your contract and no more. You should also be able to ensure the integrity of your purchasing decisions, to document the history, results and decisions behind your purchases, to follow the rules for certain kinds of transactions and to offer opportunities to low and disadvantaged firms to respond to your purchasing needs. By following these requirements you are helping to guarantee the fairness and the vitality of our free market system, and to ensure that taxpayer resources are not being wasted.

Sub-grantees will maintain a written code of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the sub-grantees shall participate in 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. Such a conflict would arise when (i) The employee, officer or agent, (ii) Any member of his/her immediate family, (iii) His/her partner, or (iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts. Sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sub-grantee's officers, employees, or agents, or by contractors or their agents. The City/County may by regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

A Grantee Responsibilities

This section covers general information about the procurement requirements

- 1 General provisions
- 2 Summary of Federal requirements
- 3 Bonding and insurance
- 4 Use of local, small, minority and/or women-owned businesses
- 5 Procurement Options
 - a Small Purchases
 - b Competitive Sealed Bid
 - c Competitive Proposals
 - d Non-competitive Proposals/Sole Source
- 6 Other Options for Performing the work
- 7 Continuing with a previously-selected contractor

B. General Provisions

The standards and procedures for procurement are intended to ensure that supplies, equipment, construction, and other services acquired in whole or part with federal funds are

- Obtained as efficiently and economically as possible, and
- Procured in a manner that provides, to the maximum extent practical, open and free competition

Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the sub-grantee. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured, and cannot contain features which unduly restrict competition. Some of the situations considered to be restrictive of competition include, but are not limited to

- Placing unreasonable qualifying requirements on firms,
- Requiring unnecessary experience and excessive bonding,
- Specifying only "brand name" products instead of allowing an "equal" product,
- Non-competitive pricing practices between firms or affiliated companies, and
- Non-competitive awards to consultants on retainer contracts

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the sub-grantee, price and other factors considered. Any and all bids may be rejected when it is in the sub-grantee's interest to do so. The sub-grantee must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor

integrity, compliance with public policy, record of past performance, and financial and technical resources

C Summary of Federal requirements

- 1 Records and files According to 24 CFR 85 36(b)(9), the sub-grantee must maintain records to detail the significant history of a procurement. The sub-grantee must maintain files on the rationale for selecting the methods of procurement used, selection of contract type, the contractor selection/rejection process, and the basis for the cost or price of a contract. (See Chapter 7 for more on recordkeeping.)
- 2 Pre-qualified lists of vendors/contractors If such lists are used, they must be current, developed through open solicitation, include adequate numbers of qualified sources, and must allow entry of other firms to qualify at any time during the solicitation period (24 CFR 85 36(c)(4)).
- 3 Unfair competitive advantage To eliminate unfair competitive advantage, if the sub-grantee has used a contractor to develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals, the sub-grantee should exclude that contractor from the competition for such.
- 4 Debarred/ineligible contractors The sub-grantee must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension" (24 CFR 85 35).
- 5 Written procedures for contractor selection The sub-grantee must have written selection procedures for procurement transactions, adequate to ensure that
 - a The purchase of unnecessary or duplicate items is avoided. Where appropriate, an analysis should be made of lease vs purchase alternatives (24 CFR 85 36(b)(4)),
 - b Whenever possible, use of federal excess and surplus property, or of intergovernmental agreements for procurement or use of common goods and services should be considered as a way to foster greater economy and efficiency (24 CFR 85 36(b)(5) and (6)),
 - c All purchase orders (and contracts) are signed by the sub-grantee's authorized official(s),
 - d Items delivered and paid for are consistent with the purchase order and/or contract for the goods or services,
 - e Timely payment to vendors occurs once the order is delivered, inspected, accepted, and payment authorized,
 - f A cost or price analysis is performed for every procurement action, including contract modifications, and documentation to that effect is maintained in the sub-grantee's files. The

method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the sub-grantee must make independent estimates before receiving bids or proposals (24 CFR 85 36(f)), and,

g Profit or fee is negotiated separately from price where competition is lacking or a cost analysis is performed To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area (24 CFR 85 36(f)(2))

6 Contract pricing The sub-grantee must not use "cost plus a percentage of cost" pricing for contracts (24 CFR 85 36(f)(4)), in addition, the sub-grantee should use "time and material" type contracts only after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk (24 CFR 85 36(b)(10))

7 Protest procedures The sub-grantee must have protest procedures in place to handle and resolve disputes relating to procurement (24 CFR 85 36(b)(12))

8 Documenting contractor performance The sub-grantee must have a documented system of contract administration for determining the adequacy of contractor performance (24 CFR 85 36(b)(2))

9 Code of conduct The sub-grantee must have a written code of conduct governing employees, officers, or agents engaged in the award or administration of contracts (24 CFR 85 36(b)(3))

D Bonding and insurance

For construction or facility improvement contracts or subcontracts exceeding \$100,000, the sub-grantee must ensure that its procurement meets the minimum federal requirements (24 CFR 85 36(h)) for bid guarantees, performance bonds, and payment bonds These include

1 A bid guarantee from each bidder equivalent to 5% of the bid price The bid guarantee must be a firm commitment in the form of a bid bond, certified check or other negotiable instrument as assurance that the bidder is prepared to execute a contract within the time specified for the bid amount,

2 A performance bond from the (sub)contractor for 100% of the contract price to secure the (sub)contractor's fulfillment of all obligations under the contract, and,

3 A payment bond from the (sub)contractor for 100% of the contract price, to assure payment of all persons supplying labor and material under the contract

E Use of local, small, minority and/or women-owned businesses

- 1 Federal regulations make it very clear that sub-grantees should make every effort to use local business firms and contract with small, minority- owned, and women-owned businesses in the procurement process. Specifically, the sub-grantee must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms in the grantee's CDBG-financed activities (24 CFR 85 36(e)). For example, the sub-grantee should
 - a. Incorporate such businesses in solicitation lists whenever they are potential sources,
 - b. Ensure that such businesses are solicited when identified as potential sources,
 - c. Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses, and
 - d. Require prime contractors, when subcontracts are let, to take affirmative steps to select such firms
- 2 In conformance with the requirements of Section 3 of the Grants Monitoring and Administration Act of 1968, to the greatest extent feasible, the sub-grantee must award contracts for work to be performed to eligible business concerns located in or owned by residents of the target area to ensure that the employment and other economic opportunities generated by federal financial assistance for Grants Monitoring and Administration programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing (see 24 CFR 570 607(b))

Note, however, that the desire to award contracts to local firms is not a legitimate excuse for avoiding an open and competitive procurement process

- 3 The City of San Antonio, as a public employer, has a policy to ensure equal employment opportunity and the City carries out affirmative action programs to fulfill that policy in the allocation of City of San Antonio contracts. It shall be the purpose of the Small Business Economic Development Advocacy (SBEDA) Program to increase minority business enterprise utilization in the awarding of City of San Antonio contracts for professional services, construction, and procurement, and, to better assist small business enterprise in competitively bidding on City projects or procurement. This program shall also assist business enterprises owned and controlled by women and business enterprises owned and controlled by handicapped individuals

- a It is the policy of the City of San Antonio that Small and/or Minority Business Enterprises shall have a maximum practicable opportunity to participate in the awarding of City contracts
- b The contractor agrees to use its best efforts to carry out this policy through award of sub-contracts to small and/or minority business enterprises to the fullest extent consistent with the efficient performance of the contract to which this Manual is attached and/or to which it relates
- c To the greatest extent feasible, sub-grantees shall adhere to the herein described SBEDA participation and utilization policies and provisions

In the event of the contractor's failure or refusal to comply with this SBEDA clause, either during the bidding process or at any time during the term of a contract, the contract may be cancelled, terminated or suspended in whole or in part by the City of San Antonio

F Procurement Options

Contracted If the sub-grantee wants to contract out for services, the sub-grantee must go through a procurement process. If the total cost of the project from all funding sources is less than \$100,000, the sub-grantee can procure services using one of several options discussed below. If the total cost of the project exceeds \$100,000, the sub-grantee may not use the small purchase method.

No loss leader arrangements The intent of federal regulations is to require maximum open and free competition. Any "loss leader" type of arrangement in which a consultant offers to provide free services before an applicant receives a grant in return for a future contract is prohibited by federal regulations.

Note about the procurement methods. Among the procurement approaches described below, the competitive sealed-bid resulting in a firm, fixed price contract is the preferred procurement approach when there are numerous available and qualified providers, when the requirements and specifications are thoroughly detailed and are unlikely to change, and where the sub-grantee has the opportunity to make the provider assume a large share of the risk for non-performance.

HUD allows grantees to follow either their local small purchase procurement policy or the federal policy. If the local policy is used, it must be at least as stringent as the federal policy, described below.

1 Small Purchase

The small purchase method may be used for procurement of \$100,000 or less in the aggregate, pursuant to 24 CFR 85.36(d)(1). A procurement of more than \$100,000 may not

be inappropriately broken up into smaller components solely to qualify for the small purchase approach. Competition is sought through oral or written price quotations. The grantee must document the receipt of an adequate number (usually three) of price or rate quotations from qualified vendors.

2 Competitive Sealed Bid [24 CFR 85.36(d)(2)]

The competitive sealed bid is the preferred method for procuring construction services. This method must lend itself to a firm, fixed price contract (lump sum or unit price) where the selection can be made principally on the basis of price.

- a The sub-grantee must advertise the Invitation for Bid (IFB) in publications of general circulation,
- b The IFB must include complete and accurate specifications and pertinent attachments, and clearly define items or services needed, in sufficient detail for the bidders to properly respond,
- c Bids must be opened publicly at the time and place stated in the IFB,
- d The sub-grantee must receive at least two or more responsible bids for each procurement transaction, and
- e If awarded, the contract must be given to the lowest responsive and responsible bidder. The sub-grantee can, however, decide not to make the award to any of the bidders.

3 Competitive Proposals [24 CFR 85.36(d)(3)]

This method has two sub-parts—the Request for Proposal and the Request for Qualifications.

Request for Proposals

- a The Request for Proposals (RFP) must clearly and accurately state the technical requirements for the goods and services required,
- b The sub-grantee must publicize the RFP, and to the maximum extent practicable, honor reasonable requests by parties to have an opportunity to compete,
- c Proposals must be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement,
- d The sub-grantee must conduct a technical evaluation of the submitted proposals to identify the responsible offerors,
- e As necessary, the sub-grantee must conduct negotiations with those offerors who are deemed responsive and responsible and fall within a competitive price range, based on the sub-grantee's evaluation of the bidders' pricing and technical proposals. After

negotiations, these bidders may be given the opportunity to submit a "best and final" offer, and

- f The sub-grantee must award the contract to the most responsive and responsible offeror after price and other factors are considered through scoring the proposals or "best and final" offers according to predetermined evaluation criteria. The successful proposal/offeror must clearly be the most advantageous source of the goods and services

Request for Qualifications

For procurement involving architecture or engineering services, the sub-grantee may use the Request for Qualifications (RFQ) competitive proposal procedure whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. In these instances, price is not used as a selection factor.

Once the most qualified firm is identified, only that firm is asked for a price proposal that is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm, until a fair and reasonably priced contract can be awarded. The sub-grantee must take care to document the basis for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may not be used to purchase types of services other than architectural and engineering services (24 CFR 85.36(d)(3)(v)).

For applicants' information, the above-cited federal rule relating to the procurement of architectural and engineering (A/E) services is quoted verbatim:

"Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort."

This means that

- ▶ Qualifications-based procurement can be used only for A/E services
- ▶ A Request for Qualifications may be issued
- ▶ The competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation
- ▶ An RFQ cannot be used to purchase other types of services, even though A/E firms are potential sources to perform other types of services

In addition, the federal procurement regulations generally discourage the use of local geographical preferences in the evaluation of bids or proposals except where mandated by federal statutes, due to the restrictions on open competition that result. However, in procuring architectural and engineering services, geographic location is permitted as a selection criteria provided this criterion leaves an appropriate number of qualified firms (24 CFR 85 36(c)(2))

4 Non-Competitive Proposals/Sole Source [24 CFR Part 85 36 (d) (4)]

This method may be used only under very limited circumstances and the sub-grantee must obtain the Department of Grants Monitoring and Administration's approval before using this method. When requesting permission to use this method, the sub-grantee will have to show that another method of procurement was not feasible because

- a. The item or service was only available from a single source,
- b. A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement, or
- c. Competition was determined to be inadequate after solicitation of proposals from a number of sources

G Continuing with a previously selected contractor

If the jurisdiction has a consultant under a pre-existing, multi-year contract, it is permissible to continue to use that consultant for the new grant as long as the activity to be carried out was outlined in the original scope of work used to procure the consultant, and the process used to procure the consultant met Federal requirements.

Please note that multi-year contracts should be limited to three years and to one specialty area, such as housing, public works, or economic development. A single RFP for CDBG administrative services including housing, public works, and economic development is not consistent with federal procurement requirements. That is, an RFP of such broad scope would place unreasonable requirements on firms in order for them to qualify to do business. Therefore, the Department of Grants Monitoring and Administration restricts three-year contracting to specific specialty areas. A single RFP to carry out all CDBG and HOME housing-related activities or all CDBG economic

development-related activities is acceptable

III Civil Rights and Fair Housing, Employment and Contracting Opportunities

For a more complete explanation of the standard and procedures relevant to any particular requirement, refer to the federal regulations, to the executive orders or laws cited, and to your written contract with the City of San Antonio

The sub-grantee must certify that it will administer its federal funds in compliance with the following laws and Executive Orders

- A Title V of the Civil Rights Act of 1964 (Public Law 88-352) This law states that no person shall be refused on the grounds of race, color, or national origin, or be excluded from, participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance
- B The Fair Housing Act - Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) This law prohibits discrimination in the sale, rental, and financing of housing and the provisions of brokerage services because of race, color, religion, sex, national origin, handicap, or familial status
- C Executive Order 11063, as amended by Executive Order 12259 (implemented in 24 CFR Part 107) This order and its implementing regulations require the Department of Grants Monitoring and Administration to take all actions necessary to prevent discrimination because of race, color, religion, sex, or national origin in the use, occupancy, sale, leasing, rental or other disposition of residential property assisted with federal loans, advances, grants or contributions
- D Section 104 (b) of Title I of the Grants Monitoring and Administration Act of 1974, as amended This law provides that any grant under section 106 shall be made only if the sub-grantee certifies to the satisfaction of the Secretary of HUD that the sub-grantee will, among other things, affirmatively further fair housing
- E Section 109 of Title I of the Grants Monitoring and Administration Act of 1974, as amended This section mandates that no person on the grounds of race, color, national origin, sex, or religion shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination under any activity funded in whole or in part with federal funds
- F Section 504 of the Rehabilitation Act of 1973, as amended This section specifies that no otherwise qualified individual shall, solely by reason of his or her handicap, be excluded from participation (including employment), denied program benefits, or subjected to discrimination

under any program or activity receiving federal assistance

- G Americans with Disabilities Act of 1990 This law prohibits discrimination on the basis of disability in employment, state and local government services, and in public accommodation and commercial facilities The Act defines the range of conditions that qualify as disabilities, and the reasonable accommodations that must be made to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for persons with disabilities
- H The Age Discrimination Act of 1975, as amended This law provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving federal assistance
- I Executive Order 11246 (as amended by Executive Order 11375 and 12086) Equal Opportunity Under HUD Contracts and HUD assisted Construction Contracts This order requires that grantees and sub-grantees, and their contractors and subcontractors, agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, or national origin
 - 1 Exemptions to Equal Opportunity Clause (41) CFR Chapter 50
 - a Contracts and subcontracts not exceeding \$10,000 (other than government bills of lading) are exempt The total amount of the contract, rather than the amount of the federal financial assistance, shall govern in determining the applicability of this exemption
 - b Except in the case of subcontractors for the performance of construction work at the site of construction, the clause shall not be required to be inserted in subcontracts below the second tier
 - c Contracts and subcontract not exceeding \$100,000 for standard commercial supplies or raw materials are exempt
 - 2 Anyone contracting with the City for federally funded projects must insert the above clauses in all applicable subcontracts
 - 3 The subcontractor will submit a quarterly report to the Department of Grants Monitoring and Administration three months after the start of work on the contract and every three months thereafter Said report shall be made on HUD Form 3 (Economic Opportunities for Low and Very Low Income Persons in Completion with Federally Assisted Project) and the New Hire Form
 - 4 Should the Department of Grants Monitoring and Administration determine a contractor to be in non-compliance with the equal opportunity requirements, procedures to "show cause" why funds should not be withheld will be reported with a copy of the report going to HUD

- J Section 3 of the Grants Monitoring and Administration Act of 1968 requires that to the greatest extent feasible, a sub-grantee must
- 1 Ensure opportunities for training and employment arising in connection with housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction project are given to low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible, priority should be provided to low and very low-income residents 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
 - 2 Award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction projects to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible, priority should be given to business concerns which provide economic opportunities to low and very low-income residents 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

IV. Labor Standards

Sub-grantees are strongly encouraged to consult closely with the City during the planning of any construction or rehabilitation projects in order to assure that all the requisite labor standards will be properly observed

A Statutory provisions

- 1 The Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Copeland (Anti Kickback) Act apply to construction being assisted with federal funds except that housing rehabilitation projects with less than eight units do not trigger these requirements The Fair Labor Standards Act (relating to minimum wages) will be applicable in most cases whether or not the previous acts apply Sub-grantees must include provisions relating to the foregoing listed acts as more particularly described below in each application contract
- 2 Davis-Bacon and Related Act (40 USC 276 (A)-7) ensures that mechanics and laborers employed in construction work under federally assisted contracts are paid wages and fringe benefits equal to those which prevail in the locality where the work is performed This act

also provides for the withholding of funds to ensure compliance and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs

- 3 The Copeland ("Anti Kickback") Act (40 USC 276c) governs the deductions from paychecks which are allowable and makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance
- 4 The Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333) provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week, and provides for the payment of liquidated damages where violations occur This act also addresses safe and healthy working conditions
- 5 Fair Labor Standards Act of 1938, as amended (29 USC 201, etc seq) Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards

V. Davis-Bacon Act Compliance Requirements

The Davis-Bacon Act was enacted in 1931, amended in 1935 and 1964, to protect communities and workers from the economic disruption caused by competition arising from non-local contractors coming into an area and obtaining federal construction contracts by underbidding local wage levels

The Davis-Bacon Act requires payment of locally "prevailing wages" and benefits to laborers or mechanics employed on direct federal contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works

A complete copy of the Davis-Bacon and Related Acts is on file and available for review in the City's Department of Grants Monitoring and Administration

- A All laborers and mechanics employed or working on the site of the work shall be paid unconditionally and not less often than once a week the full amount of wages and bona fide fringe benefits computed at rates not less than those contained in the wage determination
 - 1 Employers who do not make contributions or payments to bona fide fringe benefits funds, plans, or programs shall pay an amount equivalent to the fringe benefit rate (if any) required on the wage determination directly to the employee added to the basic hourly rate of pay
 - a The employer may make payroll deductions as permitted by the Department of Labor

(DOL) Regulations 29 CFR Part 3 These regulations prohibit the employer from requiring employees to "kick back" any of their earnings Deductions may include employee obligations for income taxes, Social Security payments, insurance premiums, retirement, savings accounts, and any other legally permissible deduction authorized by the employee Deductions may also be made for payments on judgments and other financial obligations legally imposed against the employee

- b Each laborer and mechanic shall be classified in accordance with the work classification listed on the wage determination and the actual type of work he/she performs and shall be paid the appropriate wage rate and fringe benefits for the classification regardless of the level of skill
 - c Laborers and mechanics that perform work in more than one classification may be compensated at the rate specified for each classification provided that the employer maintains time records that accurately set forth the time spent in each classification in which work was performed If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed
 - d If the wage determination does not include a work classification needed for the construction of the project, HUD may approve an additional classification and wage rate
- 2 Apprentices and trainees may be compensated at rates less than prescribed by the wage determination for their craft only in accordance with the following parameters
- a The apprentice or trainee shall be individually registered in a bona fide certification program
 - b Each apprentice and trainee shall not be paid less than the specified rate in the registered program for his/her level of progress If the rate specified is represented as a percentage of the journeyman rate for that craft, the percentage shall be applied to the corresponding wage rate contained in the applicable wage determination
 - c The maximum number of apprentices or trainees employed on the site of work may not exceed the ratio of apprentices or trainees to journeymen permitted to the employer in the certified program Apprentices or trainees, who are employed at the site in excess of the allowable ratio, shall be paid the wage rate contained on the applicable wage determination for classification of work actually performed Compliance with the allowable ratio shall generally be met on a day-to-day basis
 - d In the event approval of an apprenticeship or trainee program is withdrawn, the employer

- shall no longer be permitted to utilize apprentices/trainees at less than the predetermined rate for the type of work performed, unless or until an acceptable program is approved
- 3 Payrolls and basic records to such payrolls shall be maintained by each employer with respect to his/her workforce employed on the site of the work. The principal contractor shall maintain such records relative to all laborers and mechanics working on the site of the work. Payrolls and related records shall be maintained during the course of the construction work and preserved by the contractor and all employers for at least 3 years following the completion of the work. Such records shall contain
- a The name, address and social security number of each laborer and mechanic,
 - b His or her correct work classification(s),
 - c Hourly rates of pay including rates of contributions or costs anticipated for fringe benefits,
 - d Daily and weekly number of hours worked, including any overtime hours,
 - e Deductions made and actual net wages paid,
 - f Evidence pertaining to any fringe programs,
 - g Evidence of the approval of any apprenticeship or trainee program, the registration of each apprentice or trainee and the ratios and wages contained in the program
- 4 Certified weekly payroll reports (CPRs) shall be submitted with respect to each week any contract work is performed. The principal contractor is responsible for full compliance with regard to its own workforce and with regard to the compliance of every subcontractor. For this reason, all CPRs and any related records are submitted to the CITY through the principal contractor
- a CPR information may be submitted in any form provided that the CITY can reasonably interpret the information to monitor employer compliance with the labor standards
 - b CPRs shall be submitted for each contractor/subcontractor (employer) beginning with the first week such employer performs work on the site of the work. CPRs shall be submitted promptly following the close of each such pay week
 - c CPRs for each employer shall be numbered sequentially beginning with "1". The CPR for the last week of work performed on the project by each employer shall be clearly marked "final"
- (1) The first payroll on which each employee appears shall contain the employee's name, address and social security number. Thereafter, the address and social security only need to be reported if there is a change in such information

- (2) The first payroll on which any apprentice or trainee appears shall be accompanied with a copy of that apprentice's or trainee's registration in an approved program. A copy of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears
 - (3) The division of hours worked in different classifications shall be accurately maintained and clearly reported. The employer may list the employee once for each classification, distributing the hours of work accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications
 - (4) The CPR should reflect only hours worked at the site of work. If an employee performs work at job sites other than the project for which the CPR is prepared, those hours should not be reported on the CPR. In these cases the employer should list employee's name, classification and the hours for this project only, and the rate of pay and gross earnings on this project. Deductions and net pay may be reflected based upon the employee's total earnings (for all projects) for the week
- d Employers are not required to submit CPRs for weeks during which no work was performed on the site of the work, provided that the CPRs are numbered sequentially or that the employer has provided written notice that its work on the project has been suspended
- e Each weekly payroll shall be accompanied by a "Statement of Compliance". The Statement of Compliance shall be executed by the original signature of the principal executive of the contractor/subcontractor, or of a person authorized in writing by the principal. The statement shall certify to the following
- (1) That the payroll period documents contain the information required to be maintained and that the information is correct and complete,
 - (2) That each laborer or mechanic (including each helper, apprentice, or trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in federal regulation 29 CFR 3, and
 - (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed as specified in the applicable wage determination incorporated into the contract

- f The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code
- (1) Each employer shall make the required records (CPRs and related documents) available for inspection copying or transcription by authorized representatives of the CITY, HUD, or DOL. In addition, each employer shall permit authorized representatives to interview employees during work hours on the job site
 - (2) Failure by an employer to submit the required records or to make them available, or permit on-site employee interviews may, after written notice to the contractor, cause a suspension of any further payment, advance or guarantee of funds. In addition, failure to submit the records on request or to make them available may be grounds for debarment action pursuant to 29 CFR 5.12
 - (3) In order to protect the personal privacy interests of employees, copies of weekly payrolls shall not be released to outside parties and may be withheld under Exemption 6 of the Freedom of Information Act (FOIA) unless the employees' personal identifiers (e.g., name, address, and social security number) are first deleted
 - (4) The identity of any person providing information concerning the labor standards compliance of any contractor or subcontractor shall not be disclosed in any manner to anyone other than authorized City or Federal officials unless written consent is provided in advance by such person. Additionally, any portions of a statement or written document provided by such person that would reveal the identity of the source shall not be disclosed without prior written consent. Disclosure of such statements and documents shall be governed by the provisions of the Freedom of Information Act and the Privacy Act of 1974

VI. Labor Standards Administration, Compliance Monitoring and Enforcement

Routine monitoring of projects, Certified Payroll Records and related documentation is performed to ensure compliance of all employers with the applicable labor standards provisions. Monitoring identifies possible misunderstandings on the part of the employers, discrepancies in the records, and violations. Written monitoring reports to the principal contractor advise the contractor of the status of compliance, provide clarification where misunderstanding may exist, and informs the contractor of any additional submissions, which may be required to correct discrepancies or to complete the record

A The City is responsible for the administration and enforcement of labor standards provisions for HUD assisted programs administered by the City For each program and proposed project or contract the City shall

- 1 Determine the specific labor standard parameters applicable to the project
- 2 Obtain the Davis-Bacon wage and hour determination and labor standards provisions applicable to the project from the HUD Labor Relations Field staff and ensure incorporation of the same in the project specifications
- 3 Ensure that the wage determination is still current at bid opening or other appropriate wage determination effective date
- 4 Verify the eligibility of the principal contractor
- 5 Conduct a Pre-construction Conference to inform and instruct the contractor and subcontractors concerning their wage and reporting obligations
- 6 Identify and initiate requests for additional classifications and wage rates needed for the construction of the project
- 7 Perform timely routine monitoring reviews of CPRs and related submissions for compliance with labor standards
- 8 Notify the principal contractor in writing of any labor standards deficiencies and required corrective actions
- 9 Investigate complaints of underpayment or other labor standards violations
- 10 Prepare and submit to HUD reports on all enforcement activity
- 11 As necessary, refer cases for administrative hearing (29 CFR, Part 5, 5 11) and/or makes recommendations for debarment (29 CFR, Part 5,5 12)
- 12 As necessary, require escrow accounts to ensure the payment of outstanding wage or liquidated damages liability
- 13 Dispose of any escrow accounts established for labor standards purposes
- 14 Establish and maintain full documentation of all labor standards administration and enforcement activities

B The City is responsible for the creation, maintenance and preservation of labor standards enforcement files for each project The files shall be kept up-to-date, maintained in a consistent manner, and secured for the life of the active monitoring of the project and preserved for at least three (3) years following the completion of the project and the final disposition of any compliance issues The City shall establish a system of labor standards enforcement files for each covered project

- C The City is responsible for the following monitoring activities
- 1 Interviews of workers will be conducted on a regular basis and will include a broad sampling of the work classifications being employed on the project (Record of Employee Interviews Form (form HUD-11))
 - 2 On-site inspections will be made to ensure that the required notices are posted
 - 3 Weekly payrolls will be reviewed and compared with employee interviews and wage rates to verify compliance with applicable labor standards and requirements (e g payment of minimum wages, payment of overtime, no ineligible deductions, etc)
 - 4 Once the project is completed, a final wage compliance report shall be filed with HUD
- D For each construction contract, the Sub-grantee shall maintain a file with the following documentation
- 1 Copy of wage rate request,
 - 2 Copy of wage rate, along with any additional classifications,
 - 3 Bid/contract documents with labor standards provision included,
 - 4 Contractor eligibility verification,
 - 5 Ten-day call verification,
 - 6 Pre-construction conference minutes/sign-in sheet,
 - 7 Payrolls, with evidence of their review,
 - 8 Notice of start of construction,
 - 9 Employee interviews,
 - 10 Evidence of any violations and corrective actions,
 - 11 Final wage compliance reports, and
 - 12 Monthly employment utilization reports, where applicable
- E Violations of the labor standards and requirements must be corrected Failure to pay sufficient overtime wages will result in the assessment of liquidated damages in the amount of \$10 per worker per day Only HUD and the Department of Labor are authorized to reduce or waive these liquidated damages The contractor must be notified of his or her liability Then, if appropriate, he or she may request a waiver
- F Debarred, Suspended and Ineligible Contractors and Sub-recipients Federal cannot be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or sub-recipient during any period of debarment, suspension or placement of ineligibility status CITY will check all contractors, subcontractors, lower tier contractors and

sub-grantees against the Federal publication that lists debarred, suspended and ineligible contractors

VII Environmental Requirements

In its use of federal funds, the City is required to assume responsibility for environmental review, decision-making and other actions that would otherwise apply to HUD under the National Environmental Policy Act of 1969 and other provisions of law. The Federal regulations explicitly prohibit Sub-grantees from assuming the City's environmental responsibilities.

However, under the applicable regulations, Sub-grantees are not allowed to incur program expenses until the City has completed an environmental review of the proposed activities, received the release of funds, and provided the Sub-grantee with formal clearance with directives for any action necessary to mitigate negative environmental impacts.

VIII Historic Preservation

Sub-grantees must comply with the provisions of the Historic Preservation Act and related laws and Executive Orders. Before any commitments are made for any physical improvements, alterations or demolition of any building, a sub-grantee must receive assurances from the City that they are in compliance.

Part of the City's responsibility is to consult with the State Historic Preservation Officer as to (1) whether the property is or could be declared a historic property, (2) if the property is located in a historic district or an area which could be declared a historic district, (3) if the proposed changes to the property could adversely affect historic properties or neighborhoods which could be declared historic.

If properties can be adversely affected, prior to initiating project work, an agreement must be reached on appropriate mitigating measures with all parties identified (36 CFR Part 800).

IX National Flood Insurance Program

If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, federal funds cannot be used for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question.

X Relocation, Real Property Acquisition and One-for-One Housing Replacement

A sub-grantee must comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and 24 CFR 570 606(b), and (b) the requirements of 24 CFR 570 606(c) governing the Residential Anti-displacement and Relocation Assistance Plan (Plan) under section 104(d) of the GMA Act. The policies and requirements of these laws are described in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

Under URA and the Plan, the sub-grantee must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations and farms) that are permanently displaced as a direct result of acquisition, rehabilitation, demolition or conversions for a federally assisted project. All property occupants must be issued certain notices on a timely basis. (Failure to issue timely notices may result in unnecessary expenses.)

The Plan also requires one-for-one replacement of any occupied or vacant low/moderate income housing that is demolished or converted to another non-residential use in connection with a federally assisted project. Finally, the Plan requires the identification of the steps that will be taken to minimize displacement.

XI. Lead-Based Paint

There is a general prohibition against the use of lead-based paint in connection with any federally funded activities involving the construction or rehabilitation of residential structures. In addition:

- A For properties constructed prior to 1978, the sub-grantee must notify applicants for rehabilitation assistance, and tenants or purchasers of properties owned by the sub-grantee or City and acquired or rehabilitated with federal funds, of the hazards of lead-based paint poisoning and the other specific information set out in 24 CFR 570 608(b)(2)(I) through (vi).
- B According to 24 CFR 570 608(c)(3), for housing built prior to 1978 that is being rehabilitated with federal funds which may be occupied or frequented by families with children under seven years of age, the sub-grantee must undertake steps to ensure that such housing is inspected for defective paint and those surfaces found to be defective must be tested for the presence of lead paint. If lead-based paint is detected, all interior and exterior chewable surfaces found to contain lead must be treated in accordance with 24 CFR 570 608(c)(4).

XII. Political Activity

Sub-grantees are prohibited from using federal funds to finance the use of facilities or equipment for political purposes, or to engage in other partisan political activities, such as sponsoring candidate forums, brochures, voter transportation, or voter registration

XIII Conflict of Interest

Except for the use of federal funds to pay for salaries and other related administrative or personnel costs, the general standard is that no employee, agent, or officer of the sub-grantee, who exercises decision making responsibility with respect to the funds and activities, is allowed to obtain a financial interest in or benefit from the activities, or have a financial interest in any contract, subcontract or agreement regarding those activities or in the proceeds of the activities. Specific provisions include these requirements

- A. Applies to any person who is an employee, agent, consultant, or officer, or elected or appointed official of the grantee, designated public agency, or sub-recipient, and their immediate family members, and business partner(s)
- B. Applies for such person during their tenure and for a period of one year after leaving the grantee or sub-grantee organization
- C. Is applicable to the procurement of supplies, equipment, construction, and services, acquisition and disposition of real property, provision of assistance to individuals, businesses and other private entities for all eligible activities (24 CFR 570 201-204), and provision of loans to individuals, businesses, and other private entities

Part 570 611 Conflict of Interest.

(a) *Applicability*

- 1. In the procurement of supplies, equipment, construction, and services by sub-recipients, the conflict of interest provisions in 24 CFR 85 36 shall apply (see below)
- 11. In all cases not governed by 24 CFR 85 36, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the sub-grantee to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities)

- (b) *Conflicts prohibited* The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG/HOME activities assisted under this part, 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 or benefit from a CDBG/HOME-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG/HOME-assisted activity, or with respect to the proceeds of the CDBG/HOME-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter
- (c) *Persons covered* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of sub-grantee that is receiving funds under this part
- (d) *Exceptions* (May happen in rare circumstances, see regulations for specifics)

Upon written request, exceptions may be granted by HUD, through the City, after consideration of the cumulative effect of various factors on a case-by-case basis and only with (a) full disclosure of the potential conflict, and (b) a legal opinion of the sub-grantee's attorney that there would be no violation of state or local laws in granting the exception

XIV Citizen Participation

The citizen participation segment of the federal funding process must provide citizens with adequate information and notification regarding the amount of funds available for community development and housing activities, the range and scope of activities eligible, as well as other important program requirements as specified in the City of San Antonio Consolidated Plan Budget Sponsors may submit proposals for projects that address priorities and needs as identified during the citizen participation process

XV Resident Aliens

Certain newly legalized aliens are not eligible to apply for benefits under covered activities handled by the CDBG and HOME programs "Covered activities" are activities meeting

requirements of 24 CFR 570 208(a) that either (1) have income requirements limiting benefits exclusively to low and moderate income persons, or (2) are targeted geographically or otherwise to primarily benefit low and moderate income persons (except for activities that benefit the public at large), and provide benefits on the basis of an application

XVI. References

- 24 CFR 85, referred to as the "HUD common rule," establishes administrative requirements for grants to local government. 24 CFR 85.36 specifically addresses procurement. This chapter is largely based on the language contained in 24 CFR 85.36.
- 24 CFR 570.502(a)(12) invokes the "HUD common rule" for the State CDBG program.
- Federal Circular OMB A-87 establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with state and local governments.
- Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that to the greatest extent feasible, opportunities for training and employment that arise through State CDBG-financed projects shall be given to lower-income residents of a project area, and that contracts awarded in connection with such projects be awarded to businesses located in the project area or businesses owned, in substantial part, by residents of the project area.
- Section 109 of the Grants Monitoring and Administration Act of 1974, as amended, provides that no person shall be excluded from participation or employment, or be denied benefits, or be subjected to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part by the CDBG Program.
- Title VII, Civil Rights Act of 1964, provides that no person shall be excluded from participation, denied program benefits or subjected to discrimination based on race, color, or national origin under any program or activity receiving federal financial assistance.
- Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of federal or federally assisted construction contracts.

ATTACHMENT V
PERFORMANCE REPORT

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28-035033
 PROJECT NAME Activity Center for the Frail & Elderly
 FOR MONTH OF _____

SUBGRANTEE El Centro Del Barrio
 PREPARED BY _____
 APPROVED BY _____

FISCAL YEAR 2009 2010	ANNUAL GOAL	2010												ANNUAL TOTAL/AVG
		Oct-2009	Nov-2009	Dec 2009	Jan-2010	Feb 2010	Mar 2010	Apr-2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep-2010	
Input														
01 Available CDBG Funds	\$ 120,000													\$ 120,000
02 Available Other Funds	\$ 32,001													\$ 32,001
02 Number CDBG supported staff	6													#DIV/0!
Output														
01 Total CDBG expenditures	\$ 120,000													\$
02 Number of unduplicated participants served	40													0
03 Number of clients served per month (new or duplicated)	40													#DIV/0!
04 Number of service health units delivered (i.e. screenings immunizations nutrition counseling etc.)	450													0
05 Number of service activity units delivered (i.e. field trips daily activities crafts etc.)	12,180													0
Efficiency														
01 CDBG cost per participant	\$ 3,000													#DIV/0!
02 Cost per Service Unit	\$ 10													#DIV/0!
Effectiveness														
01 % CDBG funds expended	100%													0%
03 Percent of participants reporting being happier healthier and less lonely as a result of program services where participant is defined as an elder participating in the program for at least 30 days and a minimum of once per week	100%													#DIV/0!
04 Percent of caregivers reporting being less stressed better able to maintain employment and better able to care for the client as a result of program services where "caregiver" is defined as a family member with caregiving responsibilities for clients participating in the program for a least 30 days and a minimum of once per week	90%													#DIV/0!
CDBG Direct Benefit Data														
Unduplicated Clients Served By Ethnicity (Ethnicity codes as reported on direct benefit form)	11	12	13	14	15	16	17	18	19	20	Total	Hispanic Total		
Number of Unduplicated Clients for the Month											0			
Number of Cumulative Unduplicated Clients											0			
Unduplicated Clients Served By District	Dist 1	Dist 2	Dist 3	Dist 4	Dist 5	Dist 6	Dist 7	Dist 8	Dist 9	Dist 10	Total			
Goal	0	0	3	29	6	0	1	0	1	0	40			
Actual											0			

EXPLANATORY COMMENTS

GMA
 REVIEWED & APPROVED BY _____ (Analyst)/DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)/DATE _____

ATTACHMENT VI

BILLING PACKAGE

INVOICE

SUB-GRANTEE El Centio del Barrio d/b/a Centro Med PROJECT NO 28-035033

PROJECT NAME Activity Center for the Frail & Elderly INVOICE NO _____

ADDRESS 3750 Commercial Avenue

San Antonio, TX 78221

BANK _____

PERIOD COVERED _____

PROGRAM _____

Internal Order Number	Budget	Cost to Date	Less Payment Rec'd	Amount Due
13100001768	\$ 120,000 00			
TOTAL	\$ 120,000 00	\$	\$	\$

Certified Correct _____

City Approval _____

Title _____

Date _____

Date _____

SUMMARY OF EXPENDITURES

PROGRAM Activity Center for the Frail & Elderly

PERIOD COVERED _____

Internal Order Number	Line Item	Detail	Total Amount
131000001768			
		TOTAL	\$

VOUCHER

(Attach Required Documentation)

PROGRAM Activity Center for the Frail & Elderly

AMOUNT _____

CHECK # _____

CHECK DATE _____

VENDOR

NAME El Centro del Barrio d/b/a Centro Med

ADDRESS 3750 Commercial Avenue

San Antonio, TX 78221

DESCRIPTION AND PURPOSE

Approved by _____

Title _____

Date _____

BUDGET ADJUSTMENT*

SUB-GRANTEE El Centro del Barrio d/b/a Centro Med PROJECT NO 28-035033

PROJECT NAME Activity Center for the Frail & Elderly ADJUSTMENT NO _____

ADDRESS 3750 Commercial Avenue DATE _____

San Antonio, TX 78221

PROGRAM Activity Center for the Frail & Elderly

Internal Order Number	Activity	Current Budget	Revisions		Revised Budget
			(+)	(-)	
131000001768					
TOTAL					

Submitted By _____

City Approval _____

Title Director

Date _____

Date _____

*Narrative justification must be attached

ATTACHMENT VII

DIRECT BENEFIT FORM

CITY OF SAN ANTONIO
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG Direct Benefit Data

PARTICIPANT'S NAME _____

Home Address _____

Phone Number _____

*Participant's age is 62 years or older Yes No Verified By _____ (Witness Signature)
(*Copy of Driver's License or Identification Card with Date of Birth must be attached.)

Check One

Female head of household Yes No

Participants **Race

Check One

- 11 White
- 12 Black/African American
- 13 Asian
- 14 American Indian or Alaska Native
- 15 Native Hawaiian or Pacific Islander
- 16 American Indian or Alaskan Native AND White
- 17 Asian AND White
- 18 Black/African American AND White
- 19 American Indian or Alaska Native AND Black/African American
- 20 Other multi-racial

****Ethnicity**

Check One

Hispanic Yes No

***This information is confidential and is only used for government reporting purposes. You are not required to furnish this information. The law provides that we may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations we are required to note race on the basis of visual observation or surname.*

- 11 White A person having origins in any of the peoples of Europe, North Africa, or the Middle East.
- 12 Black or African American A person having origins in any of the black racial groups of Africa
- 13 Asian A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam
- 14 American Indian or Alaska Native A person having origins in any of the original peoples of North and South America (including Central America), and who maintain affiliation or community attachment
- 15 Native Hawaiian or Other Pacific Islander A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands
- 16 American Indian or Alaska Native and White A person having these multiple race heritages as defined above
- 17 Asian and White person having these multiple race heritages as defined above
- 18 Black or African American and White person having these multiple race heritages as defined above
- 19 American Indian or Alaska Native and Black or African American A person having these multiple race heritages as defined above
- 20 Other Multi-Racial For reporting individual responses that are not included in any of the other categories listed above

Hispanic Those who are White, Black, Asian, Pacific Islander, American Indian, or Other Multi-Racial who are Hispanic

ATTACHMENT VIII

SPECIAL PROVISIONS

SPECIAL PROVISIONS

- | | | |
|-----|--------------------|--|
| I | AGENCY | El Centro Del Barrio |
| II | PROJECT NAME | El Centro Del Barrio Activity Center for the Frail and Elderly |
| III | PROJECT NUMBER | 28-035033 |
| IV | SPECIAL PROVISIONS | |
-
- 1 Contractor agrees and understands that this is a Cost Reimbursement contract, and that such funds will be disbursed on a cost reimbursement basis in accordance with applicable local and federal regulations and this CONTRACT
 - 2 Contractor shall undergo an independent audit for the Project funded hereunder
 - 3 Contractor shall submit, no later than the tenth (10th) calendar day of each month, the Project Monthly Performance Reports and the Direct Benefit Activities form to the CITY in the format acceptable to CITY
 - 4 Contractor shall exercise prudent fiscal management by remaining within the allocated budget. Any and all amounts expended over and above the approved budget shall be sole responsibility of the Contractor.
 - 5 Contractor shall process, store and maintain all information, including, without limitation, correspondence, monthly reports, and invoices, pertaining to the Project and this CONTRACT at the Contractor's office.
 - 6 Contractor shall be required to operate its programs in accordance with all Community Development Block Grant regulations and the City of San Antonio's Human Development goal and objectives. Contractor shall maintain information reflecting the agency's performance in meeting client-based and outcomes performance measures. Contractor shall incorporate the principles of Human Development performance measures and the City's Human Development's initiative goals and objectives into its program descriptions.
 - 7 CITY has determined that program income will not be collected by agency and therefore no reporting is necessary.
 - 8 Contractor acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended, when applicable:
 - (A) The work to be performed under this CONTRACT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(l)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to

low- and very low income persons, particularly persons who are recipients of HUD assistance for housing,

- (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C F R. Part 135, which implement Section 3. As evidenced by their execution of this CONTRACT, the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations,
- (C) Contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin,
- (D) Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R. Part 135. Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R. Part 135,
- (E) Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C F R. Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C F R. Part 135,
- (F) Noncompliance with HUD's regulations in 24 C F R. Part 135 may result in sanctions, termination of this CONTRACT for default, and debarment or suspension from further HUD-assisted contracts, and
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

STATE OF TEXAS

* DELEGATE AGENCY CONTRACT WITH
SAN ANTONIO AIDS FOUNDATION

COUNTY OF BEXAR

* PROJECT NUMBER 28-035042
CFDA 14.218

CITY OF SAN ANTONIO

*

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as "CITY"), a Texas municipal corporation, acting by and through its Grants Administrator of the Office of Grants Monitoring and Administration pursuant to Ordinance No 2009-05-14-0368, dated May 14, 2009, and San Antonio AIDS Foundation (hereinafter referred to as "CONTRACTOR")

WITNESSETH

WHEREAS, the CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as "the Community Development Act") for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the "Grant Fund") for human development services, and

WHEREAS, the Office of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as "Managing City Department") for the CITY, and

WHEREAS, the CITY has adopted a budget for the expenditure of such funds, and included therein is an allocation of Seventy-Four Thousand Two Hundred Ninety-Three and No/100 Dollars (\$74,293 00) in funds for a project entitled, "Congregate Hot Meal Dining for People with HIV/AIDS" (hereinafter referred to as "Project"), and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project, **NOW THEREFORE**

The parties hereto agree as follows

I SCOPE OF WORK

11 CONTRACTOR will provide, oversee, administer, and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement affixed hereto, and incorporated herein for all purposes as Attachment I

II. TERM

- 2 1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) September 30, 2009, or (b) Project completion
- 2 2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term, (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY, and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal, as evidenced by an ordinance duly passed and approved

III. CONSIDERATION

- 3 1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No 2009-05-14-0368 Said Project Budget is affixed hereto and incorporated herein for all purposes as Attachment II It is specifically agreed that reimbursement hereunder shall not exceed the total amount of \$74,293 00
- 3 2 The funding level of this CONTRACT is based on an allocation from the following funding sources

\$74,293 00 Community Development Block Grant (CDBG)

Consequently, CONTRACTOR agrees to comply with Sections I, II- Exhibit "A" and III- Exhibit "A" of the Technical Workbook, affixed hereto and incorporated herein for all purposes as Attachment III, as may be amended from time to time, and the Special Provisions, affixed hereto and incorporated herein for all purposes as Attachment VIII

- 3 3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY's liabilities hereunder

IV PAYMENT

- 4 1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT Allowable costs are defined as those costs which are necessary, reasonable and allowable under applicable federal, state, and local law, including but not limited to those laws referenced in Section XI hereof, for the proper administration and performance of the services to be provided under an agreement All requested reimbursed costs must be consistent with the terms and provisions of the approved budgeted line items described in Attachment II of this CONTRACT In no

event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT

- 4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment, including the specific reason for such request. The Director of the Managing City Department may, in his sole discretion, approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need, (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis, and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized
- (A) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner, defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY
 - (B) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank, including all the CITY funds deposited in such separate account, exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that causes CONTRACTOR's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.
- 4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly, as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department
- 4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department
- 4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT, unless CONTRACTOR receives written authorization from the Director of the Managing City Department prior to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period

- 4 6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR)
- 4 7 CONTRACTOR shall maintain a financial management system, and acceptable accounting records that provide for
- (A) Accurate, current, and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required, CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available,
 - (B) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations, un-obligated balances, assets, equity, outlays, and income,
 - (C) Effective control over and accountability for all funds, property, and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project,
 - (D) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY, financial information should be related to performance and unit cost data,
 - (E) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR,
 - (F) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including, but not limited to, the cost principles referenced in Section XI hereof, and the terms of the award, grant, or contract, with the CITY,
 - (G) Supporting source documentation (i.e., timesheets, employee benefits, professional services agreements, purchases, and other documentation as required by CITY), and
 - (H) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid, and evidence of goods or services received are to be filed according to the expense account to which they were charged.

- 4 8 CONTRACTOR agrees that CONTRACTOR's costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency
- 4 9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan which ensures that the CITY is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this CONTRACT. The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR's Project. The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program.
- 4 10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT, all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately, upon receipt, be returned by CONTRACTOR to the CITY.
- 4 11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT, the CITY's Director of Finance, the CITY Auditor, or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR's systems of internal accounting and administrative controls prior to the release of funds hereunder.

V PROGRAM INCOME

- 5 1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be
- (A) Added to the Project and used to further eligible Project objectives, in which case proposed expenditures must first be approved by the CITY, or
 - (B) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

- 5 2 In any case, where CONTRACTOR is required to return program income to the Managing City Department, CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income, CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.
- 5 3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.
- 5 4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by the Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.
- 5 5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.
- 5 6 CONTRACTOR shall include this Article V, in its entirety, in all of its subcontracts involving income-producing services or activities.

VI ADMINISTRATION OF CONTRACT

- 6 1 THIS SECTION INTENTIONALLY LEFT BLANK.
- 6 2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes, or ordinances, the City Manager, as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.
- 6 3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state, or local grant without the prior written approval of the Director of the Managing City Department.
- 6 4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance systems, safes, fire extinguishers, sprinkler systems, etc., to safeguard property and/or equipment authorized by this CONTRACT.

- 6 5 CONTRACTOR's board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse. These procedures shall specify the consequences to CONTRACTOR's employees and vendors involved in such illegal activities to include, but not be limited to, termination and prosecution where necessary. Said procedures shall be provided to the Managing City Department upon request by the Managing City Department.
- 6 6 CONTRACTOR agrees to comply with the following check writing and handling procedures:
- (A) No blank checks are to be signed in advance.
 - (B) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a \$100.00 maximum per check. CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200.00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit. Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt.
 - (C) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR's receipt of each such check, and shall never be cashed for purposes of receiving any of the face amounts back.
- 6 7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls, faxes, internet service, and/or cell phone calls charged to the CITY.

VII. AUDIT

- 7 1 If CONTRACTOR expends \$500,000.00 or more of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report. In addition to the report, a copy of the corrective action plan, summary schedule of prior audit findings, management letter and/or conduct of audit letter are to be submitted to the Managing City Department by CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor.

CONTRACTOR agrees and understands that upon notification from federal, state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies, or violations of CONTRACTOR's financial operations, a copy of the notification, review, investigation, and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report

- 7.2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than \$500,000.00 in federal funds from the CITY, the audit shall be made in accordance with the Single Audit Act Amendments of 1996, the State of Texas Single Audit Circular, and U.S. Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana. CONTRACTOR may submit reports through the following website <http://gov.fac@census.gov> and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696

Upon completion of Form SF-SAC, CONTRACTOR may submit the completed report by mail to

Federal Audit Clearinghouse
1201 E 10th Street
Jeffersonville, Indiana 47132

- 7.3 If CONTRACTOR expends less than \$500,000.00 of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement
- 7.4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY
- 7.5 The CITY reserves the right to conduct, or cause to be conducted an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY. The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm, or other personnel as designated by the CITY, may perform such audit(s) or reviews. The CITY reserves the right to determine the scope of every audit. In accordance herewith, CONTRACTOR agrees to make available to the CITY all accounting and Project records

"CONTRACTOR shall, during normal business hours, and as often as deemed necessary by the CITY and/or the applicable state, or federal governing agency or any other auditing entity, make available the books, records, documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years" or whatever period is determined necessary based on the Records Retention guidelines, established by applicable law for this CONTRACT. Said records shall be maintained for the required period beginning immediately after contract termination, save, and except there is litigation or if the audit report covering such agreement has not been accepted, CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred. The auditing entity shall have the authority to audit, examine and make excerpts, transcripts and copies from all such books, records, documents and evidence, including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT, all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT.

The CITY may, in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT, and CONTRACTOR shall abide by such requirements.

- 7.6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs, which are questioned by the CITY and/or the applicable state or federal governing agency, CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs.

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit, CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. At its sole option, the Managing City Department may instead deduct such claims from subsequent reimbursements, however, in the absence of prior notice by the CITY of the exercise of such option, CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred, such refund shall be required and be made to the CITY by cashiers check or money order. Should the CITY, at its sole discretion, deduct such claims from subsequent reimbursements, CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project.

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT.

- 7 7 If the CITY determines, in its sole discretion, that CONTRACTOR is in violation of the above requirements, the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources

VIII RECORDS, REPORTING, AND COPYRIGHTS

- 8 1 The Managing City Department is assigned monitoring, fiscal control, and evaluation of projects. Therefore, at such times and in such form as may be required by the Managing City Department, CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds, if applicable, such statements, records, data, all policies and procedures, and information and permit the CITY and Grantor of the Grant Funds, if applicable, to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT
- 8 2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by U.S. Department of Housing and Urban Development (HUD), including Performance Records/Reports, a copy of which is affixed hereto and incorporated herein as Attachment IV. The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month. CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate.
- 8 3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by, or obtained from the CITY including, without limitation, reports, information, project evaluation, project designs, data, other related information (collectively, the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT. CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure, dissemination, or publication of the Confidential Information. If disclosure is required (i) by law or (ii) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement. CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8 3 including, but not limited to, execution of confidential disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information. This Article VIII, Section 8 3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT. Upon termination of this CONTRACT, CONTRACTOR shall return to the CITY all copies of materials related to the Project, including the Confidential Information.
- 8 4 The Public Information Act, Government Code, Section 552 021, requires the CITY to make public information available to the public. Under Government Code, Section

552 002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business 1) by a governmental body, or 2) for a governmental body and the governmental body owns the information or has a right of access to it Therefore, if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT, CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition If the requested information is confidential pursuant to State or Federal law, CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR's receipt of such request

- 8 5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201, Section 201 003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code Thus, CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR

CONTRACTOR acknowledges and agrees that all local government records, as described herein, produced in the course of the work required by this CONTRACT, shall belong to and be the property of the CITY and shall be made available to the CITY at any time CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT CONTRACTOR agrees that it shall not, under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction The Managing City Department shall be notified of such request as set forth in Article VIII, Section 8 3 of this CONTRACT

- 8 6 Ownership of Intellectual Property CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY CONTRACTOR hereby grants, sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project, including, without limitation, any and all copyright, patent and trade secret rights All intellectual property rights including without limitation, patent, copyright, trade secret, trademark, brand names, color schemes, designs, screens, displays, user interfaces, data structures, organization, sequences of operation, trade dress, and other proprietary rights (the "Intellectual Property Rights") in the Project shall be solely vested in the CITY CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights In the event the CITY shall be unable, after reasonable

effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project, including without limitation, any letters patent, copyright, or other protection relating to the Project, for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact, to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR. Provided, however, nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY.

- 8.7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT, CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY. CONTRACTOR understands and agrees that in conjunction with the submission of the final report, CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project.
- 8.8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR's board functions. Information required for submission shall include but may not be limited to:
- (A) Roster of current Board Members (name, title, address, telephone number, fax number and e-mail address),
 - (B) Current Bylaws and Charter,
 - (C) Terms of Officers,
 - (D) Amendments to Bylaws,
 - (E) Schedule of anticipated board meetings for current Fiscal Year,
 - (F) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR's Project records and as such, must be available to the CITY staff upon request, provided, however, CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of \$1,000,000.00 or greater,
 - (G) Board agenda, to be submitted at least three (3) business days prior to each board meeting.

8 9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11.3 of this CONTRACT

IX INSURANCE

9 1 CONTRACTOR agrees to comply with the following insurance provisions

- (A) Prior to the commencement of any work under this CONTRACT, CONTRACTOR shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY's Office of Grants Monitoring and Administration, which shall be clearly labeled "Congregate Hot Meal Dining for People with HIV/AIDS" in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY's Office of Grants Monitoring and Administration. No officer or employee, other than the CITY's Risk Manager, shall have authority to waive this requirement.
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by the CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will the CITY allow modification whereupon the CITY may incur increased risk.
- (C) CONTRACTOR's financial integrity is of interest to the CITY, therefore, subject to CONTRACTOR's right to maintain reasonable deductibles in such amounts as are approved by the CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at CONTRACTOR's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

POLICY TYPES	AMOUNTS
Broad Form Commercial General Liability Insurance to include coverage for the following	For Bodily Injury and Property Damage of \$1,000,000 per occurrence, \$2,000,000 General Aggregate, or its equivalent

a Premises operations b Independent contractors c Products/completed operations d Personal Injury e Contractual Liability	in Umbrella or Excess Liability Coverage
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(D) The CITY shall be entitled, upon request and without expense, to receive copies of the policies declaration page and all endorsements thereto as they apply to the limits required by the CITY, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies) CONTRACTOR shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to the CITY at the address provided below within ten (10) days of the requested change CONTRACTOR shall pay any costs incurred resulting from said changes

City of San Antonio
Attn Office of Grants Monitoring and Administration
P O Box 839966
San Antonio, Texas 78283-3966

(E) CONTRACTOR agrees that with respect to the above-required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions

- Name the CITY and its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers' compensation and professional liability policies,
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy,
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the CITY, and
- Provide thirty (30) calendar days advance written notice directly to the CITY of any suspension, cancellation, non-renewal or material

change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium

- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to the CITY. The CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order CONTRACTOR to stop work hereunder, and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.
- (H) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its subcontractors' performance of the work covered under this CONTRACT.
- (I) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) CONTRACTOR and any subcontractors are responsible for all damage to their own equipment and/or property.

X INDEMNITY

10.1 CONTRACTOR agrees to comply with the following indemnity provision:

- (A) CONTRACTOR covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including any acts or omissions of CONTRACTOR, any agent, officer, director, representative,

employee, consultant or subcontractor of CONTRACTOR, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this CONTRACT, all without, however, waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS CONTRACT. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CONTRACTOR shall promptly advise the CITY in writing of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR's activities under this CONTRACT and shall see to the investigation of and defense of such claim or demand at CONTRACTOR's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under this paragraph.

- (B) It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article is an INDEMNITY extended by CONTRACTOR to INDEMNIFY, PROTECT and HOLD HARMLESS, the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death, or damage. CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE, and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

XI APPLICABLE LAWS

- 11.1 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker's Compensation Commission effective April 17, 1991. Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments, termination of this CONTRACT and debarment and suspension actions.

11 2 CONTRACTOR understands that certain funds provided it pursuant to this CONTRACT are funds which have been made available by the CITY s General Operating Budget and/or by federal, state, or other granting entities. Consequently, CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars, as applicable to the funds received by CONTRACTOR hereunder:

- (A) OMB Circular A-21, entitled, "Cost Principles for Educational Institutions",
- (B) OMB Circular A-87, entitled, "Cost Principles for State, Local, and Indian Tribal Governments",
- (C) OMB Circular A-102, entitled, "Grants and Cooperative Agreements with State and Local Governments",
- (D) OMB Circular A-122, entitled, "Cost Principles for Non-Profit Organizations", and
- (E) OMB Circular A-133, entitled, "Audits of States, Local Governments, and Not for Profit Organizations "

11 3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

- Local Government Records Act of 1989 official record retention schedules,
- Government Code Chapter 552 pertaining to Texas Public Information Act,
- Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services, and
- Texas Local Government Code

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11 4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide

by all applicable provisions of the City of San Antonio Ordinance No 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions, including but not limited to

- (A) Title VII of the Civil Rights Act of 1964, as amended,
- (B) Section 504 of the Rehabilitation Act of 1973, as amended,
- (C) The Age Discrimination Act of 1975, as amended,
- (D) Title IX of the Education Amendments of 1972, as amended, (Title 20 USC sections 1681-1688),
- (E) Fair Labor Standards Act of 1938, as amended,
- (F) Equal Pay Act of 1963, P L 88-38, and
- (G) All applicable regulations implementing the above laws

11.5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to, federal, state, and local taxes, fees, special assessments, federal and state payroll and income taxes, personal property, real estate, sales and franchise taxes, are current, and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local, state, and federal laws including, but not limited to

- (A) Worker's compensation,
- (B) Unemployment insurance,
- (C) Timely deposits of payroll deductions,
- (D) Filing of Information on Tax Return Form 990 or 990T, Quarterly Tax Return Form 941, W-2's Form 1099 on individuals who received compensation other than wages, such as car allowance, Forms 1099 and 1096 for contract or consultant work, non-employee compensation, etc ,
- (E) Occupational Safety and Health Act regulations and
- (F) Employee Retirement Income Security Act of 1974, P L 93-406

11.6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P L 101-336, enacted July 26, 1990, and all regulations thereunder.

- 11 7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations, policies, and procedures as they may be promulgated
- 11 8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal, state, and local laws, rules and regulations
- 11 9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form 990 or 990T

XII. NO SOLICITATION/CONFLICT OF INTEREST

- 12 1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage, brokerage, or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY. For breach or violation of this warrant, the CITY shall have the right to terminate this CONTRACT without liability or, at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee, or to seek such other remedies as legally may be available
- 12 2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT. CONTRACTOR further covenants that in the performance of this CONTRACT, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff
- 12 3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties
- 12 4 No member of the CITY's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall
 - (A) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest, or
 - (B) Have any direct or indirect interest in this CONTRACT or the proceeds thereof
- 12 5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any

contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has "prohibited financial interest" in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse, a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity, a business entity in which any individual or entity above listed is subcontractor on a CITY contract, a partner or a parent or subsidiary business entity.

- 12.6 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity, CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child, sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity.) CONTRACTOR further warrants and certifies that it has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII TERMINATION

- 13.1 Termination for Cause – Should CONTRACTOR fail to fulfill, in a timely and proper manner, obligations under this CONTRACT to include performance standards established by the CITY, or if CONTRACTOR should violate any of the covenants, conditions, or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any

work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit, or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT, and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.
- 13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may, within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.
- 14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.
- 14.3 The prohibitions set forth in Article XIV, Sections 14.1 and 14.2 of this CONTRACT include, but are not limited to, the following:
- (A) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation,
 - (B) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature,

- (C) Coercing personnel, whether directly or indirectly, to work on political activities on their personal time, including activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature, and
- (D) Using facilities or equipment paid for, in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment, or supplies, such as telephones, computers, fax machines, during and after regular business hours

- 14 4 To ensure that the above policies are complied with, CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy. Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department. CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations.
- 14 5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed, reimbursements paid to CONTRACTOR under this CONTRACT may, at the CITY's discretion, be withheld until the situation is resolved.
- 14 6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote. Further, CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition, if done during time not paid for with CITY funds.

XV PERSONNEL MANAGEMENT

- 15 1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy. The grievance policy will include procedures to receive, investigate, and resolve complaints and grievances in an expeditious manner.
- 15 2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees. If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees, then such additional days are not eligible for reimbursement under this CONTRACT.
- 15 3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Attachment II) that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City.

Department, as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department

- 15 4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization
- 15 5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards, facilitate, or coordinate the performance of this CONTRACT
- 15 6 At the sole discretion of the Director of the Managing City Department, CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time, permanent employees that is not chargeable to annual or personal leave only for the reasons listed below
- (A) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT,
 - (B) To serve as a juror,
 - (C) To attend the funeral of someone in the immediate family Immediate family shall include father, mother, sister, brother, husband, wife or child, and other relatives, (including in-laws) if such other relatives are actually members of the employee's household In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave, or
 - (D) To attend seminars or workshops
- 15 7 Chief Executive Officers (CEOs), directors and other supervisory personnel of CONTRACTOR may not supervise a spouse, parents, children, brothers, sisters, and in-laws standing in the same relationship, (hereinafter referred to as "Relatives") who are involved in any capacity with program delivery supported through CITY funds Relatives, however, may be co-workers in the same Project in a non-supervisory position

XVI ADVERSARIAL PROCEEDINGS

- 16 1 CONTRACTOR agrees to comply with the following special provisions
- (A) Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity, and
 - (B) CONTRACTOR, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved

XVII CITY-SUPPORTED PROJECT

- 17.1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department

XVIII EQUIPMENT

- 18.1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget, prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of \$100.00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of \$100.00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms, "equipment," and "property," as used herein, shall include not only furniture and other durable property, but also vehicles.
- 18.2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed, whether or not the Project continues to be supported by Federal funds, but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall, at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination for cause of this CONTRACT.
- 18.3 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or programs sponsored by HUD that financed the equipment, second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income.

- 18 4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include
- (A) A description of the equipment, including the model and serial number, or other identification number, if applicable,
 - (B) The date of acquisition, cost, and procurement source, purchase order number, and vendor number,
 - (C) Information from which one can calculate the percentage of Federal participation in the cost of the equipment,
 - (D) An indication of whether the equipment is new or used,
 - (E) The vendor's name (or transferred from),
 - (F) The location and condition of the equipment and the date the information was reported,
 - (G) The property number shown on the property tag, and
 - (H) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share
- 18 5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records. CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference. CONTRACTOR shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.
- 18 6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining, and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and, if applicable, the Federal Bureau of Investigation (FBI). CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen, missing, damaged, and/or destroyed equipment/property. The report submitted by CONTRACTOR to the Managing City Department shall minimally include
- (A) A reasonably complete description of the missing, damaged or destroyed articles of property, including the cost and serial number and other pertinent information,

- (B) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction, and
- (C) A copy of the official written police report or, should the Police not make such copy available, a summary of the report made to the Police, including the date the report was made and the name and badge number of the Police Officer who took the report

18 7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire, loss, and theft.

18 8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return, and all sale proceeds shall be program income, prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment, it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds.

XIX TRAVEL

19 1 The cost associated with budgeted travel for business, either in-town or out-of-town, are allowable costs provided documentation of expenses is present.

(A) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement, the employees 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law, and 2) must record, on a daily basis, odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(B) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT, CONTRACTOR shall 1) provide the CITY with detailed documentation of such business travel expense(s), 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more

liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration, 3) purchase all business travel at economy class rates and shall document such, and 4) submit support for conferences to include itineraries and documentation certifying conference attendance

XX NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 20 1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used, directly or indirectly, for the acquisition, construction, operation, maintenance, administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship, religious instruction, or proselytization. CONTRACTOR further agrees not to engage in inherently religious activities, such as worship, religious instruction, or proselytization when using said facility

XXI DEBARMENT

- 21 1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program
- 21 2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein, if at any time during the term of this CONTRACT, including any renewals hereof, CONTRACTOR learns that its certification was erroneous when made or have become erroneous by reason of changed circumstances

XXII ASSIGNMENT

- 22 1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable, the Grantor of the grant source. Any attempt to transfer, pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party

XXIII AMENDMENT

- 23 1 Any alterations, additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance, as to the CITY's approval, provided, however, the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio, if permitted by all applicable local, state and federal

laws, and in the following circumstances

- (A) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) \$25,000 00, whichever is the lesser amount, provided, however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount,
- (B) Modifications to the Performance Measures set forth in Attachment I hereto, so long as the terms of the amendment stay within the parameters set forth in the Statement of Work, also set forth in Attachment I hereto,
- (C) Budget line item shifts of funds, so long as the total dollar amount of the budget set forth in Section 3 1 of this CONTRACT remains unchanged, provided, however, that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Attachment II) of this CONTRACT, and
- (D) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio s Risk Manager and the Director of the Managing City Department

XXIV SUBCONTRACTING

- 24 1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source, if so required by said Grantor
- 24 2 CONTRACTOR must comply with all applicable local, state and federal procurement standards, rules, regulations, and laws in all its sub-contracts related to the work or funds herein It is further agreed by the parties hereto that the CITY has the authority to monitor, audit, examine, and make copies and transcripts of all sub-contracts, as often as deemed appropriate by the CITY If, in the sole determination of the CITY, it is found that all applicable local, state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such, this CONTRACT will be subject to termination in accordance with the provisions hereof
- 24 3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract, and unless specific waiver is granted in writing by the CITY, shall be subject by its terms to each and every provision of this CONTRACT Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR CONTRACTOR agrees that payment for services of any sub-contractor shall be

submitted through CONTRACTOR, and CONTRACTOR shall be responsible for all payments to sub-contractors

- 24 4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program

XXV. OFFICIAL COMMUNICATIONS

- 25 1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below

CITY

Grants Administrator
Office of Grants Monitoring and Administration
1400 S Flores
San Antonio, Texas 78204

CONTRACTOR

Executive Director
San Antonio AIDS Foundation
818 East Grayson
San Antonio, Texas 78208

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change

XXVI VENUE

- 26 1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be brought in a court of competent jurisdiction in San Antonio, Bexar County, Texas

XXVII GENDER

- 27 1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires

XXVIII AUTHORITY

- 28 1 The signer of this CONTRACT for CONTRACTOR represents, warrants, assures, and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms, conditions, provisions and obligations herein contained. CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body, acting in accordance with the governing instruments submitted to the CITY in the application for funding. Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas. CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT.

XXIX LICENSES AND TRAINING

- 29 1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training, license, or certification to provide said services, and meet all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein.

XXX INDEPENDENT CONTRACTOR

- 30 1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore, and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other.
- 30 2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture, or any other similar such relationship, between the parties hereto.
- 30 3 Any and all of the employees of CONTRACTOR, wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only, and not of the CITY, and any and all

claims that may arise from the Workers' Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR

XXXI SEVERABILITY

- 31 1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein, it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable

XXXII CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual

- 32 1 CONTRACTOR acknowledges that City Code, Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high-risk" discretionary contract, as defined by the City of San Antonio Contracting Policy and Process Manual, may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ, if the identity of the signatory will be different from the individual submitting the response
- 32 2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk
- 32 3 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, that the individual signing this CONTRACT has not made any contributions in violation of City Code, Section 2-309, and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may, in its discretion, declare this CONTRACT void

XXXIII ENTIRE CONTRACT

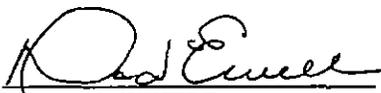
33.1 This CONTRACT and its attachments, if any, constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon, and supersede all prior negotiations, representations, or contracts, either oral or written.

In witness of which this CONTRACT has been executed effective the 1st day of October, 2009

CITY OF SAN ANTONIO

SAN ANTONIO AIDS FOUNDATION

SP
RA BY 
JEANETTA TINSLEY
Grants Administrator
Office of Grants Monitoring
and Administration

BY 
DAVID EWELL
Executive Director

APPROVED AS TO FORM

Board President (if required by Agency)



Emid M. Howard
Assistant City Attorney

ATTACHMENTS

- Attachment I – Work Statement
- Attachment II – Project Budget
- Attachment III – Technical Workbook
- Attachment IV – Federal Compliance Manual
- Attachment V – Performance Report
- Attachment VI – Billing Package
- Attachment VII – Direct Benefit Form
- Attachment VIII – Special Provisions

ATTACHMENT I

WORK STATEMENT

WORK STATEMENT

- I SUB-GRANTEE San Antonio AIDS Foundation (SAAF)

- II PROJECT NAME Congregate Hot Meal Dining for People with HIV/AIDS

- III STATEMENT OF PROJECT RESPONSIBILITY
 - A POLICY SAAF Board of Directors

 - B ADMINISTRATION SAAF Board of Directors

 - C STAFFING SAAF Executive Director and Deputy Executive Director

 - D OPERATIONS SAAF Executive Director and Deputy Executive Director

 - E BUDGET & FISCAL MATTERS SAAF Board of Directors and Administrative Financial Staff

IV PROJECT DESCRIPTION

Nutritious hot meals are the centerpiece of any wellness/ medical recovery program, the treatment of HIV/AIDS is no different. The San Antonio AIDS Foundation provides free, nutritious breakfasts, lunches and dinners 365 days a year to anyone who is HIV infected and in need of meals. Hot meal program menus are developed in consultation with a registered dietitian with an expertise in HIV/AIDS from the University Health System (UHS). The dietitian also reviews residents' charts for any special dietary needs to be addressed. Dietary staff members puree food and create special meals for those residents who cannot consume the normal menu. Residents of SAAF's skilled nursing and hospice facility are fed 20 minutes prior to community based clients, as many are quite ill and may require assistance or a longer time to consume their meal. The purposes of the hot meal program are multiple. Not only does it provide clients with proper nutrition, but ensures that they take their medications in tandem with food, which is often the requirement for proper dosing and reduced side effects. Additionally through provision of meals clients, essentially all of whom are on limited or no income can pay for their medications and essentially utilities and rent, rather than for food. Congregate dining affords skilled nursing and hospice patients visits with community based clients, affords community based clients with an opportunity to escape the harsh weather and socialize in a setting where HIV status is not stigmatized. Finally, by accessing hot meals, clients often learn of or are encouraged to participate in other needed medical, dental and social services. The hot meal program is the greatest magnet for attracting clients who are otherwise out of medical care back into the HIV/AIDS Continuum of Care.

Maintaining a hot meal program of this caliber and financial efficiency requires considerable resources, including, but not limited to dietary staff members, and food. SAAF's hot meal program staff includes a dietary manager, 1 full time and 2 part time cooks and 1 full time and 1 part time dishwasher for the 7 days a week, 3 meals daily operation. In an effort to cut food costs SAAF relies very heavily upon free and purchased foods from the San Antonio Food Bank. Additionally SAAF purchases directly from vegetable, bread, and meat wholesalers to save food costs. Although far more labor intensive than buying directly from a major food purveyor, it has resulted in a 25% savings in food costs over the past several years.

Some 40,000 hot nutritious meals will be provided to 385 unduplicated individuals during the 12 months of this funding period. Some 65 of those unduplicated clients will be skilled nursing or hospice residents of the facility.

IV PROGRAM GOALS, OBJECTIVES, AND PERFORMANCE INDICATORS (See attached)

The goal of the program is to provide 3 hot, nutritious meals daily to anyone who is HIV infected and in need of meals, in order to enhance and ensure continuation of community safety net to promote health and independence of our most vulnerable residents through a hot meal program. To accomplish this goal, SAAF's objectives are 1) to provide breakfast, lunch and dinner, 365 days a year, 2) to provide meals to both residents of SAAF's HIV/AIDS skilled nursing/hospice facility and to community based clients with HIV/AIDS in need of nutritional support, 3) to increase the number of balanced meals clients eat, and 4) to reduce clients' financial burden by reducing the amount of money they spend on food.

VI SERVICE AVAILABILITY (Contact Information, i.e. location, phone and days/hours of operation)

The San Antonio AIDS Foundation (SAAF) is located at 818 East Grayson Street, San Antonio, Texas 78208, (210) 225-4715. The San Antonio AIDS Foundation provides services 24 hours a day, 365 days a year. The hot meal program is located within our licensed residential skilled nursing/hospice facility. Contact person for the Congregate Hot Meal program is Theresa Perry, Dietary Manager. The Congregate Hot Meal program provides 3 nutritious hot meals daily. Meals are served as noted: Breakfast 8:45 am – 9:00 am, Lunch 12:15 p.m. – 1:00 p.m., Dinner 5:15 p.m. – 6:00 p.m.

VII TARGET POPULATION

The targeted population for this San Antonio AIDS Foundation (SAAF) program is persons with HIV/AIDS, some of whom are SAAF's skilled nursing and hospice residents, others are community based clients, many of whom are homeless. Almost all are indigent, and some are entirely unfunded, having no insurance, Medicaid or Medicare. In 2008 those clients fortunate enough to have SSI or SSDI live on only \$637 a month. Clients are majority minority at 70%. Some 30% of clients accessing meals are either homeless or at imminent risk of homelessness. Obviously those who are homeless are entirely dependent upon SAAF's hot meal program for their meals. Others may have no cooking facilities or may feel too weak and ill to prepare meals for themselves. The vast majority of SAAF's clients who receive these services are single and live alone and therefore have no one to cook or care for them should they become seriously ill. Many of SAAF's clients are or should be taking daily HIV-related medications. Most dosing of HIV medications should be in

tandem with food, there promoting absorption and reducing unwanted side effects. Therefore ensuring regular meals helps promote medication compliance, which is a critical issue in HIV. Many of the clients have the additional burdens of cognitive impairment, mental illness, and/or substance abuse issues. Many have been isolated from family and friends for years and have few personal social supports, and participation in the hot meal program provides most of their social interactions. For homeless clients, as there is currently no day treatment program for people with HIV, SAAF's meal program provides shelter from the elements.

VIII ELIGIBILITY CRITERIA Must be HIV positive

IX FEES \$ 0

X SPECIAL PROVISIONS See Attachment VIII

PROJECT PERFORMANCE MEASURES

PROJECT NAME. Congregate Hot Meal Dining for People with HIV/AIDS
PROJECT NUMBER 28-035042
SUB-GRANTEE San Antonio AIDS Foundation
CONTRACT PERIOD October 1, 2009 through September 30, 2010

PROJECT MISSION

The San Antonio AIDS Foundation (SAAF) has a dual mission – to provide compassionate medical care and social services to people with Human Immunodeficiency Virus (HIV) and Acquired Immune Deficiency Syndrome (AIDS), and to help prevent the spread of HIV through education and testing

SAAF is guided by the belief that HIV/AIDS is a disease and those affected by this disease should receive compassion and understanding. SAAF is committed to providing medical care for persons with HIV/AIDS, and education and testing to help prevent the spread of HIV. SAAF advocates a harm reduction philosophy believing that all individuals with HIV need compassionate services, including food and shelter, irrespective of their individual services and practices.

PERFORMANCE MEASURES

	GOAL/ADOPTED
	FY 2009-2010
Input	
01 Total CDBG Funds	\$74,293
02 Total Other Project Funds	\$135,000
Output	
01 Total CDBG Expenditures	\$74,293
02 Total Other Expenditures	\$135,000
Efficiency	
01 # of Unduplicated Participants Served	425
02 # of Hot meals served	45,000
03 Average cost per meal	\$4.65
Effectiveness	
01 % of CDBG Funds Expended	100%
02 % of Other Project Funds Expended	100%

ATTACHMENT II

PROJECT BUDGET

- 1 BUDGET DETAIL
- 2 AGENCY FUNDING SOURCES

BUDGET DETAIL
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

SUB-GRANTEE San Antonio AIDS Foundation

PROJECT NAME Congregate Hot Meal Dining for People with HIV/AIDS

CONTRACT PERIOD Contract Execution - Earlier of 9/30/2010 or Project Completion

SALARIES*

Position*	Total	Other Funding	CDBG Amount
Dietary Manager, Theresa Perry	\$39,056	\$39,056	\$0
Cook (F/T), Tracy Grahmann 100%	\$21,990	\$0	\$21,990
Cook (P/T) Johnnie Spring 100%	\$13,610	\$0	\$13,610
Cook (P/T), Zach Arnold 100%	\$10,352	\$0	\$10,352
Dishwasher (P/T), Misty Baily 100%	\$9,282	\$0	\$9,282
TOTAL	\$94,290	\$39,056	\$55,234

FRINGE BENEFITS**

Type **	Total	Other Funding	CDBG Amount
FICA (7.65%)	\$7,213	\$2,988	\$4,225
State Unemployment (2.56%)	\$2,414	\$1,000	\$1,414
Workers Compensation (2.8%)	\$2,640	\$1,093	\$1,547
Health Insurance (1 employee x \$300/mo x 12 mos)	\$3,600	\$3,600	\$0
Retirement (match up 4%)	\$2,106	\$1,562	\$544
TOTAL	\$17,973	\$10,243	\$7,730

CONTRACTUAL ***

Type***	Service Detail	Total	Other Funding	CDBG Amount
TOTAL				

CAPITAL OUTLAY ***

Description	Total	Other Funding	CDBG Amount

OTHER ***

Description	Total	Other Funding	CDBG Amount
Food Products	\$97,030	\$85,701	\$11,329

- * Attach Job Descriptions
- ** Indicate Formula for Determination
- *** Requires Prior City Approval

AGENCY FUNDING SOURCES

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010**

SUB-GRANTEE San Antonio AIDS Foundation

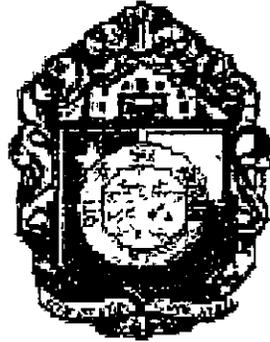
PROJECT NAME Congregate Hot Meal Dining for People with HIV/AIDS

CONTRACT PERIOD Contract Execution – Earlier of 9/30/2010 or Project Completion

PROGRAM	ALL FUNDING SOURCES	AMOUNT
Congregate Hot Meal Dining for People with HIV/AIDS	United Way Ryan White I Ryan White II State Services FEMA – EFSP City of SA General Fund Fundraising – General Fund CDBG	\$36,620 \$25,000 \$13,143 \$6,146 \$14,000 \$6,474 \$47,617 \$74,293

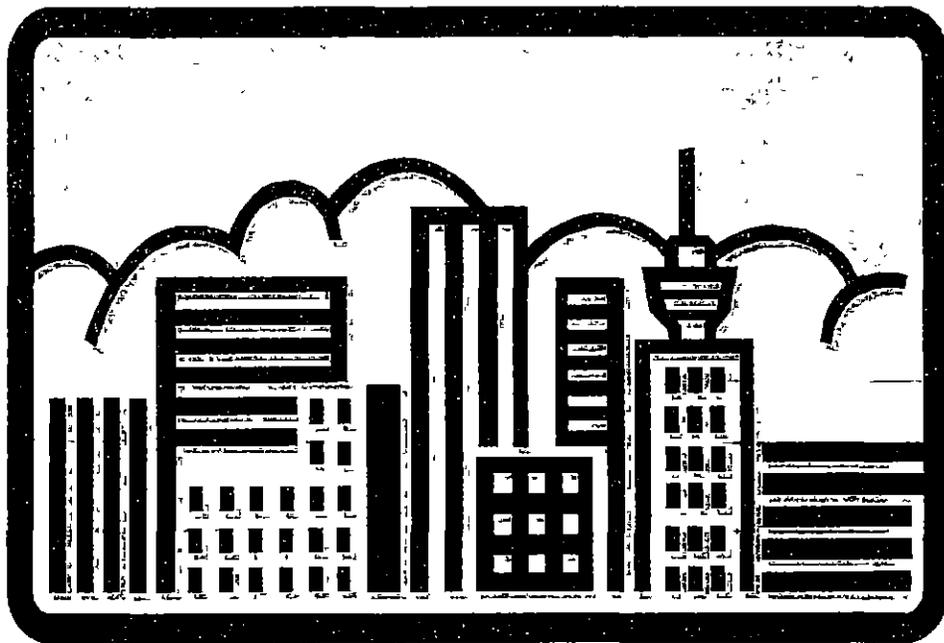
ATTACHMENT III

FUNDING GUIDE



CITY OF SAN ANTONIO

*CONSOLIDATED HUMAN DEVELOPMENT SERVICES FUNDING POOL
FUNDING GUIDE*



Collaborative Effort

City of San Antonio Departments of Community Initiatives, Economic Development, Grants Monitoring & Administration

FY 2009 and FY 2010

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I OVERVIEW

In an effort to maximize financial resources during fiscal years 2009 and 2010, the City of San Antonio (the "City") through its Departments of Grants Monitoring & Administration, Community Initiatives, and Economic Development have established a Consolidated Public Service Funding process. Since funds provided are competitively allocated, organizations interested in providing and administering these Public Service activities are encouraged to submit a proposal highlighting their specific programs and detailing current resources available to conduct the anticipated activities. The competitive solicitation period shall begin in February 2008, and effectively culminate in submission of funding recommendations and budget adoption June 2008. Although some funding sources may be available around July 1, 2008, most funding sources shall be available for release on or about October 1, 2008. Other funds, as they may become available throughout FY09 and FY10 for services procured through the consolidated RFP may be awarded at a later date with approval of City Council of the City of San Antonio.

Funding from the Consolidated Human Development Services Funding Pool RFP of City Council ("City Funds") shall represent a limited percentage of the total agency revenues and expenses for FY2009 and FY2010, which percentage is established by City Council and is subject to change. The percentage of the total agency revenues and expenses that represents non-City Funds is sometimes referred to as the agency's "match" requirement. Contractor shall comply with any matching fund requirements set by City Council that apply to Contractor's contract, regardless of when such requirements are passed. Currently, if Contractor receives \$1,000,000.00 or more in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 35% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. If Contractor receives less than \$1,000,000.00 in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 50% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. These limits are not based on the revenues for the Project, but are based upon and determined by, the revenues for all of the Contractor's operations and activities in each contract year.

Contractor shall provide to the Managing City Department, acceptable evidence, as determined solely by the Director of the Managing City Department, that Contractor has secured revenues from sources other than from the City ("Non-City Funding") in an amount that meets the required limit no later than December 31, 2008 for Fiscal Year 2009 and no later than December 31, 2009 for Fiscal Year 2010. If Contractor does not provide the Managing City Department with acceptable evidence of the required amount of "Non-City Funding" by December 31 of the respective contract year, then the Contractor understands and agrees that the Director of the Managing City Department may reduce the amount of "City Funds" provided to Contractor in order to comply with this limit without obtaining the approval of the City Council.

Funds reduced as a result of either of the requirements above may be reprogrammed.

Contractor agrees that all amendments to any of the applicable laws in this Contract including the Funding Guide and Federal Compliance Manual shall be incorporated automatically into the Contract.

II CONTRACT ADMINISTRATION

A Department of Grants Monitoring & Administration Administered Contracts

All Contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions

- 1) Contractor understands and agrees from commencement date of contract execution to gather information and data relative to all programmatic and financial reporting
- 2) Contractor understands and agrees that it will cooperate with the Department of Grants Monitoring & Administration staff in such a way so as not to obstruct or delay its monitoring of Contractor's performance and that it shall designate one of its staff to coordinate the monitoring process as requested by CITY staff
- 3) Contractor shall ensure that all services are consistent with the City of San Antonio Consolidated Plan located at <http://www.sanantonio.gov/hcd/pdf/2005%202009%20Five%20Year%20Plan.pdf> Only CDBG Public Service funds will be distributed through the Request for Proposals generated in connection with this Funding Guide

B. Department of Community Initiatives Administered Contracts

All Contracts administered through the Department of Community Initiatives shall comply with the following Special Provisions

- 1) Contractor shall comply with the Department of Community Initiatives' policy on Supportive Services as well as any other Department of Community Initiatives policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by said Department upon execution of the contract
- 2) Contractor shall provide family outreach services and/or application assistance for the Children's Health Insurance Program (CHIP). Contractor shall also provide information on the TexCare Partnership program and application assistance for eligible children who are not currently covered under a health insurance plan. Contractor shall also maintain and provide to the City's Department of Community Initiatives, in a monthly report, the following information:
 - 1 number of eligible children not covered by a health insurance plan, and
 - 2 information and application assistance provided by the Contractor to eligible families
- 3) Contractor shall disseminate information on the School Readiness Guidelines (hereinafter referred to as "Readiness Guidelines") program to all program participants and to the general public. Contractor shall maintain records on the amount and type of outreach efforts in its

dissemination of information on the Readiness Guidelines, and shall submit on a monthly basis reports of said records to City's Department of Community Initiatives

- 4) The contractor shall disseminate information to the general public on information about the Women, Infants and Children (WIC) Program. The contractor shall assist families, who may be eligible for WIC services, in locating a WIC program office and provide the necessary referral to the family. The contractor shall provide information about other potential sources of food assistance in the local area to individuals who apply for the WIC program, but who cannot be served because the program is operating at capacity in the local area.
- 5) The contractor shall disseminate information to the general public on information about the Texas Food Stamp Program. The contractor shall assist families, who may be eligible for food stamps, in locating a program office and provide the necessary referral to the family.
- 6) The contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. The contractor shall be prepared to offer basic referrals to these services based on the individual needs of the family.
- 7) Contractor shall disseminate information to the general public on the benefits and eligibility for the Federal Earned Income Tax and Child Care Credits. Contractor shall provide participants with referrals to the City of San Antonio, Department of Community Initiatives, and Volunteer Income Tax Assistance (VITA) program. If available, the contractor shall provide office space for VITA volunteers to complete tax returns.
- 8) Contractor shall allow City's Department of Community Initiatives' Community Action staff to train Contractor's staff in certifying participants for SAWS Water Affordability Program in client verification, application processes and monitoring the Campaign. Contractor staff shall provide assistance in the implementation of the SAWS Water Affordability Program Campaign. Contractor shall complete necessary documents and a monthly summary report on the number of households assisted, and forward said monthly reports to the Community Action Office, located at 115 Plaza de Armas, Ste 150, San Antonio, TX 78205. Community Action staff shall provide support for contractor in the execution of these tasks on an ongoing basis. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.
- 9) Contractor agrees that it may be selected to provide eligibility determination services to the City for utility assistance credits through Projects WARM (*Winter Assistance Relief Mobilization*) and REAP (*Residential Energy Assistance Partnership, Inc*) to low-income and elderly residents who are City Public Service ("CPS") customers. Contractors may, at the sole discretion of the City, be required to perform these duties.

If selected by City to conduct Project WARM and REAP eligibility determination services, Contractors understand and agree that said services are part of the consideration for the City's award of funds. Contractors further understand and agree that City may not compensate Contractors for said services. Contractor further understands and agrees that City may not reimburse Contractor for any costs or expenses associated with said services or for Contractor making assistance credit recommendations to City

Contractor shall allow City's Department of Community Initiatives', Community Action staff, to train Contractor's staff in providing eligibility determination services for Projects WARM and REAP. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.

- 10) Contractor agrees that it may be selected to participate in the Homeless Management Information System (HMIS) project of the City of San Antonio funded through the U.S. Department of Housing and Urban Development. Participation in HMIS must meet all requirements of HMIS. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 11) Contractor agrees that it may be selected to participate in the Child Care Single Portal of Entry (SPE) project of the City of San Antonio. Participation in SPE must meet all requirements of SPE project rules. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 12) Contractor agrees to make reports to the City of San Antonio, Department of Community Initiatives in the form requested by the City.

C Department of Economic Development

All Workforce Development Delegate Agency Contracts will be administered through the Department of Economic Development. All Workforce Development Delegate Agency Contracts shall comply with the following:

- 1) Contractor shall comply with all Economic Development Department policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by the Department upon execution of the contract.
- 2) Contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. Contractor shall be prepared to offer basic referrals to these services based on the individual needs of the participant.
- 3) Contractor agrees to make reports to the City of San Antonio, Economic Development Department in the form requested by the City.

III Statutory Guidelines and Special Provisions

A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, (hereinafter referred to as **Community Development Act**), as amended for utilization in connection with its Community Development Block Grant (CDBG) Program for Public Service. The federal government defines Public Service programs as "activities directed towards improving employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs."

Income Eligibility Requirements for Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is a grant provided by the U.S. Department of Housing and Urban Development. The Department of Grants Monitoring & Administration administers the grant for the City of San Antonio for use in revitalizing neighborhoods, providing affordable housing, expanding economic opportunities, and improving community facilities and services.

National Objectives

An activity must meet one of the following CDBG National Objectives to be eligible to receive funds:

- (1) Benefit low- and moderate-income families,
- (2) Prevent or eliminate slums or blight, or
- (3) Meet other urgent community development needs.

Population to be served and Beneficiaries

In most cases, as direct beneficiaries, clients benefiting from CDBG supported public service activities must be documented as having gross annual household incomes not exceeding 80% of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines.

The Department of Grants Monitoring & Administration has established a Funding Policy under which each application will be considered. This policy identifies a number of general and activity-specific objectives that must be met in order for an application to receive further consideration.

The Funding Policy also makes clear that the Federal CDBG regulations allow up to 15% of the annual grant to be allocated to public service programs. However, the City will award funds to public services based on current funding priorities. Public services include but are not limited to those programs concerned with employment, crime prevention, childcare, day care, health care, drug abuse prevention, education, mental health, energy conservation, welfare, or recreation.

Contractors receiving contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions.

1) The federal government defines Public Service programs as activities "directed towards improving the community's public services and/or facilities including, but not limited to, those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs." In most cases, as direct beneficiaries, clients benefiting from CDBG supported Public Service activities must be documented as having gross annual household incomes not exceeding eighty-percent (80%) of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines. *In addition, HUD CDBG regulations require the Public Service program to be a new service or demonstrate a quantifiable increase in the level of an existing service.*

2) Successful Proposers funded through CDBG will be subject to the following Special provisions:

- Department of Labor Regulations (29 CFR Part 5, as amended)

- The Copeland Anti-Kickback Act (18 USC 874), as amended, and as supplemented by Department of Labor regulations (29 CFR Part 3, as amended)
- The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), as amended, and as supplemented by Department of Labor regulations (29 CFR Part 5, as amended)
- Executive Order 11246 (Equal Opportunity), as amended, and as supplemented by Department of Labor regulations (41 CFR, chapter 60, as amended)
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits

3) Contractor shall comply with applicable uniform administrative requirements, as promulgated in Title 24 CFR 570 502

4) Contractor further assures and certifies that if the regulations and issuances promulgated pursuant to the Community Development Block Grant rules and guidelines are added to, amended or revised, it shall comply with them or notify the City as provided in this Contract. Contractor understands and agrees that if the regulations and issuances promulgated pursuant to the Community Development Act are amended or revised, it shall comply with them or otherwise immediately notify City pursuant to the provisions of Article XXVI (26 1) of this Contract

5) Contractor understands and agrees that eligible activities funded under the Community Development Block Grant (CDBG) Program, must meet the National Objectives as defined in the Code of Federal Regulations, 570 208 (a)(2)(1)(A), stating that the services provided must be a direct benefit to "low and moderate" income-limited clientele

6) Contractor assures and certifies that it will comply with the requirements of the Community Development Act and with all applicable Community Development Block Grant (CDBG) regulations promulgated there under as Title 24 570 200 of the Code of Federal Regulations

7) Contractor assures that all contractors and subcontractors receiving funds in connection with a CDBG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

8) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects

covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing

- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135
- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

B Child Care Development Fund Block Grant (CCDF)

The City of San Antonio receives CCDF funds through a contract with the Alamo Workforce Development, Inc hereinafter referred to as Alamo WorkSource Based on availability, federal matching funds will support local initiatives that improve the quality of early care and education programs for young and school age children through Quality Improvement Activities (QIA) and family strengthening strategies Funding may be awarded from multiple sources including U S Department of Health and Human Services Child Care Development Fund Block Grant (CCDF), Temporary Assistance to Needy Families (TANF), and the U S Department of Labor Welfare to Work or Workforce Investment Act (WIA) programs

1) Contractors funded through CCDF shall comply with the following laws

- Child Care and Development Block Grant Act of 1990 - CFR Title 45, Sections 98 and 99 contain the regulations for the implementation and operation of the CCDBG
- Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (HR3734) (Welfare Reform) amends 42 USC 9858 which creates the Child Care Development Fund (CCDF)
- Public Law 104-193
- Public Law 105-33
- USC Title 42, Section 9858 (The Omnibus Reconciliation Act of 1990) created the Child Care and Development Block Grant (CCDBG) and authorizes payment for certain child care and quality improvement activities
- USC Title 42, Chapter 7, Subchapter II Section 418 – Social Security Act, as amended entitled Federal Old-Age, Survivors, And Disability Insurance Benefits
- USC Title 42, Chapter 7, Subchapter IV, Section 601 through 679 entitled Grants to States for Aid and Services to Needy Families With Children and for Child-Welfare Services
- TAC Title 40 Part 20 – Texas Workforce Commission
- TAC Title 40, Part I Chapter 73 Subpart A provides the processes and procedures for the administration of all programs and services receiving state financial assistance directly or through contractual arrangement, in accordance with applicable federal civil rights regulations
- TAC Title 40, Chapter 801 and 809
- Texas Education Code, Section 33 902
- Labor Code, Title 2, Chapters 21, 81, 301 and 302
- Human Resource Code, Chapter 22 (all), Chapter 31, Section 31 0035, Chapter 44 (all), Chapter 73 (all), and Chapter 121 (all)
- Government Code Title 10, Chapters 771 and 2308
- Texas WorkSource Commission Financial Manual for Grants and Contracts – available in hard copy format from the City of San Antonio, Department of Community Initiatives upon request
- Any other applicable federal, state, and local laws, including City and Alamo WorkSource , Inc rules regulations, policies, procedures and issuances promulgated under authority of the legislation and specific program requirements

2) ADDITIONAL RIGHTS IN DATA

Alamo WorkSource shall have the right to reproduce, publish or use the copy right of patent or rights in all data produced through this Contract

3) ADDITIONAL ETHICS REQUIREMENTS

- a) No employee of Contractor or Sub-Contractor, no member of Contractor's or Sub-Contractor's governing board or body, and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this Contract shall participate in any decision relating to this Contract which affect his/her personal pecuniary interest
- b) Contractor shall take every reasonable course of action to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Contract shall be administered in an impartial manner, free from efforts to gain personal, financial or political benefit, tangible or intangible. Contractor, its executive staff and employees, while administering this Contract, shall avoid situations, which could give the appearance that any decision was influenced by prejudice, bias, special interest or desire for personal gain.
- c) Contractor has disclosed any interest, fact or circumstance, which does or may present a potential conflict of interest. Contractor shall immediately inform the City of San Antonio at the address in Article XXVI Section 26 1 of this Contract and Alamo WorkSource at the address in Section (6) below, in writing of any potential conflict of interest which arises at any time during the term of this Contract.

4) ADDITIONAL COMMUNICATIONS/NOTICES

In addition to the parties listed in Article XXVI, Section 26 1 of this contract, Contractor shall also submit all communications and notices to Alamo WorkSource in the same manner as set forth in Article XXVI, Section 26 1 of the contract to the address below

Executive Director
115 Travis, Suite 220
San Antonio, TX 78205

5) ADDITIONAL AUDIT / RECORDS INSPECTION

In addition to the requirements set forth in Article VII, Section 7 3 and Article VIII, Section 8 1 of this Contract, Contractor further agrees that all records and files with respect to all matters covered by or related to this Contract will be open for inspection and audit at any reasonable time during the term hereof by representatives of Alamo WorkSource and shall continue to be available for a period of three (3) years after the termination date hereof. If at the end of three (3) years, there is litigation or if the audit report covering such agreement has not been accepted, the Contractor shall retain the records until the resolution of such litigation or audit.

6) ADDITIONAL REQUIREMENTS FOR AMENDMENT

In addition to the requirements set forth in Article XXIV, Section 24 1 of this Contract, Contractor further agrees that except when the terms of this Contract expressly provide otherwise, any alterations additions or deletions to the terms hereof shall be by amendment in writing and approved by Managing City Department and Alamo WorkSource.

7) ADDITIONAL REQUIREMENT FOR ASSIGNMENTS

In addition to the requirements set forth in Article XXIII, Section 23.1 of this Contract, Contractor further agrees that Contractor shall not assign or transfer Contractor's interest in this agreement without the written consent of Alamo WorkSource

8) ADDITIONAL REQUIREMENT FOR SUBCONTRACTING

In addition to the requirements set forth in Article XXV, Section 25.1 of this Contract, none of the work or services covered by this agreement shall be sub-contracted without the prior written consent of Managing City Department and Alamo WorkSource. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written agreement, and unless specific waiver is granted in writing by Managing City Department and Alamo WorkSource, shall be subject by its terms to each and every provision of this agreement. Compliance by sub-Contractors with this agreement shall be the responsibility of Contractor. Contractor agrees that payment for services of any approved sub-Contractor shall be submitted through Contractor, and Contractor shall be responsible for all payments to sub-Contractors.

C. Community Services Block Grant (CSBG)

Applicable Laws

The City of San Antonio receives CSBG funds through a contract with the Texas Department of Housing and Community Affairs

1) Contractors funded through CSBG shall comply with the following laws

- Public Law 103-252 which can be found at www.ncaf.org/csbg.htm
- Community Services Block Grant 42 USC Sections 9901 through 9926

- TAC Title 1, Part 1, Chapter 5, Subchapter A, Division 4, Rules § 5.144, §5.145, §5.150 and §5.167 – pertaining to Uniform Grants and Management Standards

2) Persons served through CSBG funds must meet income eligibility guidelines including having incomes at or below 125% of the Federal Poverty Income Level (FPIIL) as established by the U.S. Department of Health and Human Services

3) Contractor agrees to adhere to all the requirements of the Results Oriented Management and Accountability (ROMA) system, a tool designed to measure consistent results of the Contractor's service delivery throughout the Contractor's service delivery period. Texas Department of Housing and Community Affairs (TDHCA) mandates this requirement in accordance with CSBG Policy Issuance 98.12.8

D. Emergency Shelter Grant (ESG)

Applicable Laws

The City of San Antonio is the grantee that receives ESG funds through a contract with the US Department of Housing and Urban Development Through this RFP, the City makes ESG funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations The Emergency Shelter Grants program provides homeless persons with basic shelter and essential supportive services It can assist with the operational costs of the shelter facility, and for the administration of the grant ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs

ESG funds are available for the rehabilitation or remodeling of a building used as a new shelter, operations and maintenance of the facility, essential supportive services (i.e., case management, physical and mental health treatment, substance abuse counseling, childcare, etc.), homeless prevention, and grant administration

1) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other federal, state and local grants, and from "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time (See paragraph 4 on page 16 Language appears to be a duplication)

2) Contractors funded through ESG shall comply with the following laws

- USC Title 42, Section 11301 (1998) - Title IV, Subtitle B of the Stewart B McKinney Homeless Assistance Act, as amended
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits
- ESG Regulations – CFR Title 24, Part 91, Section 576 can be found at <http://www.hud.gov/offices/cpd/homeless/rulesandregs/regulations/576esg/index.cfm>
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

3) Contractor assures that all contractors and subcontractors receiving funds in connection with an ESG funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project *In the event of conflict between this Contract and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

4) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other state and local grants and must be in cash or cash equivalent for acquisition, rehabilitation, or new construction projects "In-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time may be used as match for service contracts such as operations of a facility or supportive services (Language appears to duplicate language on paragraph 1 of page 15)

5) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

6) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts

- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible but not in derogation of compliance with Section 7(b)

E Housing Opportunities for Persons with AIDS (HOPWA)

Applicable Laws

The City of San Antonio receives Housing Opportunity for Persons With Aids (HOPWA) entitlement funds through a contract with the U S Department of Housing and Urban Development (HUD). The HOPWA Program was established by (HUD) to address the specific needs of persons living with Human Immunodeficiency Virus (HIV/AIDS) and their families. HOPWA makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons medically diagnosed with (HIV/AIDS), and their families. HOPWA funding provides housing assistance and related supportive services as part of HUD's Consolidated Planning initiative that works in partnership with communities and neighborhoods in managing federal funds appropriated to HIV/AIDS programs. HOPWA grantees are encouraged to develop community-wide strategies and form partnerships with area non-profit organizations.

1) Contractors funded through HOPWA shall comply with the following laws

- HOPWA Regulations – CFR Title 24, Part 91, Section 574 can be found at <http://www.hud.gov/offices/cpd/aidshousing/lawsregs/regs/index.cfm>
- Americans with Disabilities Act at USC 42 12101-12213 as codified under CFR Title 28
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

2) Contractor assures that all contractors and subcontractors receiving funds in connection with a HOPWA funded project shall comply with, any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual which shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide.*

3) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

4) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts

- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

IV GLOSSARY OF TERMS

Amendment – An agreement executed by all parties to a Contract subsequent to the original execution date of such Contract which modifies provisions of such Contract

Audit - A systematic review by a CPA or other duly certified and licensed individual or organization to determine and report whether Contractor's financial operations are being properly conducted, financial reports are being presented fairly and applicable laws and regulations are being complied with. All contractors must submit an audit of the program funded under this agreement as is further delineated herein. For purposes of this Funding Guide an Audit shall mean an OMB Circular A-133 Audit or an audit conducted in accordance with State of Texas or other applicable federal agency requirements.

AWS - The Alamo WorkSource, Inc

AWDB - The Alamo Workforce Development Board

City - City of San Antonio, a Texas municipal corporation

Contractor - A service provider or program operator under contract with the City of San Antonio

CCDF – Child Care Development Funds

CSBG - Community Services Block Grant

ESG – An acronym for the Emergency Shelter Grant from HUD

Family See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the Consolidated Plan differs from the Census definition). The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption.

Federal Poverty Income Limits (FPIL) – see Poverty Level

General Fund - Funds that originate from the tax base or fees and fines collected by the City of San Antonio. These funds are generally adopted for expenditure in the City's budget through an ordinance.

Grantor – The organization that provides grant funds to the City

HHS – U S Department of Health and Human Services

HOPWA – Housing Opportunities for Persons with AIDS grant from HUD

Household One or more persons occupying a housing unit

HUD – U S Department of Housing and Urban Development

HUD Income Definitions - Annual income as defined under the Section 8 Housing Assistance Payments program at (24 CFR 813.106) or Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:

- A Wages, salaries, tips, commissions, etc,
- B Self-employment income from own non-farm business, including proprietorships and partnerships
- C Farm self-employment income
- D Interest, dividends, net rental income, or income from estates or trusts,
- E Social Security or railroad retirement,
- F Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs,
- G Retirement, survivor, or disability pensions, and
- H Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation, and alimony, or

Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040) for individual Federal annual income tax purposes

Low- and moderate-income household - a household having an income equal to or less than the Section 8 income guideline limits established by HUD

Low- and moderate-income person - a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose.

Moderate-income household - a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD

Moderate-income person - a member of a family that has an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Monitoring - The process of observing and/or reviewing performance which may include on-site observation, review of paperwork and files, interviews with staff or customers, telephone conversations, and formal evaluation of compliance elements

Ordinance - A law enacted by the City Council of the City of San Antonio

Participant - An individual who has been determined eligible for and who is receiving program services

Policies - Guidelines for management of programs that have been developed using relevant federal and state laws, state rules, funding limitations, information from grantors, the public, and the goals of the individual programs

Poverty Level - The annual income threshold at or below which families are considered to live in poverty as established by the U S Department of Health and Human Services 2008 Poverty level is listed below The Federal government changes/updates the Federal Poverty Income Levels (FPIL) annually Updated FPIL can be found at [http //www hhs gov/](http://www.hhs.gov/)

2008 HHS Poverty Guidelines

Persons in Family or Household	48 Contiguous States and D C	Alaska	Hawaii
1	\$10,400	\$13,000	\$11,960
2	14,000	17,500	16,100
3	17,600	22,000	20,240
4	21,200	26,500	24,380
5	24,800	31,000	28,520
6	28,400	35,500	32,660
7	32,000	40,000	36,800
8	35,600	44,500	40,940
For each additional person, add	3,600	4,500	4,140

Procedures - A document that specifies the way to perform an activity and identifies the position responsible for its performance

Profit - An amount in excess of the cost necessary to operate a program Profit is allowable to the extent it is reasonable as determined during contract negotiations and not in excess of 10% of grant funds It includes that amount which is associated with proprietary materials included in the cost of the program Profit may be allocated among the cost categories for WIA (need to spell out what WIA stands for) related costs and may be treated differently for other funding sources Profit may only be earned by private for-profit organizations Profit is not allowable with City of San Antonio General Funds

Program Income - For purposes of this Contract, "program income" shall mean earnings of Contractor realized from activities resulting from this Contract or from Contractor's management of funding provided or received hereunder Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of Contractor provided as a result of this Contract, and payments from clients or third parties for services rendered by Contractor pursuant to this Contract Contractor shall include this language, in it's entirety, in all of its sub-contracts involving income-producing services or activities

Section 8 Income Guidelines - Income limits established by the Department of Housing and Urban Development (HUD) The newest limits can be found at the HUD website www.hud.gov

2007 Income Limits								
No. of Persons	1	2	3	4	5	6	7	8
Very Low-Income	\$11,250	\$12,900	\$14,500	\$16,100	\$17,400	\$18,700	\$19,950	\$21,250
Low-Income	\$30,050	\$34,350	\$38,650	\$42,950	\$46,400	\$49,800	\$53,250	\$56,700

Service Provider - Also referred to as the contractor

Supportive Services - May include the following linkages to community services, assistance with transportation costs, assistance with child care, assistance with housing costs, referrals to medical services, and assistance with uniforms, work related attire, and work related tool costs including eyeglasses

V REFERENCES

The following list of resources may be used to find the laws, rules, regulations, and policies referenced in this document. If you are unable to access via the link provided please copy the link and paste into your browser address line

- **Age Discrimination in Employment Act of 1967** (Public Law 90-202) as amended
<http://www.eeoc.gov/policy/adea.html>
- **Americans with Disabilities Act**, Public Law 101-336 enacted July 26, 1990
<http://www.eeoc.gov/policy/ada.html>
- **City Charter of the City of San Antonio**
<http://www.sanantonio.gov/atty/reference/charter.htm>
- **City of San Antonio Ethics Code**
<http://www.sanantonio.gov/atty/Ethics/codetext.htm>
- **Civil Rights Act of 1991** (Public Law 102-166)
<http://www.eeoc.gov/laws/cra91.html>
- **Title VII of the Civil Rights Act of 1964** (Public Law 88-352)
<http://www.eeoc.gov/policy/cra91.html>
- **Code of Federal Regulations (CFR)**
<http://www.hudclips.org/cgi/index.cgi> for CDBG, ESG and HOPWA funded activities
<http://www.gpoaccess.gov/cfr/index.html> for all other federally funded activities

- Title IX of the **Education Amendments** of 1972 (USC Title 20, Sections 1681-1688)
<http://www.dol.gov/oasam/regs/statutes/titleix.htm>
<http://www.usdoj.gov/crt/co1/coord/titleixstat.htm>
- Federal **Drug-Free Workplace Act** of 1988 as adopted by the Texas Worker's Compensation Commission Rules Chapter 169
http://www4.law.cornell.edu/uscode/html/uscode41/usc_sup_01_41_10_10.html
<http://www.ci.league-city.tx.us/documents/Human%20Resource/DRGPOLIC.htm>
- **Equal Pay Act** of 1963 (Public Law 88-38)
<http://www.eeoc.gov/types/epa.html>
- **Employee Retirement Income Security Act (ERISA)** of 1974 (Public Law 93-406)
http://www.efast.dol.gov/ebsa/compliance_assistance.html
- **Fair Labor Standards Act** of 1938, as amended
http://www.dol.gov/esa/regs/statutes/whd/0002_fair.pdf
- **Internal Revenue Service (IRS)**
<http://www.irs.gov/index.html> or
http://www.irs.gov/newsroom/article/0_id=151226,00.html (for mileage rates)
- **Occupational Safety and Health Act** regulations
<http://www.osha.gov/comp-links.html>
- **OMB Circulars**
<http://www.whitehouse.gov/omb/circulars/index.html>
- **Public Laws**
<http://www.gpoaccess.gov/plaws/index.html>

NOTE For most public laws listed in this document, you will need to go to the section of the website entitled "Previous Congresses -- 104th (1995-96) through 108th (2003-04) Congress" then click Search. You search by the number of congress that is the first three numbers in the number of the Public Law. Example: Public Law 104-193 is found in the 104th Congress. Then type in the Public Law number and press Submit. When you get the Search Results simply look in the Hits until you find the Public Law you want to review.

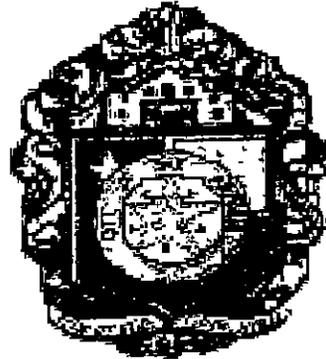
- Sections 501 and 505 of the **Rehabilitation Act** of 1973 (Public Law 93-112)
<http://www.eeoc.gov/policy/rehab.html>
- Sections 501 through 509 of the **Rehabilitation Act** of 1973
<http://www.access-board.gov/enforcement/Rehab-Act-text/title5.htm>
- Section 504 of the **Rehabilitation Act** of 1973 for CDBG, ESG and HOPWA contracts
<http://www.hud.gov/progdsc/s-504.cfm>
- For CSBG and CCDF contracts
<http://www.hhs.gov/ocr/504.html>

- Texas Administrative Code (TAC)
[http://info.sos.state.tx.us/pls/pub/leadtac\\$ext.ViewTAC](http://info.sos.state.tx.us/pls/pub/leadtac$ext.ViewTAC)
- **Texas Comptroller of Public Accounts** (for State Agency mileage rates)
<https://finx.cpa.state.tx.us/fm/travel/milerate/index.php>
<http://www.window.state.tx.us/fm/statewise/05/10/5.html> (for State Agency per diem rates)
- **Texas Statutes (Codes)**
<http://www.capitol.state.tx.us>

NOTE The web link takes you to the Texas Legislature Online. On the left menu, click on Texas Statutes for a list of Codes.

- **Texas WorkSource Commission** <http://www.twc.state.tx.us/>
- **Worker's Compensation** statutory regulations
<http://www.tdi.state.tx.us/wc/referencesandforms.html>
- **Unemployment Insurance** statutory regulations
<http://www.twc.state.tx.us/customers/rpm/rpmsub1.html>
- **United States Code (USC)**
<http://uscode.house.gov/search/criteria.shtml>
- **United States General Services Commission** (travel per diem rates)
http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BA_SIC

ATTACHMENT IV
FEDERAL COMPLIANCE MANUAL



CITY OF SAN ANTONIO
DEPARTMENT OF GRANTS MONITORING AND ADMINISTRATION
FEDERAL COMPLIANCE MANUAL

Revised February 2008

Introduction

As sub-grantees you are an indispensable part of the City's federal grant program. You provide the City of San Antonio and the U S Department of Housing and Urban Development (HUD) with assurance that the diverse communities, groups and individuals whom the federal program is intended to serve are in fact reached by the program

Procedures established for administration of the City of San Antonio and U S Department of Housing and Urban Development supported grant programs require adherence to several applicable Federal Regulations. To aid in the identification of those regulations and to establish uniformity in policies and procedures utilized for compliance with them, the Department of Grants Monitoring and Administration has compiled the "Federal Compliance Manual". This manual is not meant to constitute a complete compilation of all duties imposed upon sub-grantees by law or administrative ruling or to narrow the standards to which sub-grantees must adhere.

Certain requirements defined in this manual may not be the direct duty of the sub-grantee. Nevertheless the sub-grantee has ultimate responsibility for seeing that the requirement is met. All City departments, agencies and other contractors receiving federal funds for the operation of a project are required to adhere to all applicable regulations included in this manual.

DISCLAIMER

The views and materials presented herein are those of the City of San Antonio's Department of Grants Monitoring and Administration and not those of HUD. The recommendations and interpretations offered in this manual are meant to supplement, not replace, the formal regulations and policies of the Community Development Block Grant and HOME Entitlement Program. In areas of doubt, readers are advised to consult the specific program regulations.

FEDERAL COMPLIANCE MANUAL

I Record Keeping

Accurate record keeping is crucial to the successful management of City funded activities. Insufficient documentation is likely to lead to monitoring findings, and these findings will be more difficult to resolve if records are *missing*, inadequate or inaccurate.

A. The requirements for financial management systems and reporting are found in 24 CFR Part 85.20 for governmental and public agency sub-grantees, and in OMB Circular A-122 Attachment F, for non-profit sub-grantees. The purpose of these requirements are to ensure that a sub-grantee receiving federal funds has a financial management system sufficient to

1. Provide effective control over and accountability for all funds, property, and other assets,
2. Identify the source and application of funds for federally sponsored activities, including verification of the reasonableness, allowability, allocability of costs, and verification that funds have not been used in violation of the restrictions or prohibitions that apply to this federal assistance, and
3. Permit the accurate, complete, and timely disclosure of financial results, in accordance with the reporting requirements of the City or HUD.

B. The soundness of any organization's financial management structure is determined by its system of internal controls. Internal controls consist of a combination of procedures, specified job responsibilities, qualified personnel, and records which together create accountability in an organization's financial system and safeguard its cash, property, and other assets. Through its system of internal controls, an agency's management can ensure that

1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies,
2. These resources are protected against waste, mismanagement or loss, and
3. Reliable information on the source, amount and use of resources is secured, maintained up-to-date, and disclosed in appropriate records and reports.

C. Some of the basic elements that a sub-grantee should consider in developing its system of internal controls include

1. An organizational chart setting forth the actual lines of responsibility of individuals involved

- in approving or recording financial transactions
- 2 Written definition of the duties of key employees
- 3 A formal system of authorization and supervision sufficient to provide accounting control over assets, liabilities, receipts, and expenditures. This should include
 - a Maintenance of a policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures, and
 - b Written procedures for the recording of transactions as well as an accounting manual and a chart of accounts
- 4 Adequate separation of duties so no one individual has authority over an entire financial transaction. In organizations with very limited staff it may be difficult to achieve optimal separation of duties. In such instances, the most critical functional areas are separation between custody of cash, record keeping for cash, and control of assets easily converted to cash. Separation of duties specifically involves the separation of three types of functional responsibilities
 - a Authorization to execute a transaction,
 - b Recording of the transaction, and
 - c Custody of the assets involved in the transaction
- 5 Hiring policies to ensure that staff qualifications are commensurate with job responsibilities
- 6 Physical access to records, blank forms, cash and other assets should be limited to authorized personnel only. For example, access to accounting records should be limited to only those individuals having record-keeping or supervisory responsibility for them
- 7 Periodic comparisons of financial records to actual assets and liabilities, with corrective action taken in response to any discrepancies. As with separation of duties, it is a crucial exercise to uncover and correct inadvertent record-keeping errors in a timely manner. It is also essential for identifying potential weaknesses in an organization's system for safeguarding resources, as well as possible instances of fraud or misuse of assets
- D The system of authorizations should provide a way for management to ensure supervisory approval of transactions, and documentation of these transactions for accounting purposes. A system of authorizations can be general - as in a procedure manual which explains how accounting functions are to be performed - or very specific, as in identifying who has the authority to sign a contract on behalf of the organization or to sell a piece of equipment

- E Sub-grantees are required to have accounting records that adequately identify the source and application of City funds provided to them. To meet this requirement, a sub-grantee's accounting system should include at least the following elements:
- 1 A chart of accounts. This is a list of names and the numbering system for the individual accounts that contain the basic information about particular classifications of financial transactions for the organization.
 - 2 Cash receipts journal. This journal documents (in chronological order) when funds were received, in what amounts, and from what sources.
 - 3 A cash disbursements journal. This journal documents the expenditures of the organization in chronological order (e.g., when the expense was incurred, how much was spent, to whom it was paid, and for what purpose).
 - 4 A payroll journal. This journal documents the organization's expenses for salaries and benefits, and distinguishes different categories for regulatory purposes.
 - 5 A general ledger. After a transaction is entered in a journal, that information also should be transferred to the proper accounts contained in the general ledger. The general ledger summarizes in chronological order the activity and financial status of all the accounts of an organization. The entries in the journal and ledger should be cross-indexed to permit the tracing of any recorded transaction (i.e., an audit trail).
- F For the City's programs, these accounting records must contain reliable and up-to-date information about the source and uses of funds, including:
- 1 Federal grant awards (or sub-grantee allocations) received by the organization,
 - 2 Current authorization and obligations of City funds,
 - 3 Un-obligated balances (funds remaining available for distribution),
 - 4 Assets and liabilities,
 - 5 Program income,
 - 6 Actual outlays or expenditures, with further breakdown by
 - a The grant program from which the funds are derived
 - b The eligible activity classifications (housing and rehabilitation, economic development, public facilities, public service, etc.) or similar classifications that clearly indicate use of program funds for eligible activities.
- G The internal control requirements provide for the separation of duties and the secure storage of accounting records in limited access areas. In maintaining these accounting records a sub-grantee should also ensure that

- 1 Journal entries are properly approved and explained/supported,
 - 2 Posting and trial balances are performed on a regular basis, and
 - 3 Fidelity bond coverage is obtained for responsible officials of the organization
- H The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of federally financed activities are found in 24 CFR Part 85 for governmental sub-grantees, and in OMB A-122 for nonprofit sub-grantees. According to basic guidelines contained within these OMB circulars, a cost is allowable under the federal program if
- 1 The expenditure is necessary, reasonable and directly related to the grant. This standard applies equally to such items as salaries and administrative services contracts, as well as to real property and equipment purchases or leases, travel, and other administrative expenditures. In determining the reasonableness of a given cost, consideration shall be given to
 - a Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or performance of the award,
 - b The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, federal and state laws, and regulations, terms, and conditions of the award,
 - c Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the organization, its members, employees and clients, the public at large, and the government, and
 - d Significant deviations from the established practices of the organization that may unjustifiably increase the award costs
 - 2 The expenditure has been authorized by the City, generally through approval of the budget for activity. The City, based upon the provision of the contract, may disallow any expenditure by sub-grantee on such activities exceeding the approved amount
 - 3 The expenditure is not prohibited under federal, state, or local laws, or regulations
 - 4 The expenditure is consistently treated, in the sense that the sub-grantee applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-federally assisted activities
 - 5 The cost must be allocable to the federal program. A cost is allocable to a particular cost objective (e.g., grant, program or activity) in proportion to the relative benefits received by that objective. This means that
 - a If an office is utilized by two programs during the same hours, the costs of the office must

- be allocated between the two programs on an equitable basis
- b The same expense cannot be claimed against more than one account (e.g., double billing is prohibited)
 - c A cost originally allocable to a particular program cannot be shifted to another program in order to overcome deficiencies, to avoid restrictions imposed by the funding source or by law, or for any other reason,
 - d The composition of direct and indirect costs must be clear. Direct costs must be identified specifically with a particular activity. Indirect costs are those incurred for common objectives, which benefit more than one activity. A sub-grantee's indirect costs must be supported by an indirect cost proposal/cost allocation plan.
- 6 The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The sub-grantee is not allowed to make a profit from any costs charged to City funds.
- I The general standard is that all accounting records must be supported by source documentation. Supporting documentation is necessary to show that the costs charged against City funds were incurred during the effective period of sub-grantee's contract with the City, were actually paid (or properly accrued), were expended on allowable items, and had been approved by the responsible officials in the sub-grantee's organization.
- 1 The source documentation must explain the basis of the costs incurred, as well as showing the actual dates and amount of expenditures.
 - a With respect to payroll, source documentation includes employment letters and all authorizations for rates of pay, benefits, and employee withholdings. For staff time charged to the program activity, time and attendance records must be available.
 - b With respect to the cost of space and utilities, space costs must be supported by documentation such as rental or lease agreements. The bills from the utility companies will support payment of utilities. Both types of expenses will be supported by canceled checks, if the cost of space or utilities is split between City funds and other funding sources, there must be a reasonable method in place to allocate the charges fairly among the sources.
 - c With respect to supplies, documentation includes purchase orders or requisition forms initiated by an authorized representative of the sub-grantee, an invoice from the vendor (which has been signed and dated by the sub-grantee) indicating the goods were received and the canceled check from the vendor demonstrating that payment was made, and

information regarding where the supplies are being stored, and for what cost objectives they are being used

- 2 All source documentation does not have to be located in the Department of Grants Monitoring and Administration's project files, but it must be readily available for review by the City, HUD or other authorized representatives at all times
 - 3 The sub-grantee must ensure that either (a) an encumbrance/obligation is recorded whenever a contract is signed or purchase order is issued, or (b) up-to-date information on the status of all obligations is otherwise readily accessible
 - 4 The sub-grantee must maintain a complete, accurate and up-to-date record of the receipt and use of City generated program income
- J Sub-grantees must have procedures in place to monitor obligations and expenditures against their approved budget(s) for City funded activities. The City is under no obligation to reimburse a sub-grantee for expenditures that exceed approved budget line items or the overall budget for City assisted activities. Therefore, the sub-grantee must have an on-going system to compare actual receipts, encumbrances, and expenditures with the City program budget in order to ascertain in a timely fashion whether it will be necessary to initiate a formal budget revision. In addition, since the budget reflects the sub-grantee's best estimate of the resources necessary to accomplish the project scope of services, any pattern of line item overruns should prompt a careful re-assessment of whether the available resources will still be sufficient to achieve the agreed-upon objective.
- K Sub-grantees are required to have procedures in place to minimize the time elapsed between receipt of funds from the City and the actual disbursement of those funds
-
- 1 The City operates under the cost reimbursement method that entails a transfer of City funds to the sub-grantee based on actual expenditures or incurred cost by the sub-grantee prior to the request for funds
 - 2 Sub-grantee must include accurate information in its reimbursement requests. This requirement is intended to address the intentional falsification of reimbursement information
 - 3 Sub-grantee must return erroneously reimbursed funds to the City in a timely fashion
 - 4 Program income (other than program income deposited in a City authorized revolving fund) must be disbursed in payment of program costs prior to requesting further reimbursements from the City (24 CFR 570.504(b)(2)(ii) and 570.504 (c))
- L Financial reports prepared by a sub-grantee must be accurate, timely, current, and represent a complete disclosure of the financial activity and status in each program under which assistance is received. A sub-grantee's accounting and record-keeping system must be able to support the data

included in (a) its reimbursement requests, (b) its other financial and progress reports, and (c) any submission necessary for the sub-grantee's performance reports

II Procurement and Contracting

This section outlines the requirements for using Federal funds to purchase materials, products or services under the CDBG and HOME Entitlement programs. Whether you are a small agency purchasing occasional office supplies or a large organization contracting for millions of dollars of construction services, the requirements governing the purchasing process are designed to ensure free and open competition. You should seek to buy with City funds only what is necessary under the terms of your contract and no more. You should also be able to ensure the integrity of your purchasing decisions, to document the history, results and decisions behind your purchases, to follow the rules for certain kinds of transactions and to offer opportunities to low and disadvantaged firms to respond to your purchasing needs. By following these requirements you are helping to guarantee the fairness and the vitality of our free market system, and to ensure that taxpayer resources are not being wasted.

Sub-grantees will maintain a written code of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the sub-grantees shall participate in 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. Such a conflict would arise when (i) The employee, officer or agent, (ii) Any member of his/her immediate family, (iii) His/her partner, or (iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts. Sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sub-grantee's officers, employees, or agents, or by contractors or their agents. The City/County may by regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

A Grantee Responsibilities

This section covers general information about the procurement requirements

- 1 General provisions
- 2 Summary of Federal requirements
- 3 Bonding and insurance
- 4 Use of local, small, minority and/or women-owned businesses
- 5 Procurement Options
 - a Small Purchases
 - b Competitive Sealed Bid
 - c Competitive Proposals
 - d Non-competitive Proposals/Sole Source
- 6 Other Options for Performing the work
- 7 Continuing with a previously-selected contractor

B General Provisions

The standards and procedures for procurement are intended to ensure that supplies, equipment, construction, and other services acquired in whole or part with federal funds are

- Obtained as efficiently and economically as possible, and
- Procured in a manner that provides, to the maximum extent practical, open and free competition

Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the sub-grantee. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured, and cannot contain features which unduly restrict competition. Some of the situations considered to be restrictive of competition include, but are not limited to

- Placing unreasonable qualifying requirements on firms,
- Requiring unnecessary experience and excessive bonding,
- Specifying only "brand name" products instead of allowing an "equal" product,
- Non-competitive pricing practices between firms or affiliated companies, and
- Non-competitive awards to consultants on retainer contracts

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the sub-grantee, price and other factors considered. Any and all bids may be rejected when it is in the sub-grantee's interest to do so. The sub-grantee must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor

integrity, compliance with public policy, record of past performance, and financial and technical resources

C Summary of Federal requirements

- 1 Records and files According to 24 CFR 85 36(b)(9), the sub-grantee must maintain records to detail the significant history of a procurement. The sub-grantee must maintain files on the rationale for selecting the methods of procurement used, selection of contract type, the contractor selection/rejection process, and the basis for the cost or price of a contract. (See Chapter 7 for more on recordkeeping.)
- 2 Pre-qualified lists of vendors/contractors If such lists are used, they must be current, developed through open solicitation, include adequate numbers of qualified sources, and must allow entry of other firms to qualify at any time during the solicitation period (24 CFR 85 36(c)(4)).
- 3 Unfair competitive advantage To eliminate unfair competitive advantage, if the sub-grantee has used a contractor to develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals, the sub-grantee should exclude that contractor from the competition for such.
- 4 Debarred/ineligible contractors The sub-grantee must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension" (24 CFR 85 35).
- 5 Written procedures for contractor selection The sub-grantee must have written selection procedures for procurement transactions, adequate to ensure that
 - a The purchase of unnecessary or duplicate items is avoided. Where appropriate, an analysis should be made of lease vs purchase alternatives (24 CFR 85 36(b)(4)),
 - b Whenever possible, use of federal excess and surplus property, or of intergovernmental agreements for procurement or use of common goods and services should be considered as a way to foster greater economy and efficiency (24 CFR 85 36(b)(5) and (6)),
 - c All purchase orders (and contracts) are signed by the sub-grantee's authorized official(s),
 - d Items delivered and paid for are consistent with the purchase order and/or contract for the goods or services,
 - e Timely payment to vendors occurs once the order is delivered, inspected, accepted, and payment authorized,
 - f A cost or price analysis is performed for every procurement action, including contract modifications, and documentation to that effect is maintained in the sub-grantee's files. The

method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the sub-grantee must make independent estimates before receiving bids or proposals (24 CFR 85 36(f)), and,

g Profit or fee is negotiated separately from price where competition is lacking or a cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area (24 CFR 85 36(f)(2))

6 Contract pricing The sub-grantee must not use "cost plus a percentage of cost" pricing for contracts (24 CFR 85 36(f)(4)), in addition, the sub-grantee should use "time and material" type contracts only after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk (24 CFR 85 36(b)(10))

7 Protest procedures The sub-grantee must have protest procedures in place to handle and resolve disputes relating to procurement (24 CFR 85 36(b)(12))

8 Documenting contractor performance The sub-grantee must have a documented system of contract administration for determining the adequacy of contractor performance (24 CFR 85 36(b)(2))

9 Code of conduct The sub-grantee must have a written code of conduct governing employees, officers, or agents engaged in the award or administration of contracts (24 CFR 85 36(b)(3))

D Bonding and insurance

For construction or facility improvement contracts or subcontracts exceeding \$100,000, the sub-grantee must ensure that its procurement meets the minimum federal requirements (24 CFR 85 36(h)) for bid guarantees, performance bonds, and payment bonds. These include

- 1 A bid guarantee from each bidder equivalent to 5% of the bid price. The bid guarantee must be a firm commitment in the form of a bid bond, certified check or other negotiable instrument as assurance that the bidder is prepared to execute a contract within the time specified for the bid amount,
- 2 A performance bond from the (sub)contractor for 100% of the contract price to secure the (sub)contractor's fulfillment of all obligations under the contract, and,
- 3 A payment bond from the (sub)contractor for 100% of the contract price, to assure payment of all persons supplying labor and material under the contract.

E Use of local, small minority and/or women-owned businesses

- 1 Federal regulations make it very clear that sub-grantees should make every effort to use local business firms and contract with small, minority- owned, and women-owned businesses in the procurement process. Specifically, the sub-grantee must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms in the grantee's CDBG-financed activities (24 CFR 85 36(e)). For example, the sub-grantee should
 - a Incorporate such businesses in solicitation lists whenever they are potential sources,
 - b Ensure that such businesses are solicited when identified as potential sources,
 - c Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses, and
 - d Require prime contractors, when subcontracts are let, to take affirmative steps to select such firms
- 2 In conformance with the requirements of Section 3 of the Grants Monitoring and Administration Act of 1968, to the greatest extent feasible, the sub-grantee must award contracts for work to be performed to eligible business concerns located in or owned by residents of the target area to ensure that the employment and other economic opportunities generated by federal financial assistance for Grants Monitoring and Administration programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing (see 24 CFR 570 607(b))

Note, however, that the desire to award contracts to local firms is not a legitimate excuse for avoiding an open and competitive procurement process

- 3 The City of San Antonio, as a public employer, has a policy to ensure equal employment opportunity and the City carries out affirmative action programs to fulfill that policy in the allocation of City of San Antonio contracts. It shall be the purpose of the Small Business Economic Development Advocacy (SBEDA) Program to increase minority business enterprise utilization in the awarding of City of San Antonio contracts for professional services, construction, and procurement, and, to better assist small business enterprise in competitively bidding on City projects or procurement. This program shall also assist business enterprises owned and controlled by women and business enterprises owned and controlled by handicapped individuals

- a It is the policy of the City of San Antonio that Small and/or Minority Business Enterprises shall have a maximum practicable opportunity to participate in the awarding of City contracts
- b The contractor agrees to use its best efforts to carry out this policy through award of sub-contracts to small and/or minority business enterprises to the fullest extent consistent with the efficient performance of the contract to which this Manual is attached and/or to which it relates
- c To the greatest extent feasible, sub-grantees shall adhere to the herein described SBEDA participation and utilization policies and provisions

In the event of the contractor's failure or refusal to comply with this SBEDA clause, either during the bidding process or at any time during the term of a contract, the contract may be cancelled, terminated or suspended in whole or in part by the City of San Antonio

F Procurement Options

Contracted If the sub-grantee wants to contract out for services, the sub-grantee must go through a procurement process. If the total cost of the project from all funding sources is less than \$100,000, the sub-grantee can procure services using one of several options discussed below. If the total cost of the project exceeds \$100,000, the sub-grantee may not use the small purchase method.

No loss leader arrangements The intent of federal regulations is to require maximum open and free competition. Any "loss leader" type of arrangement in which a consultant offers to provide free services before an applicant receives a grant in return for a future contract is prohibited by federal regulations.

Note about the procurement methods Among the procurement approaches described below, the competitive sealed bid resulting in a firm, fixed price contract is the preferred procurement approach when there are numerous available and qualified providers, when the requirements and specifications are thoroughly detailed and are unlikely to change, and where the sub-grantee has the opportunity to make the provider assume a large share of the risk for non-performance.

HUD allows grantees to follow either their local small purchase procurement policy or the federal policy. If the local policy is used, it must be at least as stringent as the federal policy, described below.

1 Small Purchase

The small purchase method may be used for procurement of \$100,000 or less in the aggregate, pursuant to 24 CFR 85.36(d)(1). A procurement of more than \$100,000 may not

be inappropriately broken up into smaller components solely to qualify for the small purchase approach. Competition is sought through oral or written price quotations. The grantee must document the receipt of an adequate number (usually three) of price or rate quotations from qualified vendors.

2 Competitive Sealed Bid [24 CFR 85.36(d)(2)]

The competitive sealed bid is the preferred method for procuring construction services. This method must lend itself to a firm, fixed price contract (lump sum or unit price) where the selection can be made principally on the basis of price.

- a. The sub-grantee must advertise the Invitation for Bid (IFB) in publications of general circulation,
- b. The IFB must include complete and accurate specifications and pertinent attachments, and clearly define items or services needed, in sufficient detail for the bidders to properly respond,
- c. Bids must be opened publicly at the time and place stated in the IFB,
- d. The sub-grantee must receive at least two or more responsible bids for each procurement transaction, and
- e. If awarded the contract must be given to the lowest responsive and responsible bidder. The sub-grantee can, however, decide not to make the award to any of the bidders.

3 Competitive Proposals [24 CFR 85.36(d)(3)]

This method has two sub-parts—the Request for Proposal and the Request for Qualifications

Request for Proposals

- a. The Request for Proposals (RFP) must clearly and accurately state the technical requirements for the goods and services required,
- b. The sub-grantee must publicize the RFP, and to the maximum extent practicable, honor reasonable requests by parties to have an opportunity to compete,
- c. Proposals must be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement,
- d. The sub-grantee must conduct a technical evaluation of the submitted proposals to identify the responsible offerors,
- e. As necessary, the sub-grantee must conduct negotiations with those offerors who are deemed responsive and responsible and fall within a competitive price range, based on the sub-grantee's evaluation of the bidders' pricing and technical proposals. After

negotiations, these bidders may be given the opportunity to submit a "best and final" offer, and

- f The sub-grantee must award the contract to the most responsive and responsible offeror after price and other factors are considered through scoring the proposals or "best and final" offers according to predetermined evaluation criteria. The successful proposal/offeror must clearly be the most advantageous source of the goods and services.

Request for Qualifications

For procurement involving architecture or engineering services, the sub-grantee may use the Request for Qualifications (RFQ) competitive proposal procedure whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. In these instances, price is not used as a selection factor.

Once the most qualified firm is identified, only that firm is asked for a price proposal that is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm, until a fair and reasonably priced contract can be awarded. The sub-grantee must take care to document the basis for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may not be used to purchase types of services other than architectural and engineering services (24 CFR 85.36(d)(3)(v)).

For applicants' information, the above-cited federal rule relating to the procurement of architectural and engineering (A/E) services is quoted verbatim:

"Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort."

This means that

- ▶ Qualifications-based procurement can be used only for A/E services
- ▶ A Request for Qualifications may be issued
- ▶ The competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation
- ▶ An RFQ cannot be used to purchase other types of services, even though A/E firms are potential sources to perform other types of services

In addition, the federal procurement regulations generally discourage the use of local geographical preferences in the evaluation of bids or proposals except where mandated by federal statutes, due to the restrictions on open competition that result. However, in procuring architectural and engineering services, geographic location is permitted as a selection criteria provided this criterion leaves an appropriate number of qualified firms (24 CFR 85.36(c)(2))

4 Non-Competitive Proposals/Sole Source [24 CFR Part 85.36(d)(4)]

This method may be used only under very limited circumstances and the sub-grantee must obtain the Department of Grants Monitoring and Administration's approval before using this method. When requesting permission to use this method, the sub-grantee will have to show that another method of procurement was not feasible because

- a The item or service was only available from a single source,
- b A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement, or
- c Competition was determined to be inadequate after solicitation of proposals from a number of sources

G Continuing with a previously selected contractor

If the jurisdiction has a consultant under a pre-existing, multi-year contract, it is permissible to continue to use that consultant for the new grant as long as the activity to be carried out was outlined in the original scope of work used to procure the consultant, and the process used to procure the consultant met Federal requirements.

Please note that multi-year contracts should be limited to three years and to one specialty area, such as housing, public works, or economic development. A single RFP for CDBG administrative services including housing, public works, and economic development is not consistent with federal procurement requirements. That is, an RFP of such broad scope would place unreasonable requirements on firms in order for them to qualify to do business. Therefore, the Department of Grants Monitoring and Administration restricts three-year contracting to specific specialty areas. A single RFP to carry out all CDBG and HOME housing-related activities or all CDBG economic

development-related activities is acceptable

III Civil Rights and Fair Housing, Employment and Contracting Opportunities

For a more complete explanation of the standard and procedures relevant to any particular requirement, refer to the federal regulations, to the executive orders or laws cited, and to your written contract with the City of San Antonio

The sub-grantee must certify that it will administer its federal funds in compliance with the following laws and Executive Orders

- A Title V of the Civil Rights Act of 1964 (Public Law 88-352) This law states that no person shall be refused on the grounds of race, color, or national origin, or be excluded from, participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance
- B The Fair Housing Act - Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) This law prohibits discrimination in the sale, rental, and financing of housing and the provisions of brokerage services because of race, color, religion, sex, national origin, handicap or familial status
- C Executive Order 11063, as amended by Executive Order 12259 (implemented in 24 CFR Part 107) This order and its implementing regulations require the Department of Grants Monitoring and Administration to take all actions necessary to prevent discrimination because of race, color, religion, sex, or national origin in the use, occupancy, sale, leasing, rental or other disposition of residential property assisted with federal loans, advances, grants or contributions
- D Section 104 (b) of Title I of the Grants Monitoring and Administration Act of 1974, as amended This law provides that any grant under section 106 shall be made only if the sub-grantee certifies to the satisfaction of the Secretary of HUD that the sub-grantee will, among other things, affirmatively further fair housing
- E Section 109 of Title I of the Grants Monitoring and Administration Act of 1974, as amended This section mandates that no person on the grounds of race, color, national origin, sex, or religion shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination under any activity funded in whole or in part with federal funds
- F Section 504 of the Rehabilitation Act of 1973, as amended This section specifies that no otherwise qualified individual shall, solely by reason of his or her handicap, be excluded from participation (including employment), denied program benefits, or subjected to discrimination

- under any program or activity receiving federal assistance
- G Americans with Disabilities Act of 1990 This law prohibits discrimination on the basis of disability in employment, state and local government services, and in public accommodation and commercial facilities The Act defines the range of conditions that qualify as disabilities, and the reasonable accommodations that must be made to assure equality of opportunity, full participation, independent living and economic self-sufficiency for persons with disabilities
- H The Age Discrimination Act of 1975, as amended This law provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving federal assistance
- I Executive Order 11246 (as amended by Executive Order 11375 and 12086) Equal Opportunity Under HUD Contracts and HUD assisted Construction Contracts This order requires that grantees and sub-grantees, and their contractors and subcontractors, agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, or national origin
- 1 Exemptions to Equal Opportunity Clause (41 CFR Chapter 50)
 - a Contracts and subcontracts not exceeding \$10,000 (other than government bills of lading) are exempt The total amount of the contract, rather than the amount of the federal financial assistance, shall govern in determining the applicability of this exemption
 - b Except in the case of subcontractors for the performance of construction work at the site of construction, the clause shall not be required to be inserted in subcontracts below the second tier
 - c Contracts and subcontract not exceeding \$100,000 for standard commercial supplies or raw materials are exempt
 - 2 Anyone contracting with the City for federally funded projects must insert the above clauses in all applicable subcontracts
 - 3 The subcontractor will submit a quarterly report to the Department of Grants Monitoring and Administration three months after the start of work on the contract and every three months thereafter Said report shall be made on HUD Form 3 (Economic Opportunities for Low and Very Low Income Persons in Completion with Federally Assisted Project) and the New Hire Form
 - 4 Should the Department of Grants Monitoring and Administration determine a contractor to be in non-compliance with the equal opportunity requirements, procedures to "show cause" why funds should not be withheld will be reported with a copy of the report going to HUD

- J Section 3 of the Grants Monitoring and Administration Act of 1968 requires that to the greatest extent feasible, a sub-grantee must
- 1 Ensure opportunities for training and employment arising in connection with housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction projects are given to low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible, priority should be provided to low and very low-income residents 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
 - 2 Award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction projects to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible, priority should be given to business concerns which provide economic opportunities to low and very low-income residents 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

IV Labor Standards

Sub-grantees are strongly encouraged to consult closely with the City during the planning of any construction or rehabilitation projects in order to assure that all the requisite labor standards will be properly observed

A Statutory provisions

- 1 The Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Copeland (Anti Kickback) Act apply to construction being assisted with federal funds except that housing rehabilitation projects with less than eight units do not trigger these requirements. The Fair Labor Standards Act (relating to minimum wages) will be applicable in most cases whether or not the previous acts apply. Sub-grantees must include provisions relating to the foregoing listed acts as more particularly described below in each application contract.
- 2 Davis-Bacon and Related Act (40 USC 276 (A)-7) ensures that mechanics and laborers employed in construction work under federally assisted contracts are paid wages and fringe benefits equal to those which prevail in the locality where the work is performed. This act

also provides for the withholding of funds to ensure compliance and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs

- 3 The Copeland ("Anti Kickback") Act (40 USC 276c) governs the deductions from paychecks which are allowable and makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance
- 4 The Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333) provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week, and provides for the payment of liquidated damages where violations occur. This act also addresses safe and healthy working conditions
- 5 Fair Labor Standards Act of 1938, as amended (29 USC 201, etc seq) Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards

V Davis-Bacon Act Compliance Requirements

The Davis-Bacon Act was enacted in 1931, amended in 1935 and 1964, to protect communities and workers from the economic disruption caused by competition arising from non-local contractors coming into an area and obtaining federal construction contracts by underbidding local wage levels

The Davis-Bacon Act requires payment of locally "prevailing wages" and benefits to laborers or mechanics employed on direct federal contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works

A complete copy of the Davis-Bacon and Related Acts is on file and available for review in the City's Department of Grants Monitoring and Administration

- A. All laborers and mechanics employed or working on the site of the work shall be paid unconditionally and not less often than once a week the full amount of wages and bona fide fringe benefits computed at rates not less than those contained in the wage determination
 - 1 Employers who do not make contributions or payments to bona fide fringe benefits funds, plans, or programs shall pay an amount equivalent to the fringe benefit rate (if any) required on the wage determination directly to the employee added to the basic hourly rate of pay
 - a The employer may make payroll deductions as permitted by the Department of Labor

(DOL) Regulations 29 CFR Part 3 These regulations prohibit the employer from requiring employees to "kick back" any of their earnings Deductions may include employee obligations for income taxes, Social Security payments, insurance premiums, retirement, savings accounts, and any other legally permissible deduction authorized by the employee Deductions may also be made for payments on judgments and other financial obligations legally imposed against the employee

- b Each laborer and mechanic shall be classified in accordance with the work classification listed on the wage determination and the actual type of work he/she performs and shall be paid the appropriate wage rate and fringe benefits for the classification regardless of the level of skill
 - c Laborers and mechanics that perform work in more than one classification may be compensated at the rate specified for each classification provided that the employer maintains time records that accurately set forth the time spent in each classification in which work was performed If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed
 - d If the wage determination does not include a work classification needed for the construction of the project, HUD may approve an additional classification and wage rate
- 2 Apprentices and trainees may be compensated at rates less than prescribed by the wage determination for their craft only in accordance with the following parameters
- a The apprentice or trainee shall be individually registered in a bona fide certification program
 - b Each apprentice and trainee shall not be paid less than the specified rate in the registered program for his/her level of progress If the rate specified is represented as a percentage of the journeyman rate for that craft, the percentage shall be applied to the corresponding wage rate contained in the applicable wage determination
 - c The maximum number of apprentices or trainees employed on the site of work may not exceed the ratio of apprentices or trainees to journeymen permitted to the employer in the certified program Apprentices or trainees, who are employed at the site in excess of the allowable ratio, shall be paid the wage rate contained on the applicable wage determination for classification of work actually performed Compliance with the allowable ratio shall generally be met on a day-to-day basis
 - d In the event approval of an apprenticeship or trainee program is withdrawn, the employer

shall no longer be permitted to utilize apprentices/trainees at less than the predetermined rate for the type of work performed, unless or until an acceptable program is approved

3 Payrolls and basic records to such payrolls shall be maintained by each employer with respect to his/her workforce employed on the site of the work. The principal contractor shall maintain such records relative to all laborers and mechanics working on the site of the work. Payrolls and related records shall be maintained during the course of the construction work and preserved by the contractor and all employers for at least 3 years following the completion of the work. Such records shall contain

- a The name, address and social security number of each laborer and mechanic,
- b His or her correct work classification(s),
- c Hourly rates of pay including rates of contributions or costs anticipated for fringe benefits,
- d Daily and weekly number of hours worked, including any overtime hours,
- e Deductions made and actual net wages paid,
- f Evidence pertaining to any fringe programs,
- g Evidence of the approval of any apprenticeship or trainee program, the registration of each apprentice or trainee and the ratios and wages contained in the program

4 Certified weekly payroll reports (CPRs) shall be submitted with respect to each week any contract work is performed. The principal contractor is responsible for full compliance with regard to its own workforce and with regard to the compliance of every subcontractor. For this reason, all CPRs and any related records are submitted to the CITY through the principal contractor

- a CPR information may be submitted in any form provided that the CITY can reasonably interpret the information to monitor employer compliance with the labor standards
- b CPRs shall be submitted for each contractor/subcontractor (employer) beginning with the first week such employer performs work on the site of the work. CPRs shall be submitted promptly following the close of each such pay week
- c CPRs for each employer shall be numbered sequentially beginning with "1". The CPR for the last week of work performed on the project by each employer shall be clearly marked "final"

(1) The first payroll on which each employee appears shall contain the employee's name, address and social security number. Thereafter, the address and social security only need to be reported if there is a change in such information

- (2) The first payroll on which any apprentice or trainee appears shall be accompanied with a copy of that apprentice's or trainee's registration in an approved program. A copy of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears.
 - (3) The division of hours worked in different classifications shall be accurately maintained and clearly reported. The employer may list the employee once for each classification, distributing the hours of work accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications.
 - (4) The CPR should reflect only hours worked at the site of work. If an employee performs work at job sites other than the project for which the CPR is prepared, those hours should not be reported on the CPR. In these cases the employer should list employee's name, classification and the hours for this project only, and the rate of pay and gross earnings on this project. Deductions and net pay may be reflected based upon the employee's total earnings (for all projects) for the week.
- d. Employers are not required to submit CPRs for weeks during which no work was performed on the site of the work, provided that the CPRs are numbered sequentially or that the employer has provided written notice that its work on the project has been suspended.
- e. Each weekly payroll shall be accompanied by a "Statement of Compliance." The Statement of Compliance shall be executed by the original signature of the principal executive of the contractor/subcontractor, or of a person authorized in writing by the principal. The statement shall certify to the following:
- (1) That the payroll period documents contain the information required to be maintained and that the information is correct and complete,
 - (2) That each laborer or mechanic (including each helper, apprentice, or trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in federal regulation 29 CFR 3, and
 - (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed as specified in the applicable wage determination incorporated into the contract.

- f The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code
- (1) Each employer shall make the required records (CPRs and related documents) available for inspection copying or transcription by authorized representatives of the CITY, HUD, or DOL. In addition, each employer shall permit authorized representatives to interview employees during work hours on the job site
 - (2) Failure by an employer to submit the required records or to make them available, or permit on-site employee interviews may, after written notice to the contractor, cause a suspension of any further payment, advance or guarantee of funds. In addition, failure to submit the records on request or to make them available may be grounds for debarment action pursuant to 29 CFR 5.12
 - (3) In order to protect the personal privacy interests of employees, copies of weekly payrolls shall not be released to outside parties and may be withheld under Exemption 6 of the Freedom of Information Act (FOIA) unless the employees' personal identifiers (e.g., name, address, and social security number) are first deleted
 - (4) The identity of any person providing information concerning the labor standards compliance of any contractor or subcontractor shall not be disclosed in any manner to anyone other than authorized City or Federal officials unless written consent is provided in advance by such person. Additionally, any portions of a statement or written document provided by such person that would reveal the identity of the source shall not be disclosed without prior written consent. Disclosure of such statements and documents shall be governed by the provisions of the Freedom of Information Act and the Privacy Act of 1974

VI Labor Standards Administration, Compliance Monitoring and Enforcement

Routine monitoring of projects, Certified Payroll Records and related documentation is performed to ensure compliance of all employers with the applicable labor standards provisions. Monitoring identifies possible misunderstandings on the part of the employers, discrepancies in the records, and violations. Written monitoring reports to the principal contractor advise the contractor of the status of compliance, provide clarification where misunderstanding may exist, and informs the contractor of any additional submissions, which may be required to correct discrepancies or to complete the record

- A The City is responsible for the administration and enforcement of labor standards provisions for HUD assisted programs administered by the City For each program and proposed project or contract the City shall
- 1 Determine the specific labor standard parameters applicable to the project
 - 2 Obtain the Davis-Bacon wage and hour determination and labor standards provisions applicable to the project from the HUD Labor Relations Field staff and ensure incorporation of the same in the project specifications
 - 3 Ensure that the wage determination is still current at bid opening or other appropriate wage determination effective date
 - 4 Verify the eligibility of the principal contractor
 - 5 Conduct a Pre-construction Conference to inform and instruct the contractor and subcontractors concerning their wage and reporting obligations
 - 6 Identify and initiate requests for additional classifications and wage rates needed for the construction of the project
 - 7 Perform timely routine monitoring reviews of CPRs and related submissions for compliance with labor standards
 - 8 Notify the principal contractor in writing of any labor standards deficiencies and required corrective actions
 - 9 Investigate complaints of underpayment or other labor standards violations
 - 10 Prepare and submit to HUD reports on all enforcement activity
 - 11 As necessary, refer cases for administrative hearing (29 CFR, Part 5, 5 11) and/or makes recommendations for debarment (29 CFR, Part 5,5 12)
 - 12 As necessary, require escrow accounts to ensure the payment of outstanding wage or liquidated damages liability
 - 13 Dispose of any escrow accounts established for labor standards purposes
 - 14 Establish and maintain full documentation of all labor standards administration and enforcement activities
- B The City is responsible for the creation, maintenance and preservation of labor standards enforcement files for each project The files shall be kept up-to-date, maintained in a consistent manner, and secured for the life of the active monitoring of the project and preserved for at least three (3) years following the completion of the project and the final disposition of any compliance issues The City shall establish a system of labor standards enforcement files for each covered project

- C The City is responsible for the following monitoring activities
- 1 Interviews of workers will be conducted on a regular basis and will include a broad sampling of the work classifications being employed on the project (Record of Employee Interviews Form (form HUD-11))
 - 2 On-site inspections will be made to ensure that the required notices are posted
 - 3 Weekly payrolls will be reviewed and compared with employee interviews and wage rates to verify compliance with applicable labor standards and requirements (e.g. payment of minimum wages, payment of overtime, no ineligible deductions, etc.)
 - 4 Once the project is completed, a final wage compliance report shall be filed with HUD
- D For each construction contract, the Sub-grantee shall maintain a file with the following documentation
- 1 Copy of wage rate request,
 - 2 Copy of wage rate, along with any additional classifications,
 - 3 Bid/contract documents with labor standards provision included,
 - 4 Contractor eligibility verification,
 - 5 Ten-day call verification,
 - 6 Pre-construction conference minutes/sign-in sheet,
 - 7 Payrolls, with evidence of their review,
 - 8 Notice of start of construction,
 - 9 Employee interviews,
 - 10 Evidence of any violations and corrective actions,
 - 11 Final wage compliance reports, and
 - 12 Monthly employment utilization reports, where applicable
- E Violations of the labor standards and requirements must be corrected. Failure to pay sufficient overtime wages will result in the assessment of liquidated damages in the amount of \$10 per worker per day. Only HUD and the Department of Labor are authorized to reduce or waive these liquidated damages. The contractor must be notified of his or her liability. Then, if appropriate, he or she may request a waiver.
- F Debarred, Suspended and Ineligible Contractors and Sub-recipients Federal cannot be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or sub-recipient during any period of debarment, suspension or placement of ineligibility status. CITY will check all contractors, subcontractors, lower tier contractors and

sub-grantees against the Federal publication that lists debarred, suspended and ineligible contractors

VII Environmental Requirements

In its use of federal funds, the City is required to assume responsibility for environmental review, decision-making and other actions that would otherwise apply to HUD under the National Environmental Policy Act of 1969 and other provisions of law. The Federal regulations explicitly prohibit Sub-grantees from assuming the City's environmental responsibilities.

However, under the applicable regulations, Sub-grantees are not allowed to incur program expenses until the City has completed an environmental review of the proposed activities, received the release of funds, and provided the Sub-grantee with formal clearance with directives for any action necessary to mitigate negative environmental impacts.

VIII Historic Preservation

Sub-grantees must comply with the provisions of the Historic Preservation Act and related laws and Executive Orders. Before any commitments are made for any physical improvements, alterations or demolition of any building, a sub-grantee must receive assurances from the City that they are in compliance.

Part of the City's responsibility is to consult with the State Historic Preservation Officer as to (1) whether the property is or could be declared a historic property, (2) if the property is located in a historic district or an area which could be declared a historic district, (3) if the proposed changes to the property could adversely affect historic properties or neighborhoods which could be declared historic.

If properties can be adversely affected, prior to initiating project work, an agreement must be reached on appropriate mitigating measures with all parties identified (36 CFR Part 800).

IX National Flood Insurance Program

If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, federal funds cannot be used for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question.

X Relocation, Real Property Acquisition and One-for-One Housing Replacement

A sub-grantee must comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and 24 CFR 570 606(b), and (b) the requirements of 24 CFR 570 606(c) governing the Residential Anti-displacement and Relocation Assistance Plan (Plan) under section 104(d) of the GMA Act. The policies and requirements of these laws are described in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

Under URA and the Plan, the sub-grantee must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations and farms) that are permanently displaced as a direct result of acquisition, rehabilitation, demolition or conversions for a federally assisted project. All property occupants must be issued certain notices on a timely basis. (Failure to issue timely notices may result in unnecessary expenses.)

The Plan also requires one-for-one replacement of any occupied or vacant low/moderate income housing that is demolished or converted to another non-residential use in connection with a federally assisted project. Finally, the Plan requires the identification of the steps that will be taken to minimize displacement.

XI Lead-Based Paint

There is a general prohibition against the use of lead-based paint in connection with any federally funded activities involving the construction or rehabilitation of residential structures. In addition,

- A. For properties constructed prior to 1978, the sub-grantee must notify applicants for rehabilitation assistance, and tenants or purchasers of properties owned by the sub-grantee or City and acquired or rehabilitated with federal funds, of the hazards of lead-based paint poisoning and the other specific information set out in 24 CFR 570 608(b)(2)(I) through (vi).
- B. According to 24 CFR 570 608(c)(3), for housing built prior to 1978 that is being rehabilitated with federal funds which may be occupied or frequented by families with children under seven years of age, the sub-grantee must undertake steps to ensure that such housing is inspected for defective paint and those surfaces found to be defective must be tested for the presence of lead paint. If lead-based paint is detected, all interior and exterior chewable surfaces found to contain lead must be treated in accordance with 24 CFR 570 608(c)(4).

XII Political Activity

Sub-grantees are prohibited from using federal funds to finance the use of facilities or equipment for political purposes, or to engage in other partisan political activities, such as sponsoring candidate forums, brochures, voter transportation, or voter registration

XIII Conflict of Interest

Except for the use of federal funds to pay for salaries and other related administrative or personnel costs, the general standard is that no employee, agent, or officer of the sub-grantee, who exercises decision making responsibility with respect to the funds and activities, is allowed to obtain a financial interest in or benefit from the activities, or have a financial interest in any contract, subcontract or agreement regarding those activities or in the proceeds of the activities. Specific provisions include these requirements

- A. Applies to any person who is an employee, agent, consultant, or officer, or elected or appointed official of the grantee, designated public agency, or sub-recipient, and their immediate family members, and business partner(s)
- B. Applies for such person during their tenure and for a period of one year after leaving the grantee or sub-grantee organization
- C. Is applicable to the procurement of supplies, equipment, construction, and services, acquisition and disposition of real property, provision of assistance to individuals, businesses and other private entities for all eligible activities (24 CFR 570 201-204), and provision of loans to individuals, businesses, and other private entities

Part 570 611 Conflict of Interest

(a) *Applicability*

- 1. In the procurement of supplies, equipment, construction, and services by sub-recipients, the conflict of interest provisions in 24 CFR 85 36 shall apply (see below)
- 11. In all cases not governed by 24 CFR 85 36, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the sub-grantee to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities)

- (b) *Conflicts prohibited* The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG/HOME activities assisted under this part, 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 or benefit from a CDBG/HOME-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG/HOME-assisted activity, or with respect to the proceeds of the CDBG/HOME-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter

- (c) *Persons covered* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant officer, or elected official or appointed official of sub-grantee that is receiving funds under this part

- (d) *Exceptions* (May happen in rare circumstances, see regulations for specifics)

Upon written request, exceptions may be granted by HUD, through the City, after consideration of the cumulative effect of various factors on a case-by-case basis and only with (a) full disclosure of the potential conflict, and (b) a legal opinion of the sub-grantee's attorney that there would be no violation of state or local laws in granting the exception

XIV Citizen Participation

The citizen participation segment of the federal funding process must provide citizens with adequate information and notification regarding the amount of funds available for community development and housing activities, the range and scope of activities eligible, as well as other important program requirements as specified in the City of San Antonio Consolidated Plan Budget Sponsors may submit proposals for projects that address priorities and needs as identified during the citizen participation process

XV Resident Aliens

Certain newly legalized aliens are not eligible to apply for benefits under covered activities handled by the CDBG and HOME programs "Covered activities" are activities meeting

requirements of 24 CFR 570 208(a) that either (1) have income requirements limiting benefits exclusively to low and moderate income persons, or (2) are targeted geographically or otherwise to primarily benefit low and moderate income persons (except for activities that benefit the public at large), and provide benefits on the basis of an application

XVI References

- 24 CFR 85, referred to as the "HUD common rule," establishes administrative requirements for grants to local government. 24 CFR 85.36 specifically addresses procurement. This chapter is largely based on the language contained in 24 CFR 85.36.
- 24 CFR 570.502(a)(12) invokes the "HUD common rule" for the State CDBG program.
- Federal Circular OMB A-87 establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with state and local governments.
- Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that to the greatest extent feasible, opportunities for training and employment that arise through State CDBG-financed projects shall be given to lower-income residents of a project area, and that contracts awarded in connection with such projects be awarded to businesses located in the project area or businesses owned, in substantial part, by residents of the project area.
- Section 109 of the Grants Monitoring and Administration Act of 1974, as amended, provides that no person shall be excluded from participation or employment, or be denied benefits, or be subjected to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part by the CDBG Program.
- Title VII, Civil Rights Act of 1964, provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination based on race, color, or national origin under any program or activity receiving federal financial assistance.
- Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of federal or federally assisted construction contracts.

ATTACHMENT V
PERFORMANCE REPORT

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28 035042

SUBGRANTEE San Antonio AIDS Foundation

PROJECT NAME Congregate Hot Meal Dining for People with HIV/AIDS

PREPARED BY _____

FOR MONTH OF _____

APPROVED BY _____

FISCAL YEAR 2009 2010	ANNUAL GOAL	Quarter 1			Quarter 2			Quarter 3			Quarter 4			ANNUAL TOTAL/AVG
		Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar-2010	Apr 2010	May-2010	Jun 2010	Jul-2010	Aug-2010	Sep 2010	
Input														
01 Available CDBG Funds	\$ 74,293													\$ 74,293
02 Available Other Funds	\$ 135,000													\$ 135,000
Output														
01 Total CDBG expenditures	\$ 74,293													\$
02 Total Other expenditures	\$ 135,000													\$
03 Number of unduplicated participants served	425													0
04 Number of hot meals served	45,000													0
Efficiency														
01 CDBG cost per participant	\$ 175													
02 CDBG cost per meal	\$ 2													
Effectiveness														
01 % CDBG funds expended	100%													0%
02 % Other funds expended	100%													0%

CDBG Direct Benefit Data													
Unduplicated Clients Served By Ethnicity (Ethnicity codes as reported on direct benefit form)	11	12	13	14	15	16	17	18	19	20	Total		Hispanic Total
												0	
Unduplicated Clients Served By District	Dist 1	Dist 2	Dist 3	Dist 4	Dist 5	Dist 6	Dist 7	Dist 8	Dist 9	Dist 10	Total		Female Head of Household
												0	

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)/DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)/DATE _____

ATTACHMENT VI

BILLING PACKAGE

INVOICE

SUB-GRANTEE San Antonio AIDS Foundation PROJECT NO 28-035042

PROJECT NAME Congregate Hot Meal Dining INVOICE NO _____

ADDRESS 818 East Grayson

San Antonio, TX 78208

BANK _____

PERIOD COVERED _____

PROGRAM _____

Internal Order Number	Budget	Cost to Date	Less Payment Rec'd	Amount Due
131000001781				
TOTAL	\$	\$	\$	\$

Certified Correct _____

City Approval _____

Title _____

Date _____

Date _____

SUMMARY OF EXPENDITURES

PROGRAM Congregate Hot Meal Dining for People with HIV/AIDS

PERIOD COVERED _____

Internal Order Number	Line Item	Detail	Total Amount
131000001781			
		TOTAL	\$

VOUCHER

(Attach Required Documentation)

PROGRAM Congregate Hot Meal Dining for People with HIV/AIDS

AMOUNT _____

CHECK # _____

CHECK DATE _____

VENDOR

NAME San Antonio AIDS Foundation

ADDRESS 818 East Grayson

San Antonio Texas 78208

DESCRIPTION AND PURPOSE

Approved by _____

Title _____

Date _____

BUDGET ADJUSTMENT*

SUB-GRANTEE San Antonio AIDS Foundation PROJECT NO 28-035042

ADDRESS 818 East Grayson ADJUSTMENT NO _____

San Antonio TX 78208 DATE _____

PROGRAM Congregate Hot Meal Dining for People with HIV/AIDS

Internal Order Number	Activity	Current Budget	Revisions (+) (-)	Revised Budget
TOTAL				

Submitted By _____ City Approval _____

Title Executive Director

Date _____ Date _____

Narrative justification must be attached

ATTACHMENT VII

DIRECT BENEFIT FORM

CITY OF SAN ANTONIO
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG Direct Benefit Data

PARTICIPANT'S NAME _____

Home Address _____

Phone Number _____

Check One

Female head of household Yes No

Participants *Race

Check One

- 11 White
- 12 Black/African American
- 13 Asian
- 14 American Indian or Alaska Native
- 15 Native Hawaiian or Pacific Islander
- 16 American Indian or Alaskan Native AND White
- 17 Asian AND White
- 18 Black/African American AND White
- 19 American Indian or Alaska Native AND Black/African American
- 20 Other multi-racial

***Ethnicity**

Check One

Hispanic Yes No

**This information is confidential and is only used for government reporting purposes. You are not required to furnish this information. The law provides that we may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However if you choose not to furnish it, under Federal regulations we are required to note race on the basis of visual observation or surname.*

- 11 **White** A person having origins in any of the peoples of Europe, North Africa, or the Middle East
- 12 **Black or African American** A person having origins in any of the black racial groups of Africa
- 13 **Asian** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam
- 14 **American Indian or Alaska Native** A person having origins in any of the original peoples of North and South America (including Central America), and who maintain affiliation or community attachment
- 15 **Native Hawaiian or Other Pacific Islander** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands
- 16 **American Indian or Alaska Native and White** A person having these multiple race heritages as defined above
- 17 **Asian and White** person having these multiple race heritages as defined above
- 18 **Black or African American and White** person having these multiple race heritages as defined above
- 19 **American Indian or Alaska Native and Black or African American** A person having these multiple race heritages as defined above
- 20 **Other Multi-Racial** For reporting individual responses that are not included in any of the other categories listed above.

Hispanic Those who are White, Black, Asian, Pacific Islander, American Indian, or Other Multi-Racial who are Hispanic

ATTACHMENT VIII

SPECIAL PROVISIONS

SPECIAL PROVISIONS

I AGENCY San Antonio AIDS Foundation

II PROJECT NAME Congregate Hot Meal Dining for People with HIV/AIDS

III PROJECT NUMBER 28-035042

IV SPECIAL PROVISIONS

- 1 Contractor agrees and understands that this is a Cost Reimbursement contract, and that such funds will be disbursed on a cost reimbursement basis in accordance with applicable local and federal regulations and this CONTRACT
- 2 Contractor shall undergo an independent audit for the Project funded hereunder
- 3 Contractor shall submit, no later than the tenth (10th) calendar day of each month, the Project Monthly Performance Reports and the Direct Benefit Activities form to the CITY in the format acceptable to CITY
- 4 Contractor shall exercise prudent fiscal management by remaining within the allocated budget. Any and all amounts expended over and above the approved budget shall be sole responsibility of the Contractor.
- 5 Contractor shall process, store and maintain all information, including, without limitation, correspondence, monthly reports, and invoices, pertaining to the Project and this CONTRACT at the Contractor's office.
- 6 Contractor shall be required to operate its programs in accordance with all Community Development Block Grant regulations and the City of San Antonio's Human Development goal and objectives. Contractor shall maintain information reflecting the agency's performance in meeting client-based and outcomes performance measures. Contractor shall incorporate the principles of Human Development performance measures and the City's Human Development's initiative goals and objectives into its program descriptions.
- 7 Contractor shall comply with the CITY's Small Business Economic Development Advocacy (SBEDA) policy to involve qualified, Small, Minority, Women-Owned Business Enterprises (SMWBE), and local business enterprises, by selecting from these groups when entering into professional and other discretionary service contracts.
- 8 Contractor acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended, when applicable:
 - (A) The work to be performed under this CONTRACT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12

U S C 170(l)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing,

- (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C F R Part 135, which implement Section 3. As evidenced by their execution of this CONTRACT, the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations,
- (C) Contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin,
- (D) Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135. Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135,
- (E) Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C F R Part 135,
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions, termination of this CONTRACT for default, and debarment or suspension from further HUD-assisted contracts, and
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians,

and (11) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

STATE OF TEXAS

* DELEGATE AGENCY CONTRACT WITH
ST PETER – ST JOSEPH CHILDREN’S HOME

COUNTY OF BEXAR

* PROJECT NUMBER 28-035045
CFDA 14 218

CITY OF SAN ANTONIO

*

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as “CITY”), a Texas municipal corporation, acting by and through its Grants Administrator of the Office of Grants Monitoring and Administration pursuant to Ordinance No 2009-05-14-0368 dated May 14, 2009, and St Peter - St Joseph Children’s Home (hereinafter referred to as “CONTRACTOR”)

WITNESSETH

WHEREAS, the CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 as amended (hereinafter referred to as “the Community Development Act”) for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the “Grant Fund”) for human development services, and

WHEREAS, the Office of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as “Managing City Department”) for the CITY, and

WHEREAS, the CITY has adopted a budget for the expenditure of such funds, and included therein is an allocation of Sixty-Seven Thousand Nine Hundred and No/100 Dollars (\$67,900 00) in funds for a project entitled, “St Peter-St Joseph Children’s Home Project Ayuda” (hereinafter referred to as “Project”), and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project, **NOW THEREFORE**

The parties hereto agree as follows

I SCOPE OF WORK

1.1 CONTRACTOR will provide, oversee, administer, and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement affixed hereto, and incorporated herein for all purposes as Attachment I

II TERM

- 2 1 Except as otherwise provided for pursuant to the provisions hereof this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) September 30, 2010, or (b) Project completion
- 2 2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term, (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY, and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal, as evidenced by an ordinance duly passed and approved

III CONSIDERATION

- 3 1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No 2009-05-14-0368 Said Project Budget is affixed hereto and incorporated herein for all purposes as Attachment II It is specifically agreed that reimbursement hereunder shall not exceed the total amount of \$67,900 00
- 3 2 The funding level of this CONTRACT is based on an allocation from the following funding sources

\$67,900 00 Community Development Block Grant (CDBG)

Consequently, CONTRACTOR agrees to comply with Sections I, II- Exhibit "A" and III- Exhibit "A" of the Funding Guide, affixed hereto and incorporated herein for all purposes as Attachment III, as may be amended from time to time, and the Special Provisions affixed hereto and incorporated herein for all purposes as Attachment VIII

- 3 3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY's liabilities hereunder

IV PAYMENT

- 4 1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT Allowable costs are defined as those costs which are necessary, reasonable and allowable under applicable federal, state, and local law, including but not limited to those laws referenced in Section XI hereof, for the proper administration and performance of the services to be provided under an agreement All

requested reimbursed costs must be consistent with the terms and provisions of the approved budgeted line items described in Attachment II of this CONTRACT. In no event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT.

- 4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment, including the specific reason for such request. The Director of the Managing City Department may, in his sole discretion, approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need, (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis, and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized:
- (A) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner, defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY.
 - (B) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank, including all the CITY funds deposited in such separate account, exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that causes CONTRACTOR's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.
- 4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly, as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department.
- 4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department.
- 4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT, unless CONTRACTOR receives written authorization from the Director of the Managing City Department prior

to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period

- 4 6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR)
- 4 7 CONTRACTOR shall maintain a financial management system, and acceptable accounting records that provide for
- (A) Accurate, current, and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required, CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available,
 - (B) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations, un-obligated balances, assets, equity outlays, and income,
 - (C) Effective control over and accountability for all funds, property, and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project,
 - (D) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY, financial information should be related to performance and unit cost data,
 - (E) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR.
 - (F) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including but not limited to, the cost principles referenced in Section XI hereof, and the terms of the award, grant or contract, with the CITY,
 - (G) Supporting source documentation (i.e., timesheets, employee benefits, professional services agreements, purchases, and other documentation as required by CITY), and
 - (H) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid invoices revealing check number, date paid, and evidence of goods or services

received are to be filed according to the expense account to which they were charged

- 4 8 CONTRACTOR agrees that CONTRACTOR's costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency
- 4 9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan, which ensures that the CITY is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this CONTRACT. The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR's Project. The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions. It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program.
- 4 10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT, all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately, upon receipt, be returned by CONTRACTOR to the CITY.
- 4 11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT the CITY's Director of Finance, the CITY Auditor, or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR's systems of internal accounting and administrative controls prior to the release of funds hereunder.

V PROGRAM INCOME

- 5 1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT. At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be
- (A) Added to the Project and used to further eligible Project objectives, in which case proposed expenditures must first be approved by the CITY, or
- (B) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY.

- 5 2 In any case, where CONTRACTOR is required to return program income to the Managing City Department, CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income, CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.
- 5 3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.
- 5 4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.
- 5 5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.
- 5 6 CONTRACTOR shall include this Article V, in its entirety, in all of its subcontracts involving income-producing services or activities.

VI ADMINISTRATION OF CONTRACT

- 6 1 THIS SECTION INTENTIONALLY LEFT BLANK
- 6 2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes, or ordinances, the City Manager, as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.
- 6 3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state, or local grant without the prior written approval of the Director of the Managing City Department.
- 6 4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance systems, safes, fire extinguishers, sprinkler systems, etc., to safeguard property and/or equipment authorized by this CONTRACT.

- 6 5 CONTRACTOR's board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse. These procedures shall specify the consequences to CONTRACTOR's employees and vendors involved in such illegal activities to include but not be limited to termination and prosecution where necessary. Said procedures shall be provided to the Managing City Department upon request by the Managing City Department.
- 6 6 CONTRACTOR agrees to comply with the following check writing and handling procedures:
- (A) No blank checks are to be signed in advance.
 - (B) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a \$100.00 maximum per check. CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200.00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit. Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt.
 - (C) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR's receipt of each such check, and shall never be cashed for purposes of receiving any of the face amounts back.
- 6 7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls, faxes, internet service, and/or cell phone calls charged to the CITY.

VII AUDIT

- 7 1 If CONTRACTOR expends \$500,000.00 or more of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report. In addition to the report, a copy of the corrective action plan, summary schedule of prior audit findings, management letter and/or conduct of audit letter are to be submitted to the Managing City Department by CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor.

CONTRACTOR agrees and understands that upon notification from federal, state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies, or violations of CONTRACTOR's financial operations, a copy of the notification, review, investigation, and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report

- 7.2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than \$500,000.00 in federal funds from the CITY, the audit shall be made in accordance with the Single Audit Act Amendments of 1996, the State of Texas Single Audit Circular, and U.S. Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana. CONTRACTOR may submit reports through the following website <http://gov.fac@census.gov> and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696

Upon completion of Form SF-SAC, CONTRACTOR may submit the completed report by mail to

Federal Audit Clearinghouse
1201 E 10th Street
Jeffersonville, Indiana 47132

- 7.3 If CONTRACTOR expends less than \$500,000.00 of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier. Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement.
- 7.4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY.
- 7.5 The CITY reserves the right to conduct, or cause to be conducted, an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY. The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm, or other personnel as designated by the CITY, may perform such audit(s) or reviews. The CITY reserves the right to determine the scope of every audit. In accordance herewith, CONTRACTOR agrees to make available to the CITY all accounting and Project records.

"CONTRACTOR shall, during normal business hours and as often as deemed necessary by the CITY and/or the applicable state, or federal governing agency or any other auditing entity, make available the books, records, documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years" or whatever period is determined necessary based on the Records Retention guidelines, established by applicable law for this CONTRACT. Said records shall be maintained for the required period beginning immediately after contract termination, save, and except there is litigation or if the audit report covering such agreement has not been accepted. CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred. The auditing entity shall have the authority to audit, examine and make excerpts, transcripts, and copies from all such books, records, documents and evidence, including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT, all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT.

The CITY may, in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT and CONTRACTOR shall abide by such requirements.

- 7.6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs, which are questioned by the CITY and/or the applicable state or federal governing agency, CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs.

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit, CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. At its sole option, the Managing City Department may instead deduct such claims from subsequent reimbursements, however, in the absence of prior notice by the CITY of the exercise of such option, CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY. If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred, such refund shall be required and be made to the CITY by cashiers check or money order. Should the CITY, at its sole discretion, deduct such claims from subsequent reimbursements, CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project.

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT.

- 7 7 If the CITY determines, in its sole discretion, that CONTRACTOR is in violation of the above requirements, the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources

VIII RECORDS, REPORTING, AND COPYRIGHTS

- 8 1 The Managing City Department is assigned monitoring, fiscal control, and evaluation of projects. Therefore, at such times and in such form as may be required by the Managing City Department, CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds, if applicable, such statements, records, data, all policies and procedures, and information and permit the CITY and Grantor of the Grant Funds, if applicable, to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT.
- 8 2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by U.S. Department of Housing and Urban Development (HUD), including Performance Records/Reports, a copy of which is affixed hereto and incorporated herein as Attachment IV. The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month. CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate.
- 8 3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by, or obtained from the CITY including, without limitation, reports, information, project evaluation, project designs, data, other related information (collectively, the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT. CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure, dissemination, or publication of the Confidential Information. If disclosure is required (1) by law or (2) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement. CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8 3 including but not limited to, execution of confidential disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information. This Article VIII, Section 8 3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT. Upon termination of this CONTRACT, CONTRACTOR shall return to the CITY all copies of materials related to the Project, including the Confidential Information.
- 8 4 The Public Information Act, Government Code Section 552 021, requires the CITY to make public information available to the public. Under Government Code, Section

552 002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business 1) by a governmental body, or 2) for a governmental body and the governmental body owns the information or has a right of access to it Therefore if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT, CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition If the requested information is confidential pursuant to State or Federal law, CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR's receipt of such request

- 8 5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201, Section 201 003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code Thus, CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR

CONTRACTOR acknowledges and agrees that all local government records, as described herein, produced in the course of the work required by this CONTRACT, shall belong to and be the property of the CITY and shall be made available to the CITY at any time CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT CONTRACTOR agrees that it shall not, under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction The Managing City Department shall be notified of such request as set forth in Article VIII Section 8 3 of this CONTRACT

- 8 6 Ownership of Intellectual Property CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY CONTRACTOR hereby grants, sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project, including, without limitation, any and all copyright, patent and trade secret rights All intellectual property rights including, without limitation, patent, copyright, trade secret, trademark, brand names color schemes, designs, screens displays, user interfaces data structures, organization, sequences of operation, trade dress and other proprietary rights (the "Intellectual Property Rights") in the Project shall be solely vested in the CITY CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights In the event the CITY shall be unable, after reasonable

effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project, including without limitation, any letters patent, copyright, or other protection relating to the Project, for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR. Provided, however, nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY

- 8 7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT, CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY. CONTRACTOR understands and agrees that in conjunction with the submission of the final report CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project
- 8 8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR's board functions. Information required for submission shall include but may not be limited to
- (A) Roster of current Board Members (name, title, address, telephone number, fax number and e-mail address)
 - (B) Current Bylaws and Charter,
 - (C) Terms of Officers,
 - (D) Amendments to Bylaws,
 - (E) Schedule of anticipated board meetings for current Fiscal Year,
 - (F) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR's Project records and as such, must be available to the CITY staff upon request provided, however, CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of \$1,000,000.00 or greater,
 - (G) Board agenda, to be submitted at least three (3) business days prior to each board meeting

8 9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11 3 of this CONTRACT

IX INSURANCE

9 1 CONTRACTOR agrees to comply with the following insurance provisions

- (A) Prior to the commencement of any work under this CONTRACT, CONTRACTOR shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY's Office of Grants Monitoring and Administration, which shall be clearly labeled "St Peter – St Joseph Children's Home Project Ayuda" in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The CITY will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the CITY. The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY's Office of Grants Monitoring and Administration. No officer or employee other than the CITY's Risk Manager, shall have authority to waive this requirement.
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by the CITY's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT. In no instance will the CITY allow modification whereupon the CITY may incur increased risk.
- (C) CONTRACTOR's financial integrity is of interest to the CITY; therefore, subject to CONTRACTOR's right to maintain reasonable deductibles in such amounts as are approved by the CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at CONTRACTOR's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII) in the following types and for an amount not less than the amount listed below:

POLICY TYPES	AMOUNTS
Broad Form Commercial General Liability Insurance to include coverage for the following	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence, \$2,000,000 General Aggregate, or its equivalent

a Premises operations b Independent contractors c Products/completed operations d Personal Injury e Contractual Liability	in Umbrella or Excess Liability Coverage
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- (D) The CITY shall be entitled upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto as they apply to the limits required by the CITY, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies) CONTRACTOR shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to the CITY at the address provided below within ten (10) days of the requested change CONTRACTOR shall pay any costs incurred resulting from said changes

City of San Antonio
Attn: Office of Grants Monitoring and Administration
P O Box 839966
San Antonio, Texas 78283-3966

- (E) CONTRACTOR agrees that with respect to the above-required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions

- Name the CITY and its officers officials employees volunteers and elected representatives as additional insureds by endorsement as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers compensation and professional liability policies,
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy,
- Workers' compensation and employers liability policies will provide a waiver of subrogation in favor of the CITY and
- Provide thirty (30) calendar days advance written notice directly to the CITY of any suspension, cancellation, non-renewal or material

change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium

- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to the CITY. The CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order CONTRACTOR to stop work hereunder, and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.
- (H) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its subcontractors' performance of the work covered under this CONTRACT.
- (I) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) CONTRACTOR and any subcontractors are responsible for all damage to their own equipment and/or property.

X INDEMNITY

10.1 CONTRACTOR agrees to comply with the following indemnity provision:

- (A) CONTRACTOR covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including any acts or omissions of CONTRACTOR, any agent, officer, director, representative,

employee, consultant or subcontractor of CONTRACTOR, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this CONTRACT, all without, however, waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS CONTRACT The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity CONTRACTOR shall promptly advise the CITY in writing of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR's activities under this CONTRACT and shall see to the investigation of and defense of such claim or demand at CONTRACTOR's cost The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under this paragraph

- (B) It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article is an INDEMNITY extended by CONTRACTOR to INDEMNIFY, PROTECT and HOLD HARMLESS, the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death, or damage CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE, and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above

XI APPLICABLE LAWS

- 111 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Workers Compensation Commission effective April 17, 1991 Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments termination of this CONTRACT and debarment and suspension actions

11 2 CONTRACTOR understands that certain funds provided it pursuant to this CONTRACT are funds which have been made available by the CITY s General Operating Budget and/or by federal, state, or other granting entities. Consequently, CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars, as applicable to the funds received by CONTRACTOR hereunder:

- (A) OMB Circular A-21 entitled, ' Cost Principles for Educational Institutions'',
- (B) OMB Circular A-87, entitled "Cost Principles for State, Local, and Indian Tribal Governments",
- (C) OMB Circular A-102, entitled "Grants and Cooperative Agreements with State and Local Governments ' "
- (D) OMB Circular A-122, entitled "Cost Principles for Non-Profit Organizations" and
- (E) OMB Circular A-133, entitled "Audits of States, Local Governments and Not for Profit Organizations " "

11 3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

- Local Government Records Act of 1989 official record retention schedules,
- Government Code Chapter 552 pertaining to Texas Public Information Act,
- Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services, and
- Texas Local Government Code

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11 4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide

by all applicable provisions of the City of San Antonio Ordinance No 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions including but not limited to

- (A) Title VII of the Civil Rights Act of 1964, as amended,
- (B) Section 504 of the Rehabilitation Act of 1973 as amended,
- (C) The Age Discrimination Act of 1975, as amended,
- (D) Title IX of the Education Amendments of 1972, as amended, (Title 20 USC sections 1681-1688),
- (E) Fair Labor Standards Act of 1938, as amended,
- (F) Equal Pay Act of 1963, P L 88-38 and
- (G) All applicable regulations implementing the above laws

11 5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to, federal, state, and local taxes, fees, special assessments, federal and state payroll and income taxes, personal property, real estate, sales and franchise taxes, are current and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local, state, and federal laws including but not limited to

- (A) Worker's compensation
- (B) Unemployment insurance,
- (C) Timely deposits of payroll deductions,
- (D) Filing of Information on Tax Return Form 990 or 990T, Quarterly Tax Return Form 941, W-2's Form 1099 on individuals who received compensation other than wages, such as car allowance, Forms 1099 and 1096 for contract or consultant work, non-employee compensation, etc ,
- (E) Occupational Safety and Health Act regulations, and
- (F) Employee Retirement Income Security Act of 1974, P L 93-406

11 6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P L 101-336, enacted July 26, 1990, and all regulations thereunder

- 11 7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations, policies, and procedures as they may be promulgated
- 11 8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal, state and local laws rules and regulations
- 11 9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form 990 or 990T

XII NO SOLICITATION/CONFLICT OF INTEREST

- 12 1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage, brokerage, or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY For breach or violation of this warrant, the CITY shall have the right to terminate this CONTRACT without liability or, at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee, or to seek such other remedies as legally may be available
- 12 2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT CONTRACTOR further covenants that in the performance of this CONTRACT, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff
- 12 3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family business, or other ties
- 12 4 No member of the CITY's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall
- (A) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest, or
- (B) Have any direct or indirect interest in this CONTRACT or the proceeds thereof
- 12 5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code from having a financial interest in any

contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has 'prohibited financial interest' in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse, a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity or ten percent (10%) or more of the fair market value of the business entity, a business entity in which any individual or entity above listed is subcontractor on a CITY contract, a partner or a parent or subsidiary business entity.

- 12.6 CONTRACTOR warrants and certifies and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity) CONTRACTOR further warrants and certifies that it has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII TERMINATION

- 13.1 Termination for Cause – Should CONTRACTOR fail to fulfill, in a timely and proper manner obligations under this CONTRACT to include performance standards established by the CITY, or if CONTRACTOR should violate any of the covenants, conditions, or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any

work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit, or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.
- 13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.
- 14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.
- 14.3 The prohibitions set forth in Article XIV, Sections 14.1 and 14.2 of this CONTRACT include but are not limited to, the following:
- (A) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation,
 - (B) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies, or distributing political literature,

- (C) Coercing personnel, whether directly or indirectly, to work on political activities on their personal time, including activities such as taking part in voter registration drives, voter transportation activities, lobbying collecting contributions, making speeches, organizing or assisting at meetings or rallies or distributing political literature, and
- (D) Using facilities or equipment paid for, in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment, or supplies, such as telephones, computers, fax machines, during and after regular business hours

14 4 To ensure that the above policies are complied with, CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy. Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department. CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations.

14 5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed, reimbursements paid to CONTRACTOR under this CONTRACT may, at the CITY's discretion, be withheld until the situation is resolved.

14 6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote. Further, CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition if done during time not paid for with CITY funds.

XV PERSONNEL MANAGEMENT

15 1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy. The grievance policy will include procedures to receive, investigate, and resolve complaints and grievances in an expeditious manner.

15 2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees. If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees, then such additional days are not eligible for reimbursement under this CONTRACT.

15 3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Attachment II) that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City.

Department, as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department

- 15 4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization
- 15 5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards, facilitate, or coordinate the performance of this CONTRACT
- 15 6 At the sole discretion of the Director of the Managing City Department, CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time, permanent employees that is not chargeable to annual or personal leave only for the reasons listed below
- (A) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT,
 - (B) To serve as a juror
 - (C) To attend the funeral of someone in the immediate family Immediate family shall include father, mother, sister brother, husband, wife or child, and other relatives, (including in-laws) if such other relatives are actually members of the employee's household In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave, or
 - (D) To attend seminars or workshops
- 15 7 Chief Executive Officers (CEOs) directors and other supervisory personnel of CONTRACTOR may not supervise a spouse, parents, children brothers, sisters, and in-laws standing in the same relationship, (hereinafter referred to as "Relatives") who are involved in any capacity with program delivery supported through CITY funds Relatives, however, may be co-workers in the same Project in a non-supervisory position

XVI ADVERSARIAL PROCEEDINGS

- 16 1 CONTRACTOR agrees to comply with the following special provisions
- (A) Under no circumstances will the funds received under this CONTRACT be used, either directly or indirectly to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity, and
 - (B) CONTRACTOR, at the CITY's option, could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved

XVII CITY-SUPPORTED PROJECT

- 17.1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department

XVIII EQUIPMENT

- 18.1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget, prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of \$100.00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of \$100.00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms 'equipment,' and "property" as used herein, shall include not only furniture and other durable property, but also vehicles.
- 18.2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed, whether or not the Project continues to be supported by Federal funds but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall, at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination for cause of this CONTRACT.
- 18.3 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or programs sponsored by HUD that financed the equipment, second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income.

- 18 4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include
- (A) A description of the equipment including the model and serial number, or other identification number, if applicable
 - (B) The date of acquisition, cost and procurement source, purchase order number, and vendor number,
 - (C) Information from which one can calculate the percentage of Federal participation in the cost of the equipment
 - (D) An indication of whether the equipment is new or used,
 - (E) The vendor's name (or transferred from),
 - (F) The location and condition of the equipment and the date the information was reported,
 - (G) The property number shown on the property tag, and
 - (H) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share
- 18 5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference CONTRACTOR shall in connection with the inventory, verify the existence current utilization, and continued need for the equipment
- 18 6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining, and reporting of lost stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds All lost stolen missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and, if applicable the Federal Bureau of Investigation (FBI) CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen missing, damaged and/or destroyed equipment/property The report submitted by CONTRACTOR to the Managing City Department shall minimally include
- (A) A reasonably complete description of the missing damaged or destroyed articles of property, including the cost and serial number and other pertinent information

- (B) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction and
- (C) A copy of the official written police report or should the Police not make such copy available, a summary of the report made to the Police including the date the report was made and the name and badge number of the Police Officer who took the report

18 7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire, loss, and theft.

18 8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return, and all sale proceeds shall be program income, prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment, it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds.

XIX TRAVEL

19 1 The cost associated with budgeted travel for business either in-town or out-of-town, are allowable costs provided documentation of expenses is present.

(A) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement the employees 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law and 2) must record, on a daily basis odometer readings before and after business use, showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(B) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT, CONTRACTOR shall 1) provide the CITY with detailed documentation of such business travel expense(s) 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more

liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration, 3) purchase all business travel at economy class rates and shall document such and 4) submit support for conferences to include itineraries and documentation certifying conference attendance

XX NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 20 1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve, and no portion of the funds received hereunder shall be used directly or indirectly, for the acquisition, construction, operation, maintenance, administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship, religious instruction, or proselytization. CONTRACTOR further agrees not to engage in inherently religious activities, such as worship, religious instruction, or proselytization when using said facility.

XXI DEBARMENT

- 21 1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program.
- 21 2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein, if, at any time during the term of this CONTRACT including any renewals hereof, CONTRACTOR learns that its certification was erroneous when made or has become erroneous by reason of changed circumstances.

XXII ASSIGNMENT

- 22 1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable, the Grantor of the grant source. Any attempt to transfer, pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party.

XXIII AMENDMENT

- 23 1 Any alterations, additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance as to the CITY's approval, provided, however, the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio if permitted by all applicable local, state and federal

laws and in the following circumstances

- (A) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) \$25,000.00, whichever is the lesser amount, provided however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount,
- (B) Modifications to the Performance Measures set forth in Attachment I hereto so long as the terms of the amendment stay within the parameters set forth in the Statement of Work, also set forth in Attachment I hereto,
- (C) Budget line item shifts of funds, so long as the total dollar amount of the budget set forth in Section 3.1 of this CONTRACT remains unchanged, provided however, that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Attachment II) of this CONTRACT, and
- (D) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio's Risk Manager and the Director of the Managing City Department

XXIV SUBCONTRACTING

- 24.1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source, if so required by said Grantor
- 24.2 CONTRACTOR must comply with all applicable local, state and federal procurement standards, rules, regulations, and laws in all its sub-contracts related to the work or funds herein. It is further agreed by the parties hereto that the CITY has the authority to monitor, audit, examine, and make copies and transcripts of all sub-contracts as often as deemed appropriate by the CITY. If, in the sole determination of the CITY, it is found that all applicable local, state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such, this CONTRACT will be subject to termination in accordance with the provisions hereof
- 24.3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract and unless specific waiver is granted in writing by the CITY, shall be subject by its terms to each and every provision of this CONTRACT. Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR. CONTRACTOR agrees that payment for services of any sub-contractor shall be

submitted through CONTRACTOR and CONTRACTOR shall be responsible for all payments to sub-contractors

- 24 4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program

XXV OFFICIAL COMMUNICATIONS

- 25 1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed registered or certified mail postage prepaid, to the addresses set forth below

CITY

Grants Administrator
Office of Grants Monitoring and Administration
1400 S Flores
San Antonio, Texas 78204

CONTRACTOR

Executive Director
St Peter – St Joseph Children's Home
919 Mission Road
San Antonio Texas 78210

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change

XXVI VENUE

- 26 1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be brought in a court of competent jurisdiction in San Antonio, Bexar County, Texas

XXVII GENDER

- 27 1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender and words in the singular number shall be held to include the plural unless the context otherwise requires

XXVIII AUTHORITY

- 28 1 The signer of this CONTRACT for CONTRACTOR represents, warrants, assures, and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms, conditions provisions and obligations herein contained CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body, acting in accordance with the governing instruments submitted to the CITY in the application for funding Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT

XXIX LICENSES AND TRAINING

- 29 1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training license, or certification to provide said services, and meet all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein

XXX INDEPENDENT CONTRACTOR

- 30 1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other
- 30 2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture, or any other similar such relationship, between the parties hereto
- 30 3 Any and all of the employees of CONTRACTOR, wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only, and not of the CITY, and any and all

claims that may arise from the Workers' Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR

XXXI SEVERABILITY

- 31 1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code, or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein. It is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XXXII CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual.

- 32 1 CONTRACTOR acknowledges that City Code, Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high-risk" discretionary contract, as defined by the City of San Antonio Contracting Policy and Process Manual, may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ if the identity of the signatory will be different from the individual submitting the response.
- 32 2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk.
- 32 3 CONTRACTOR warrants and certifies and this CONTRACT is made in reliance thereon that the individual signing this CONTRACT has not made any contributions in violation of City Code, Section 2-309, and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may, in its discretion, declare this CONTRACT void.

XXXIII ENTIRE CONTRACT

33 1 This CONTRACT and its attachments if any, constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon, and supersede all prior negotiations, representations, or contracts either oral or written

In witness of which this CONTRACT has been executed effective the 1st day of October 2009

CITY OF SAN ANTONIO

CONTRACTING AGENCY

ST PETER - ST JOSEPH CHILDREN'S HOME

JS



JEANETTA TINSLEY
Grants Administrator
Office of Grants Monitoring
and Administration

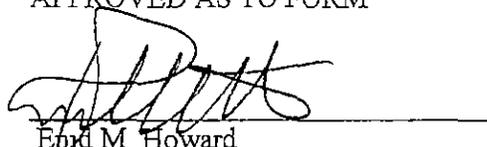
RA



JAMES CASTRO
Executive Director

APPROVED AS TO FORM

Board President (if required by Agency)



Eric M. Howard
Assistant City Attorney

ATTACHMENTS

- Attachment I – Work Statement
- Attachment II – Project Budget
- Attachment III – Funding Guide
- Attachment IV – Federal Compliance Manual
- Attachment V – Performance Report
- Attachment VI – Billing Package
- Attachment VII – Participant Forms
- Attachment VIII – Special Provisions

ATTACHMENT I

WORK STATEMENT

WORK STATEMENT

I SUB-GRANTEE St Peter – St Joseph Children's Home

II PROJECT NAME Project Ayuda

III STATEMENT OF PROJECT RESPONSIBILITY

- A POLICY All policies are set by the Board of Governors of St Peter-St Joseph Children's Home. The Board of Governors also approves new and ongoing programs at St Peter-St Joseph Children's Home.
- B ADMINISTRATION James Castro, Executive Director, is responsible for all programs operated by St Peter-St Joseph Children's Home.
- C STAFFING Program staffing for Project Ayuda is the responsibility of the Director of Counseling Services Diana Ochoa-Johnson.
- D OPERATIONS Oversight for daily operations of Project Ayuda is provided by Lourdes Mota, Project Coordinator.
- E BUDGET & FISCAL MATTERS The Director of Finance and Personnel, B F Rippy is responsible for all budgetary and fiscal matters related to Project Ayuda.

IV PROJECT DESCRIPTION

The Project Ayuda target population is low-income individuals with a physical or mental disability who are awaiting SSI or SSDI benefits and who are struggling to maintain financial self-sufficiency in the interim. Project Ayuda will help them to meet basic needs, access community resources, and attain financial self-sufficiency through case management, emergency financial assistance and life skills classes.

Statistics indicate that the San Antonio area has a larger population of disabled individuals than the state average. Only a small fraction of these are currently receiving benefits. On average it requires 24 months from the time of application to receive SSI or SSDI benefits. This population resides mainly in the inner city portions of Council Districts 2,3, and 4, is over 80% Hispanic and 90% low-income. These individuals struggle with meeting their basic needs and navigating the social service system.

V PROGRAM GOALS, OBJECTIVES, AND PERFORMANCE INDICATORS (See attached)

VI SERVICE AVAILABILITY (Contact Information, i.e. location, phone and days/hours of operation)
Project Ayuda Contact Lourdes Mota
Address 919 Mission Road, San Antonio, Texas 78210
Phone (210) 533-1203
Hour of Operation Monday – Friday, 8:30 a.m. – 5:00 p.m.

-- VII -- TARGET POPULATION Low-income individuals with a physical or mental disability who are awaiting SSI or SSDI benefits and who are in need of direct assistance and case management services to manage financially on a day-to-day basis

VIII ELIGIBILITY CRITERIA Participants must be disabled and eligible for Social Security Disability Insurance or Supplemental Security Income benefits Participant must be low income as determined by HUD Section 8 Income Limits

IX FEES None

X SPECIAL PROVISIONS (See Attachment VIII)

PROJECT PERFORMANCE MEASURES

PROJECT NAME St Peter – St Joseph Children s Home Project Ayuda
 PROJECT NUMBER 28-035045
 SUB-GRANTEE St Peter – St Joseph Children’s Home
 CONTRACT PERIOD October 1 2009 – September 30 2010

PROJECT MISSION

The goal of Project Ayuda is to meet the basic needs of disabled individuals and their families as they await SSI or SSDI benefits, and to help them attain financial self-sufficiency. The target population is eligible low-income individuals and their families who are awaiting SSI or SSDI benefits and who are in need of direct assistance and case management services to manage financially on a day-to-day basis.

PERFORMANCE MEASURES

											GOAL/ADOPTED
											FY 2009-2010
Input											
01 Total CDBG Funds											\$67,900 00
02 Total Other Project Funds											0 00
03 Total Number of Program-Supported Staff											1
Output											
01 Total CDBG Expenditures											\$67,900 00
02 Total Other Expenditures											0 00
03 Number of Unduplicated Clients Served											50
District	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	Total
# of Clients	5	8	10	6	8	3	5	1	1	3	50
Efficiency											
01 Average CDBG Cost per Client											\$ 1,358 00
Effectiveness											
01 % of CDBG Funds Expended											100%
02 % of Other Project Funds Expended											N/A
03 Number of Clients Who Completed at Life Skill Classes											40

ATTACHMENT II

PROJECT BUDGET

- 1 BUDGET DETAIL
- 2 AGENCY FUNDING SOURCES

BUDGET DETAIL
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

SUB-GRANTEE St Peter – St Joseph Children s Home

PROJECT NAME Project Ayuda

CONTRACT PERIOD Contract Execution - Earlier of September 30 2010 or Project Completion

SALARIES*

Position*	Total	Other Funding	CDBG Amount
Program Coordinator	\$ 33 500		\$ 33 500
TOTAL	\$ 33,500		\$ 33,500

FRINGE BENEFITS**

Type **	Total	Other Funding	CDBG Amount
FICA (7.65% of Salary – 6.2% of the 7.65% is for Social Security Tax and 1.45% is for Medicare Tax)	\$ 2,563		\$ 2,563
Pension (5% of Salary)	\$ 1,675		\$ 1,675
Worker s Compensation (1.15% of Salary)	\$ 385		\$ 385
Health/Life Insurance (Program Coordinator has waived health insurance and has opted to only accept life insurance coverage at \$2.70 per month)	\$ 32		\$ 32
TOTAL	\$ 4,655		\$ 4,655

CONTRACTUAL ***

Type***	Service Detail	Total	Other Funding	CDBG Amount
	Emergency Rental Assistance (\$220 per client per month not to exceed three months of rental assistance per client)	\$ 23,760		\$ 23,760
	Gas Cards for Clients (\$25 per card per client)	\$ 1,100		\$ 1,100
	Office Supplies	\$ 518		\$ 518
	Cell Phone for Program Coordinator (\$12/month for 12 months)	\$ 144		\$ 144
	Utilities (14.2% of utilities for Counseling Center – based on square footage allocated to Project Ayuda)	\$ 1,568		\$ 1,568
	Lease Storage Space (\$99 per month)	\$ 1,188		\$ 1,188
	Vehicle Insurance (50% of total vehicle insurance - expense is split with other St PJs program)	\$ 297		\$ 297
	Fuel (50% of total fuel costs – expense is split with other St PJs program)	\$ 360		\$ 360
	Vehicle License Tag (50% of total tag cost – expense is split with other St PJs program)	\$ 50		\$ 50
	Vehicle Repairs (50% of repairs – expense split with other St PJs program)	\$ 760		\$ 760
TOTAL		\$ 29,745		\$ 29,745

* Attach Job Descriptions

** Indicate Formula for Determination

*** Requires Prior City Approval

AGENCY FUNDING SOURCES
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

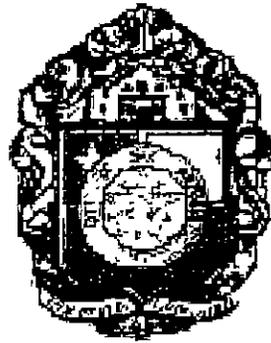
SUB-GRANTEE St Peter – St Joseph Children's Home

PROJECT NAME Project Ayuda

CONTRACT PERIOD Contract Execution - Earlier of September 30 2010 or Project Completion

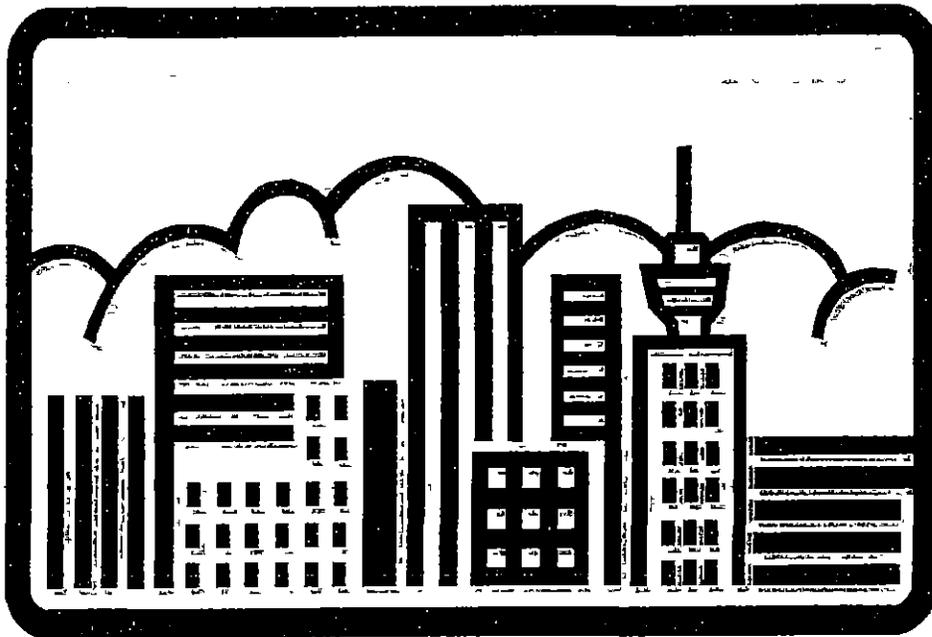
PROGRAM	ALL FUNDING SOURCES	AMOUNT
Project Ayuda	2009-2010 CDBG	\$ 67,900

ATTACHMENT III
FUNDING GUIDE



CITY OF SAN ANTONIO

*CONSOLIDATED HUMAN DEVELOPMENT SERVICES FUNDING POOL
FUNDING GUIDE*



Collaborative Effort

City of San Antonio Departments of Community Initiatives, Economic Development, Grants Monitoring & Administration

FY 2009 and FY 2010

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I OVERVIEW

In an effort to maximize financial resources during fiscal years 2009 and 2010, the City of San Antonio (the "City") through its Departments of Grants Monitoring & Administration, Community Initiatives, and Economic Development have established a Consolidated Public Service Funding process. Since funds provided are competitively allocated, organizations interested in providing and administering these Public Service activities are encouraged to submit a proposal highlighting their specific programs and detailing current resources available to conduct the anticipated activities. The competitive solicitation period shall begin in February 2008, and effectively culminate in submission of funding recommendations and budget adoption June 2008. Although some funding sources may be available around July 1, 2008, most funding sources shall be available for release on or about October 1, 2008. Other funds, as they may become available throughout FY09 and FY10 for services procured through the consolidated RFP may be awarded at a later date with approval of City Council of the City of San Antonio.

Funding from the Consolidated Human Development Services Funding Pool RFP of City Council ("City Funds") shall represent a limited percentage of the total agency revenues and expenses for FY2009 and FY2010, which percentage is established by City Council and is subject to change. The percentage of the total agency revenues and expenses that represents non-City Funds is sometimes referred to as the agency's "match" requirement. Contractor shall comply with any matching fund requirements set by City Council that apply to Contractor's contract, regardless of when such requirements are passed. Currently, if Contractor receives \$1,000,000.00 or more in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 35% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. If Contractor receives less than \$1,000,000.00 in City Funds through this RFP, then the amount of City Funds received shall be limited to not more than 50% of the revenues for all of Contractor's operations and activities that Contractor has budgeted to be expended each fiscal year for FY2009 and FY2010, respectively. These limits are not based on the revenues for the Project but are based upon and determined by, the revenues for all of the Contractor's operations and activities in each contract year.

Contractor shall provide to the Managing City Department, acceptable evidence, as determined solely by the Director of the Managing City Department that Contractor has secured revenues from sources other than from the City ("Non-City Funding") in an amount that meets the required limit no later than December 31, 2008 for Fiscal Year 2009 and no later than December 31, 2009 for Fiscal Year 2010. If Contractor does not provide the Managing City Department with acceptable evidence of the required amount of "Non-City Funding" by December 31 of the respective contract year, then the Contractor understands and agrees that the Director of the Managing City Department may reduce the amount of "City Funds" provided to Contractor in order to comply with this limit without obtaining the approval of the City Council.

Funds reduced as a result of either of the requirements above may be reprogrammed.

Contractor agrees that all amendments to any of the applicable laws in this Contract including the Funding Guide and Federal Compliance Manual shall be incorporated automatically into the Contract.

II CONTRACT ADMINISTRATION

A Department of Grants Monitoring & Administration Administered Contracts

All Contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions

- 1) Contractor understands and agrees from commencement date of contract execution to gather information and data relative to all programmatic and financial reporting
- 2) Contractor understands and agrees that it will cooperate with the Department of Grants Monitoring & Administration staff in such a way so as not to obstruct or delay its monitoring of Contractor's performance and that it shall designate one of its staff to coordinate the monitoring process as requested by CITY staff
- 3) Contractor shall ensure that all services are consistent with the City of San Antonio Consolidated Plan located at [http //www.sanantonio.gov/hcd/pdf/2005%202009%20Five%20Year%20Plan.pdf](http://www.sanantonio.gov/hcd/pdf/2005%202009%20Five%20Year%20Plan.pdf) Only CDBG Public Service funds will be distributed through the Request for Proposals generated in connection with this Funding Guide

B Department of Community Initiatives Administered Contracts

All Contracts administered through the Department of Community Initiatives shall comply with the following Special Provisions

- 1) Contractor shall comply with the Department of Community Initiatives' policy on Supportive Services as well as any other Department of Community Initiatives policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by said Department upon execution of the contract
- 2) Contractor shall provide family outreach services and/or application assistance for the Children's Health Insurance Program (CHIP). Contractor shall also provide information on the TexCare Partnership program and application assistance for eligible children who are not currently covered under a health insurance plan. Contractor shall also maintain and provide to the City's Department of Community Initiatives in a monthly report, the following information:
 - 1 number of eligible children not covered by a health insurance plan, and
 - 2 information and application assistance provided by the Contractor to eligible families
- 3) Contractor shall disseminate information on the School Readiness Guidelines (hereinafter referred to as "Readiness Guidelines") program to all program participants and to the general public. Contractor shall maintain records on the amount and type of outreach efforts in its

dissemination of information on the Readiness Guidelines, and shall submit on a monthly basis reports of said records to City's Department of Community Initiatives

- 4) The contractor shall disseminate information to the general public on information about the Women, Infants and Children (WIC) Program. The contractor shall assist families, who may be eligible for WIC services, in locating a WIC program office and provide the necessary referral to the family. The contractor shall provide information about other potential sources of food assistance in the local area to individuals who apply for the WIC program, but who cannot be served because the program is operating at capacity in the local area.
- 5) The contractor shall disseminate information to the general public on information about the Texas Food Stamp Program. The contractor shall assist families, who may be eligible for food stamps, in locating a program office and provide the necessary referral to the family.
- 6) The contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. The contractor shall be prepared to offer basic referrals to these services based on the individual needs of the family.
- 7) Contractor shall disseminate information to the general public on the benefits and eligibility for the Federal Earned Income Tax and Child Care Credits. Contractor shall provide participants with referrals to the City of San Antonio, Department of Community Initiatives and Volunteer Income Tax Assistance (VITA) program. If available, the contractor shall provide office space for VITA volunteers to complete tax returns.
- 8) Contractor shall allow City's Department of Community Initiatives' Community Action staff to train Contractor's staff in certifying participants for SAWS Water Affordability Program in client verification, application processes and monitoring the Campaign. Contractor staff shall provide assistance in the implementation of the SAWS Water Affordability Program Campaign. Contractor shall complete necessary documents and a monthly summary report on the number of households assisted, and forward said monthly reports to the Community Action Office, located at 115 Plaza de Armas, Ste 150, San Antonio, TX 78205. Community Action staff shall provide support for contractor in the execution of these tasks on an on-going basis. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.
- 9) Contractor agrees that it may be selected to provide eligibility determination services to the City for utility assistance credits through Projects WARM (*Winter Assistance Relief Mobilization*) and REAP (*Residential Energy Assistance Partnership, Inc*) to low-income and elderly residents who are City Public Service ("CPS") customers. Contractors may, at the sole discretion of the City, be required to perform these duties.

If selected by City to conduct Project WARM and REAP eligibility determination services, Contractors understand and agree that said services are part of the consideration for the City's award of funds. Contractors further understand and agree that City may not compensate Contractors for said services. Contractor further understands and agrees that City may not reimburse Contractor for any costs or expenses associated with said services or for Contractor making assistance credit recommendations to City.

Contractor shall allow City's Department of Community Initiatives', Community Action staff, to train Contractor's staff in providing eligibility determination services for Projects WARM and REAP. Specific instructions on providing these services shall be provided to Contractor upon execution of this contract.

- 10) Contractor agrees that it may be selected to participate in the Homeless Management Information System (HMIS) project of the City of San Antonio funded through the U.S. Department of Housing and Urban Development. Participation in HMIS must meet all requirements of HMIS. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 11) Contractor agrees that it may be selected to participate in the Child Care Single Portal of Entry (SPE) project of the City of San Antonio. Participation in SPE must meet all requirements of SPE project rules. Contractors may, at the sole discretion of the City, be required to perform these duties.
- 12) Contractor agrees to make reports to the City of San Antonio, Department of Community Initiatives in the form requested by the City.

C Department of Economic Development

All Workforce Development Delegate Agency Contracts will be administered through the Department of Economic Development. All Workforce Development Delegate Agency Contracts shall comply with the following:

- 1) Contractor shall comply with all Economic Development Department policies applicable to Delegate Agencies. Applicable policies shall be provided to Contractor by the Department upon execution of the contract.
- 2) Contractor shall become familiar with other basic health and human service programs offered through the Texas Department of Health, the Texas Department of Human Services, Bexar County, the City of San Antonio or other private/public agencies that assist low income families. Contractor shall be prepared to offer basic referrals to these services based on the individual needs of the participant.
- 3) Contractor agrees to make reports to the City of San Antonio Economic Development Department in the form requested by the City.

III Statutory Guidelines and Special Provisions

A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CITY has received certain funds from the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 (hereinafter referred to as **Community Development Act**), as amended for utilization in connection with its Community Development Block Grant (CDBG) Program for Public Service. The federal government defines Public Service programs as "activities directed towards improving employment, crime prevention, child care, health drug abuse, education energy conservation, welfare, or recreational needs."

Income Eligibility Requirements for Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is a grant provided by the U S Department of Housing and Urban Development. The Department of Grants Monitoring & Administration administers the grant for the City of San Antonio for use in revitalizing neighborhoods, providing affordable housing, expanding economic opportunities, and improving community facilities and services.

National Objectives

An activity must meet one of the following CDBG National Objectives to be eligible to receive funds:

- (1) Benefit low- and moderate-income families,
- (2) Prevent or eliminate slums or blight or
- (3) Meet other urgent community development needs

Population to be served and Beneficiaries

In most cases, as direct beneficiaries, clients benefiting from CDBG supported public service activities must be documented as having gross annual household incomes not exceeding 80% of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines.

The Department of Grants Monitoring & Administration has established a Funding Policy under which each application will be considered. This policy identifies a number of general and activity-specific objectives that must be met in order for an application to receive further consideration.

The Funding Policy also makes clear that the Federal CDBG regulations allow up to 15% of the annual grant to be allocated to public service programs. However, the City will award funds to public services based on current funding priorities. Public services include but are not limited to those programs concerned with employment, crime prevention, childcare, day care, health care, drug abuse prevention, education, mental health, energy conservation, welfare, or recreation.

Contractors receiving contracts administered by the Department of Grants Monitoring & Administration shall comply with the following Special Provisions:

1) The federal government defines Public Service programs as activities "directed towards improving the community's public services and/or facilities including, but not limited to, those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs." In most cases, as direct beneficiaries, clients benefiting from CDBG supported Public Service activities must be documented as having gross annual household incomes not exceeding eighty-percent (80%) of San Antonio's median income, adjusted for household size in accordance with HUD Section 8 Income Guidelines. *In addition, HUD CDBG regulations require the Public Service program to be a new service or demonstrate a quantifiable increase in the level of an existing service.*

2) Successful Proposers funded through CDBG will be subject to the following Special provisions:

- Department of Labor Regulations (29 CFR Part 5, as amended)

- The Copeland Anti-Kickback Act (18 USC 874), as amended and as supplemented by Department of Labor regulations (29 CFR Part 3, as amended)
- The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), as amended, and as supplemented by Department of Labor regulations (29 CFR Part 5 as amended)
- Executive Order 11246 (Equal Opportunity), as amended, and as supplemented by Department of Labor regulations (41 CFR, chapter 60, as amended)
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits

3) Contractor shall comply with applicable uniform administrative requirements, as promulgated in Title 24 CFR 570 502

4) Contractor further assures and certifies that if the regulations and issuances promulgated pursuant to the Community Development Block Grant rules and guidelines are added to, amended or revised, it shall comply with them or notify the City as provided in this Contract. Contractor understands and agrees that if the regulations and issuances promulgated pursuant to the Community Development Act are amended or revised, it shall comply with them or otherwise immediately notify City pursuant to the provisions of Article XXVI (26 1) of this Contract

5) Contractor understands and agrees that eligible activities funded under the Community Development Block Grant (CDBG) Program, must meet the National Objectives as defined in the Code of Federal Regulations, 570 208 (a)(2)(1)(A), stating that the services provided must be a direct benefit to "low and moderate" income-limited clientele

6) Contractor assures and certifies that it will comply with the requirements of the Community Development Act and with all applicable Community Development Block Grant (CDBG) regulations promulgated there under as Title 24 570 200 of the Code of Federal Regulations

7) Contractor assures that all contractors and subcontractors receiving funds in connection with a CDBG funded project shall comply with any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

8) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects

covered by Section 3 shall, to the greatest extent feasible, be directed to low- and very low income persons particularly persons who are recipients of HUD assistance for housing

- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed where not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts.
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

B Child Care Development Fund Block Grant (CCDF)

The City of San Antonio receives CCDF funds through a contract with the Alamo Workforce Development Inc hereinafter referred to as Alamo WorkSource Based on availability, federal matching funds will support local initiatives that improve the quality of early care and education programs for young and school age children through Quality Improvement Activities (QIA) and family strengthening strategies Funding may be awarded from multiple sources including U S Department of Health and Human Services Child Care Development Fund Block Grant (CCDF), Temporary Assistance to Needy Families (TANF), and the U S Department of Labor Welfare to Work or Workforce Investment Act (WIA) programs

1) Contractors funded through CCDF shall comply with the following laws

- Child Care and Development Block Grant Act of 1990 - CFR Title 45, Sections 98 and 99 contain the regulations for the implementation and operation of the CCDBG
- Title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (HR3734) (Welfare Reform) amends 42 USC 9858 which creates the Child Care Development Fund (CCDF)
- Public Law 104-193
- Public Law 105-33
- USC Title 42, Section 9858 (The Omnibus Reconciliation Act of 1990) created the Child Care and Development Block Grant (CCDBG) and authorizes payment for certain child care and quality improvement activities
- USC Title 42, Chapter 7, Subchapter II Section 418 – Social Security Act, as amended entitled Federal Old-Age, Survivors And Disability Insurance Benefits
- USC Title 42 Chapter 7, Subchapter IV, Section 601 through 679 entitled Grants to States for Aid and Services to Needy Families With Children and for Child-Welfare Services
- TAC Title 40 Part 20 – Texas Workforce Commission
- TAC Title 40, Part I, Chapter 73 Subpart A provides the processes and procedures for the administration of all programs and services receiving state financial assistance directly or through contractual arrangement in accordance with applicable federal civil rights regulations
- TAC Title 40 Chapter 801 and 809
- Texas Education Code, Section 33 902
- Labor Code, Title 2, Chapters 21, 81, 301 and 302
- Human Resource Code, Chapter 22 (all), Chapter 31, Section 31 0035, Chapter 44 (all), Chapter 73 (all), and Chapter 121 (all)
- Government Code Title 10, Chapters 771 and 2308
- Texas WorkSource Commission Financial Manual for Grants and Contracts – available in hard copy format from the City of San Antonio, Department of Community Initiatives upon request
- Any other applicable federal, state, and local laws, including City and Alamo WorkSource , Inc rules regulations, policies, procedures and issuances promulgated under authority of the legislation and specific program requirements

2) ADDITIONAL RIGHTS IN DATA

Alamo WorkSource shall have the right to reproduce, publish or use the copy right of patent or rights in all data produced through this Contract

3) ADDITIONAL ETHICS REQUIREMENTS

- a) No employee of Contractor or Sub-Contractor, no member of Contractor's or Sub-Contractor's governing board or body and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this Contract shall participate in any decision relating to this Contract which affect his/her personal pecuniary interest
- b) Contractor shall take every reasonable course of action to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This Contract shall be administered in an impartial manner free from efforts to gain personal, financial or political benefit, tangible or intangible. Contractor, its executive staff and employees, while administering this Contract, shall avoid situations, which could give the appearance that any decision was influenced by prejudice, bias, special interest or desire for personal gain
- c) Contractor has disclosed any interest, fact or circumstance, which does or may present a potential conflict of interest. Contractor shall immediately inform the City of San Antonio at the address in Article XXVI, Section 26.1 of this Contract and Alamo WorkSource at the address in Section (6) below, in writing of any potential conflict of interest which arises at any time during the term of this Contract

4) ADDITIONAL COMMUNICATIONS/NOTICES

In addition to the parties listed in Article XXVI, Section 26.1 of this contract, Contractor shall also submit all communications and notices to Alamo WorkSource in the same manner as set forth in Article XXVI Section 26.1 of the contract to the address below

Executive Director
115 Travis Suite 220
San Antonio, TX 78205

5) ADDITIONAL AUDIT / RECORDS INSPECTION

In addition to the requirements set forth in Article VII Section 7.3 and Article VIII, Section 8.1 of this Contract, Contractor further agrees that all records and files with respect to all matters covered by or related to this Contract will be open for inspection and audit at any reasonable time during the term hereof by representatives of Alamo WorkSource and shall continue to be available for a period of three (3) years after the termination date hereof. If at the end of three (3) years, there is litigation or if the audit report covering such agreement has not been accepted, the Contractor shall retain the records until the resolution of such litigation or audit

6) ADDITIONAL REQUIREMENTS FOR AMENDMENT

In addition to the requirements set forth in Article XXIV, Section 24.1 of this Contract, Contractor further agrees that except when the terms of this Contract expressly provide otherwise, any alterations additions or deletions to the terms hereof shall be by amendment in writing and approved by Managing City Department and Alamo WorkSource

7) ADDITIONAL REQUIREMENT FOR ASSIGNMENTS

In addition to the requirements set forth in Article XXIII, Section 23 1 of this Contract, Contractor further agrees that Contractor shall not assign or transfer Contractor's interest in this agreement without the written consent of Alamo WorkSource

8) ADDITIONAL REQUIREMENT FOR SUBCONTRACTING

In addition to the requirements set forth in Article XXV, Section 25 1 of this Contract, none of the work or services covered by this agreement shall be sub-contracted without the prior written consent of Managing City Department and Alamo WorkSource. Any work or services approved for sub-contracting hereunder, however, shall be sub-contracted only by written agreement, and unless specific waiver is granted in writing by Managing City Department and Alamo WorkSource, shall be subject by its terms to each and every provision of this agreement. Compliance by sub-Contractors with this agreement shall be the responsibility of Contractor. Contractor agrees that payment for services of any approved sub-Contractor shall be submitted through Contractor, and Contractor shall be responsible for all payments to sub-Contractors.

C Community Services Block Grant (CSBG)

Applicable Laws

The City of San Antonio receives CSBG funds through a contract with the Texas Department of Housing and Community Affairs

1) Contractors funded through CSBG shall comply with the following laws

- Public Law 103 252 which can be found at www.ncaf.org/csbg.htm
- Community Services Block Grant 42 USC Sections 9901 through 9926
- TAC Title 1, Part 1, Chapter 5, Subchapter A, Division 4, Rules § 5 144, §5 145, §5 150 and §5 167 – pertaining to Uniform Grants and Management Standards

2) Persons served through CSBG funds must meet income eligibility guidelines including having incomes at or below 125% of the Federal Poverty Income Level (FPIL) as established by the U S Department of Health and Human Services

3) Contractor agrees to adhere to all the requirements of the Results Oriented Management and Accountability (ROMA) system a tool designed to measure consistent results of the Contractor's service delivery throughout the Contractor's service delivery period. Texas Department of Housing and Community Affairs (TDHCA) mandates this requirement in accordance with CSBG Policy Issuance 98 12 8

D Emergency Shelter Grant (ESG)

Applicable Laws

The City of San Antonio is the grantee that receives ESG funds through a contract with the U S Department of Housing and Urban Development Through this RFP the City makes ESG funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations The Emergency Shelter Grants program provides homeless persons with basic shelter and essential supportive services It can assist with the operational costs of the shelter facility, and for the administration of the grant ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure or utility shutoffs

ESG funds are available for the rehabilitation or remodeling of a building used as a new shelter, operations and maintenance of the facility, essential supportive services (i.e., case management, physical and mental health treatment, substance abuse counseling, childcare, etc), homeless prevention and grant administration

1) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other federal state and local grants, and from "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services and volunteer time (See paragraph 4 on page 16 Language appears to be a duplication)

2) Contractors funded through ESG shall comply with the following laws

- USC Title 42, Section 11301 (1998) - Title IV, Subtitle B of the Stewart B McKinney Homeless Assistance Act, as amended
- CFR Title 24 CFR, Subpart A, Part 84, Procurement Standards for Non-Profits
- ESG Regulations – CFR Title 24, Part 91 Section 576 can be found at <http://www.hud.gov/offices/cpd/homeless/rulesandregs/regulations/576esg/index.cfm>
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

3) Contractor assures that all contractors and subcontractors receiving funds in connection with an ESG funded project shall comply with any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual A copy of said Federal Compliance Manual shall be provided to Contractor as part of every Contract awarded in connection with this Project *In the event of conflict between this Contract and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide*

4) Contractors receiving ESG funds agree to match ESG grant funds dollar for dollar with their own locally generated amounts These local amounts can come from the contractor or other state and local grants and must be in cash or cash equivalent for acquisition, rehabilitation, or new construction projects "In-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time may be used as match for service contracts such as operations of a facility or supportive services (Language appears to duplicate language on paragraph 1 of page 15)

5) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

6) The following Special Condition Clauses are applicable to all CDBG, HOME ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

E Housing Opportunities for Persons with AIDS (HOPWA)

Applicable Laws

The City of San Antonio receives Housing Opportunity for Persons With Aids (HOPWA) entitlement funds through a contract with the U S Department of Housing and Urban Development (HUD). The HOPWA Program was established by (HUD) to address the specific needs of persons living with Human Immunodeficiency Virus (HIV/AIDS) and their families. HOPWA makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons medically diagnosed with (HIV/AIDS) and their families. HOPWA funding provides housing assistance and related supportive services as part of HUD's Consolidated Planning initiative that works in partnership with communities and neighborhoods in managing federal funds appropriated to HIV/AIDS programs. HOPWA grantees are encouraged to develop community-wide strategies and form partnerships with area non-profit organizations.

1) Contractors funded through HOPWA shall comply with the following laws

- HOPWA Regulations – CFR Title 24, Part 91 Section 574 can be found at <http://www.hud.gov/offices/cpd/aidshousing/lawsregs/regs/index.cfm>
- Americans with Disabilities Act at USC 42 12101-12213 as codified under CFR Title 28
- CFR Title 49 which contains the government wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (also found at USC Title 42 Sections 4601-4655)

2) Contractor assures that all contractors and subcontractors receiving funds in connection with a HOPWA funded project shall comply with any and all applicable rules and regulations as contained in the CITY's Federal Compliance Manual. A copy of said Federal Compliance Manual which shall be provided to Contractor as part of every Contract awarded in connection with this Project. *In the event of conflict between this Contract, and the Federal Compliance Manual, the Federal Compliance Manual shall control. Said Manual is attached hereto, and incorporated herein for all purposes as "Exhibit 1" to this Funding Guide.*

3) Contractor shall not discriminate against "Committed Couples" which shall be defined as two adults of the opposite or same sex who may or may not have a marriage license and have been cohabitating prior to requesting services

4) The following Special Condition Clauses are applicable to all CDBG, HOME, ESG and HOPWA Contracts and loan documents

CONTRACTOR acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 Clause of the Housing and Urban Development Act of 1968, as amended

- A The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing
- B The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations
- C The contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- D The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135
- E The contractor will certify that any vacant employment positions including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed where not filled to circumvent the contractor's obligations under 24 CFR part 135

- F Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from further HUD-assisted contracts
- G With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S CC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

IV GLOSSARY OF TERMS

Amendment – An agreement executed by all parties to a Contract subsequent to the original execution date of such Contract which modifies provisions of such Contract

Audit - A systematic review by a CPA or other duly certified and licensed individual or organization to determine and report whether Contractor's financial operations are being properly conducted, financial reports are being presented fairly and applicable laws and regulations are being complied with. All contractors must submit an audit of the program funded under this agreement as is further delineated herein. For purposes of this Funding Guide an Audit shall mean an OMB Circular A-133 Audit or an audit conducted in accordance with State of Texas or other applicable federal agency requirements

AWS - The Alamo WorkSource, Inc

AWDB - The Alamo Workforce Development Board

City - City of San Antonio, a Texas municipal corporation

Contractor - A service provider or program operator under contract with the City of San Antonio

CCDF – Child Care Development Funds

CSBG - Community Services Block Grant

ESG – An acronym for the Emergency Shelter Grant from HUD

Family See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the Consolidated Plan differs from the Census definition). The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage or adoption.

Federal Poverty Income Limits (FPIL) – see Poverty Level

General Fund - Funds that originate from the tax base or fees and fines collected by the City of San Antonio. These funds are generally adopted for expenditure in the City's budget through an ordinance.

Grantor – The organization that provides grant funds to the City

HHS – U S Department of Health and Human Services

HOPWA – Housing Opportunities for Persons with AIDS grant from HUD

Household One or more persons occupying a housing unit

HUD – U S Department of Housing and Urban Development

HUD Income Definitions - Annual income as defined under the Section 8 Housing Assistance Payments program at (24 CFR 813.106) or Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:

- A Wages, salaries, tips, commissions, etc,
- B Self-employment income from own non-farm business, including proprietorships and partnerships
- C Farm self-employment income
- D Interest, dividends, net rental income, or income from estates or trusts
- E Social Security or railroad retirement,
- F Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs,
- G Retirement, survivor or disability pensions, and
- H Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation, and alimony, or

Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040) for individual Federal annual income tax purposes

Low- and moderate-income household - a household having an income equal to or less than the Section 8 income guideline limits established by HUD

Low- and moderate-income person - a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose.

Moderate-income household - a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD

Moderate-income person - a member of a family that has an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Monitoring - The process of observing and/or reviewing performance which may include on-site observation, review of paperwork and files, interviews with staff or customers, telephone conversations, and formal evaluation of compliance elements

Ordinance - A law enacted by the City Council of the City of San Antonio

Participant - An individual who has been determined eligible for and who is receiving program services

Policies - Guidelines for management of programs that have been developed using relevant federal and state laws, state rules, funding limitations, information from grantors the public, and the goals of the individual programs

Poverty Level - The annual income threshold at or below which families are considered to live in poverty as established by the U S Department of Health and Human Services 2008 Poverty level is listed below The Federal government changes/updates the Federal Poverty Income Levels (FPIL) annually Updated FPIL can be found at <http://www.hhs.gov/>

2008 HHS Poverty Guidelines

Persons in Family or Household	48 Contiguous States and D C	Alaska	Hawaii
1	\$10,400	\$13,000	\$11,960
2	14,000	17,500	16,100
3	17,600	22,000	20,240
4	21,200	26,500	24,380
5	24,800	31,000	28,520
6	28,400	35,500	32,660
7	32 000	40,000	36,800
8	35 600	44,500	40,940
For each additional person, add	3,600	4,500	4,140

Procedures - A document that specifies the way to perform an activity and identifies the position responsible for its performance

Profit - An amount in excess of the cost necessary to operate a program Profit is allowable to the extent it is reasonable as determined during contract negotiations and not in excess of 10% of grant funds It includes that amount which is associated with proprietary materials included in the cost of the program Profit may be allocated among the cost categories for WIA (need to spell out what WIA stands for) related costs and may be treated differently for other funding sources Profit may only be earned by private for-profit organizations Profit is not allowable with City of San Antonio General Funds

Program Income - For purposes of this Contract, "program income" shall mean earnings of Contractor realized from activities resulting from this Contract or from Contractor's management of funding provided or received hereunder Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of Contractor provided as a result of this Contract, and payments from clients or third parties for services rendered by Contractor pursuant to this Contract Contractor shall include this language, in it's entirety, in all of its sub-contracts involving income-producing services or activities

Section 8 Income Guidelines - Income limits established by the Department of Housing and Urban Development (HUD) The newest limits can be found at the HUD website www.hud.gov

2007 Income Limits								
No. of Persons	1	2	3	4	5	6	7	8
Very Low-Income	\$11,250	\$12,900	\$14,500	\$16,100	\$17,400	\$18,700	\$19,950	\$21,250
Low-Income	\$30,050	\$34,350	\$38,650	\$42,950	\$46,400	\$49,800	\$53,250	\$56,700

Service Provider - Also referred to as the contractor

Supportive Services - May include the following linkages to community services assistance with transportation costs, assistance with child care, assistance with housing costs, referrals to medical services, and assistance with uniforms, work related attire, and work related tool costs including eyeglasses

V REFERENCES

The following list of resources may be used to find the laws, rules, regulations, and policies referenced in this document. If you are unable to access via the link provided, please copy the link and paste into your browser address line.

- **Age Discrimination in Employment Act of 1967** (Public Law 90-202) as amended
<http://www.eeoc.gov/policy/adea.html>
- **Americans with Disabilities Act**, Public Law 101-336, enacted July 26, 1990
<http://www.eeoc.gov/policy/ada.html>
- **City Charter of the City of San Antonio**
<http://www.sanantonio.gov/atty/reference/charter.htm>
- **City of San Antonio Ethics Code**
<http://www.sanantonio.gov/atty/Ethics/codetext.htm>
- **Civil Rights Act of 1991** (Public Law 102-166)
<http://www.eeoc.gov/laws/cra91.html>
- **Title VII of the Civil Rights Act of 1964** (Public Law 88-352)
<http://www.eeoc.gov/policy/cra91.html>
- **Code of Federal Regulations (CFR)**
<http://www.hudclips.org/cgi/index.cgi> for CDBG, ESG and HOPWA funded activities
<http://www.gpoaccess.gov/cfr/index.html> for all other federally funded activities

- Title IX of the **Education Amendments** of 1972 (USC Title 20, Sections 1681-1688)
<http://www.dol.gov/oasam/regs/statutes/titleix.htm>
<http://www.usdoj.gov/crt/cor/coord/titleixstat.htm>
- **Federal Drug-Free Workplace Act** of 1988 as adopted by the Texas Worker's Compensation Commission Rules Chapter 169
http://www4.law.cornell.edu/uscode/html/uscode41/usc_sup_01_41_10_10.html
<http://www.ci-league-city.tx.us/documents/Human%20Resource/DRGPOLIC.htm>
- **Equal Pay Act** of 1963 (Public Law 88-38)
<http://www.eeoc.gov/types/epa.html>
- **Employee Retirement Income Security Act (ERISA)** of 1974 (Public Law 93-406)
http://www.efast.dol.gov/ebsa/compliance_assistance.html
- **Fair Labor Standards Act** of 1938, as amended
http://www.dol.gov/esa/regs/statutes/whd/0002_fair.pdf
- **Internal Revenue Service (IRS)**
<http://www.irs.gov/index.html> or
<http://www.irs.gov/newsroom/article/0..id=151226.00.html> (for mileage rates)
- **Occupational Safety and Health Act** regulations
<http://www.osha.gov/comp-links.html>
- **OMB Circulars**
<http://www.whitehouse.gov/omb/circulars/index.html>
- **Public Laws**
<http://www.gpoaccess.gov/plaws/index.html>

NOTE For most public laws listed in this document, you will need to go to the section of the website entitled "Previous Congresses -- 104th (1995-96) through 108th (2003-04) Congress" then click Search. You search by the number of congress that is the first three numbers in the number of the Public Law. Example: Public Law 104-193 is found in the 104th Congress. Then type in the Public Law number and press Submit. When you get the Search Results simply look in the Hits until you find the Public Law you want to review.

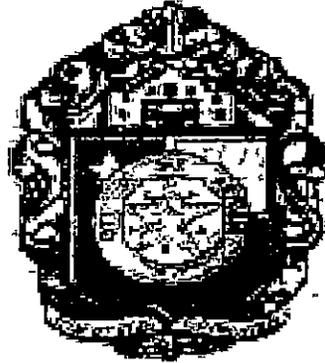
- Sections 501 and 505 of the **Rehabilitation Act** of 1973 (Public Law 93-112)
<http://www.eeoc.gov/policy/rehab.html>
- Sections 501 through 509 of the **Rehabilitation Act** of 1973
<http://www.access-board.gov/enforcement/Rehab-Act-text/title5.htm>
- Section 504 of the **Rehabilitation Act** of 1973 for CDBG, ESG and HOPWA contracts
<http://www.hud.gov/progdsc/s-504.cfm>
- For CSBG and CCDF contracts
<http://www.hhs.gov/ocr/504.html>

- **Texas Administrative Code (TAC)**
[http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC)
- **Texas Comptroller of Public Accounts** (for State Agency mileage rates)
<https://finx.cpa.state.tx.us/fm/travel/mileage/index.php>
<http://www.window.state.tx.us/fm/statewise/05/10/5.html> (for State Agency per diem rates)
- **Texas Statutes (Codes)**
<http://www.capitol.state.tx.us>

NOTE The web link takes you to the Texas Legislature Online. On the left menu, click on Texas Statutes for a list of Codes.

- **Texas WorkSource Commission** <http://www.twc.state.tx.us/>
- **Worker's Compensation** statutory regulations
<http://www.tdi.state.tx.us/wc/referencesandforms.html>
- **Unemployment Insurance** statutory regulations
<http://www.twc.state.tx.us/customers/rpm/rpmsub1.html>
- **United States Code (USC)**
<http://uscode.house.gov/search/criteria.shtml>
- **United States General Services Commission** (travel per diem rates)
http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BA_SIC

ATTACHMENT IV
FEDERAL COMPLIANCE MANUAL



CITY OF SAN ANTONIO
DEPARTMENT OF GRANTS MONITORING AND ADMINISTRATION
FEDERAL COMPLIANCE MANUAL

Revised February 2008

Introduction

As sub-grantees you are an indispensable part of the City's federal grant program. You provide the City of San Antonio and the U S Department of Housing and Urban Development (HUD) with assurance that the diverse communities, groups and individuals whom the federal program is intended to serve are in fact reached by the program.

Procedures established for administration of the City of San Antonio and U S Department of Housing and Urban Development supported grant programs require adherence to several applicable Federal Regulations. To aid in the identification of those regulations and to establish uniformity in policies and procedures utilized for compliance with them, the Department of Grants Monitoring and Administration has compiled the "Federal Compliance Manual." This manual is not meant to constitute a complete compilation of all duties imposed upon sub-grantees by law or administrative ruling or to narrow the standards to which sub-grantees must adhere.

Certain requirements defined in this manual may not be the direct duty of the sub-grantee. Nevertheless the sub-grantee has ultimate responsibility for seeing that the requirement is met. All City departments, agencies and other contractors receiving federal funds for the operation of a project are required to adhere to all applicable regulations included in this manual.

DISCLAIMER

The views and materials presented herein are those of the City of San Antonio's Department of Grants Monitoring and Administration and not those of HUD. The recommendations and interpretations offered in this manual are meant to supplement, not replace, the formal regulations and policies of the Community Development Block Grant and HOME Entitlement Program. In areas of doubt, readers are advised to consult the specific program regulations.

FEDERAL COMPLIANCE MANUAL

I Record Keeping

Accurate record keeping is crucial to the successful management of City funded activities. Insufficient documentation is likely to lead to monitoring findings, and these findings will be more difficult to resolve if records are *missing*, inadequate or inaccurate.

- A. The requirements for financial management systems and reporting are found in 24 CFR Part 85.20 for governmental and public agency sub-grantees, and in OMB Circular A-122 Attachment F, for non-profit sub-grantees. The purpose of these requirements are to ensure that a sub-grantee receiving federal funds has a financial management system sufficient to
 - 1. Provide effective control over and accountability for all funds, property, and other assets,
 - 2. Identify the source and application of funds for federally sponsored activities including verification of the reasonableness, allowability, allocability of costs, and verification that funds have not been used in violation of the restrictions or prohibitions that apply to this federal assistance, and
 - 3. Permit the accurate, complete and timely disclosure of financial results, in accordance with the reporting requirements of the City or HUD.
- B. The soundness of any organization's financial management structure is determined by its system of internal controls. Internal controls consist of a combination of procedures, specified job responsibilities, qualified personnel, and records which together create accountability in an organization's financial system and safeguard its cash, property, and other assets. Through its system of internal controls, an agency's management can ensure that
 - 1. Resources are used for authorized purposes and in a manner consistent with applicable laws, regulations, and policies,
 - 2. These resources are protected against waste, mismanagement or loss, and
 - 3. Reliable information on the source, amount and use of resources is secured, maintained up-to-date, and disclosed in appropriate records and reports.
- C. Some of the basic elements that a sub-grantee should consider in developing its system of internal controls include
 - 1. An organizational chart setting forth the actual lines of responsibility of individuals involved

- in approving or recording financial transactions
 - 2 Written definition of the duties of key employees
 - 3 A formal system of authorization and supervision sufficient to provide accounting control over assets, liabilities, receipts, and expenditures. This should include
 - a Maintenance of a policy manual specifying approval authority for financial transactions and guidelines for controlling expenditures, and
 - b Written procedures for the recording of transactions as well as an accounting manual and a chart of accounts
 - 4 Adequate separation of duties so no one individual has authority over an entire financial transaction. In organizations with very limited staff it may be difficult to achieve optimal separation of duties. In such instances, the most critical functional areas are separation between custody of cash, record keeping for cash, and control of assets easily converted to cash. Separation of duties specifically involves the separation of three types of functional responsibilities
 - a Authorization to execute a transaction,
 - b Recording of the transaction, and
 - c Custody of the assets involved in the transaction
 - 5 Hiring policies to ensure that staff qualifications are commensurate with job responsibilities
 - 6 Physical access to records, blank forms, cash and other assets should be limited to authorized personnel only. For example, access to accounting records should be limited to only those individuals having record-keeping or supervisory responsibility for them.
 - 7 Periodic comparisons of financial records to actual assets and liabilities with corrective action taken in response to any discrepancies. As with separation of duties, it is a crucial exercise to uncover and correct inadvertent record-keeping errors in a timely manner. It is also essential for identifying potential weaknesses in an organization's system for safeguarding resources, as well as possible instances of fraud or misuse of assets.
- D The system of authorizations should provide a way for management to ensure supervisory approval of transactions, and documentation of these transactions for accounting purposes. A system of authorizations can be general - as in a procedure manual which explains how accounting functions are to be performed - or very specific - as in identifying who has the authority to sign a contract on behalf of the organization or to sell a piece of equipment.

- E Sub-grantees are required to have accounting records that adequately identify the source and application of City funds provided to them. To meet this requirement, a sub-grantee's accounting system should include at least the following elements:
- 1 A chart of accounts. This is a list of names and the numbering system for the individual accounts that contain the basic information about particular classifications of financial transactions for the organization.
 - 2 Cash receipts journal. This journal documents (in chronological order) when funds were received, in what amounts, and from what sources.
 - 3 A cash disbursements journal. This journal documents the expenditures of the organization in chronological order (e.g., when the expense was incurred, how much was spent to whom it was paid, and for what purpose).
 - 4 A payroll journal. This journal documents the organization's expenses for salaries and benefits, and distinguishes different categories for regulatory purposes.
 - 5 A general ledger. After a transaction is entered in a journal, that information also should be transferred to the proper accounts contained in the general ledger. The general ledger summarizes in chronological order the activity and financial status of all the accounts of an organization. The entries in the journal and ledger should be cross-indexed to permit the tracing of any recorded transaction (i.e., an audit trail).
- F For the City's programs, these accounting records must contain reliable and up-to-date information about the source and uses of funds, including:
- 1 Federal grant awards (or sub-grantee allocations) received by the organization,
 - 2 Current authorization and obligations of City funds,
 - 3 Un-obligated balances (funds remaining available for distribution),
 - 4 Assets and liabilities,
 - 5 Program income,
 - 6 Actual outlays or expenditures, with further breakdown by:
 - a The grant program from which the funds are derived,
 - b The eligible activity classifications (housing and rehabilitation, economic development, public facilities, public service, etc.) or similar classifications that clearly indicate use of program funds for eligible activities.
- G The internal control requirements provide for the separation of duties and the secure storage of accounting records in limited access areas. In maintaining these accounting records a sub-grantee should also ensure that

- 1 Journal entries are properly approved and explained/supported,
 - 2 Posting and trial balances are performed on a regular basis, and
 - 3 Fidelity bond coverage is obtained for responsible officials of the organization
- H The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of federally financed activities are found in 24 CFR Part 85 for governmental sub-grantees, and in OMB A-122 for nonprofit sub-grantees. According to basic guidelines contained within these OMB circulars, a cost is allowable under the federal program if
- 1 The expenditure is necessary, reasonable and directly related to the grant. This standard applies equally to such items as salaries and administrative services contracts as well as to real property and equipment purchases or leases, travel, and other administrative expenditures. In determining the reasonableness of a given cost, consideration shall be given to
 - a Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or performance of the award,
 - b The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, federal and state laws, and regulations, terms and conditions of the award,
 - c Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the organization its members, employees and clients, the public at large, and the government, and
 - d Significant deviations from the established practices of the organization that may unjustifiably increase the award costs
 - 2 The expenditure has been authorized by the City, generally through approval of the budget for activity. The City, based upon the provision of the contract may disallow any expenditure by sub-grantee on such activities exceeding the approved amount
 - 3 The expenditure is not prohibited under federal, state, or local laws, or regulations
 - 4 The expenditure is consistently treated, in the sense that the sub-grantee applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-federally assisted activities
 - 5 The cost must be allocable to the federal program. A cost is allocable to a particular cost objective (e.g., grant, program or activity) in proportion to the relative benefits received by that objective. This means that
 - a If an office is utilized by two programs during the same hours, the costs of the office must

- be allocated between the two programs on an equitable basis
- b The same expense cannot be claimed against more than one account (e.g., double billing is prohibited)
 - c A cost originally allocable to a particular program cannot be shifted to another program in order to overcome deficiencies, to avoid restrictions imposed by the funding source or by law, or for any other reason,
 - d The composition of direct and indirect costs must be clear. Direct costs must be identified specifically with a particular activity. Indirect costs are those incurred for common objectives, which benefit more than one activity. A sub-grantee's indirect costs must be supported by an indirect cost proposal/cost allocation plan.
- 6 The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The sub-grantee is not allowed to make a profit from any costs charged to City funds.
- I The general standard is that all accounting records must be supported by source documentation. Supporting documentation is necessary to show that the costs charged against City funds were incurred during the effective period of sub-grantee's contract with the City, were actually paid (or properly accrued), were expended on allowable items, and had been approved by the responsible officials in the sub-grantee's organization.
- 1 The source documentation must explain the basis of the costs incurred, as well as showing the actual dates and amount of expenditures.
 - a With respect to payroll, source documentation includes employment letters and all authorizations for rates of pay, benefits, and employee withholdings. For staff time charged to the program activity, time and attendance records must be available.
 - b With respect to the cost of space and utilities, space costs must be supported by documentation such as rental or lease agreements. The bills from the utility companies will support payment of utilities. Both types of expenses will be supported by canceled checks, if the cost of space or utilities is split between City funds and other funding sources, there must be a reasonable method in place to allocate the charges fairly among the sources.
 - c With respect to supplies, documentation includes purchase orders or requisition forms initiated by an authorized representative of the sub-grantee, an invoice from the vendor (which has been signed and dated by the sub-grantee) indicating the goods were received and the canceled check from the vendor demonstrating that payment was made, and

information regarding where the supplies are being stored, and for what cost objectives they are being used

- 2 All source documentation does not have to be located in the Department of Grants Monitoring and Administration's project files, but it must be readily available for review by the City, HUD or other authorized representatives at all times
 - 3 The sub-grantee must ensure that either (a) an encumbrance/obligation is recorded whenever a contract is signed or purchase order is issued, or (b) up-to-date information on the status of all obligations is otherwise readily accessible
 - 4 The sub-grantee must maintain a complete, accurate and up-to-date record of the receipt and use of City generated program income
- J Sub-grantees must have procedures in place to monitor obligations and expenditures against their approved budget(s) for City funded activities. The City is under no obligation to reimburse a sub-grantee for expenditures that exceed approved budget line items or the overall budget for City assisted activities. Therefore, the sub-grantee must have an on-going system to compare actual receipts, encumbrances, and expenditures with the City program budget in order to ascertain in a timely fashion whether it will be necessary to initiate a formal budget revision. In addition, since the budget reflects the sub-grantee's best estimate of the resources necessary to accomplish the project scope of services, any pattern of line item overruns should prompt a careful re-assessment of whether the available resources will still be sufficient to achieve the agreed-upon objective
- K Sub-grantees are required to have procedures in place to minimize the time elapsed between receipt of funds from the City and the actual disbursement of those funds
- 1 The City operates under the cost reimbursement method that entails a transfer of City funds to the sub-grantee based on actual expenditures or incurred cost by the sub-grantee prior to the request for funds
 - 2 Sub-grantee must include accurate information in its reimbursement requests. This requirement is intended to address the intentional falsification of reimbursement information
 - 3 Sub-grantee must return erroneously reimbursed funds to the City in a timely fashion
 - 4 Program income (other than program income deposited in a City authorized revolving fund) must be disbursed in payment of program costs prior to requesting further reimbursements from the City (24 CFR 570.504(b)(2)(ii) and 570.504 (c))
- L Financial reports prepared by a sub-grantee must be accurate, timely, current, and represent a complete disclosure of the financial activity and status in each program under which assistance is received. A sub-grantee's accounting and record-keeping system must be able to support the data

included in (a) its reimbursement requests, (b) its other financial and progress reports and (c) any submission necessary for the sub-grantee's performance reports

II Procurement and Contracting

This section outlines the requirements for using Federal funds to purchase materials, products or services under the CDBG and HOME Entitlement programs. Whether you are a small agency purchasing occasional office supplies or a large organization contracting for millions of dollars of construction services, the requirements governing the purchasing process are designed to ensure free and open competition. You should seek to buy with City funds only what is necessary under the terms of your contract and no more. You should also be able to ensure the integrity of your purchasing decisions, to document the history, results and decisions behind your purchases, to follow the rules for certain kinds of transactions and to offer opportunities to low and disadvantaged firms to respond to your purchasing needs. By following these requirements you are helping to guarantee the fairness and the vitality of our free market system and to ensure that taxpayer resources are not being wasted.

Sub-grantees will maintain a written code of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the sub-grantees shall participate in 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. Such a conflict would arise when (i) The employee, officer or agent (ii) Any member of his/her immediate family, (iii) His/her partner, or (iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts. Sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sub-grantee's officers, employees, or agents, or by contractors or their agents. The City/County may by regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

A Grantee Responsibilities

This section covers general information about the procurement requirements

- 1 General provisions
- 2 Summary of Federal requirements
- 3 Bonding and insurance
- 4 Use of local, small, minority and/or women-owned businesses
- 5 Procurement Options
 - a Small Purchases
 - b Competitive Sealed Bid
 - c Competitive Proposals
 - d Non-competitive Proposals/Sole Source
- 6 Other Options for Performing the work
- 7 Continuing with a previously-selected contractor

B General Provisions

The standards and procedures for procurement are intended to ensure that supplies, equipment, construction, and other services acquired in whole or part with federal funds are

- Obtained as efficiently and economically as possible, and
- Procured in a manner that provides, to the maximum extent practical, open and free competition

Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the sub-grantee. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured, and cannot contain features which unduly restrict competition. Some of the situations considered to be restrictive of competition include, but are not limited to

- Placing unreasonable qualifying requirements on firms,
- Requiring unnecessary experience and excessive bonding
- Specifying only "brand name" products instead of allowing an "equal" product,
- Non-competitive pricing practices between firms or affiliated companies, and
- Non-competitive awards to consultants on retainer contracts

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the sub-grantee price and other factors considered. Any and all bids may be rejected when it is in the sub-grantee's interest to do so. The sub-grantee must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor

integrity, compliance with public policy, record of past performance, and financial and technical resources

C Summary of Federal requirements

- 1 Records and files According to 24 CFR 85 36(b)(9), the sub-grantee must maintain records to detail the significant history of a procurement. The sub-grantee must maintain files on the rationale for selecting the methods of procurement used selection of contract type, the contractor selection/rejection process and the basis for the cost or price of a contract (See Chapter 7 for more on recordkeeping)
- 2 Pre-qualified lists of vendors/contractors If such lists are used, they must be current developed through open solicitation, include adequate numbers of qualified sources, and must allow entry of other firms to qualify at any time during the solicitation period (24 CFR 85 36(c)(4))
- 3 Unfair competitive advantage To eliminate unfair competitive advantage, if the sub-grantee has used a contractor to develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals, the sub-grantee should exclude that contractor from the competition for such
- 4 Debarred/ineligible contractors The sub-grantee must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension" (24 CFR 85 35)
- 5 Written procedures for contractor selection The sub-grantee must have written selection procedures for procurement transactions, adequate to ensure that
 - a The purchase of unnecessary or duplicate items is avoided Where appropriate, an analysis should be made of lease vs purchase alternatives (24 CFR 85 36(b)(4)),
 - b Whenever possible, use of federal excess and surplus property, or of intergovernmental agreements for procurement or use of common goods and services should be considered as a way to foster greater economy and efficiency (24 CFR 85 36(b)(5) and (6)),
 - c All purchase orders (and contracts) are signed by the sub-grantee's authorized official(s),
 - d Items delivered and paid for are consistent with the purchase order and/or contract for the goods or services
 - e Timely payment to vendors occurs once the order is delivered, inspected, accepted, and payment authorized,
 - f A cost or price analysis is performed for every procurement action, including contract modifications, and documentation to that effect is maintained in the sub-grantee's files The

method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the sub-grantee must make independent estimates before receiving bids or proposals (24 CFR 85 36(f)), and,

g Profit or fee is negotiated separately from price where competition is lacking or a cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area (24 CFR 85 36(f)(2))

- 6 Contract pricing The sub-grantee must not use "cost plus a percentage of cost" pricing for contracts (24 CFR 85 36(f)(4)), in addition, the sub-grantee should use "time and material" type contracts only after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk (24 CFR 85 36(b)(10))
- 7 Protest procedures The sub-grantee must have protest procedures in place to handle and resolve disputes relating to procurement (24 CFR 85 36(b)(12))
- 8 Documenting contractor performance The sub-grantee must have a documented system of contract administration for determining the adequacy of contractor performance (24 CFR 85 36(b)(2))
- 9 Code of conduct The sub-grantee must have a written code of conduct governing employees, officers, or agents engaged in the award or administration of contracts (24 CFR 85 36(b)(3))

D Bonding and insurance

For construction or facility improvement contracts or subcontracts exceeding \$100,000 the sub-grantee must ensure that its procurement meets the minimum federal requirements (24 CFR 85 36(h)) for bid guarantees, performance bonds, and payment bonds. These include

- 1 A bid guarantee from each bidder equivalent to 5% of the bid price. The bid guarantee must be a firm commitment in the form of a bid bond, certified check or other negotiable instrument as assurance that the bidder is prepared to execute a contract within the time specified for the bid amount,
- 2 A performance bond from the (sub)contractor for 100% of the contract price to secure the (sub)contractor's fulfillment of all obligations under the contract, and,
- 3 A payment bond from the (sub)contractor for 100% of the contract price, to assure payment of all persons supplying labor and material under the contract.

E Use of local small, minority and/or women-owned businesses

- 1 Federal regulations make it very clear that sub-grantees should make every effort to use local business firms and contract with small, minority-owned, and women-owned businesses in the procurement process. Specifically, the sub-grantee must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms in the grantee's CDBG-financed activities (24 CFR 85.36(e)). For example, the sub-grantee should
 - a Incorporate such businesses in solicitation lists whenever they are potential sources,
 - b Ensure that such businesses are solicited when identified as potential sources,
 - c Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses, and
 - d Require prime contractors, when subcontracts are let to take affirmative steps to select such firms

- 2 In conformance with the requirements of Section 3 of the Grants Monitoring and Administration Act of 1968 to the greatest extent feasible, the sub-grantee must award contracts for work to be performed to eligible business concerns located in or owned by residents of the target area to ensure that the employment and other economic opportunities generated by federal financial assistance for Grants Monitoring and Administration programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing (see 24 CFR 570.607(b)).

Note, however, that the desire to award contracts to local firms is not a legitimate excuse for avoiding an open and competitive procurement process.

- 3 The City of San Antonio, as a public employer, has a policy to ensure equal employment opportunity and the City carries out affirmative action programs to fulfill that policy in the allocation of City of San Antonio contracts. It shall be the purpose of the Small Business Economic Development Advocacy (SBEDA) Program to increase minority business enterprise utilization in the awarding of City of San Antonio contracts for professional services, construction, and procurement, and to better assist small business enterprise in competitively bidding on City projects or procurement. This program shall also assist business enterprises owned and controlled by women and business enterprises owned and controlled by handicapped individuals.

- a It is the policy of the City of San Antonio that Small and/or Minority Business Enterprises shall have a maximum practicable opportunity to participate in the awarding of City contracts
- b The contractor agrees to use its best efforts to carry out this policy through award of sub-contracts to small and/or minority business enterprises to the fullest extent consistent with the efficient performance of the contract to which this Manual is attached and/or to which it relates
- c To the greatest extent feasible, sub-grantees shall adhere to the herein described SBEDA participation and utilization policies and provisions

In the event of the contractor's failure or refusal to comply with this SBEDA clause, either during the bidding process or at any time during the term of a contract, the contract may be cancelled, terminated or suspended in whole or in part by the City of San Antonio

F Procurement Options

Contracted If the sub-grantee wants to contract out for services, the sub-grantee must go through a procurement process. If the total cost of the project from all funding sources is less than \$100,000, the sub-grantee can procure services using one of several options discussed below. If the total cost of the project exceeds \$100,000, the sub-grantee may not use the small purchase method.

No loss leader arrangements The intent of federal regulations is to require maximum open and free competition. Any "loss leader" type of arrangement in which a consultant offers to provide free services before an applicant receives a grant in return for a future contract is prohibited by federal regulations.

Note about the procurement methods Among the procurement approaches described below, the competitive sealed bid resulting in a firm, fixed price contract is the preferred procurement approach when there are numerous available and qualified providers, when the requirements and specifications are thoroughly detailed and are unlikely to change, and where the sub-grantee has the opportunity to make the provider assume a large share of the risk for non-performance.

HUD allows grantees to follow either their local small purchase procurement policy or the federal policy. If the local policy is used, it must be at least as stringent as the federal policy, described below.

1 Small Purchase

The small purchase method may be used for procurement of \$100,000 or less in the aggregate, pursuant to 24 CFR 85.36(d)(1). A procurement of more than \$100,000 may not

be inappropriately broken up into smaller components solely to qualify for the small purchase approach. Competition is sought through oral or written price quotations. The grantee must document the receipt of an adequate number (usually three) of price or rate quotations from qualified vendors.

2 Competitive Sealed Bid [24 CFR 85.36(d)(2)]

The competitive sealed bid is the preferred method for procuring construction services. This method must lend itself to a firm, fixed price contract (lump sum or unit price) where the selection can be made principally on the basis of price.

- a. The sub-grantee must advertise the Invitation for Bid (IFB) in publications of general circulation,
- b. The IFB must include complete and accurate specifications and pertinent attachments, and clearly define items or services needed, in sufficient detail for the bidders to properly respond,
- c. Bids must be opened publicly at the time and place stated in the IFB,
- d. The sub-grantee must receive at least two or more responsible bids for each procurement transaction, and
- e. If awarded, the contract must be given to the lowest responsive and responsible bidder. The sub-grantee can, however, decide not to make the award to any of the bidders.

3 Competitive Proposals [24 CFR 85.36(d)(3)]

This method has two sub-parts—the Request for Proposal and the Request for Qualifications.

Request for Proposals

- a. The Request for Proposals (RFP) must clearly and accurately state the technical requirements for the goods and services required,
- b. The sub-grantee must publicize the RFP, and to the maximum extent practicable honor reasonable requests by parties to have an opportunity to compete,
- c. Proposals must be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement.
- d. The sub-grantee must conduct a technical evaluation of the submitted proposals to identify the responsible offerors,
- e. As necessary, the sub-grantee must conduct negotiations with those offerors who are deemed responsive and responsible and fall within a competitive price range based on the sub-grantee's evaluation of the bidders' pricing and technical proposals. After

negotiations, these bidders may be given the opportunity to submit a "best and final" offer and

- f The sub-grantee must award the contract to the most responsive and responsible offeror after price and other factors are considered through scoring the proposals or "best and final" offers according to predetermined evaluation criteria. The successful proposal/offeror must clearly be the most advantageous source of the goods and services.

Request for Qualifications

For procurement involving architecture or engineering services, the sub-grantee may use the Request for Qualifications (RFQ) competitive proposal procedure whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. In these instances, price is not used as a selection factor.

Once the most qualified firm is identified, only that firm is asked for a price proposal that is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm until a fair and reasonably priced contract can be awarded. The sub-grantee must take care to document the basis for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may not be used to purchase types of services other than architectural and engineering services (24 CFR 85.36(d)(3)(v)).

For applicants' information, the above-cited federal rule relating to the procurement of architectural and engineering (A/E) services is quoted verbatim:

"Grantees and sub-grantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort."

This means that

- ▶ Qualifications-based procurement can be used only for A/E services
- ▶ A Request for Qualifications may be issued
- ▶ The competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation
- ▶ An RFQ cannot be used to purchase other types of services, even though A/E firms are potential sources to perform other types of services

In addition, the federal procurement regulations generally discourage the use of local geographical preferences in the evaluation of bids or proposals except where mandated by federal statutes, due to the restrictions on open competition that result. However, in procuring architectural and engineering services, geographic location is permitted as a selection criteria provided this criterion leaves an appropriate number of qualified firms (24 CFR 85.36(c)(2))

4 Non-Competitive Proposals/Sole Source [24 CFR Part 85.36 (d) (4)]

This method may be used only under very limited circumstances and the sub-grantee must obtain the Department of Grants Monitoring and Administration's approval before using this method. When requesting permission to use this method, the sub-grantee will have to show that another method of procurement was not feasible because

- a The item or service was only available from a single source,
- b A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement, or
- c Competition was determined to be inadequate after solicitation of proposals from a number of sources

G Continuing with a previously selected contractor

If the jurisdiction has a consultant under a pre-existing, multi-year contract, it is permissible to continue to use that consultant for the new grant as long as the activity to be carried out was outlined in the original scope of work used to procure the consultant and the process used to procure the consultant met Federal requirements.

Please note that multi-year contracts should be limited to three years and to one specialty area, such as housing, public works, or economic development. A single RFP for CDBG administrative services including housing, public works, and economic development is not consistent with federal procurement requirements. That is, an RFP of such broad scope would place unreasonable requirements on firms in order for them to qualify to do business. Therefore the Department of Grants Monitoring and Administration restricts three-year contracting to specific specialty areas. A single RFP to carry out all CDBG and HOME housing-related activities or all CDBG economic

development-related activities is acceptable

III Civil Rights and Fair Housing, Employment and Contracting Opportunities

For a more complete explanation of the standard and procedures relevant to any particular requirement, refer to the federal regulations, to the executive orders or laws cited, and to your written contract with the City of San Antonio

The sub-grantee must certify that it will administer its federal funds in compliance with the following laws and Executive Orders

- A Title V of the Civil Rights Act of 1964 (Public Law 88-352) This law states that no person shall be refused on the grounds of race, color, or national origin, or be excluded from, participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance
- B The Fair Housing Act - Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) This law prohibits discrimination in the sale, rental, and financing of housing and the provisions of brokerage services because of race, color, religion, sex, national origin, handicap or familial status
- C Executive Order 11063, as amended by Executive Order 12259 (implemented in 24 CFR Part 107) This order and its implementing regulations require the Department of Grants Monitoring and Administration to take all actions necessary to prevent discrimination because of race, color, religion, sex, or national origin in the use, occupancy, sale, leasing, rental or other disposition of residential property assisted with federal loans, advances, grants or contributions
- D Section 104 (b) of Title I of the Grants Monitoring and Administration Act of 1974, as amended This law provides that any grant under section 106 shall be made only if the sub-grantee certifies to the satisfaction of the Secretary of HUD that the sub-grantee will among other things, affirmatively further fair housing
- E Section 109 of Title I of the Grants Monitoring and Administration Act of 1974, as amended This section mandates that no person on the grounds of race, color, national origin, sex, or religion shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination under any activity funded in whole or in part with federal funds
- F Section 504 of the Rehabilitation Act of 1973, as amended This section specifies that no otherwise qualified individual shall solely by reason of his or her handicap, be excluded from participation (including employment), denied program benefits, or subjected to discrimination

- under any program or activity receiving federal assistance
- G Americans with Disabilities Act of 1990 This law prohibits discrimination on the basis of disability in employment, state and local government services, and in public accommodation and commercial facilities The Act defines the range of conditions that qualify as disabilities, and the reasonable accommodations that must be made to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for persons with disabilities
- H The Age Discrimination Act of 1975, as amended This law provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving federal assistance
- I Executive Order 11246 (as amended by Executive Order 11375 and 12086) Equal Opportunity Under HUD Contracts and HUD assisted Construction Contracts This order requires that grantees and sub-grantees, and their contractors and subcontractors, agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion sex, or national origin
- 1 Exemptions to Equal Opportunity Clause (41) CFR Chapter 50
 - a Contracts and subcontracts not exceeding \$10,000 (other than government bills of lading) are exempt The total amount of the contract, rather than the amount of the federal financial assistance, shall govern in determining the applicability of this exemption
 - b Except in the case of subcontractors for the performance of construction work at the site of construction, the clause shall not be required to be inserted in subcontracts below the second tier
 - c Contracts and subcontract not exceeding \$100,000 for standard commercial supplies or raw materials are exempt
 - 2 Anyone contracting with the City for federally funded projects must insert the above clauses in all applicable subcontracts
 - 3 The subcontractor will submit a quarterly report to the Department of Grants Monitoring and Administration three months after the start of work on the contract and every three months thereafter Said report shall be made on HUD Form 3 (Economic Opportunities for Low and Very Low Income Persons in Completion with Federally Assisted Project) and the New Hire Form
 - 4 Should the Department of Grants Monitoring and Administration determine a contractor to be in non-compliance with the equal opportunity requirements, procedures to "show cause" why funds should not be withheld will be reported with a copy of the report going to HUD

- J Section 3 of the Grants Monitoring and Administration Act of 1968 requires that to the greatest extent feasible, a sub-grantee must
- 1 Ensure opportunities for training and employment arising in connection with housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction project are given to low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible, priority should be provided to low and very low-income residents 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
 - 2 Award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing reconstruction, or other public construction projects to business concerns that provide economic opportunities for low and very low-income persons residing within the metropolitan area in which the federally funded project is located, where feasible priority should be given to business concerns which provide economic opportunities to low and very low-income residents 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

IV Labor Standards

Sub-grantees are strongly encouraged to consult closely with the City during the planning of any construction or rehabilitation projects in order to assure that all the requisite labor standards will be properly observed

A Statutory provisions

- 1 The Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Copeland (Anti Kickback) Act apply to construction being assisted with federal funds except that housing rehabilitation projects with less than eight units do not trigger these requirements. The Fair Labor Standards Act (relating to minimum wages) will be applicable in most cases whether or not the previous acts apply. Sub-grantees must include provisions relating to the foregoing listed acts as more particularly described below in each application contract.
- 2 Davis-Bacon and Related Act (40 USC 276 (A)-7) ensures that mechanics and laborers employed in construction work under federally assisted contracts are paid wages and fringe benefits equal to those which prevail in the locality where the work is performed. This act

- also provides for the withholding of funds to ensure compliance and excludes from the wage requirements apprentices enrolled in bona fide apprenticeship programs
- 3 The Copeland ("Anti Kickback") Act (40 USC 276c) governs the deductions from paychecks which are allowable and makes it a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance
 - 4 The Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333) provides that mechanics and laborers employed on federally assisted construction jobs are paid time and one-half for work in excess of 40 hours per week and provides for the payment of liquidated damages where violations occur This act also addresses safe and healthy working conditions
 - 5 Fair Labor Standards Act of 1938, as amended (29 USC 201, etc seq) Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards

V Davis-Bacon Act Compliance Requirements

The Davis-Bacon Act was enacted in 1931, amended in 1935 and 1964, to protect communities and workers from the economic disruption caused by competition arising from non-local contractors coming into an area and obtaining federal construction contracts by underbidding local wage levels

The Davis-Bacon Act requires payment of locally "prevailing wages" and benefits to laborers or mechanics employed on direct federal contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works

A complete copy of the Davis-Bacon and Related Acts is on file and available for review in the City's Department of Grants Monitoring and Administration

- A All laborers and mechanics employed or working on the site of the work shall be paid unconditionally and not less often than once a week the full amount of wages and bona fide fringe benefits computed at rates not less than those contained in the wage determination
 - 1 Employers who do not make contributions or payments to bona fide fringe benefits funds, plans or programs shall pay an amount equivalent to the fringe benefit rate (if any) required on the wage determination directly to the employee added to the basic hourly rate of pay
 - a The employer may make payroll deductions as permitted by the Department of Labor

(DOL) Regulations 29 CFR Part 3 These regulations prohibit the employer from requiring employees to "kick back" any of their earnings Deductions may include employee obligations for income taxes, Social Security payments, insurance premiums, retirement, savings accounts, and any other legally permissible deduction authorized by the employee Deductions may also be made for payments on judgments and other financial obligations legally imposed against the employee

- b Each laborer and mechanic shall be classified in accordance with the work classification listed on the wage determination and the actual type of work he/she performs and shall be paid the appropriate wage rate and fringe benefits for the classification regardless of the level of skill
 - c Laborers and mechanics that perform work in more than one classification may be compensated at the rate specified for each classification provided that the employer maintains time records that accurately set forth the time spent in each classification in which work was performed If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed
 - d If the wage determination does not include a work classification needed for the construction of the project, HUD may approve an additional classification and wage rate
- 2 Apprentices and trainees may be compensated at rates less than prescribed by the wage determination for their craft only in accordance with the following parameters
- a The apprentice or trainee shall be individually registered in a bona fide certification program
 - b Each apprentice and trainee shall not be paid less than the specified rate in the registered program for his/her level of progress If the rate specified is represented as a percentage of the journeyman rate for that craft, the percentage shall be applied to the corresponding wage rate contained in the applicable wage determination
 - c The maximum number of apprentices or trainees employed on the site of work may not exceed the ratio of apprentices or trainees to journeymen permitted to the employer in the certified program Apprentices or trainees who are employed at the site in excess of the allowable ratio, shall be paid the wage rate contained on the applicable wage determination for classification of work actually performed Compliance with the allowable ratio shall generally be met on a day-to-day basis
 - d In the event approval of an apprenticeship or trainee program is withdrawn, the employer

shall no longer be permitted to utilize apprentices/trainees at less than the predetermined rate for the type of work performed unless or until an acceptable program is approved

3 Payrolls and basic records to such payrolls shall be maintained by each employer with respect to his/her workforce employed on the site of the work. The principal contractor shall maintain such records relative to all laborers and mechanics working on the site of the work. Payrolls and related records shall be maintained during the course of the construction work and preserved by the contractor and all employers for at least 3 years following the completion of the work. Such records shall contain

- a The name, address and social security number of each laborer and mechanic,
- b His or her correct work classification(s),
- c Hourly rates of pay including rates of contributions or costs anticipated for fringe benefits,
- d Daily and weekly number of hours worked, including any overtime hours,
- e Deductions made and actual net wages paid
- f Evidence pertaining to any fringe programs
- g Evidence of the approval of any apprenticeship or trainee program, the registration of each apprentice or trainee and the ratios and wages contained in the program

4 Certified weekly payroll reports (CPRs) shall be submitted with respect to each week any contract work is performed. The principal contractor is responsible for full compliance with regard to its own workforce and with regard to the compliance of every subcontractor. For this reason, all CPRs and any related records are submitted to the CITY through the principal contractor

- a CPR information may be submitted in any form provided that the CITY can reasonably interpret the information to monitor employer compliance with the labor standards
- b CPRs shall be submitted for each contractor/subcontractor (employer) beginning with the first week such employer performs work on the site of the work. CPRs shall be submitted promptly following the close of each such pay week
- c CPRs for each employer shall be numbered sequentially beginning with "1". The CPR for the last week of work performed on the project by each employer shall be clearly marked "final"

(1) The first payroll on which each employee appears shall contain the employee's name, address and social security number. Hereafter, the address and social security only need to be reported if there is a change in such information.

- (2) The first payroll on which any apprentice or trainee appears shall be accompanied with a copy of that apprentice's or trainee's registration in an approved program. A copy of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears.
 - (3) The division of hours worked in different classifications shall be accurately maintained and clearly reported. The employer may list the employee once for each classification, distributing the hours of work accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications.
 - (4) The CPR should reflect only hours worked at the site of work. If an employee performs work at job sites other than the project for which the CPR is prepared, those hours should not be reported on the CPR. In these cases the employer should list employee's name, classification and the hours for this project only, and the rate of pay and gross earnings on this project. Deductions and net pay may be reflected based upon the employee's total earnings (for all projects) for the week.
- d. Employers are not required to submit CPRs for weeks during which no work was performed on the site of the work, provided that the CPRs are numbered sequentially or that the employer has provided written notice that its work on the project has been suspended.
- e. Each weekly payroll shall be accompanied by a "Statement of Compliance." The Statement of Compliance shall be executed by the original signature of the principal executive of the contractor/subcontractor, or of a person authorized in writing by the principal. The statement shall certify to the following:
- (1) That the payroll period documents contain the information required to be maintained and that the information is correct and complete,
 - (2) That each laborer or mechanic (including each helper, apprentice, or trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned other than permissible deductions as set forth in federal regulation 29 CFR 3, and
 - (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed as specified in the applicable wage determination incorporated into the contract.

- f The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code
- (1) Each employer shall make the required records (CPRs and related documents) available for inspection copying or transcription by authorized representatives of the CITY, HUD or DOL. In addition, each employer shall permit authorized representatives to interview employees during work hours on the job site
 - (2) Failure by an employer to submit the required records or to make them available, or permit on-site employee interviews may, after written notice to the contractor, cause a suspension of any further payment, advance or guarantee of funds. In addition, failure to submit the records on request or to make them available may be grounds for debarment action pursuant to 29 CFR 5.12
 - (3) In order to protect the personal privacy interests of employees, copies of weekly payrolls shall not be released to outside parties and may be withheld under Exemption 6 of the Freedom of Information Act (FOIA) unless the employees' personal identifiers (e.g., name, address, and social security number) are first deleted
 - (4) The identity of any person providing information concerning the labor standards compliance of any contractor or subcontractor shall not be disclosed in any manner to anyone other than authorized City or Federal officials unless written consent is provided in advance by such person. Additionally, any portions of a statement or written document provided by such person that would reveal the identity of the source shall not be disclosed without prior written consent. Disclosure of such statements and documents shall be governed by the provisions of the Freedom of Information Act and the Privacy Act of 1974

VI Labor Standards Administration, Compliance Monitoring and Enforcement

Routine monitoring of projects, Certified Payroll Records and related documentation is performed to ensure compliance of all employers with the applicable labor standards provisions. Monitoring identifies possible misunderstandings on the part of the employers, discrepancies in the records and violations. Written monitoring reports to the principal contractor advise the contractor of the status of compliance, provide clarification where misunderstanding may exist, and informs the contractor of any additional submissions which may be required to correct discrepancies or to complete the record

- A. The City is responsible for the administration and enforcement of labor standards provisions for HUD assisted programs administered by the City. For each program and proposed project or contract the City shall
- 1 Determine the specific labor standard parameters applicable to the project
 - 2 Obtain the Davis-Bacon wage and hour determination and labor standards provisions applicable to the project from the HUD Labor Relations Field staff and ensure incorporation of the same in the project specifications
 - 3 Ensure that the wage determination is still current at bid opening or other appropriate wage determination effective date
 - 4 Verify the eligibility of the principal contractor
 - 5 Conduct a Pre-construction Conference to inform and instruct the contractor and subcontractors concerning their wage and reporting obligations
 - 6 Identify and initiate requests for additional classifications and wage rates needed for the construction of the project
 - 7 Perform timely routine monitoring reviews of CPRs and related submissions for compliance with labor standards
 - 8 Notify the principal contractor in writing of any labor standards deficiencies and required corrective actions
 - 9 Investigate complaints of underpayment or other labor standards violations
 - 10 Prepare and submit to HUD reports on all enforcement activity
 - 11 As necessary refer cases for administrative hearing (29 CFR Part 5, 5.11) and/or makes recommendations for debarment (29 CFR, Part 5.5.12)
 - 12 As necessary, require escrow accounts to ensure the payment of outstanding wage or liquidated damages liability
 - 13 Dispose of any escrow accounts established for labor standards purposes
 - 14 Establish and maintain full documentation of all labor standards administration and enforcement activities
- B. The City is responsible for the creation, maintenance and preservation of labor standards enforcement files for each project. The files shall be kept up-to-date, maintained in a consistent manner, and secured for the life of the active monitoring of the project and preserved for at least three (3) years following the completion of the project and the final disposition of any compliance issues. The City shall establish a system of labor standards enforcement files for each covered project.

- C The City is responsible for the following monitoring activities
- 1 Interviews of workers will be conducted on a regular basis and will include a broad sampling of the work classifications being employed on the project (Record of Employee Interviews Form (form HUD-11))
 - 2 On-site inspections will be made to ensure that the required notices are posted
 - 3 Weekly payrolls will be reviewed and compared with employee interviews and wage rates to verify compliance with applicable labor standards and requirements (e.g. payment of minimum wages, payment of overtime no ineligible deductions, etc.)
 - 4 Once the project is completed, a final wage compliance report shall be filed with HUD
- D For each construction contract, the Sub-grantee shall maintain a file with the following documentation
- 1 Copy of wage rate request
 - 2 Copy of wage rate along with any additional classifications
 - 3 Bid/contract documents with labor standards provision included
 - 4 Contractor eligibility verification,
 - 5 Ten-day call verification,
 - 6 Pre-construction conference minutes/sign-in sheet,
 - 7 Payrolls, with evidence of their review
 - 8 Notice of start of construction
 - 9 Employee interviews
 - 10 Evidence of any violations and corrective actions,
 - 11 Final wage compliance reports, and
 - 12 Monthly employment utilization reports, where applicable
- E Violations of the labor standards and requirements must be corrected. Failure to pay sufficient overtime wages will result in the assessment of liquidated damages in the amount of \$10 per worker per day. Only HUD and the Department of Labor are authorized to reduce or waive these liquidated damages. The contractor must be notified of his or her liability. Then, if appropriate, he or she may request a waiver.
- F Debarred, Suspended and Ineligible Contractors and Sub-recipients Federal cannot be used to directly or indirectly employ, award contracts to or otherwise engage the services of any contractor or sub-recipient during any period of debarment, suspension or placement of ineligibility status. CITY will check all contractors, subcontractors, lower tier contractors and

sub-grantees against the Federal publication that lists debarred, suspended and ineligible contractors

VII Environmental Requirements

In its use of federal funds the City is required to assume responsibility for environmental review, decision-making and other actions that would otherwise apply to HUD under the National Environmental Policy Act of 1969 and other provisions of law. The Federal regulations explicitly prohibit Sub-grantees from assuming the City's environmental responsibilities.

However, under the applicable regulations, Sub-grantees are not allowed to incur program expenses until the City has completed an environmental review of the proposed activities, received the release of funds, and provided the Sub-grantee with formal clearance with directives for any action necessary to mitigate negative environmental impacts.

VIII Historic Preservation

Sub-grantees must comply with the provisions of the Historic Preservation Act and related laws and Executive Orders. Before any commitments are made for any physical improvements, alterations or demolition of any building, a sub-grantee must receive assurances from the City that they are in compliance.

Part of the City's responsibility is to consult with the State Historic Preservation Officer as to (1) whether the property is or could be declared a historic property, (2) if the property is located in a historic district or an area which could be declared a historic district, (3) if the proposed changes to the property could adversely affect historic properties or neighborhoods which could be declared historic.

If properties can be adversely affected, prior to initiating project work, an agreement must be reached on appropriate mitigating measures with all parties identified (36 CFR Part 800).

IX. National Flood Insurance Program

If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, federal funds cannot be used for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question.

X Relocation, Real Property Acquisition and One-for-One Housing Replacement

A sub-grantee must comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and 24 CFR 570 606(b), and (b) the requirements of 24 CFR 570 606(c) governing the Residential Anti-displacement and Relocation Assistance Plan (Plan) under section 104(d) of the GMA Act. The policies and requirements of these laws are described in HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

Under URA and the Plan, the sub-grantee must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations and farms) that are permanently displaced as a direct result of acquisition, rehabilitation, demolition or conversions for a federally assisted project. All property occupants must be issued certain notices on a timely basis. (Failure to issue timely notices may result in unnecessary expenses.)

The Plan also requires one-for-one replacement of any occupied or vacant low/moderate income housing that is demolished or converted to another non-residential use in connection with a federally assisted project. Finally, the Plan requires the identification of the steps that will be taken to minimize displacement.

XI Lead-Based Paint

There is a general prohibition against the use of lead-based paint in connection with any federally funded activities involving the construction or rehabilitation of residential structures. In addition:

- A. For properties constructed prior to 1978, the sub-grantee must notify applicants for rehabilitation assistance, and tenants or purchasers of properties owned by the sub-grantee or City and acquired or rehabilitated with federal funds, of the hazards of lead-based paint poisoning and the other specific information set out in 24 CFR 570 608(b)(2)(I) through (vi).
- B. According to 24 CFR 570 608(c)(3), for housing built prior to 1978 that is being rehabilitated with federal funds which may be occupied or frequented by families with children under seven years of age, the sub-grantee must undertake steps to ensure that such housing is inspected for defective paint and those surfaces found to be defective must be tested for the presence of lead paint. If lead-based paint is detected, all interior and exterior chewable surfaces found to contain lead must be treated in accordance with 24 CFR 570 608(c)(4).

XII Political Activity

Sub-grantees are prohibited from using federal funds to finance the use of facilities or equipment for political purposes, or to engage in other partisan political activities, such as sponsoring candidate forums, brochures, voter transportation or voter registration

XIII Conflict of Interest

Except for the use of federal funds to pay for salaries and other related administrative or personnel costs the general standard is that no employee, agent, or officer of the sub-grantee, who exercises decision making responsibility with respect to the funds and activities, is allowed to obtain a financial interest in or benefit from the activities or have a financial interest in any contract subcontract or agreement regarding those activities or in the proceeds of the activities. Specific provisions include these requirements

- A Applies to any person who is an employee, agent, consultant, or officer, or elected or appointed official of the grantee, designated public agency or sub-recipient and their immediate family members, and business partner(s)
- B Applies for such person during their tenure and for a period of one year after leaving the grantee or sub-grantee organization
- C Is applicable to the procurement of supplies, equipment, construction, and services, acquisition and disposition of real property, provision of assistance to individuals businesses and other private entities for all eligible activities (24 CFR 570 201-204), and provision of loans to individuals, businesses, and other private entities

Part 570 611 Conflict of Interest

(a) *Applicability*

- 1 In the procurement of supplies, equipment construction and services by sub-recipients, the conflict of interest provisions in 24 CFR 85 36 shall apply (see below)
- 11 In all cases not governed by 24 CFR 85 36, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the sub-grantee to individuals businesses and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation preservation and other improvements of private properties or facilities)

- (b) *Conflicts prohibited* The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG/HOME activities assisted under this part, 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 or benefit from a CDBG/HOME-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG/HOME-assisted activity or with respect to the proceeds of the CDBG/HOME-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter
- (c) *Persons covered* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant officer, or elected official or appointed official of sub-grantee that is receiving funds under this part
- (d) *Exceptions* (May happen in rare circumstances, see regulations for specifics)

Upon written request, exceptions may be granted by HUD, through the City, after consideration of the cumulative effect of various factors on a case-by-case basis and only with (a) full disclosure of the potential conflict and (b) a legal opinion of the sub-grantee's attorney that there would be no violation of state or local laws in granting the exception

XIV Citizen Participation

The citizen participation segment of the federal funding process must provide citizens with adequate information and notification regarding the amount of funds available for community development and housing activities the range and scope of activities eligible, as well as other important program requirements as specified in the City of San Antonio Consolidated Plan Budget Sponsors may submit proposals for projects that address priorities and needs as identified during the citizen participation process

XV Resident Aliens

Certain newly legalized aliens are not eligible to apply for benefits under covered activities handled by the CDBG and HOME programs "Covered activities" are activities meeting

requirements of 24 CFR 570 208(a) that either (1) have income requirements limiting benefits exclusively to low and moderate income persons, or (2) are targeted geographically or otherwise to primarily benefit low and moderate income persons (except for activities that benefit the public at large), and provide benefits on the basis of an application

XVI References

- 24 CFR 85 referred to as the "HUD common rule," establishes administrative requirements for grants to local government. 24 CFR 85.36 specifically addresses procurement. This chapter is largely based on the language contained in 24 CFR 85.36.
- 24 CFR 570.502(a)(12) invokes the "HUD common rule" for the State CDBG program.
- Federal Circular OMB A-87 establishes principles and standards for determining costs applicable to grants, contracts, and other agreements with state and local governments.
- Section 3 of the Housing and Urban Development Act of 1968 as amended, provides that to the greatest extent feasible, opportunities for training and employment that arise through State CDBG-financed projects shall be given to lower-income residents of a project area, and that contracts awarded in connection with such projects be awarded to businesses located in the project area or businesses owned, in substantial part, by residents of the project area.
- Section 109 of the Grants Monitoring and Administration Act of 1974, as amended provides that no person shall be excluded from participation or employment, or be denied benefits or be subjected to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part by the CDBG Program.
- Title VII, Civil Rights Act of 1964 provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination based on race, color, or national origin under any program or activity receiving federal financial assistance.
- Executive Order 11246, as amended provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in any phase of employment during the performance of federal or federally assisted construction contracts.

ATTACHMENT V
PERFORMANCE REPORT

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28 035045

SUBGRANTEE St. P.J.'s Children's Home

PROJECT NAME Project Ayuda

PREPARED BY _____

FOR MONTH OF _____

APPROVED BY _____

FISCAL YEAR 2009 2010	ANNUAL GOAL	Quarter 1			Quarter 2			Quarter 3			Quarter 4		ANNUAL TOTAL/AVG
		Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug-2010	
Input													
1 Available CDBG Funds	\$ 67 900												
3 Number of Program Supported Staff	1												
Output													
1 Total CDBG expenditures	\$ 67 900												\$
2 Number of Unduplicated Clients Served (Not Cumulative)	50												0
3 Number of clients served per month (new or duplicated)	15												
Efficiency													
1 Average CDBG cost per client served	\$ 1 358												
Effectiveness													
1 % CDBG funds expended	100%												
2 Number of Clients who Completed Life Skills Classes	40												

Direct Benefit and District Data												
Number of Unduplicated Clients by Race and Ethnicity (Ethnicity codes as reported on Direct Benefit Form)	11	12	13	14	15	16	17	18	19	20	Total	Hispanic Total
											0	
Number Unduplicated Clients Served By Income Level	Low Income 80% of Median			Very Low Income 50% of Median			Extremely Low Income 30% of Median			Monthly Total Low & Moderate Income		Female Head of Household
										0		
Number of Unduplicated Clients Served By District	Dist 1	Dist 2	Dist 3	Dist 4	Dist 5	Dist 6	Dist 7	Dist 8	Dist 9	Dist 10	Total	
											0	

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)/DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)/DATE _____

ATTACHMENT VI

BILLING PACKAGE

SUMMARY OF EXPENDITURES

PROGRAM St Peter – St Joseph Children's Home Project Ayuda

PERIOD COVERED _____

Internal Order Number	Line Item	Detail	Total Amount
131000001784			
		TOTAL	\$

VOUCHER

(Attach Required Documentation)

PROGRAM St Peter – St Joseph Children's Home Project Ayuda

AMOUNT _____

CHECK # _____

CHECK DATE _____

VENDOR

NAME St Peter – St Joseph Children's Home

ADDRESS 919 Mission Road

San Antonio Texas 78210

DESCRIPTION AND PURPOSE

Approved by _____

Title _____

Date _____

ATTACHMENT VII

PARTICIPANT FORMS

- 1 INCOME ELIGIBILITY FORM
- 2 DIRECT BENEFIT DATA FORM

**CITY OF SAN ANTONIO
COMMUNITY DEVELOPMENT BLOCK GRANT
Income Eligibility Form**

Please complete the information requested regarding your family's income to assist in determining your eligibility for program participation. This program is funded with Community Development Block Grant funds from the U.S. Department of Housing and Urban Development and requires income information and backup documentation to determine participant household income.

Participant Name _____ Date _____

Residence Address _____

Phone Number _____

	Names of Household Members	Date of Birth	Relationship to Participant
1			
2			
3			
4			
5			
6			
7			
8			

Count all your household members who regularly live with you, including those who are temporarily away from home.

Please list employment information for all adults in household

Household Member	Place of Employment	Rate of Pay	Pay (circle one)	Hours per Month per week	Annual Income based on Rate of Pay
		\$	Hour Month Year		\$
		\$	Hour Month Year		\$
		\$	Hour Month Year		\$
		\$	Hour Month Year		\$
		\$	Hour Month Year		\$

For each listed above, please provide appropriate supporting documentation (e.g. copies of payroll check stubs for the past 3 months)

Do any household members (including children) receive SSI or Social Security Benefits? Yes No

Household Member	Amount per month
	\$
	\$
	\$

For each listed above, please provide appropriate supporting documentation (e.g. copies of Social Security Award letters)

Please list any other source of household income (such as alimony, child support, business income TANF, etc.)

Type of Income	Amount per month
	\$
	\$
	\$
	\$

Please provide appropriate backup documentation

	Documentation Provided	Totals from above
Employment Income	() Yes () No () N/A	\$
Social Security Income	() Yes () No () N/A	\$
Other Income	() Yes () No () N/A	\$
Total gross annual income for household		\$

Is your most recent federal tax return available? () Yes () No
If yes, please provide a copy

I, _____ do hereby certify that I have read and completed the Income Eligibility Form, indicating the total number of persons in my household, and the total gross annual income of my household required to determine eligibility to participate in the _____ program on the basis of low/moderate income designation.

This certification is being made with the full knowledge and understanding that this statement and all applicable documents deemed necessary to substantiate my eligibility is subject to full disclosure and verification by authorized City of San Antonio and U S Department of Housing and Urban Development (HUD) officials

Participant Signature

Date

Agency Representative Signature

Printed Name

Date

Agency Staff Use

- 1 How many persons are in the household? _____
- 2 What is the gross annual income for the household? _____
- 3 Please check the line below corresponding to the household size and gross annual income. Only one line should be checked.

HUD SECTION 8 INCOME LIMITS (Updated March 2009)

Household Size	Extremely Low Income (30% of Median)	Very Low Income (50% of Median)	Low Income (80% of Median)
1	_____ \$12,000 or lower	_____ \$12,001 to \$20,000	_____ \$20,001 to \$32,050
2	_____ \$13,700 or lower	_____ \$13,701 to \$22,900	_____ \$22,901 to \$36,600
3	_____ \$15,450 or lower	_____ \$15,451 to \$25,750	_____ \$25,751 to \$41,200
4	_____ \$17,150 or lower	_____ \$17,151 to \$28,600	_____ \$28,601 to \$45,750
5	_____ \$18,500 or lower	_____ \$18,501 to \$30,900	_____ \$30,901 to \$49,400
6	_____ \$19,900 or lower	_____ \$19,901 to \$33,200	_____ \$33,201 to \$53,050
7	_____ \$21,250 or lower	_____ \$21,251 to \$35,450	_____ \$35,451 to \$56,750
8	_____ \$22,650 or lower	_____ \$22,651 to \$37,750	_____ \$37,751 to \$60,400

NOTE Section 8 Low Income = CDBG Moderate Income Persons/Households

Section 8 Very Low Income = CDBG Low Income Persons/Households

CITY OF SAN ANTONIO
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG Direct Benefit Data

PARTICIPANT'S NAME _____

Home Address _____

Phone Number _____

Check One

Female head of household Yes No

Participants *Race

Check One

- 11 White
- 12 Black/African American
- 13 Asian
- 14 American Indian or Alaska Native
- 15 Native Hawaiian or Pacific Islander
- 16 American Indian or Alaskan Native AND White
- 17 Asian AND White
- 18 Black/African American AND White
- 19 American Indian or Alaska Native AND Black/African American
- 20 Other multi-racial

*Ethnicity

Check One

Hispanic Yes No

**This information is confidential and is only used for government reporting purposes. You are not required to furnish this information. The law provides that we may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations we are required to note race on the basis of visual observation or surname.*

- 11 White A person having origins in any of the peoples of Europe, North Africa, or the Middle East
- 12 Black or African American A person having origins in any of the black racial groups of Africa
- 13 Asian A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam
- 14 American Indian or Alaska Native A person having origins in any of the original peoples of North and South America (including Central America), and who maintain affiliation or community attachment
- 15 Native Hawaiian or Other Pacific Islander A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands
- 16 American Indian or Alaska Native and White A person having these multiple race heritages as defined above
- 17 Asian and White person having these multiple race heritages as defined above
- 18 Black or African American and White person having these multiple race heritages as defined above
- 19 American Indian or Alaska Native and Black or African American A person having these multiple race heritages as defined above
- 20 Other Multi-Racial For reporting individual responses that are not included in any of the other categories listed above

Hispanic Those who are White, Black, Asian, Pacific Islander, American Indian, or Other Multi-Racial who are Hispanic

ATTACHMENT VIII

SPECIAL PROVISIONS

SPECIAL PROVISIONS

I	AGENCY	St Peter-St Joseph Children's Home Project Ayuda
II	PROJECT NAME	St Peter-St Joseph Children's Home
III	PROJECT NUMBER	28-035045
IV	SPECIAL PROVISIONS	

- 1 Contractor agrees and understands that this is a Cost Reimbursement contract, and that such funds will be disbursed on a cost reimbursement basis in accordance with applicable local and federal regulations and this CONTRACT
- 2 Contractor shall ensure that the head of household for each participant completes an Income Eligibility Form and provides verification of Household incomes. A form for income eligibility purposes is attached to this CONTRACT as Attachment VII and Contractor shall require that the above described head of household complete such form, or a form substantially similar thereto and previously approved by the Grants Monitoring and Administration Department (GMA)
- 3 Contractor shall maintain adequate documentation supporting income eligibility in each participant's file. Contractor shall calculate income eligibility based on HUD guidelines. For HUD-CDBG supported programs, gross annual income shall be determined at the time of application. The most recent income tax return and/or employment check stub may be used in establishing gross annual income.
- 4 Contractor shall undergo an independent audit for the Project funded hereunder.
- 5 Contractor shall report program income (more particularly described in the CONTRACT to which this is attached) received or accrued during the preceding month to the CITY on a monthly basis. Earnings realized from the activities resulting from this CONTRACT or the management of funding provided or received under this CONTRACT is considered program income if identified as such by GMA. GMA authorizes Contractor to keep program income and payment of general operating expenses.
- 6 Contractor shall submit, no later than the tenth (10th) calendar day of each month, the Project Monthly Performance Reports and the Direct Benefit Activities form to the CITY in a format acceptable to CITY.
- 7 Contractor shall exercise prudent fiscal management by remaining within the allocated budget. Any and all amounts expended over and above the approved budget shall be sole responsibility of the Contractor.
- 8 Contractor shall process, store and maintain all information, including, without limitation, correspondence, monthly reports, and invoices, pertaining to the Project and this CONTRACT at the Contractor's office.

- 9 Contractor shall be required to operate its programs in accordance with all Community Development Block Grant regulations and the City of San Antonio's Human Development goal and objectives. Contractor shall maintain information reflecting the agency's performance in meeting client-based and outcomes performance measures. Contractor shall incorporate the principles of Human Development performance measures and the City's Human Development's initiative goals and objectives into its program descriptions.
- 10 Contractor shall comply with the CITY's Small Business Economic Development Advocacy (SBEDA) policy to involve qualified Small, Minority Women-Owned Business Enterprises (SMWBE), and local business enterprises by selecting from these groups when entering into professional and other discretionary service contracts.
- 11 Contractor acknowledges, understands and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968 as amended, when applicable:
- (A) The work to be performed under this CONTRACT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U S C 170(I)(u) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low income persons, particularly persons who are recipients of HUD assistance for housing.
 - (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C F R Part 135 which implement Section 3. As evidenced by their execution of this CONTRACT, the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
 - (C) Contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
 - (D) Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135. Contractor will not subcontract with any subcontractor where the

contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135,

- (E) Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C F R Part 135,
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions, termination of this CONTRACT for default and debarment or suspension from further HUD-assisted contracts, and
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this CONTRACT Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

**INTERDEPARTMENTAL
AGREEMENT**

PROJECT NAME PARKS AND RECREATION SUMMER YOUTH
PROGRAM AT COMMUNITY CENTERS

PROJECT NO 28-035038
CFDA 14 218

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Interdepartmental Agreement (‘ AGREEMENT ’) is hereby made and entered into by and between the Office of Grants Monitoring and Administration (hereinafter referred to as ‘ GMA ’) of the City of San Antonio (hereinafter referred to as ‘ CITY ’) and CITY’s Parks and Recreation Department (hereinafter referred to as ‘ DEPARTMENT ’)

WHEREAS CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 as amended (hereinafter referred to as “Community Development Act”) for utilization in connection with its Community Development Block Grant (CDBG) Program and

WHEREAS the City Council has adopted a budget for such funds and has included therein pursuant to Ordinance No 2009-05-14-0368, dated May 14 2009 the allocation of Two Hundred Seventy-Two Thousand Four Hundred Twenty-Two and No/100 Dollars (\$272 422 00) for a project entitled, ‘ Parks and Recreation Summer Youth Program at Community Centers’ (hereinafter referred to as “Project”) and

WHEREAS the City Council has designated the Office of Grants Monitoring and Administration as the CITY s representative responsible for the administration and monitoring of the Project and all matters pertaining thereto, and

WHEREAS, GMA wishes to engage DEPARTMENT to implement and manage said Project and

WHEREAS, in consideration for the tasks to be performed by DEPARTMENT hereunder such allocated funds shall be available for use by DEPARTMENT as herein authorized

NOW THEREFORE

The parties hereto severally and collectively agree and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described

I. TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof this AGREEMENT shall commence immediately upon its execution and shall terminate on the earlier of (a) September 30 2010 or (b) Project completion

II. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

2.1 DEPARTMENT understands that funds provided to it pursuant to this AGREEMENT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY. DEPARTMENT therefore assures and certifies that it will comply with the requirements of the Community Development Act, with all regulations promulgated thereunder as codified at Title 24 of the Code of Federal Regulations and with any and all applicable amendments or revisions to said Community Development Act or regulations

2.2 DEPARTMENT understands that summaries of certain compliance requirements mandated by applicable laws or regulations are contained in CITY's Federal Compliance Manual, CDBG and HOME Housing Program Policies, and that DEPARTMENT must at all times remain in compliance therewith. DEPARTMENT further understands that said summaries are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed upon DEPARTMENT by law or administrative ruling or to narrow the standards which DEPARTMENT must follow

2.3 DEPARTMENT assures that all contractors and subcontractors receiving funds in connection with this Project are familiar with, and shall comply with, any and all applicable rules and regulations as contained in CITY's Federal Compliance Manual and that a copy of said Federal Compliance Manual will be included as part of every contract awarded in connection with this Project

2.4 DEPARTMENT shall observe and comply with all city, state and federal laws, regulations, ordinances, and codes affecting DEPARTMENT's operations pursuant to the AGREEMENT

III MAINTENANCE OF EFFORT

3.1 DEPARTMENT agrees that the funds and resources provided to it under the terms of this AGREEMENT shall in no way be substituted for funds and resources provided from other sources nor shall such funds and resources in any way serve to reduce the funds, resources, services, or other benefits which would have been available to or provided through, DEPARTMENT had this AGREEMENT not been executed.

IV PERFORMANCE

4.1 DEPARTMENT shall manage, implement, perform, provide, and carry out in a timely manner all of the tasks, activities, and services set forth in the Work Program (Exhibit 'A') attached hereto and incorporated herein for all purposes, utilizing funds only in the manner allocated in the Project Budget (Exhibit "B") also attached hereto and incorporated herein for all purposes.

4.2 Modifications or alterations to the Work Program or the Project Budget may be made only pursuant to the prior written approval of GMA.

4.3 Funds are provided for the accomplishment of this Project and its specific work tasks only as approved by the City Council. Accordingly, when all approved work tasks are completed, DEPARTMENT shall forward to GMA a Project completion statement in conjunction with the final invoice.

V FISCAL

5.1 Inasmuch as the City Council has designated to GMA the responsibility for fiscal oversight, control, and monitoring of CDBG project funds, DEPARTMENT shall submit to GMA for written approval prior to final processing, all Project matters fiscal in nature, including, but not limited to, requests for payment, purchase orders, requisitions, budget adjustments, and invoices. DEPARTMENT agrees and understands that funds are awarded only for the current fiscal year. DEPARTMENT is solely responsible for submitting any and all invoices incurred through September of the current fiscal year by no later than October 15th of the next fiscal year.

VI PROGRAM INCOME

6.1 For purposes of this AGREEMENT, 'program income' shall mean earnings of DEPARTMENT realized from activities resulting from this AGREEMENT or from DEPARTMENT's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of DEPARTMENT provided as a result of this AGREEMENT, and payments from clients or third parties for services rendered by DEPARTMENT pursuant to this AGREEMENT.

6.2 On a monthly basis, DEPARTMENT shall report and return to CITY all program income received or accrued during the preceding month. Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY.

6.3 Records of the receipt and disposition of program income shall be maintained by DEPARTMENT in the same manner as required from other AGREEMENT funds and shall be submitted to CITY in the format prescribed by CITY.

6.4 DEPARTMENT shall include this Article, in its entirety, in all of its subcontracts involving income-producing services or activities.

6.5 It shall be DEPARTMENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this AGREEMENT or from the performance thereof constitutes program income, and unless otherwise approved in writing by CITY, DEPARTMENT shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income.

VII. MAINTENANCE AND ACCESSIBILITY OF RECORDS

7.1 DEPARTMENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this AGREEMENT. DEPARTMENT further agrees:

- (A) That maintenance of said records shall be in compliance with all terms, provisions, and requirements of this AGREEMENT and with all applicable federal and state regulations establishing standards for financial management, and
- (B) That DEPARTMENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure.

7.2 As often, at such times, and in such form as GMA may require, DEPARTMENT shall, upon GMA's verbal or written request, make available and furnish to GMA any and all statements, reports, data, and information deemed by GMA to pertain to matters covered by this AGREEMENT.

VIII. PERFORMANCE REPORTS

8.1 At minimum, DEPARTMENT shall submit project performance reports to GMA in accordance with the following schedule:

<u>Fiscal Quarter</u>	<u>Report Due</u>
First (October-December)	January
Second (January-March)	April
Third (April-June)	July
Fourth (July-September)	October

8 2 Project performance reports shall be submitted to GMA by DEPARTMENT no later than ten (10) working days following the end of each required reporting period

IX CHANGES AND AMENDMENTS

9 1 Alterations additions or deletions to the terms of this AGREEMENT shall be by written amendment executed by both GMA and DEPARTMENT

X SPECIAL CONDITIONS

10 1 DEPARTMENT acknowledges understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended

- (A) The work to be performed under this AGREEMENT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing
- (B) The parties to this AGREEMENT agree to comply with HUD s regulations in 24 C F R Part 135, which implement Section 3 As evidenced by their execution of this AGREEMENT, the parties to this AGREEMENT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations
- (C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding if any a notice advising the labor organization or workers representative of the contractor s commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire availability of apprenticeship and training positions, the qualifications for each and the name and location of the person(s) taking applications for each of the positions and the anticipated date the work shall begin
- (D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135 The contractor will not subcontract with any

subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135

- (E) The contractor will certify that any vacant employment positions including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C F R Part 135
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions termination of this AGREEMENT for default and debarment or suspension from further HUD-assisted contracts
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this AGREEMENT Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this AGREEMENT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible but not in derogation of compliance with Section 7(b)

10.2 DEPARTMENT understands and agrees that all activities supported by the funds provided hereunder shall be in compliance with Housing and Urban Development (HUD) and Community Development Block Grant (CDBG) policies rules and regulations and that accordingly, low and moderate-income persons are benefited by the Project

10.3 DEPARTMENT shall document salaries and wages of the employees engaged in the Project in one of the two (2) following manners

- (A) **Certifications** Where employees are paid from a single grant, the DEPARTMENT shall support charges to salaries and wages by requiring each employee on a semi-annual basis to sign a written certification certifying that the employee worked solely on the program(s) supported by that grant for the time period covered by the certification The certifications shall be prepared semi-annually at the end of March and September Each certification shall also be signed by the supervisory official having first hand knowledge of the work performed and the DEPARTMENT's Director
- (B) **Time Sheets** Where employees are paid from multiple Federal or State grants and their time is charged accordingly the DEPARTMENT shall support charges to salaries and wages by requiring each employee on a bi-weekly basis coinciding

with each pay period to complete a time sheet (Exhibit 'C') that reflects the work activity of the employee and the time including overtime for which the employee is compensated. Each time sheet shall also be signed by the supervisory official having first hand knowledge of the work performed and the DEPARTMENT's Director.

10.4 On a semi-annual basis or as otherwise established the Office of Grants Monitoring and Administration shall monitor the DEPARTMENT's compliance with the requirement for employee certifications and time sheets.

10.5 DEPARTMENT will obtain prior approval from the Office of Grants Monitoring and Administration prior to incurring costs on items noted in the Project Budget (Exhibit 'B').

10.6 DEPARTMENT shall exercise prudent fiscal management by remaining within the allocated Project Budget. Expenditures in excess of the approved Project Budget shall be the sole responsibility of DEPARTMENT.

10.7 DEPARTMENT shall submit no later than the fifteenth (15th) calendar day of each month, Expenditure Reports (Exhibit 'D') in the format acceptable to the Department of Grants Monitoring and Administration.

10.8 DEPARTMENT shall report program income (more particularly described in the AGREEMENT to which this is attached) received or accrued during the preceding month to the Office of Grants Monitoring and Administration on a monthly basis. Earnings realized from the activities resulting from this AGREEMENT or the management of funding provided or received under this Agreement is considered program income if identified as such by GMA. GMA authorizes DEPARTMENT to keep program income and payment of general operating expenses.

EXECUTED this 1st day of October 2009

OFFICE OF GRANTS MONITORING
AND ADMINISTRATION

PARKS & RECREATION
DEPARTMENT

JP
RA

BY

Jeanetta Tinsley
JEANETTA TINSLEY
Title Grants Administrator

BY

Xavier Urrutia
XAVIER URRUTIA
Title Director

APPROVED AS TO FORM

Enid M. Howard

ENID M. HOWARD
Assistant City Attorney

ATTACHMENTS

- Exhibit A Work Program
- Exhibit B Fiscal Budget
- Exhibit C Task Sheet
- Exhibit D Expenditure Report
- Exhibit E Performance Report

**INTERDEPARTMENTAL
AGREEMENT**

PROJECT NAME PARKS AND RECREATION SUMMER OUTDOOR POOL

PROJECT NO 28-035037
CFDA 14 218

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Interdepartmental Agreement (“AGREEMENT”) is hereby made and entered into by and between the Office of Grants Monitoring and Administration (hereinafter referred to as “GMA”) of the City of San Antonio (hereinafter referred to as ‘CITY’) and CITY’s Parks and Recreation Department (hereinafter referred to as “DEPARTMENT”)

WHEREAS, CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 as amended (hereinafter referred to as ‘Community Development Act’) for utilization in connection with its Community Development Block Grant (CDBG) Program and

WHEREAS the City Council has adopted a budget for such funds and has included therein, pursuant to Ordinance No 2009-05-14-0368, dated May 14 2009, the allocation of Seventy-Six Thousand Five Hundred Fifty-Seven and No/100 Dollars (\$76,557 00) for a project entitled, ‘Parks and Recreation Summer Outdoor Pool’ (hereinafter referred to as “Project”) and

WHEREAS the City Council has designated the Office of Grants Monitoring and Administration as the CITY’s representative responsible for the administration and monitoring of the Project and all matters pertaining thereto, and

WHEREAS GMA wishes to engage DEPARTMENT to implement and manage said Project and

WHEREAS in consideration for the tasks to be performed by DEPARTMENT hereunder such allocated funds shall be available for use by DEPARTMENT, as herein authorized,

NOW THEREFORE

The parties hereto severally and collectively agree and by the execution hereof are bound to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described

I TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof, this AGREEMENT shall commence immediately upon its execution and shall terminate on the earlier of (a) September 30, 2010 or (b) Project completion.

II COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

2.1 DEPARTMENT understands that funds provided to it pursuant to this AGREEMENT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY. DEPARTMENT therefore assures and certifies that it will comply with the requirements of the Community Development Act, with all regulations promulgated thereunder as codified at Title 24 of the Code of Federal Regulations and with any and all applicable amendments or revisions to said Community Development Act or regulations.

2.2 DEPARTMENT understands that summaries of certain compliance requirements mandated by applicable laws or regulations are contained in CITY's Federal Compliance Manual, CDBG and HOME Housing Program Policies, and that DEPARTMENT must at all times remain in compliance therewith. DEPARTMENT further understands that said summaries are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed upon DEPARTMENT by law or administrative ruling or to narrow the standards which DEPARTMENT must follow.

2.3 DEPARTMENT assures that all contractors and subcontractors receiving funds in connection with this Project are familiar with and shall comply with, any and all applicable rules and regulations as contained in CITY's Federal Compliance Manual and that a copy of said Federal Compliance Manual will be included as part of every contract awarded in connection with this Project.

2.4 DEPARTMENT shall observe and comply with all city, state, and federal laws, regulations, ordinances, and codes affecting DEPARTMENT's operations pursuant to the AGREEMENT.

III MAINTENANCE OF EFFORT

3.1 DEPARTMENT agrees that the funds and resources provided to it under the terms of this AGREEMENT shall in no way be substituted for funds and resources provided from other sources nor shall such funds and resources in any way serve to reduce the funds, resources, services, or other benefits which would have been available to or provided through DEPARTMENT had this AGREEMENT not been executed.

IV PERFORMANCE

4.1 DEPARTMENT shall manage, implement, perform, provide and carry out in a timely manner all of the tasks, activities and services set forth in the Work Program (Exhibit 'A') attached hereto and incorporated herein for all purposes, utilizing funds only in the manner allocated in the Project Budget (Exhibit 'B') also attached hereto and incorporated herein for all purposes.

4.2 Modifications or alterations to the Work Program or the Project Budget may be made only pursuant to the prior written approval of GMA.

4.3 Funds are provided for the accomplishment of this Project and its specific work tasks only as approved by the City Council. Accordingly, when all approved work tasks are completed, DEPARTMENT shall forward to GMA a Project completion statement in conjunction with the final invoice.

V FISCAL

5.1 Inasmuch as the City Council has designated to GMA the responsibility for fiscal oversight, control and monitoring of CDBG project funds, DEPARTMENT shall submit to GMA, for written approval prior to final processing, all Project matters fiscal in nature including, but not limited to, requests for payment, purchase orders, requisitions, budget adjustments and invoices. DEPARTMENT agrees and understands that funds are awarded only for the current fiscal year. DEPARTMENT is solely responsible for submitting any and all invoices incurred through September of the current fiscal year by no later than October 15th of the next fiscal year.

VI PROGRAM INCOME

6.1 For purposes of this AGREEMENT, 'program income' shall mean earnings of DEPARTMENT realized from activities resulting from this AGREEMENT or from DEPARTMENT's management of funding provided or received hereunder. Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees, income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of DEPARTMENT provided as a result of this AGREEMENT and payments from clients or third parties for services rendered by DEPARTMENT pursuant to this AGREEMENT.

6.2 On a monthly basis, DEPARTMENT shall report and return to CITY all program income received or accrued during the preceding month. Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY.

6.3 Records of the receipt and disposition of program income shall be maintained by DEPARTMENT in the same manner as required from other AGREEMENT funds and shall be submitted to CITY in the format prescribed by CITY.

6.4 DEPARTMENT shall include this Article in its entirety in all of its subcontracts involving income-producing services or activities

6.5 It shall be DEPARTMENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this AGREEMENT, or from the performance thereof constitutes program income and unless otherwise approved in writing by CITY DEPARTMENT shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income

VII. MAINTENANCE AND ACCESSIBILITY OF RECORDS

7.1 DEPARTMENT agrees to maintain records that will provide accurate current separate, and complete disclosure of the status of any funds received pursuant to this AGREEMENT DEPARTMENT further agrees

- (A) That maintenance of said records shall be in compliance with all terms provisions and requirements of this AGREEMENT and with all applicable federal and state regulations establishing standards for financial management, and
- (B) That DEPARTMENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure

7.2 As often at such times and in such form as GMA may require DEPARTMENT shall upon GMA's verbal or written request make available and furnish to GMA any and all statements reports data, and information deemed by GMA to pertain to matters covered by this AGREEMENT

VIII. PERFORMANCE REPORTS

8.1 At minimum DEPARTMENT shall submit project performance reports to GMA in accordance with the following schedule

<u>Fiscal Quarter</u>	<u>Report Due</u>
First (October-December)	January
Second (January-March)	April
Third (April-June)	July
Fourth (July-September)	October

8.2 Project performance reports shall be submitted to GMA by DEPARTMENT no later than ten (10) working days following the end of each required reporting period

IX. CHANGES AND AMENDMENTS

9.1 Alterations additions or deletions to the terms of this AGREEMENT shall be by written amendment executed by both GMA and DEPARTMENT

X SPECIAL CONDITIONS

101 DEPARTMENT acknowledges understands and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968 as amended

- (A) The work to be performed under this AGREEMENT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing
- (B) The parties to this AGREEMENT agree to comply with HUD s regulations in 24 C F R Part 135, which implement Section 3 As evidenced by their execution of this AGREEMENT the parties to this AGREEMENT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations
- (C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding if any a notice advising the labor organization or workers representative of the contractor s commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions the qualifications for each, and the name and location of the person(s) taking applications for each of the positions and the anticipated date the work shall begin
- (D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135
- (E) The contractor will certify that any vacant employment positions including training positions, that are filled (1) after the contractor is selected but before the contract is executed and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be

directed were not filled to circumvent the contractor's obligations under 24 C.F.R. Part 135

- (F) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this AGREEMENT for default, and debarment or suspension from further HUD-assisted contracts
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this AGREEMENT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this AGREEMENT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible but not in derogation of compliance with Section 7(b)

10.2 DEPARTMENT understands and agrees that all activities supported by the funds provided hereunder shall be in compliance with Housing and Urban Development (HUD) and Community Development Block Grant (CDBG) policies, rules, and regulations and that accordingly, low and moderate-income persons are benefited by the Project

10.3 DEPARTMENT shall document salaries and wages of the employees engaged in the Project in one of the two (2) following manners:

- (A) **Certifications** Where employees are paid from a single grant, the DEPARTMENT shall support charges to salaries and wages by requiring each employee, on a semi-annual basis, to sign a written certification certifying that the employee worked solely on the program(s) supported by that grant for the time period covered by the certification. The certifications shall be prepared semi-annually at the end of March and September. Each certification shall also be signed by the supervisory official having first hand knowledge of the work performed and the DEPARTMENT's Director.
- (B) **Time Sheets** Where employees are paid from multiple Federal or State grants and their time is charged accordingly, the DEPARTMENT shall support charges to salaries and wages by requiring each employee, on a bi-weekly basis coinciding with each pay period, to complete a time sheet (Exhibit 'C') that reflects the work activity of the employee and the time, including overtime, for which the employee is compensated. Each time sheet shall also be signed by the supervisory official having first hand knowledge of the work performed and the DEPARTMENT's Director.

10 4 On a semi-annual basis or as otherwise established the Office of Grants Monitoring and Administration shall monitor the DEPARTMENT s compliance with the requirement for employee certifications and time sheets

10 5 DEPARTMENT will obtain prior approval from the Office of Grants Monitoring and Administration prior to incurring costs on items noted in the Project Budget (Exhibit "B")

10 6 DEPARTMENT shall exercise prudent fiscal management by remaining within the allocated Project Budget Expenditures in excess of the approved Project Budget shall be the sole responsibility of DEPARTMENT

10 7 DEPARTMENT shall submit no later than the fifteenth (15th) calendar day of each month, Expenditure Reports (Exhibit 'D') in the format acceptable to the Department of Grants Monitoring and Administration

EXECUTED this 1st day of October 2009

OFFICE OF GRANTS MONITORING
AND ADMINISTRATION

PARKS AND RECREATION
DEPARTMENT

RA
BY Jeanette Tinsley
JEANETTA TINSLEY
Title Grants Administrator

BY Xavier Urrutia
XAVIER URRUTIA
Title Director

APPROVED AS TO FORM

Enid M Howard
ENID M HOWARD
Assistant City Attorney

**INTERDEPARTMENTAL
AGREEMENT**

PROJECT NAME CORTEZ BRANCH LIBRARY

PROJECT NO 28-035017
CFDA 14 218

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Interdepartmental Agreement ('AGREEMENT ') is hereby made and entered into by and between the Office of Grants Monitoring and Administration (hereinafter referred to as 'GMA') of the City of San Antonio (hereinafter referred to as 'CITY') and CITY s Library Department (hereinafter referred to as ' DEPARTMENT')

WHEREAS, CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (hereinafter referred to as "Community Development Act") for utilization in connection with its Community Development Block Grant (CDBG) Program and

WHEREAS, the City Council has adopted a budget for such funds and has included therein pursuant to Ordinance No 2009-05-14-0368 dated May 14, 2009, the allocation of Eighty-Seven Thousand Six Hundred Forty and No/100 Dollars (\$87,640 00) for a project entitled 'Cortez Branch Library (hereinafter referred to as 'Project) and

WHEREAS, the City Council has designated the Office of Grants Monitoring and Administration as the CITY s representative responsible for the administration and monitoring of the Project and all matters pertaining thereto, and

WHEREAS, GMA wishes to engage DEPARTMENT to implement and manage said Project, and

WHEREAS in consideration for the tasks to be performed by DEPARTMENT hereunder, such allocated funds shall be available for use by DEPARTMENT, as herein authorized

NOW THEREFORE

The parties hereto severally and collectively agree and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described

I TERM

1.1 Except as otherwise provided for pursuant to the provisions hereof this AGREEMENT shall commence immediately upon its execution and shall terminate on the earlier of (a) September 30, 2011, or (b) Project completion

II COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

2.1 DEPARTMENT understands that funds provided to it pursuant to this AGREEMENT are funds which have been made available to CITY by the federal government under the Community Development Act and in accordance with CITY's HUD-approved Grant Application and with other specific assurances made and executed by CITY DEPARTMENT, therefore, assures and certifies that it will comply with the requirements of the Community Development Act, with all regulations promulgated thereunder as codified at Title 24 of the Code of Federal Regulations and with any and all applicable amendments or revisions to said Community Development Act or regulations

2.2 DEPARTMENT understands that summaries of certain compliance requirements mandated by applicable laws or regulations are contained in CITY's Federal Compliance Manual, CDBG and HOME Housing Program Policies and that DEPARTMENT must at all times remain in compliance therewith DEPARTMENT further understands that said summaries are intended only as such and in no way are meant to constitute a complete compilation of all duties imposed upon DEPARTMENT by law or administrative ruling or to narrow the standards which DEPARTMENT must follow

2.3 DEPARTMENT assures that all contractors and subcontractors receiving funds in connection with this Project are familiar with, and shall comply with, any and all applicable rules and regulations as contained in CITY's Federal Compliance Manual and that a copy of said Federal Compliance Manual will be included as part of every contract awarded in connection with this Project

2.4 DEPARTMENT shall observe and comply with all city, state and federal laws, regulations, ordinances, and codes affecting DEPARTMENT's operations pursuant to the AGREEMENT

III MAINTENANCE OF EFFORT

3.1 DEPARTMENT agrees that the funds and resources provided to it under the terms of this AGREEMENT shall in no way be substituted for funds and resources provided from other sources nor shall such funds and resources in any way serve to reduce the funds, resources, services or other benefits which would have been available to or provided through DEPARTMENT had this AGREEMENT not been executed

IV PERFORMANCE

4 1 DEPARTMENT shall manage implement, perform, provide, and carry out in a timely manner all of the tasks, activities, and services set forth in the Work Program (Exhibit 'A') attached hereto and incorporated herein for all purposes utilizing funds only in the manner allocated in the Project Budget (Exhibit 'B') also attached hereto and incorporated herein for all purposes

4 2 Modifications or alterations to the Work Program or the Project Budget may be made only pursuant to the prior written approval of GMA

4 3 Funds are provided for the accomplishment of this Project and its specific work tasks only as approved by the City Council Accordingly, when all approved work tasks are completed DEPARTMENT shall forward to GMA a Project completion statement in conjunction with the final invoice

V FISCAL

5 1 Inasmuch as the City Council has designated to GMA the responsibility for fiscal oversight, control and monitoring of CDBG project funds, DEPARTMENT shall submit to GMA for written approval prior to final processing, all Project matters fiscal in nature including but not limited to requests for payment purchase orders requisitions budget adjustments and invoices DEPARTMENT agrees and understands that funds are awarded only for the current fiscal year DEPARTMENT is solely responsible for submitting any and all invoices incurred through September of the current fiscal year by no later than October 15th of the next fiscal year

VI PROGRAM INCOME

6 1 For purposes of this AGREEMENT 'program income' shall mean earnings of DEPARTMENT realized from activities resulting from this AGREEMENT or from DEPARTMENT s management of funding provided or received hereunder Such earnings shall include, but shall not be limited to interest income, usage or rental/lease fees income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of DEPARTMENT provided as a result of this AGREEMENT and payments from clients or third parties for services rendered by DEPARTMENT pursuant to this AGREEMENT

6 2 On a monthly basis DEPARTMENT shall report and return to CITY all program income received or accrued during the preceding month Alternative arrangements to this requirement may be made only upon written request to and written approval by CITY

6 3 Records of the receipt and disposition of program income shall be maintained by DEPARTMENT in the same manner as required from other AGREEMENT funds and shall be submitted to CITY in the format prescribed by CITY

6 4 DEPARTMENT shall include this Article in its entirety, in all of its subcontracts involving income-producing services or activities

6 5 It shall be DEPARTMENT s responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this AGREEMENT or from the performance thereof constitutes program income, and unless otherwise approved in writing by CITY, DEPARTMENT shall be responsible to CITY for the repayment of any and all amounts determined by CITY to be program income

VII MAINTENANCE AND ACCESSIBILITY OF RECORDS

7 1 DEPARTMENT agrees to maintain records that will provide accurate current, separate and complete disclosure of the status of any funds received pursuant to this AGREEMENT DEPARTMENT further agrees

(A) That maintenance of said records shall be in compliance with all terms, provisions and requirements of this AGREEMENT and with all applicable federal and state regulations establishing standards for financial management, and

(B) That DEPARTMENT s record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure

7 2 As often at such times and in such form as GMA may require DEPARTMENT shall upon GMA s verbal or written request, make available and furnish to GMA any and all statements, reports, data and information deemed by GMA to pertain to matters covered by this AGREEMENT

VIII PERFORMANCE REPORTS

8 1 At minimum DEPARTMENT shall submit project performance reports to GMA in accordance with the following schedule

<u>Fiscal Quarter</u>	<u>Report Due</u>
First (October-December)	January
Second (January-March)	April
Third (April-June)	July
Fourth (July-September)	October

8 2 Project performance reports shall be submitted to GMA by DEPARTMENT no later than ten (10) working days following the end of each required reporting period

IX CHANGES AND AMENDMENTS

9 1 Alterations, additions or deletions to the terms of this AGREEMENT shall be by written amendment executed by both GMA and DEPARTMENT

X SPECIAL CONDITIONS

10 1 DEPARTMENT acknowledges, understands, and agrees to comply with the following federal regulations as promulgated in Section 3 clause of the Housing and Urban Development Act of 1968, as amended

- (A) The work to be performed under this AGREEMENT is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 as amended, 12 U S C 170(1)(u) (Section 3) The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing
- (B) The parties to this AGREEMENT agree to comply with HUD s regulations in 24 C F R Part 135, which implement Section 3 As evidenced by their execution of this AGREEMENT the parties to this AGREEMENT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations
- (C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding if any, a notice advising the labor organization or workers representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice The notice shall describe the Section 3 preference shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions the qualifications for each and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin
- (D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135 and agrees to take appropriate action as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135 The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135

- (E) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C F R Part 135
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions, termination of this AGREEMENT for default, and debarment or suspension from further HUD-assisted contracts
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this AGREEMENT Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this AGREEMENT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b)

10.2 DEPARTMENT acknowledges and agrees that funds provided hereunder shall be used solely to pay expenses associated with the implementation of Project activities as described in the Project Description of this AGREEMENT and accordingly must benefit low to moderate-income persons

10.3 DEPARTMENT shall not enter into any third-party professional or contractual service agreement in connection with the Project without providing notice to and obtaining prior approval from the Office of Grants Monitoring and Administration

10.4 DEPARTMENT shall ensure that all third-party professional and contractual services in connection with Project implementation are procured in accordance with 24 C F R 85, the Common Rule on Procurement and Competitive Standards

10.5 DEPARTMENT warrants that all federal and local procurement and bidding policies have been, and will continue to be, adhered to in the implementation of these funds

10.6 DEPARTMENT shall assume responsibility for monitoring and oversight of all activities relating to this Project and shall ensure compliance with all applicable statutory and regulatory requirements and guidelines including but not limited to those related to Davis Bacon Wage rates building plans and permits building inspections and environmental reviews etc

10 7 DEPARTMENT shall coordinate with the CITY s Public Works Department with regard to ascertaining how the Project Budget will support construction expenses and all other construction related activities including, but not limited to building plans, specifications, certificates of occupancy, building inspections, permits, bidding procedures, and Davis-Bacon Wage Rates

10 8 DEPARTMENT shall submit quarterly Performance Reports to GMA, consistent with the performance measures set forth in this AGREEMENT, on the status of the Project(s) no later than ten (10) working days following the end of each quarter

-OR-

10 9 DEPARTMENT shall submit to GMA a performance report summarizing project activities, on a one-time basis to be due ten (10) business days after the completion of the Project

10 10 DEPARTMENT shall uphold the CITY s Small Business Economic Development Advocacy (SBEDA) policy to involve qualified, Small, Minority Women-Owned Business Enterprises (SMWBE), and local business enterprises, to the greatest extent feasible, in the CITY s public works construction, procurement contracts professional service and other discretionary contracts

EXECUTED this 1st day of October 2009

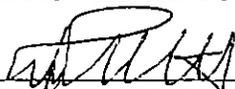
OFFICE OF GRANTS MONITORING
AND ADMINISTRATION

LIBRARY DEPARTMENT

JR
RA BY 
JEANETTA TINSLEY
Title Grants Administrator

BY 
RAMIRO SALAZAR
Title Director

APPROVED AS TO FORM


ENID M HOWARD
Assistant City Attorney

ATTACHMENTS

Exhibit ' A' Work Program
Exhibit "B" Project Budget

EXHIBIT "A"

WORK PROGRAM

WORK PROGRAM

- I DEPARTMENT Library Department
- II PROJECT NAME Cortez Branch Library
- III PROJECT NO 28-035017
- IV PROJECT LOCATION 2803 Hunter, San Antonio, TX 78224
- V PROJECT DESCRIPTION

This Project will fund the meeting room expansion for the San Antonio Public Library Cortez Branch. The Project will also include parking lot improvements and landscaping. The landscaping portion of the Project will be paid for with non-CDBG funds. If feasible with funding, the design may also include improvements to the library entrance.

VI DETAILED/QUANTIFIED SCOPE OF WORK

Performance Measures	Adopted 2009-2010	1 st Qtr Actual	2 nd Qtr Actual	3 rd Qtr Actual	4 th Qtr Actual
Total CDBG Funds Expended	\$87,640				
Total Other Project Funds Expended	\$400,000				
Pre-Construction Start Date	6/15/2009				
Pre-Construction Completion Date	8/31/2009				
Construction Start Date	9/1/2009				
Construction Completion Date – CDBG Funded Activity	11/30/2009				
Construction Completion Date – All Project Activity	11/30/2009				
Total No of Persons Served (Per Qtr)	\$32,439				

EXHIBIT "B"

PROJECT BUDGET

PROJECT BUDGET

DEPARTMENT Library Department
PROJECT NAME Cortez Branch Library
PROJECT NO 28-035017
TOTAL BUDGET AMOUNT \$87,640 00

Internal Order No	GL Account No	Description	Budget
131000001756		Facility Improvements	\$87,640 00
		TOTAL AMOUNT	\$87,640.00

BUDGET DETAIL
 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
 CITY OF SAN ANTONIO
 FY 2009-2010

SUB-GRANTEE Library Department

PROJECT NAME Cortez Branch Library

CONTRACT PERIOD Contract Execution - Earlier of September 30, 2011 or Project Completion

FY 2009-2010

BUDGET AMOUNT \$87,640

Acquisition	
Infrastructure/Site Improvements	
Site Clearance	
Surveying Fees	
Permit Fees	
Title/Recordation Fees	
Appraisal	
Legal Fees	
Environmental Reports	
Architectural/Engineering	
Rehabilitation Costs	
New Construction Costs	\$87,640
Other (Identify)	

TOTAL BUDGET COST \$87,640

FUNDING SOURCES
FACILITY IMPROVEMENTS
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

DEPARTMENT Libraries

PROJECT NAME Cortez Branch Library

CONTRACT PERIOD Contract Execution-Earlier of 9/30/2011 or Completion

PROGRAM/PROJECT	ALL FUNDING SOURCES	AMOUNT
Cortez Library	2007 Bond	\$300,000
Cortez Library	33 rd Y1 CDBG Reprog	\$100 000
Cortez Library	35 th Y1 CDBG	\$87,640

STATE OF TEXAS

* DELEGATE AGENCY CONTRACT WITH
ANTIOCH COMMUNITY TRANSFORMATION
NETWORK

COUNTY OF BEXAR

* PROJECT NUMBER. 28-035027
CFDA 14 218

CITY OF SAN ANTONIO

*

This CONTRACT is entered into by and between the City of San Antonio (hereinafter referred to as "CITY"), a Texas municipal corporation, acting by and through its Grants Administrator of the Office of Grants Monitoring and Administration pursuant to Ordinance No 2009-05-14-0368, dated May 14, 2009 and Antioch Community Transformation Network (hereinafter referred to as "CONTRACTOR")

WITNESSETH

WHEREAS, the CITY has received certain funds from the U S Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974 as amended (hereinafter referred to as "the Community Development Act") for utilization in connection with its Community Development Block Grant Fund Operating Budget (hereinafter referred to as the "Grant Fund") for human development services, and

WHEREAS, the Office of Grants Monitoring and Administration is designated as the managing CITY department (hereinafter referred to as "Managing City Department") for the CITY, and

WHEREAS, the CITY has adopted a budget for the expenditure of such funds, and included therein is an allocation of Thirty-Six Thousand Eight Hundred Sixteen and No/100 Dollars (\$36,816 00) in funds for a project entitled, "Antioch Community Transformation Network - Senior Fitness & Activity Program" (hereinafter referred to as 'Project'), and

WHEREAS, the CITY wishes to engage CONTRACTOR to carry out the Project, **NOW THEREFORE**

The parties hereto agree as follows

I SCOPE OF WORK

1.1 CONTRACTOR will provide, oversee, administer and carry out all activities and services in a manner satisfactory to the CITY and in compliance with the Work Statement affixed hereto, and incorporated herein for all purposes as Attachment I

II TERM

- 2 1 Except as otherwise provided for pursuant to the provisions hereof, this CONTRACT shall begin on the execution date and shall terminate on the earlier of (a) September 30, 2010, or (b) Project completion
- 2 2 The CITY shall have the option to renew this CONTRACT for an additional period not to exceed one (1) year, subject to (a) the CITY's receipt of additional monies sufficient to fund the renewal term, (b) CONTRACTOR satisfactorily meeting the performance requirements of this CONTRACT, as solely determined by the CITY, and (c) the prior approval by the City Council for the City of San Antonio of such contract renewal, as evidenced by an ordinance duly passed and approved

III CONSIDERATION

- 3 1 In consideration, the CITY will reimburse CONTRACTOR for costs incurred in accordance with the Project Budget approved by the City Council for the City of San Antonio in Ordinance No 2009-05-14-0368 Said Project Budget is affixed hereto and incorporated herein for all purposes as Attachment II It is specifically agreed that reimbursement hereunder shall not exceed the total amount of \$36,816 00
- 3 2 The funding level of this CONTRACT is based on an allocation from the following funding sources

\$36,816 00 Community Development Block Grant (CDBG)

Consequently, CONTRACTOR agrees to comply with Sections I II- Exhibit "A" and III- Exhibit "A" of the Technical Workbook, affixed hereto and incorporated herein for all purposes as Attachment III, as may be amended from time to time, and the Special Provisions, affixed hereto and incorporated herein for all purposes as Attachment VI

- 3 3 It is expressly understood and agreed by the CITY and CONTRACTOR that the CITY's obligations under this CONTRACT are contingent upon the actual receipt of adequate Grant Funds to meet the CITY s liabilities hereunder

IV PAYMENT

- 4 1 CONTRACTOR agrees that this is a cost reimbursement contract and that the CITY's liability hereunder is limited to making reimbursements for allowable costs incurred as a direct result of CITY-funded services provided by CONTRACTOR in accordance with the terms of this CONTRACT Allowable costs are defined as those costs which are necessary reasonable and allowable under applicable federal state, and local law including but not limited to those laws referenced in Section XI hereof for the proper

administration and performance of the services to be provided under an agreement. All requested reimbursed costs must be consistent with the terms and provisions of the approved budgeted line items described in Attachment II of this CONTRACT. In no event shall the CITY be liable for any cost of CONTRACTOR not eligible for reimbursement as defined within this CONTRACT.

4.2 If specific circumstances require an advance payment on this CONTRACT, CONTRACTOR must submit to the Director of the Managing City Department a written request for such advance payment, including the specific reason for such request. The Director of the Managing City Department may, in his sole discretion, approve an advance payment on this CONTRACT. It is understood and agreed by the parties hereto that (a) each request requires submission to the Director of the Managing City Department no less than ten (10) business days prior to the actual ostensible cash need, (b) each request will be considered by the Director of the Managing City Department on a case-by-case basis and (c) the decision by the Director of the Managing City Department whether or not to approve an advance payment is final. For purposes of this CONTRACT, the term, "business day" shall mean every day of the week except all Saturdays, Sundays, and those scheduled holidays officially adopted and approved by the City Council for the City of San Antonio employees. In those instances in which advance payments are authorized:

(A) Advance payments to vendors shall be remitted to the vendors in a prompt and timely manner, defined as not later than ten (10) calendar days after the CONTRACTOR is notified that a check is available from the CITY.

(B) CONTRACTOR must deposit the CITY funds in a separate account in a bank insured with the Federal Deposit Insurance Corporation (FDIC). In those situations where CONTRACTOR's total deposits in said bank, including all the CITY funds deposited in such separate account, exceed the FDIC insurance limit, CONTRACTOR must arrange with said bank to automatically have the excess collaterally secured. A written copy of the collateral agreement must be obtained by CONTRACTOR from CONTRACTOR's banking institution, maintained on file and be available for CITY monitoring reviews and audits. Advanced funds that causes CONTRACTOR's account balance to exceed \$100,000.00 shall be deposited in a manner consistent with the Public Funds Investment Act (Chapter 2256 of the Texas Government Code) as amended.

4.3 CONTRACTOR agrees that reimbursements of eligible expenses shall be made monthly or bi-weekly, as determined by the Director of the Managing City Department according to standard procedures followed by the CITY's Finance Department.

4.4 CONTRACTOR agrees that all requests for reimbursement shall be accompanied with documentation required by the Director of the Managing City Department.

4.5 CONTRACTOR shall submit to CITY all final requests for payment no later than forty-five (45) days from the termination date of this CONTRACT unless CONTRACTOR

receives written authorization from the Director of the Managing City Department prior to such forty-five (45) day period allowing CONTRACTOR to submit a request for payment after such forty-five (45) day period

4 6 CONTRACTOR agrees that the CITY shall not be obligated to any third parties (including any subcontractors or third party beneficiaries of the CONTRACTOR)

4 7 CONTRACTOR shall maintain a financial management system, and acceptable accounting records that provide for

(A) Accurate, current, and complete disclosure of financial support from each federal, state, and locally sponsored project, and program in accordance with the reporting requirements set forth in Article VIII of this CONTRACT. If accrual basis reports are required, CONTRACTOR shall develop accrual data for its reports based on an analysis of the documentation available,

(B) Identification of the source and application of funds for CITY-sponsored activities. Such records shall contain information pertaining to CITY awards, authorizations, obligations, un-obligated balances, assets equity, outlays, and income

(C) Effective control over and accountability for all funds, property, and other assets. CONTRACTOR shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes. CONTRACTOR shall maintain an accounting system that can separate funds by funding source and project,

(D) Comparison of actual outlays with budget amounts for each award. Whenever appropriate or required by the CITY, financial information should be related to performance and unit cost data,

(E) Procedures to minimize the time elapsing between the transfer of funds from the CITY and the disbursement of said funds by CONTRACTOR,

(F) Procedures for determining reasonable, allowable, and allocable costs in accordance with the provisions of any and all applicable cost principles including, but not limited to, the cost principles referenced in Section XI hereof, and the terms of the award, grant, or contract with the CITY,

(G) Supporting source documentation (i.e. timesheets, employee benefits professional services agreements purchases, and other documentation as required by CITY), and

(H) An accounting system based on generally acceptable accounting principles which accurately reflects all costs chargeable (paid and unpaid) to the Project. A Receipts and Disbursements Ledger must be maintained. A general ledger with an Income and Expense Account for each budgeted line item is necessary. Paid

invoices revealing check number, date paid, and evidence of goods or services received are to be filed according to the expense account to which they were charged

- 4 8 CONTRACTOR agrees that CONTRACTOR s costs or earnings claimed under this CONTRACT will not be claimed under another contract or grant from another agency
- 4 9 CONTRACTOR shall establish and utilize a cost allocation methodology and plan which ensures that the CITY is paying only its fair share of the costs for services, overhead, and staffing not solely devoted to the Project funded by this CONTRACT The Cost Allocation Plan and supportive documentation shall be included in the financial statements that are applicable to CONTRACTOR s Project The Cost Allocation Plan is a plan that identifies and distributes the cost of services provided by staff and/or departments or functions It is the means to substantiate and support how the costs of a program are charged to a particular cost category or to the program
- 4 10 Upon completion or termination of this CONTRACT, or at any time during the term of this CONTRACT, all unused funds, rebates, or credits on-hand or collected thereafter relating to the Project must immediately, upon receipt, be returned by CONTRACTOR to the CITY
- 4 11 Upon execution of this CONTRACT or at any time during the term of this CONTRACT, the CITY s Director of Finance, the CITY Auditor, or a person designated by the Director of the Managing City Department may review and approve all CONTRACTOR s systems of internal accounting and administrative controls prior to the release of funds hereunder

V PROGRAM INCOME

- 5 1 For purposes of this CONTRACT, "program income" shall mean earnings of CONTRACTOR realized from activities resulting from this CONTRACT or from CONTRACTOR s management of funding provided or received hereunder Such earnings shall include, but shall not be limited to, interest income, usage or rental/lease fees income produced from contract-supported services of individuals or employees or from the use of equipment or facilities of CONTRACTOR provided as a result of this CONTRACT, and payments from clients or third parties for services rendered by CONTRACTOR pursuant to this CONTRACT At the sole option of the Director of the Managing City Department, CONTRACTOR will either (a) be required to return program income funds to the CITY through the Managing City Department, or (b) upon prior written approval by the Director of the Managing City Department, CONTRACTOR may be permitted to retain such funds to be
- (A) Added to the Project and used to further eligible Project objectives in which case proposed expenditures must first be approved by the CITY, or

- (B) Deducted from the total Project cost for the purpose of determining the net cost reimbursed by the CITY
- 5 2 In any case, where CONTRACTOR is required to return program income to the Managing City Department, CONTRACTOR must return such program income to the CITY within the timeframe that may be specified by the Director of the Managing City Department. If the Director of the Managing City Department grants CONTRACTOR authority to retain program income, CONTRACTOR must submit all reports required by the Managing City Department within the timeframe specified in this CONTRACT.
- 5 3 CONTRACTOR shall provide the Managing City Department with thirty (30) days written notice prior to the activity that generates program income. Such notice shall detail the type of activity, time, and place of all activities that generate program income.
- 5 4 CONTRACTOR shall fully disclose and be accountable to the CITY for all program income. CONTRACTOR must submit a statement of expenditures and revenues to the Managing City Department within thirty (30) days of the activity that generates program income. The statement is subject to audit verification by Managing City Department. Failure by CONTRACTOR to report program income as required is grounds for suspension, cancellation, or termination of this CONTRACT.
- 5 5 CONTRACTOR is prohibited from charging fees or soliciting donations from participants in any CITY-funded project without the prior written approval of the Director of the Managing City Department.
- 5 6 CONTRACTOR shall include this Article V, in its entirety, in all of its subcontracts involving income-producing services or activities.

VI. ADMINISTRATION OF CONTRACT

- 6 1 THIS SECTION INTENTIONALLY LEFT BLANK
- 6 2 In the event that any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this CONTRACT or its governing rules, regulations, laws, codes or ordinances, the City Manager, as representative of the CITY, the party ultimately responsible for all matters of compliance with U.S. Department of Housing and Urban Development (HUD) rules and regulations, shall have the final authority to render or secure an interpretation.
- 6 3 CONTRACTOR shall not use funds awarded from this CONTRACT as matching funds for any federal, state or local grant without the prior written approval of the Director of the Managing City Department.
- 6 4 The CITY shall have the authority during normal business hours to make physical inspections to the operating facility occupied to administer this CONTRACT and to require such physical safeguarding devices as locks, alarms, security/surveillance

systems safes fire extinguishers sprinkler systems, etc , to safeguard property and/or equipment authorized by this CONTRACT

- 6 5 CONTRACTOR s board of Directors and Management shall adopt and approve an Employee Integrity Policy and shall establish and use internal program management procedures to preclude theft, embezzlement, improper inducement, obstruction of investigation or other criminal action, and to prevent fraud and program abuse These procedures shall specify the consequences to CONTRACTOR s employees and vendors involved in such illegal activities to include, but not be limited to, termination and prosecution where necessary Said procedures shall be provided to the Managing City Department upon request by the Managing City Department
- 6 6 CONTRACTOR agrees to comply with the following check writing and handling procedures
- (A) No blank checks are to be signed in advance
 - (B) No checks are to be made payable to cash or bearer with the exception of those for petty cash reimbursement, not to exceed a \$100 00 maximum per check CONTRACTOR agrees that the aggregate amount of petty cash reimbursement shall not exceed \$200 00 per location for any given calendar month during the term of this CONTRACT unless CONTRACTOR receives prior written approval from the Managing City Department to exceed such limit Such requests for petty cash must be supported by the submission to the Managing City Department of an original receipt
 - (C) Checks issued by the CITY to CONTRACTOR shall be deposited into the appropriate bank account immediately or by the next business day after CONTRACTOR s receipt of each such check, and shall never be cashed for purposes of receiving any of the face amounts back
- 6 7 CITY reserves the right to request CONTRACTOR to provide additional records for long distance calls, faxes, internet service, and/or cell phone calls charged to the CITY

VII AUDIT

- 7 1 If CONTRACTOR expends \$500,000 00 or more of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall have completed an independent audit of its financial statements performed within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR s fiscal year or termination of this CONTRACT, whichever is earlier CONTRACTOR understands and agrees to furnish the Managing City Department a copy of the audit report within a period not to exceed fifteen (15) days upon receipt of the report In addition to the report, a copy of the corrective action plan, summary schedule of prior audit findings management letter and/or conduct of audit letter are to be submitted to the Managing City Department by

CONTRACTOR within fifteen (15) days upon receipt of said report or upon submission of said corrective action plan to the auditor

CONTRACTOR agrees and understands that upon notification from federal state, or local entities that have conducted program reviews and/or audits of CONTRACTOR or its programs of any findings about accounting deficiencies or violations of CONTRACTOR s financial operations, a copy of the notification, review, investigation, and audit violations report must be forwarded to the Managing City Department within a period of ten (10) days upon CONTRACTOR's receipt of the report

- 7 2 CONTRACTOR agrees that if CONTRACTOR receives or expends more than \$500 000 00 in federal funds from the CITY, the audit shall be made in accordance with the Single Audit Act Amendments of 1996, the State of Texas Single Audit Circular, and U S Office of Management and Budget Circular (OMBA-133 revision) and CONTRACTOR shall also be required to submit copies of their annual independent audit report, and all related reports issued by the independent certified public accountant within a period not to exceed one hundred twenty (120) days after the end of CONTRACTOR's fiscal year to the Federal Audit Clearinghouse in Jeffersonville, Indiana CONTRACTOR may submit reports through the following website [http //gov fac@census gov](http://gov.fac@census.gov) and may also contact the Clearinghouse by telephone at (301) 763-1551 (voice) or 1-888-222-9907 (toll free) or 1-800-253-0696

Upon completion of Form SF-SAC CONTRACTOR may submit the completed report by mail to

Federal Audit Clearinghouse
1201 E 10th Street
Jeffersonville, Indiana 47132

- 7 3 If CONTRACTOR expends less than \$500,000 00 of CITY funds, then during the term of this CONTRACT, CONTRACTOR shall complete and submit an unaudited financial statement(s) within a period not to exceed ninety (90) days immediately succeeding the end of CONTRACTOR's fiscal year or termination of this CONTRACT, whichever is earlier Said financial statement shall include a balance sheet and income statement prepared by a bookkeeper and a cover letter signed by CONTRACTOR attesting to the correctness of said financial statement
- 7 4 All financial statement(s) must include a schedule of receipts and disbursements by budgeted cost category for each program funded by or through the CITY
- 7 5 The CITY reserves the right to conduct, or cause to be conducted an audit or review of all funds received under this CONTRACT at any and all times deemed necessary by the CITY The CITY Internal Audit Staff, a Certified Public Accounting (CPA) firm or other personnel as designated by the CITY may perform such audit(s) or reviews The CITY reserves the right to determine the scope of every audit In accordance herewith,

CONTRACTOR agrees to make available to the CITY all accounting and Project records

‘ CONTRACTOR shall during normal business hours, and as often as deemed necessary by the CITY and/or the applicable state, or federal governing agency or any other auditing entity, make available the books, records, documents, reports, and evidence with respect to all matters covered by this CONTRACT and shall continue to be so available for a minimum period of three (3) years’ or whatever period is determined necessary based on the Records Retention guidelines established by applicable law for this CONTRACT Said records shall be maintained for the required period beginning immediately after contract termination save, and except there is litigation or if the audit report covering such agreement has not been accepted, CONTRACTOR shall retain the records until the resolution of such issues has satisfactorily occurred The auditing entity shall have the authority to audit, examine and make excerpts, transcripts, and copies from all such books, records, documents and evidence, including all books and records used by CONTRACTOR in accounting for expenses incurred under this CONTRACT, all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to matters covered by this CONTRACT

The CITY may, in its sole and absolute discretion, require the CONTRACTOR to use any and all of the CITY’s accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of all fiscal matters relating to this CONTRACT, and CONTRACTOR shall abide by such requirements

- 7 6 When an audit or examination determines that CONTRACTOR has expended funds or incurred costs, which are questioned by the CITY and/or the applicable state or federal governing agency, CONTRACTOR shall be notified and provided an opportunity to address the questioned expenditure or costs

Should any expense or charge that has been reimbursed be subsequently disapproved or disallowed as a result of any site review or audit, CONTRACTOR will immediately refund such amount to the CITY no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY At its sole option, the Managing City Department may instead deduct such claims from subsequent reimbursements, however, in the absence of prior notice by the CITY of the exercise of such option, CONTRACTOR shall provide to the CITY a full refund of such amount no later than ten (10) days from the date of notification of such disapproval or disallowance by the CITY If CONTRACTOR is obligated under the provision hereof to refund a disapproved or disallowed cost incurred such refund shall be required and be made to the CITY by cashiers check or money order Should the CITY, at its sole discretion, deduct such claims from subsequent reimbursements CONTRACTOR is forbidden from reducing Project expenditures and CONTRACTOR must use its own funds to maintain the Project

CONTRACTOR agrees and understands that all expenses associated with the collection of delinquent debts owed by CONTRACTOR shall be the sole responsibility of

CONTRACTOR and shall not be paid from any Project funds received by CONTRACTOR under this CONTRACT

- 7 7 If the CITY determines, in its sole discretion, that CONTRACTOR is in violation of the above requirements, the CITY shall have the right to dispatch auditors of its choosing to conduct the required audit and to have the CONTRACTOR pay for such audit from non-CITY resources

VIII RECORDS, REPORTING, AND COPYRIGHTS

- 8 1 The Managing City Department is assigned monitoring, fiscal control, and evaluation of projects. Therefore, at such times and in such form as may be required by the Managing City Department, CONTRACTOR shall furnish to the Managing City Department and the Grantor of the Grant Funds, if applicable, such statements, records, data, all policies and procedures, and information and permit the CITY and Grantor of the Grant Funds, if applicable, to have interviews with its personnel, board members and program participants pertaining to the matters covered by this CONTRACT.
- 8 2 CONTRACTOR shall submit to the Managing City Department such reports as may be required by U.S. Department of Housing and Urban Development (HUD), including Performance Records/Reports, a copy of which is affixed hereto and incorporated herein as Attachment IV. The Performance Records/Reports are to be submitted by CONTRACTOR no later than the tenth (10th) business day of each month. CONTRACTOR ensures that all information contained in all required reports submitted to the CITY is accurate.
- 8 3 CONTRACTOR agrees to maintain in confidence all information pertaining to the Project or other information and materials prepared for, provided by, or obtained from the CITY including, without limitation, reports, information, project evaluation, project designs, data, other related information (collectively, the "Confidential Information") and to use the Confidential Information for the sole purpose of performing its obligations pursuant to this CONTRACT. CONTRACTOR shall protect the Confidential Information and shall take all reasonable steps to prevent the unauthorized disclosure, dissemination, or publication of the Confidential Information. If disclosure is required (i) by law or (ii) by order of a governmental agency or court of competent jurisdiction, CONTRACTOR shall give the Director of the Managing City Department prior written notice that such disclosure is required with a full and complete description regarding such requirement. CONTRACTOR shall establish specific procedures designed to meet the obligations of this Article VIII, Section 8 3 including, but not limited to, execution of confidential disclosure agreements, regarding the Confidential Information with CONTRACTOR's employees and subcontractors prior to any disclosure of the Confidential Information. This Article VIII, Section 8 3 shall not be construed to limit the CITY's or its authorized representatives' right of access to records or other information, confidential or otherwise, under this CONTRACT. Upon termination of this CONTRACT, CONTRACTOR shall return to the CITY all copies of materials related to the Project, including the Confidential Information.

8 4 The Public Information Act Government Code, Section 552 021, requires the CITY to make public information available to the public Under Government Code, Section 552 002(a), public information means information that is collected, assembled or maintained under a law or ordinance or in connection with the transaction of official business 1) by a governmental body, or 2) for a governmental body and the governmental body owns the information or has a right of access to it Therefore, if CONTRACTOR receives inquiries regarding documents within its possession pursuant to this CONTRACT CONTRACTOR shall within twenty-four (24) hours of receiving the requests forward such requests to the CITY for disposition If the requested information is confidential pursuant to State or Federal law, CONTRACTOR shall submit to the CITY the list of specific statutory authority mandating confidentiality no later than three (3) business days of CONTRACTOR's receipt of such request

8 5 In accordance with Texas law, CONTRACTOR acknowledges and agrees that all local government records as defined in Chapter 201, Section 201 003 (8) of the Texas Local Government Code created or received in the transaction of official business or the creation or maintenance of which were paid for with public funds are declared to be public property and subject to the provisions of Chapter 201 of the Texas Local Government Code and Subchapter J, Chapter 441 of the Texas Government Code Thus, CONTRACTOR agrees that no such local government records produced by or on the behalf of CONTRACTOR pursuant to this CONTRACT shall be the subject of any copyright or proprietary claim by CONTRACTOR

CONTRACTOR acknowledges and agrees that all local government records as described herein, produced in the course of the work required by this CONTRACT, shall belong to and be the property of the CITY and shall be made available to the CITY at any time CONTRACTOR further agrees to turn over to the CITY all such records upon termination of this CONTRACT CONTRACTOR agrees that it shall not, under any circumstances, release any records created during the course of performance of this CONTRACT to any entity without the written permission of the Director of the Managing City Department, unless required to do so by a court of competent jurisdiction The Managing City Department shall be notified of such request as set forth in Article VIII, Section 8 3 of this CONTRACT

8 6 Ownership of Intellectual Property CONTRACTOR and the CITY agree that the Project shall be and remain the sole and exclusive proprietary property of the CITY The Project shall be deemed a "work for hire" within the meaning of the copyright laws of the United States, and ownership of the Project and all rights therein shall be solely vested in the CITY CONTRACTOR hereby grants, sells, assigns, and conveys to the CITY all rights in and to the Project and the tangible and intangible property rights relating to or arising out of the Project, including, without limitation, any and all copyright, patent and trade secret rights All intellectual property rights including, without limitation, patent, copyright trade secret, trademark, brand names, color schemes, designs, screens, displays, user interfaces, data structures, organization, sequences of operation, trade dress, and other proprietary rights (the "Intellectual Property Rights") in the Project shall

be solely vested in the CITY CONTRACTOR agrees to execute all documents reasonably requested by the CITY to perfect and establish the City's right to the Intellectual Property Rights In the event the CITY shall be unable, after reasonable effort, to secure CONTRACTOR's signature on any documents relating to Intellectual Property Rights in the Project, including without limitation, any letters patent, copyright or other protection relating to the Project, for any reason whatsoever, CONTRACTOR hereby irrevocably designates and appoints the CITY and its duly authorized officers and agents as CONTRACTOR's agent and attorney-in-fact, to act for and in CONTRACTOR's behalf and stead to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or other analogous protection thereon with the same legal force and effect as if executed by CONTRACTOR Provided, however, nothing herein contained is intended nor shall it be construed to require CONTRACTOR to transfer any ownership interest in CONTRACTOR's best practice and benchmarking information to the CITY

8 7 Within a period not to exceed forty-five (45) days from the termination date of this CONTRACT, CONTRACTOR shall submit all final client and/or fiscal reports and all required deliverables to the CITY CONTRACTOR understands and agrees that in conjunction with the submission of the final report, CONTRACTOR shall execute and deliver to the CITY a receipt for all sums and a release of all claims against the Project

8 8 CONTRACTOR shall provide to the Managing City Department all information requested by the Managing City Department relating to CONTRACTOR s board functions Information required for submission shall include but may not be limited to

- (A) Roster of current Board Members (name, title, address telephone number, fax number and e-mail address),
- (B) Current Bylaws and Charter,
- (C) Terms of Officers,
- (D) Amendments to Bylaws
- (E) Schedule of anticipated board meetings for current Fiscal Year,
- (F) Minutes of board meetings that are approved by CONTRACTOR's board will become part of the CONTRACTOR s Project records and as such, must be available to the CITY staff upon request, provided, however CONTRACTOR shall submit to the CITY minutes of board meetings that are approved by the CONTRACTOR's board on a quarterly basis for contracts with the CITY that are in an amount of \$1,000,000 00 or greater,
- (G) Board agenda to be submitted at least three (3) business days prior to each board meeting

8 9 CONTRACTOR agrees to comply with official records retention schedules in accordance with the Local Government Records Act of 1989 and any amendments thereto, referenced in Section 11 3 of this CONTRACT

IX INSURANCE

9 1 CONTRACTOR agrees to comply with the following insurance provisions

- (A) Prior to the commencement of any work under this CONTRACT, CONTRACTOR shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the CITY s Office of Grants Monitoring and Administration, which shall be clearly labeled ‘Antioch Community Transformation Network - Senior Fitness & Activity Program’ in the Description of Operations block of the Certificate The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf The CITY will not accept Memorandum of Insurance or Binders as proof of insurance The original certificate(s) or form must have the agent s original signature, including the signer’s company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements directly from the insurer’s authorized representative to the CITY The CITY shall have no duty to pay or perform under this CONTRACT until such certificate and endorsements have been received and approved by the CITY s Office of Grants Monitoring and Administration No officer or employee, other than the CITY S Risk Manager, shall have authority to waive this requirement
- (B) The CITY reserves the right to review the insurance requirements of this Article during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by the CITY s Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this CONTRACT In no instance will the CITY allow modification whereupon the CITY may incur increased risk
- (C) CONTRACTOR’s financial integrity is of interest to the CITY, therefore, subject to CONTRACTOR s right to maintain reasonable deductibles in such amounts as are approved by the CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this CONTRACT, and any extension hereof, at CONTRACTOR s sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A M Best s rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below

POLICY TYPES	AMOUNTS
Broad Form Commercial General Liability Insurance to include	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1 000 000 per occurrence,

coverage for the following a Premises operations b Independent contractors c Products/completed operations d Personal Injury e Contractual Liability	\$2,000 000 General Aggregate or its equivalent in Umbrella or Excess Liability Coverage
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- (D) The CITY shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto as they apply to the limits required by the CITY, and may require the deletion, revision, or modification of particular policy terms conditions limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies) CONTRACTOR shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to the CITY at the address provided below within ten (10) days of the requested change CONTRACTOR shall pay any costs incurred resulting from said changes

City of San Antonio
 Attn Office of Grants Monitoring and Administration
 P O Box 839966
 San Antonio, Texas 78283-3966

- (E) CONTRACTOR agrees that with respect to the above-required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions

- Name the CITY and its officers officials, employees, volunteers, and elected representatives as additional insureds by endorsement as respects operations and activities of, or on behalf of, the named insured performed under contract with the CITY, with the exception of the workers compensation and professional liability policies,
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the CITY is an additional insured shown on the policy,
- Workers compensation and employers' liability policies will provide a waiver of subrogation in favor of the CITY, and
- Provide thirty (30) calendar days advance written notice directly to the CITY of any suspension cancellation non-renewal or material

change in coverage and not less than ten (10) calendar days advance written notice for nonpayment of premium

- (F) Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, CONTRACTOR shall provide a replacement Certificate of Insurance and applicable endorsements to the CITY. The CITY shall have the option to suspend CONTRACTOR's performance should there be a lapse in coverage at any time during this CONTRACT. Failure to provide and to maintain the required insurance shall constitute a material breach of this CONTRACT.
- (G) In addition to any other remedies the CITY may have upon CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the CITY shall have the right to order CONTRACTOR to stop work hereunder, and/or withhold any payment(s) which become due to CONTRACTOR hereunder until CONTRACTOR demonstrates compliance with the requirements hereof.
- (H) Nothing herein contained shall be construed as limiting in any way the extent to which CONTRACTOR may be held responsible for payments of damages to persons or property resulting from CONTRACTOR's or its subcontractors performance of the work covered under this CONTRACT.
- (I) It is agreed that CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this CONTRACT.
- (J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this CONTRACT.
- (K) CONTRACTOR and any subcontractors are responsible for all damage to their own equipment and/or property.

X. INDEMNITY

10.1 CONTRACTOR agrees to comply with the following indemnity provision

- (A) **CONTRACTOR covenants and agrees to FULLY INDEMNIFY, and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers, and representatives of the CITY, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CONTRACTOR's activities under this CONTRACT, including any acts or omissions of CONTRACTOR, any agent, officer, director, representative,**

employee, consultant or subcontractor of CONTRACTOR, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this CONTRACT, all without, however, waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS CONTRACT. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CONTRACTOR shall promptly advise the CITY in writing of any claim or demand against the CITY or CONTRACTOR known to CONTRACTOR related to or arising out of CONTRACTOR's activities under this CONTRACT and shall see to the investigation of and defense of such claim or demand at CONTRACTOR's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CONTRACTOR of any of its obligations under this paragraph.

- (B) It is the EXPRESS INTENT of the parties to this CONTRACT, that the INDEMNITY provided for in this Article is an INDEMNITY extended by CONTRACTOR to INDEMNIFY, PROTECT and HOLD HARMLESS, the CITY from the consequences of the CITY's OWN NEGLIGENCE, provided however, that the INDEMNITY provided for in this Article SHALL APPLY only when the NEGLIGENT ACT of the CITY is a CONTRIBUTORY CAUSE of the resultant injury, death, or damage, and shall have no application when the negligent act of the CITY is the sole cause of the resultant injury, death, or damage. CONTRACTOR further AGREES TO DEFEND, AT ITS OWN EXPENSE, and ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

XI APPLICABLE LAWS

- 11.1 CONTRACTOR certifies that it will provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988 and the Drug-Free Workplace Rules established by the Texas Worker's Compensation Commission effective April 17, 1991. Failure to comply with the above-referenced law and regulations could subject CONTRACTOR to suspension of payments, termination of this CONTRACT, and debarment and suspension actions.

11.2 CONTRACTOR understands that certain funds provided pursuant to this CONTRACT are funds which have been made available by the CITY's General Operating Budget and/or by federal, state, or other granting entities. Consequently, CONTRACTOR agrees to comply with all laws, rules, regulations, policies, and procedures applicable to the funds received by CONTRACTOR hereunder as directed by the CITY or as required in this CONTRACT. In addition, CONTRACTOR shall comply with the following Office of Management and Budget (OMB) Circulars, as applicable to the funds received by CONTRACTOR hereunder:

- (A) OMB Circular A-21, entitled, 'Cost Principles for Educational Institutions',
- (B) OMB Circular A-87, entitled, 'Cost Principles for State, Local, and Indian Tribal Governments'
- (C) OMB Circular A-102, entitled "Grants and Cooperative Agreements with State and Local Governments",
- (D) OMB Circular A-122, entitled, "Cost Principles for Non-Profit Organizations , and
- (E) OMB Circular A-133, entitled, ' Audits of States, Local Governments, and Not for Profit Organizations "

11.3 All of the work performed under this CONTRACT by CONTRACTOR shall comply with all applicable laws, rules, regulations, and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar. Additionally, CONTRACTOR shall comply with the following:

- Local Government Records Act of 1989 official record retention schedules,
- Government Code Chapter 552 pertaining to Texas Public Information Act,
- Texas Government Code Chapter 2254 pertaining to Professional and Consulting Services, and
- Texas Local Government Code

In addition to the applicable laws referenced above, CONTRACTOR must also adhere to compliance requirements that are applicable to the specific funding source(s) from which funds paid to CONTRACTOR hereunder originated. For example, CDBG contractors are required to follow applicable CDBG regulations.

11.4 CONTRACTOR shall not engage in employment practices, which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, CONTRACTOR agrees to abide

by all applicable provisions of the City of San Antonio Ordinance No 69403 on file in the City Clerk's Office. Additionally, CONTRACTOR certifies that it will comply fully with the following non-discrimination, minimum wage, and equal opportunity provisions, including but not limited to:

- (A) Title VII of the Civil Rights Act of 1964, as amended
- (B) Section 504 of the Rehabilitation Act of 1973 as amended,
- (C) The Age Discrimination Act of 1975 as amended,
- (D) Title IX of the Education Amendments of 1972, as amended, (Title 20 USC sections 1681-1688),
- (E) Fair Labor Standards Act of 1938, as amended,
- (F) Equal Pay Act of 1963, P L 88-38 and
- (G) All applicable regulations implementing the above laws

11.5 CONTRACTOR warrants that any and all taxes that CONTRACTOR may be obligated for, including but not limited to, federal, state, and local taxes, fees, special assessments, federal and state payroll and income taxes, personal property, real estate, sales and franchise taxes, are current, and paid to the fullest extent liable as of the execution date of this CONTRACT. CONTRACTOR shall comply with all applicable local, state, and federal laws including but not limited to:

- (A) Worker's compensation,
- (B) Unemployment insurance,
- (C) Timely deposits of payroll deductions,
- (D) Filing of Information on Tax Return Form 990 or 990T, Quarterly Tax Return Form 941, W-2's, Form 1099 on individuals who received compensation other than wages, such as car allowance, Forms 1099 and 1096 for contract or consultant work, non-employee compensation, etc.,
- (E) Occupational Safety and Health Act regulations, and
- (F) Employee Retirement Income Security Act of 1974 P L 93-406

11.6 CONTRACTOR agrees to comply with the Americans with Disabilities Act P L 101-336, enacted July 26, 1990, and all regulations thereunder.

- 11 7 CONTRACTOR agrees to abide by any and all future amendments or additions to such laws, rules, regulations policies, and procedures as they may be promulgated
- 11 8 All expenditures by CONTRACTOR or any of its subcontractors must be made in accordance with all applicable federal, state and local laws, rules and regulations
- 11 9 CONTRACTOR shall submit to the Managing City Department on an annual basis Form 990 or 990T

XII. NO SOLICITATION/CONFLICT OF INTEREST

- 12 1 CONTRACTOR warrants that no person or selling agency or other organization has been employed or retained to solicit or secure this CONTRACT upon a contract or understanding for a commission, percentage, brokerage, or contingent fee and further that no such understanding or agreement exists or has existed with any employee of the CONTRACTOR or the CITY For breach or violation of this warrant the CITY shall have the right to terminate this CONTRACT without liability or, at its discretion, to deduct from the CONTRACT or otherwise recover the full amount of such commission, percentage brokerage or contingent fee, or to seek such other remedies as legally may be available
- 12 2 CONTRACTOR covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this CONTRACT CONTRACTOR further covenants that in the performance of this CONTRACT, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff
- 12 3 CONTRACTOR further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others particularly those with which they have family, business, or other ties
- 12 4 No member of the CITY s governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this CONTRACT shall
 - (A) Participate in any decision relating to this CONTRACT which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest, or
 - (B) Have any direct or indirect interest in this CONTRACT or the proceeds thereof
- 12 5 CONTRACTOR acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a CITY officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any

contract with the CITY or any CITY agency such as CITY-owned utilities. An officer or employee has 'prohibited financial interest' in a contract with the CITY or in the sale to the CITY of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a CITY officer or employee, his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity; or ten percent (10%) or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is subcontractor on a CITY contract; a partner or a parent or subsidiary business entity.

- 12.6 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon, (that neither CONTRACTOR nor his or her spouse, parent, child, sibling or first-degree relative is a CITY officer or employee as defined by Section 2-52 (e) of the CITY Ethics Code. If CONTRACTOR is a business entity, CONTRACTOR representative further warrants and certifies that no CITY officer or employee nor any spouse, parent, child, sibling or first-degree relative of a CITY officer or employee owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity). CONTRACTOR further warrants and certifies that it has tendered to the CITY a Discretionary Contracts Disclosure Statement in compliance with the CITY's Ethics Code.

XIII TERMINATION

- 13.1 Termination for Cause – Should CONTRACTOR fail to fulfill, in a timely and proper manner, obligations under this CONTRACT to include performance standards established by the CITY, or if CONTRACTOR should violate any of the covenants, conditions, or stipulations of this CONTRACT, the CITY shall thereupon have the right to terminate this CONTRACT by sending written notice to CONTRACTOR of such termination and specify the effective date thereof (which date shall not be sooner than the end of ten (10) days following the day on which such notice is sent). CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone, and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance, of its obligations for which final payment is sought.
- 13.2 Termination for Convenience – This CONTRACT may be terminated in whole or in part when the CITY determines that continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds. Such termination by the CITY shall specify the date thereof, which date shall not be sooner than thirty (30) days following the day on which notice is sent. CONTRACTOR shall also have the right to terminate this CONTRACT and specify the date thereof, which date shall not be sooner than the end of thirty (30) days following the day on which notice is sent. CONTRACTOR shall be entitled to receive just and equitable compensation for any

work satisfactorily completed prior to such termination date. The question of satisfactory completion of such work shall be determined by the CITY alone and its decision shall be final. It is further expressly understood and agreed by the parties that CONTRACTOR's performance upon which final payment is conditioned shall include, but not be limited to, CONTRACTOR's complete and satisfactory performance of its obligations for which final payment is sought.

- 13.3 Notwithstanding any other remedy contained herein or provided by law, the CITY may delay, suspend, limit or cancel funds, rights, or privileges herein given CONTRACTOR for failure to comply with the terms and provisions of this CONTRACT. Specifically, at the sole option of the CITY, CONTRACTOR may be placed on probation during which time the CITY may withhold reimbursements in cases where it determines that the CONTRACTOR is not in compliance with this CONTRACT. CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of this CONTRACT, and the CITY may withhold funds otherwise due as damages, in addition to retaining and utilizing any other remedies available to the CITY.
- 13.4 Should CONTRACTOR be debarred by the CITY pursuant to a debarment policy currently existing or hereafter adopted, said debarment may within the CITY's sole and absolute discretion, be grounds for termination for cause.

XIV PROHIBITION OF POLITICAL ACTIVITIES

- 14.1 CONTRACTOR agrees that no funds provided from or through the CITY shall be contributed or used to conduct political activities for the benefit of any candidate for elective public office, political party, organization or cause, whether partisan or non-partisan, nor shall the personnel involved in the administration of the Project provided for in this CONTRACT be assigned to work for or on behalf of any partisan or non-partisan political activity.
- 14.2 CONTRACTOR agrees that no funds provided under this CONTRACT may be used in any way to attempt to influence, in any manner, a member of congress or any other state or local elected or appointed official.
- 14.3 The prohibitions set forth in Article XIV, Sections 14.1 and 14.2 of this CONTRACT include but are not limited to, the following:
- (A) An activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation,
 - (B) Working or directing other personnel to work on any political activity during time paid for with CITY funds, including, but not limited to activities such as taking part in voter registration drives, voter transportation activities, lobbying, collecting contributions, making speeches, organizing or assisting at meetings or rallies or distributing political literature,

- (C) Coercing personnel, whether directly or indirectly, to work on political activities on their personal time including activities such as taking part in voter registration drives voter transportation activities lobbying, collecting contributions making speeches, organizing or assisting at meetings or rallies, or distributing political literature and
 - (D) Using facilities or equipment paid for, in whole or in part with CITY funds for political purposes including physical facilities such as office space, office equipment, or supplies such as telephones, computers, fax machines, during and after regular business hours
- 14 4 To ensure that the above policies are complied with, CONTRACTOR shall provide every member of its personnel paid out of CITY funds with a statement of the above prohibitions and have each said individual sign a statement acknowledging receipt of the policy Such statement shall include a paragraph that directs any staff person who has knowledge of violations or feels that he or she has been pressured to violate the above policies to call and report the same to the Managing City Department CONTRACTOR shall list the name and number of a contact person from the Managing City Department on the statement that CONTRACTOR's personnel can call to report said violations
- 14 5 CONTRACTOR agrees that in any instance where an investigation of the above is ongoing or has been confirmed, reimbursements paid to CONTRACTOR under this CONTRACT may, at the CITY's discretion, be withheld until the situation is resolved
- 14 6 This Article shall not be construed to prohibit any person from exercising his or her right to express his or her opinion or to limit any individual's right to vote Further CONTRACTOR and staff members are not prohibited from participating in political activities on their own volition, if done during time not paid for with CITY funds

XV PERSONNEL MANAGEMENT

- 15 1 CONTRACTOR agrees to establish internal procedures that assure employees of an established complaint and grievance policy The grievance policy will include procedures to receive, investigate, and resolve complaints and grievances in an expeditious manner
- 15 2 CONTRACTOR is permitted to pay its full time employees for the total number of holidays authorized by the City Council for the City of San Antonio employees If the CONTRACTOR elects to observe more than the total number of holidays authorized by the City Council for the City of San Antonio employees, then such additional days are not eligible for reimbursement under this CONTRACT
- 15 3 CONTRACTOR agrees that the job titles and descriptions set forth in the Project Budget (Attachment II) that affect a salary or range increase may not be changed without justification and prior written approval from the Director of the Managing City

Department as evidenced through a written amendment to this CONTRACT approved by the Director of the Managing City Department

- 15 4 CONTRACTOR agrees that all copies of written job descriptions will be filed in all individual personnel folders for each position in the organization
- 15 5 CONTRACTOR agrees to provide the CITY with the names and license registration of any employees of contractor regulated by state law whose activities contribute towards facilitate, or coordinate the performance of this CONTRACT
- 15 6 At the sole discretion of the Director of the Managing City Department, CONTRACTOR may be reimbursed by the CITY for the cost of pay granted to full time, permanent employees that is not chargeable to annual or personal leave only for the reasons listed below
- (A) To attend annual training in a branch of the Armed Services, not to exceed fifteen (15) business days during the term of this CONTRACT,
 - (B) To serve as a juror,
 - (C) To attend the funeral of someone in the immediate family Immediate family shall include father, mother, sister, brother, husband, wife or child, and other relatives, (including in-laws) if such other relatives are actually members of the employee's household In such event, CONTRACTOR may grant up to three (3) work days of leave with pay that is not chargeable to annual or personal leave, or
 - (D) To attend seminars or workshops
- 15 7 Chief Executive Officers (CEOs), directors and other supervisory personnel of CONTRACTOR may not supervise a spouse parents, children, brothers, sisters and in-laws standing in the same relationship (hereinafter referred to as "Relatives") who are involved in any capacity with program delivery supported through CITY funds Relatives, however, may be co-workers in the same Project in a non-supervisory position

XVI ADVERSARIAL PROCEEDINGS

- 16 1 CONTRACTOR agrees to comply with the following special provisions
- (A) Under no circumstances will the funds received under this CONTRACT be used either directly or indirectly to pay costs or attorney fees incurred in any adversarial proceeding against the CITY or any other public entity, and
 - (B) CONTRACTOR at the CITY's option could be ineligible for consideration to receive any future funding while any adversarial proceedings against the CITY remains unresolved

XVII CITY-SUPPORTED PROJECT

- 17.1 CONTRACTOR shall publicly acknowledge that this Project is supported by the CITY as directed by the Managing City Department

XVIII EQUIPMENT

- 18.1 CONTRACTOR understands and agrees that if equipment is authorized in the CONTRACTOR's approved budget prior approval must be requested and received from the CITY for the purchase of non-expendable items which equal or exceed the single unit cost of \$100.00 and which have an expected lifetime of more than one year, and for groups of items equaling or exceeding the total cost of \$100.00 and which have an expected lifetime of more than one year. CONTRACTOR retains ownership of all equipment/property purchased with funds received through the CITY. It is understood that the terms, 'equipment,' and 'property,' as used herein, shall include not only furniture and other durable property, but also vehicles.
- 18.2 CONTRACTOR shall not use equipment acquired with Community Development Block Grant funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute. CONTRACTOR shall use the equipment for the Project as long as needed, whether or not the Project continues to be supported by Federal funds, but shall not encumber the equipment without approval of HUD. When the equipment is no longer needed for this Project, CONTRACTOR shall use the equipment in connection with CDBG activities. Equipment not needed by CONTRACTOR for CDBG activities shall be transferred to the CITY for its CDBG program or may be retained by CONTRACTOR after compensating the CITY. If the CONTRACT is terminated for cause, CONTRACTOR agrees that title to such equipment/property shall, at the CITY's sole option, revert to the CITY at the CONTRACT's termination. CONTRACTOR agrees to relinquish and transfer possession of and, if applicable, title to said property without the requirement of a court order upon termination for cause of this CONTRACT.
- 18.3 During the time that equipment is used on this Project, CONTRACTOR shall make it available for use on other projects or programs if such other use will not interfere with the work on this Project. First preference for such other use shall be given to other projects or programs sponsored by HUD that financed the equipment, second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government use on other activities not sponsored by the Federal Government shall be permissible only if authorized by HUD. User charges shall be treated as program income.

18.4 CONTRACTOR shall maintain accurate records on all items obtained with CITY funds to include

- (A) A description of the equipment including the model and serial number or other identification number, if applicable
- (B) The date of acquisition, cost, and procurement source, purchase order number, and vendor number,
- (C) Information from which one can calculate the percentage of Federal participation in the cost of the equipment,
- (D) An indication of whether the equipment is new or used,
- (E) The vendor's name (or transferred from),
- (F) The location and condition of the equipment and the date the information was reported,
- (G) The property number shown on the property tag, and
- (H) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where CONTRACTOR compensates the CITY or HUD for its share

18.5 CONTRACTOR shall provide to the CITY an annual physical inventory of equipment and a reconciliation of the results with the equipment records. CONTRACTOR shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference. CONTRACTOR shall, in connection with the inventory, verify the existence, current utilization and continued need for the equipment.

18.6 CONTRACTOR is fully and solely responsible for the safeguarding, maintaining, and reporting of lost, stolen, missing, damaged, or destroyed equipment/property purchased or leased with CITY funds. All lost, stolen, missing, damaged and/or destroyed equipment/property shall be reported to the local Police Department and if applicable, the Federal Bureau of Investigation (FBI). CONTRACTOR shall make such reports immediately and shall notify and deliver a copy of the official report to the Managing City Department within seventy-two (72) hours from the date that CONTRACTOR discovers the lost, stolen, missing, damaged and/or destroyed equipment/property. The report submitted by CONTRACTOR to the Managing City Department shall minimally include

- (A) A reasonably complete description of the missing, damaged or destroyed articles of property including the cost and serial number and other pertinent information

- (B) A reasonably complete description of the circumstances surrounding the loss, theft, damage or destruction, and
- (C) A copy of the official written police report or, should the Police not make such copy available, a summary of the report made to the Police, including the date the report was made and the name and badge number of the Police Officer who took the report

18 7 CONTRACTOR shall implement adequate maintenance procedures to keep the equipment in good condition. Additionally, all equipment purchased under this CONTRACT shall be fully insured against fire loss, and theft.

18 8 CONTRACTOR agrees that no equipment purchased with CITY funds may be disposed of without receiving prior written approval from the Managing City Department. Where CONTRACTOR is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return and all sale proceeds shall be program income, prorated to reflect the extent to which Community Development Block Grant funds were used to acquire the equipment. In cases of theft and/or loss of equipment, it is the responsibility of CONTRACTOR to replace it with like equipment. CITY funds cannot be used to replace equipment in those instances. All replacement equipment will be treated in the same manner as equipment purchased with CITY funds.

XIX TRAVEL

19 1 The cost associated with budgeted travel for business either in-town or out-of-town, are allowable costs provided documentation of expenses is present.

(A) CONTRACTOR agrees that mileage reimbursement paid to CONTRACTOR's employees shall be reimbursed at a rate no more liberal than the CITY's policy for mileage reimbursement, which is consistent with Internal Revenue Service (IRS) rules. CONTRACTOR further agrees that in order for its employees to be eligible for mileage reimbursement the employees 1) shall be required to possess a valid Texas Driver's License and liability insurance as required by law and 2) must record, on a daily basis, odometer readings before and after business use showing total business miles driven each day and must keep such record in the vehicle. Mileage records are subject to spot-checks by the CITY. CONTRACTOR shall strongly encourage the participation by its employees in an approved defensive driving course. Evidence of the required driver's license and liability insurance must be kept on file with CONTRACTOR.

(B) CONTRACTOR agrees that in order to obtain reimbursement of the costs associated with budgeted out of town travel for business in connection with this CONTRACT, CONTRACTOR shall 1) provide the CITY with detailed documentation of such business travel expense(s), 2) ensure that any and all costs associated with out-of-town travel (including per diem rates) shall not be more

liberal than the CITY's travel policies which conform with the reimbursement rates established by the United States General Services Administration 3) purchase all business travel at economy class rates and shall document such, and 4) submit support for conferences to include itineraries and documentation certifying conference attendance

XX NO USE OF FUNDS FOR RELIGIOUS ACTIVITIES

- 20 1 CONTRACTOR agrees that none of the performance rendered hereunder shall involve and no portion of the funds received hereunder shall be used, directly or indirectly, for the acquisition construction operation, maintenance, administration or rehabilitation of a facility to the extent that that facility is used for inherently religious activities, such as worship, religious instruction, or proselytization CONTRACTOR further agrees not to engage in inherently religious activities, such as worship, religious instruction, or proselytization when using said facility

XXI DEBARMENT

- 21 1 CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment declared ineligible or voluntarily excluded from participation in any state or federal program
- 21 2 CONTRACTOR shall provide immediate written notice to the CITY, in accordance with the notice requirements of Article XXV herein if, at any time during the term of this CONTRACT, including any renewals hereof CONTRACTOR learns that its certification was erroneous when made or have become erroneous by reason of changed circumstances

XXII ASSIGNMENT

- 22 1 CONTRACTOR shall not assign or transfer CONTRACTOR's interest in this CONTRACT or any portion thereof without the written consent of the City Council for the City of San Antonio, and if applicable the Grantor of the grant source Any attempt to transfer, pledge or otherwise assign shall be void ab initio and shall confer no rights upon any third person or party

XXIII AMENDMENT

- 23 1 Any alterations, additions or deletions to the terms hereof shall be by amendment in writing executed by both the CITY and CONTRACTOR and evidenced by passage of a subsequent CITY ordinance, as to the CITY's approval provided, however, the Director of the Managing City Department shall have the authority to execute an amendment of this CONTRACT without the necessity of seeking any further approval by the City Council for the City of San Antonio, if permitted by all applicable local, state and federal

laws and in the following circumstances

- (A) An increase in funding of this CONTRACT in an amount not exceeding (a) twenty-five percent (25%) of the total amount of this CONTRACT or (b) \$25,000 00, whichever is the lesser amount provided, however, that the cumulative total of all amendments increasing contract funding during the term of this CONTRACT shall not exceed the foregoing amount
- (B) Modifications to the Performance Measures set forth in Attachment I hereto, so long as the terms of the amendment stay within the parameters set forth in the Statement of Work also set forth in Attachment I hereto,
- (C) Budget line item shifts of funds so long as the total dollar amount of the budget set forth in Section 3 1 of this CONTRACT remains unchanged, provided however, that budget line item shifts of funds related to personnel services cannot exceed the total dollar amount allocated to personnel services set forth in the Project Budget (Attachment II) of this CONTRACT, and
- (D) Modifications to the insurance provisions described in Article IX of this CONTRACT that receive the prior written approval of the City of San Antonio s Risk Manager and the Director of the Managing City Department

XXIV SUBCONTRACTING

- 24 1 None of the work or services covered by this CONTRACT shall be sub-contracted without the prior written consent of the Grantor of the grant source, if so required by said Grantor
- 24 2 CONTRACTOR must comply with all applicable local state and federal procurement standards, rules, regulations, and laws in all its sub-contracts related to the work or funds herein It is further agreed by the parties hereto that the CITY has the authority to monitor, audit examine, and make copies and transcripts of all sub-contracts, as often as deemed appropriate by the CITY If, in the sole determination of the CITY it is found that all applicable local state and federal procurement standards, rules, regulations and laws have not been met by CONTRACTOR with respect to any of its sub-contracts, then CONTRACTOR will be deemed to be in default of this CONTRACT, and as such this CONTRACT will be subject to termination in accordance with the provisions hereof
- 24 3 Any work or services for sub-contracting hereunder, shall be sub-contracted only by written contract and unless specific waiver is granted in writing by the CITY, shall be subject by its terms to each and every provision of this CONTRACT Compliance by sub-contractors with this CONTRACT shall be the responsibility of CONTRACTOR CONTRACTOR agrees that payment for services of any sub-contractor shall be

submitted through CONTRACTOR and CONTRACTOR shall be responsible for all payments to sub-contractors

- 24 4 CONTRACTOR certifies that its subcontractors are not presently debarred, suspended, or proposed for debarment, declared ineligible or voluntarily excluded from participation in any state or federal program

XXV OFFICIAL COMMUNICATIONS

- 25 1 For purposes of this CONTRACT, all official communications and notices among the parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below

CITY

Grants Administrator
Office of Grants Monitoring and Administration
1400 S Flores
San Antonio, Texas 78204

CONTRACTOR

Executive Director
Antioch Community Transformation Network
210-1 S Grimes Suite 109
San Antonio, Texas 78203

Notices of changes of address by either party must be made in writing delivered to the other party's last known address within five (5) business days of the change

XXVI VENUE

- 26 1 CONTRACTOR and the CITY agree that this CONTRACT shall be governed by and construed in accordance with the laws of the State of Texas. Any action or proceeding brought to enforce the terms of this CONTRACT or adjudicate any dispute arising out of this CONTRACT shall be brought in a court of competent jurisdiction in San Antonio, Bexar County Texas

XXVII GENDER

27 1 Words of any gender used in this CONTRACT shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires

XXVIII AUTHORITY

28 1 The signer of this CONTRACT for CONTRACTOR represents, warrants assures and guarantees that he has full legal authority to execute this CONTRACT on behalf of CONTRACTOR and to bind CONTRACTOR to all of the terms conditions, provisions and obligations herein contained CONTRACTOR shall provide evidence to the CITY upon execution of this CONTRACT that it is currently operating as a non-profit entity with a current Internal Revenue Code, Section 501(c)(3) status, or a for-profit entity governed by an autonomous governing body, acting in accordance with the governing instruments submitted to the CITY in the application for funding Whether a non-profit or for-profit entity, CONTRACTOR must be authorized to do business in the State of Texas and be formed under and operating in accordance with all applicable laws of the State of Texas CONTRACTOR shall provide Managing City Department verification of the foregoing requirements no later than the execution date of this CONTRACT

XXIX LICENSES AND TRAINING

29 1 CONTRACTOR warrants and certifies that CONTRACTOR's employees and its subcontractors have the requisite training, license, or certification to provide said services and meet all competence standards promulgated by all other authoritative bodies, as applicable to the services provided herein

XXX INDEPENDENT CONTRACTOR

30 1 It is expressly understood and agreed that CONTRACTOR is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions and that the CITY shall in no way be responsible therefore and that neither party hereto has authority to bind the other nor to hold out to third parties that it has the authority to bind the other

30 2 Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal-agent, partners, joint venture or any other similar such relationship between the parties hereto

30 3 Any and all of the employees of CONTRACTOR wherever located, while engaged in the performance of any work required by the CITY under this CONTRACT shall be considered employees of CONTRACTOR only and not of the CITY and any and all

claims that may arise from the Workers Compensation Act on behalf of said employees while so engaged shall be the sole obligation and responsibility of CONTRACTOR

XXXI SEVERABILITY

- 31 1 If any clause or provision of this CONTRACT is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the CITY Charter, CITY Code, or ordinances of the CITY, then and in that event it is the intention of the parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this CONTRACT shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein, it is also the intention of the parties hereto that in lieu of each clause or provision of this CONTRACT that is invalid, illegal or unenforceable, there be added as a part of this CONTRACT a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable

XXXII. CONTRIBUTION PROHIBITIONS

The provisions of Article XXXII shall apply to all contracts considered "high risk" as that term is defined in the City of San Antonio Contracting Policy and Process Manual

- 32 1 CONTRACTOR acknowledges that City Code Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a 'high-risk' discretionary contract as defined by the City of San Antonio Contracting Policy and Process Manual may not make a campaign contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFP) or Request for Qualifications (RFQ) until thirty (30) calendar days following the contract award. CONTRACTOR understands that if the legal signatory entering this CONTRACT has made such a contribution, the CITY may not award the contract to that contributor or to that contributor's business entity. Any legal signatory for a proposed high-risk contract must be identified within the response to the RFP or RFQ, if the identity of the signatory will be different from the individual submitting the response
- 32 2 CONTRACTOR acknowledges that the CITY has identified this CONTRACT as high risk
- 32 3 CONTRACTOR warrants and certifies, and this CONTRACT is made in reliance thereon that the individual signing this CONTRACT has not made any contributions in violation of City Code Section 2-309, and will not do so for thirty (30) calendar days following the award of this CONTRACT. Should the signor of this CONTRACT violate this provision, the City Council may in its discretion, declare this CONTRACT void

XXXIII ENTIRE CONTRACT

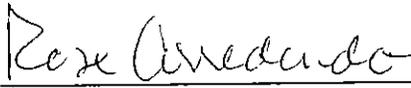
33 1 This CONTRACT and its attachments if any constitute the entire and integrated contract between the parties hereto and contain all of the terms and conditions agreed upon, and supersede all prior negotiations representations or contracts either oral or written

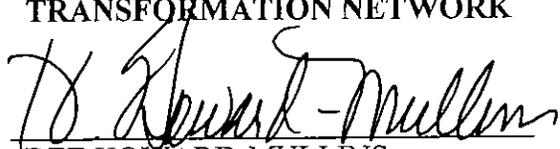
In witness of which this CONTRACT has been executed effective the 8th day of October 2009

CONTRACTING AGENCY

CITY OF SAN ANTONIO

ANTIOCH COMMUNITY TRANSFORMATION NETWORK





JEANETTA TINSLEY
Grants Administrator
Office of Grants Monitoring
and Administration

DEE HOWARD-MULLINS
Executive Director

Board President (if required by Agency)

APPROVED AS TO FORM



ENID M. HOWARD
Assistant City Attorney

ATTACHMENTS

Attachment I – Work Statement

Attachment II – Project Budget

Attachment III – Technical Workbook (to which the Federal Compliance Manual is attached as Attachment III-Exhibit ‘A’)

Attachment IV – Performance Records/Reports

Attachment V – Billing Package

Attachment VI – Special Provisions

ATTACHMENT I

WORK STATEMENT

WORK STATEMENT

- I SUB-GRANTEE Antioch Community Transformation Netwrk
- II PROJECT NAME Senior Fitness and Activity Program
- III STATEMENT OF PROJECT RESPONSIBILITY
- A POLICY Dee Howard-Mullins, Executive Director
COSAs- Grants Monitoring & Administration
- B ADMINISTRATION Dee Howard-Mullins, Executive Director
- C STAFFING Dee Howard-Mullins, Executive Director
- D OPERATIONS Dee Howard-Mullins, Executive Director
- E BUDGET & FISCAL MATTERS Dee Howard-Mullins, Executive Director
COSAs- Grants Monitoring & Administration
- IV PROJECT DESCRIPTION
Program will provide floor exercise, nutritional support, social and educational activities to seniors 62 and over Funds will be used to pay for staff and program supplies related to program
- V PROGRAM GOALS, OBJECTIVES, AND PERFORMANCE INDICATORS (See attached)
Program goal is to facilitate health and wellbeing, reduce isolation, , enhance independence and dignity of senior citizens Program objectives is for seniors to demonstrate enhances physical, mental and and social quality of life and to increase participants knowledge in programs and services benefitting this population For performance indicators, see attached page 3
- VI SERVICE AVAILABILITY (Contact Information, i e location phone and days/hours of operation)
Antioch Community Transformation Network
210-1 South Grimes, Suite 109
San Antonio Texas 78203
210-212-2286, Fax 210-222-2132
Hours of operation Monday through Friday 9 a m to 5 p m

VII TARGET POPULATION Residents of City Council District 2 age 62 years old or older

VIII ELIGIBILITY CRITERIA Must be 62 years old or older

IX FEES Membership and recreational fees may apply

X SPECIAL PROVISIONS (See Attachment VIII)

PROJECT PERFORMANCE MEASURES

PROJECT NAME ACTN Senior Fitness and Activity Program
PROJECT NUMBER 28-035027
SUB-GRANTEE. Antioch Community Transformation Network
CONTRACT PERIOD October 1, 2009 to September 30, 2010

PROJECT MISSION:

Program goal is to facilitate health and wellbeing, reduce isolation, , enhance independence and dignity of senior citizens, through activities such as floor exercise, nutritional support, social and educational activities

PERFORMANCE MEASURES

	GOAL/ADOPTED
	FY 2009-2010
Input	
01 Total CDBG Funds	\$36,816 00
02 Total Other Project Funds	\$12,311 00
03 (Other Measure)	
Output	\$36,816 00
01 Total CDBG Expenditures	\$12,311 00
02 Total Other Expenditures	
03 Total Number of unduplicated clients served	80
04 Number of unduplicated clients attended classes	80
05 Total number of clients served per month (new or duplicated)	225
06 Number of classes/events held	15
07 Average daily attendance	16
Efficiency	
01 Average CDBG cost per client served	\$82 00
02 Average total cost per client served	\$85 00
03	
Effectiveness	
01 % of CDBG Funds Expended	100%
02 % of Other Project Funds Expended	100%
03 % Participants surveyed indicating improved quality of life	80%
04 % Participants surveyed with increased knowledge in health and/or senior services available	80%

ATTACHMENT II

PROJECT BUDGET

- 1 BUDGET DETAIL
- 2 AGENCY FUNDING SOURCES

BUDGET DETAIL
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010

SUB-GRANTEE Antioch Community Transformation Network

PROJECT NAME ACTN Senior Fitness and Activity Program
Contract Execution - Earlier of 9/30/2010 or Project

CONTRACT PERIOD Completion

SALARIES*

Position*	Total	Other Funding	CDBG Amount
Fitness Instructor (100% CDBG Funded)	\$ 2,600 00	0	\$ 2,600 00
Activity Coordinator (100% CDBG Funded)	\$ 10 400 00	0	\$ 10,400 00
Sports Complex Director(10% CDBG Funded)	\$ 3,500 00	0	\$ 3,500 00
Sports Complex Administrative Assistant(20% CDBG Funded)	\$ 1 872 00	0	\$ 1,872 00
Benefits Coordinator (100% CDBG Funded)	\$ 5,760 00	0	\$ 5,760 00
Executive Director (5% CDBG Funded)	\$ 5,000 00	0	\$ 5,000 00
TOTAL	\$ 29,132 00	0	\$ 29,132.00

FRINGE BENEFITS**

Type **	Total	Other Funding	CDBG Amount
FICA (7.65% of total salaries)	\$ 2,229 00	0	\$ 2,229 00
Workers Compensation	\$ 292 00	0	\$ 292 00
TOTAL	\$ 2,521 00		\$ 2,521 00

CONTRACTUAL ***

Type***	Service Detail	Total	Other Funding	CDBG Amount
Office Equipment Rental	Copier Rental	\$480 00	\$480 00	\$ 0
Postage		\$600 00	\$600 00	\$ 0
Audit/Bookkeeping		\$1000 00	\$1000 00	\$ 0
Advertising		\$1000 00	\$1000 00	\$ 0
Mileage	Staff Mileage	\$300 00	\$300 00	\$ 0
Contractor Fees	Bus Service	\$2000 00	\$2000 00	\$ 0
TOTAL		\$5380.00	\$5380.00	\$ 0

CAPITAL OUTLAY ***

Description	Total	Other Funding	CDBG Amount
None			
TOTAL	\$ 0	\$ 0	\$ 0

OTHER ***

Description	Total	Other Funding	CDBG Amount
Office Supplies	\$1000 00	\$1000 00	\$0
Food for Participants	\$2000 00	\$2000 00	\$0
Program Supplies	\$1000 00	\$1000 00	\$0
Communication (Phone and Internet)	\$2400 00	\$1237 00	\$1163 00
Gas and Electricity (3% of total of CPS bill approx \$72,000 00)	\$5694 00	\$1694 00	\$4000 00
TOTAL	\$12094 00	\$6931.00	\$ 5163 00

* Attach Job Descriptions

** Indicate Formula for Determination

*** Requires Prior City Approval

AGENCY FUNDING SOURCES

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY OF SAN ANTONIO
FY 2009-2010**

SUB-GRANTEE Antioch Community Transformation Network

PROJECT NAME ACTN Senior Fitness and Activity Program

Contract Execution - Earlier of 9/30/2010 or Project

CONTRACT PERIOD Completion

PROGRAM	ALL FUNDING SOURCES	AMOUNT
Sr Fit And Activity Program	CDBG	\$36816 00
Sr Fit And Activity Program	General Agency Funds	\$12311 00
Total		\$49127 00

ATTACHMENT III

T E C H N I C A L W O R K B O O K

D. Howard Mullins

SIGNATURE CERTIFIES RECEIPT OF INFORMATION

**ATTACHMENT III
EXHIBIT "A"**

FEDERAL COMPLIANCE MANUAL

D. Howard - Mullins

SIGNATURE CERTIFIES RECEIPT OF INFORMATION

ATTACHMENT IV

PERFORMANCE RECORDS/REPORTS

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28 035027

PROJECT NAME Senior Fitness and Activity Program

FOR MONTH OF _____

SUBGRANTEE Antioch Community Transformation Network

PREPARED BY _____

APPROVED BY _____

FISCAL YEAR 2009 2010	GOAL	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
		Oct 2009	Nov-2009	Dec 2009	Jan-2010	Feb-2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	Aug 2010	Sep 2010
Input													
01 Available CDBG Funds	\$ 36,816												
02 Total Other project funds available	\$12,311												
03 Number CDBG supported staff	6												
Output													
01 Total CDBG expenditures	\$ 36,816												
02 Total Other expenditures	\$ 12,311												
03 Number of unduplicated clients served	80												
04 Number of clients who attended classes (Unduplicated)	80												
05 Number of clients served per month (new and duplicated)	225												
06 Number of events/classes held	15												
07 Average Daily Attendance	16												
Efficiency													
01 Average CDBG cost per client served	\$ 82.00												
02 Average total cost per client served	\$ 85.00												
Effectiveness													
01 % CDBG funds expended	100%												
02 % of Other project funds expended	100%												
03 Participants surveyed indicating improved quality of life	80%												
04 Participants surveyed with increased knowledge in health computer literacy and/or senior services available	80%												
Direct Benefit and District Data													
Unduplicated Clients by ethnicity (Ethnicity codes as reported on Direct Benefit Form)	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	Total	Hispanic Total	
Number of Unduplicated Clients for the Month											0		
Number of Cumulative Unduplicated Clients											0		
Unduplicated Clients Served By District	<u>Dist 1</u>	<u>Dist 2</u>	<u>Dist 3</u>	<u>Dist 4</u>	<u>Dist 5</u>	<u>Dist 6</u>	<u>Dist 7</u>	<u>Dist 8</u>	<u>Dist 9</u>	<u>Dist 10</u>	Female HH	Total	
Estimate												0	
Actual												0	

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)/DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)/DATE _____

ATTACHMENT V

BILLING PACKAGE

INVOICE

SUB-GRANTEE Antioch Community Transformation Network PROJECT NO 28-035027
PROJECT NAME Senior Fitness & Activity Program INVOICE NO _____
ADDRESS 210-1 S Grmes, Suite 109
San Antonio, Tx 78205
BANK _____
PERIOD COVERED _____
PROGRAM Senior Fitness & Activity Program

Internal Order Number	Budget	Cost to Date	Less Payment Rec'd	Amount Due
131000001766	\$36,816 00			
TOTAL	\$36,816 00	\$	\$	\$

Certified Correct _____

City Approval _____

Title _____

Date _____

Date _____

SUMMARY OF EXPENDITURES

PROGRAM Senior Fitness & Activity Program

PERIOD COVERED _____

Internal Order Number	Line Item	Detail	Total Amount
131000001766			
		TOTAL	\$

VOUCHER

(Attach Required Documentation)

PROGRAM _____

AMOUNT _____

CHECK # _____

CHECK DATE _____

VENDOR

NAME _____

ADDRESS _____

DESCRIPTION AND PURPOSE

Approved by _____

Title _____

Date _____

BUDGET ADJUSTMENT*

SUB-GRANTEE _____ PROJECT NO _____

ADDRESS _____ ADJUSTMENT NO _____

_____ DATE _____

PROGRAM _____

Internal Order Number	Activity	Current Budget	Revisions (+) (-)	Revised Budget
TOTAL				

Submitted By _____

City Approval _____

Title Director

Date _____

Date _____

Narrative justification must be attached

ATTACHMENT VII

SPECIAL PROVISIONS

- (B) The parties to this CONTRACT agree to comply with HUD's regulations in 24 C F R Part 135, which implement Section 3. As evidenced by their execution of this CONTRACT, the parties to this CONTRACT certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (C) Contractor agrees to send to each labor organization or representative of workers with which the contract has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- (D) Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C F R Part 135, and agrees to take appropriate action as provided in an applicable provision of the subcontract or in this Section 3 clause upon a finding that the subcontractor is in violation of the regulations in 24 C F R Part 135. Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C F R Part 135.
- (E) Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C F R Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C F R Part 135.
- (F) Noncompliance with HUD's regulations in 24 C F R Part 135 may result in sanctions, termination of this CONTRACT for default, and debarment or suspension from further HUD-assisted contracts, and
- (G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U S C C 450e) also applies to the work to be performed under this CONTRACT. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this CONTRACT that are subject to the provision of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible but not in derogation of compliance with Section 7(b).

ATTACHMENTS

Exhibit "A" Work Program
Exhibit "B" Project Budget
Exhibit "C" Time Sheet
Exhibit "D" Expenditure Report
Exhibit "E" Performance Report

EXHIBIT "A"

WORK PROGRAM

WORK PROGRAM

- I DEPARTMENT Parks and Recreation
- II PROJECT NAME Parks and Recreation Summer Outdoor Pool
- III PROJECT NO 28-035037
- IV PROJECT LOCATION

The summer pool program will operate at the following sites Cassiano 1140 S Zarzamora Concepcion 600 E Theo Cuellar, 503 S W 36th St Elmendorf, 3700 W Commerce, Fairchild 1214 E Crockett Kennedy 3161 Roselawn Kingsborough, 350 Felps St , Lincoln 2803 E Commerce Monterrey 5919 W Commerce Normoyle 700 Culberson, Roosevelt 300 Roosevelt Ave San Pedro, 2200 N Flores Southcross, 819 Southcross S S Lions 900 Hiawatha and Woodlawn 110 Cincinnati

V PROJECT DESCRIPTION

Funds will support the operation of fifteen (15) City swimming pools Funding will provide salary money to the Aquatics Division to keep fifteen (15) outdoor summer pools open an additional one day a week during the summer pool season Opening these pools provides safe and well-supervised places for the children and families of these communities to spend their leisure time while enjoying the company of neighbors and friends Staffing for these facilities comes from the high schools and colleges in the area where these pools are located The Department of Parks and Recreation works closely with local high school swim directors to find qualified swimmers that can meet and pass the Red Cross Lifeguard Training Program and become Certified Lifeguards Those school districts include San Antonio ISD, Edgewood ISD, Harlandale ISD, South San ISD Northside ISD as well as junior colleges and universities

VI PERFORMANCE MEASURES

	Adopted/Goal FY 2009-2010	1 st Qtr Actual	2 nd Qtr Actual	3rd Qtr Actual	4 th Qtr Actual
Input					
01 Available CDBG Funds	\$76 557				
02 Available Other Project Funding	\$637 000				
03 Number of CDBG Supported Staff	176				

Continued

Output					
01 Total CDBG Expenditures	\$76,557				
02 Total Other Funding Expenditures	\$637,000				
03 No. of Participants	231,445				
Efficiency Measures					
01 CDBG Cost Per Participant	\$0.33				
02 Other Cost per Participant	\$2.75				
03 No. of Participants per CDBG Staff	435				
Effectiveness Measures					
01 % of CDBG Fund Expended	100%				
02 % of Other Project Funds Expended	100%				

EXHIBIT "B"

PROJECT BUDGET

PROJECT BUDGET

DEPARTMENT Parks and Recreation
PROJECT NAME Parks and Recreation Summer Outdoor Pool
PROJECT NO 28-035037
TOTAL BUDGET AMOUNT \$76 557 00

<u>Internal Order No</u>	<u>G/L Account No</u>	<u>Description</u>	<u>Budget</u>
131000001776	5202025	Temporary Salaries	\$71 117 00
131000001776	5202025	Temporary FICA (7.65%)	\$5 440 00
		TOTAL BUDGET	\$76 557 00

EXHIBIT "C"

TIMESHEET

CITY OF SAN ANTONIO
GRANTS MONITORING & ADMINISTRATION

TIME DISTRIBUTION RECORD

Employee Name _____ Title _____

SAP Number _____ Pay Period Ending _____

	DATE	CDBG Hours Worked	HOME Hours Worked	Other Hours Work	TOTAL
Monday					0
Tuesday					0
Wednesday					0
Thursday					0
Friday					0
Saturday					
Sunday					
Total		0	0	0	0
Monday					0
Tuesday					0
Wednesday					0
Thursday					0
Friday					0
Saturday					
Sunday					
Total		0	0	0	0
Total Hours Worked		0	0	0	0

Total Hours % of CDBG
Time
% of HOME
Time
% of Other
Time

To the best of my knowledge, the hours reported are true and correct. I further certify that all time reported on the timesheet was worked solely on CDBG eligible activities unless otherwise indicated.

Employee's Signature

Date

Supervisor's Signature

Date

EXHIBIT "D"
EXPENDITURE REPORT

VOUCHER
(Attach Required Documentation)

PROGRAM _____

AMOUNT _____

VENDOR

NAME _____

ADDRESS _____

DESCRIPTION AND PURPOSE OF EXPENDITURE

Approved by _____

Title _____

Date _____

Note Voucher page should be attached to the copy of supporting documentation submitted with the Expenditure report

EXHIBIT "E"
PERFORMANCE REPORT

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28-035037

SUBGRANTEE Parks and Recreation

PROJECT NAME Summer Outdoor Pool

PREPARED BY _____

FOR QUARTER _____

APPROVED BY _____

FISCAL YEAR 2008-2009	ANNUAL GOAL	Quarter 1	Quarter 2	Quarter 3	Quarter 4	ANNUAL TOTAL/AVG
Input						
01 Total CDBG Funds	\$ 76,557					
02 Total Other Project Funds	\$ 637,000					
03 Number CDBG Funded Staff	176					
Output						
01 Total CDBG expenditures	\$ 76,557					
02 Total Other expenditures	\$ 637,000					
03 Number of Clients Served	231,445					
Efficiency						
01 CDBG Cost Per Participant	\$ 0.33					
02 Other Cost Per Participant	\$ 2.75					
03 Number of Participants per CDBG Staff	\$ 1,315.03					
Effectiveness						
01 % CDBG Funds Expended	100%					
02 % Other Project Funds Expended	100%					

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)

DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)

DATE _____

EXHIBIT "A"

WORK PROGRAM

WORK PROGRAM

- I DEPARTMENT Parks and Recreation
- II PROJECT NAME Parks and Recreation Summer Youth Program at Community Centers
- III PROJECT NO 28-035038
- IV PROJECT LOCATION The Summer Youth Program at Community Centers will take place at the following San Antonio Community Centers

Site Name	Address	Phone
BODE JAMES	901 RIGSBY AVE	532-1212
COPERNICUS	5003 LORD RD	648-1072
CUELLAR RICHARD	5626 SAN FERNANDO	436-0908
DAWSON	2500 E COMMERCE	227-1627
DENVER HGTS	300 PORTER ST	533-5242
DORIE MILLER	2802 M L KING DR	333-4650
FAIRCHILD	1214 E CROCKETT	226-6912
FATHER ROMAN	11030 RUIDOSA	627-2138
GARRETT FRANK	1226 N W 18TH STREET	732-5042
GARZA GILBERT	1450 MIRA VISTA	435-6806
GILL VIRGINIA	7902 WESTSHIRE	675-2123
HARLANDALE	7227 BRIAR	924-8021
MEADOWCLIFF	1260 PINN RD	674-0820
MILLERS POND	6175 OLD PEARSALL RD	623-2900
NORMOYLE	700 CULBERSON	924-0770
PALM HEIGHTS	1201 W MALONE	922-1034
RAMIREZ GILBERT	1011 GILLETTE BLVD	921-0681
SAN JUAN	2307 S CALAVERAS	225-5410
SOUTH SAN	2301 QUINTANA RD	927-1640
SOUTH SIDE LIONS	3100 HIAWATHA ST	532-1502
TOBIN JOHN	1900 W MARTIN	225-0941
WOODARD RUTH	1011 LOCKE ST	225-5445

- V PROJECT DESCRIPTION The Parks and Recreation Summer Youth Program at Community Centers project will consist of two projects the Summer Youth Program and Community Center Summer Extended Hours

The Summer Youth Program is an eight week structured supervised program offered at 22 Community Centers which features recreation themed activities active games sports and more. A weekly enrichment program will also instruct participants with advanced art projects and science experiments along with a fitness and wellness component. The program follows self-monitored guidelines which will limit the number of participants per site. The Summer Youth Program maintains a 1:25 staff to participant ratio. Participants are grouped according to age and staff conducts age-appropriate recreation activities.

The Community Center Summer Extended Hours program (formerly Cool-It program) was created to reach youth during the summer who reside in low to moderate-income areas who want

to participant in recreational activities in a supervised, structured and safe environment The program works in conjunction with the regular summer program offered at 22 of the City's community centers by providing funding to staff the centers beyond their normal 5 30 PM closing to 8 00 PM

Both the Summer Youth Program and the Community Center Summer Extended Hours program reach residents in targeted areas considered to be in the low to moderate-income range but which have some of the highest crime rates in the City The youth in these areas are predominately minorities, considered to be "at-risk" of engaging in behaviors that lead to negative consequences such as drug and alcohol use, gangs and early sexual involvement By participating in the supervised programs youth will find safe places with structured activities during non-school hours, be exposed to healthy life-styles through participation in sports and leisure activities

VI PERFORMANCE MEASURES

Summer Youth Program

	Adopted/Goal FY 2009-2010	1 st Qtr Actual	2 nd Qtr Actual	3 rd Qtr Actual	4 th Qtr Actual
Input					
01 Available CDBG Funds	\$199,782				
02 Available Other Project Funding	\$68,950				
03 No of CDBG Supported Staff	44				
Output					
01 Total CDBG Expenditures	\$199,782				
02 Total Other Funding Expenditures	\$637,000				
03 Number of Participants	2,300				
Efficiency Measures					
01 CDBG Cost per Participant	\$86.86				
02 Other Cost per Participant	\$2.75				
Effectiveness Measures					
01 % of CDBG Fund Expended	100%				
02 % of Other Project Funds Expended	100%				

Community Center Summer Extended Hours

	Adopted/Goal FY 2009-2010	1 st Qtr Actual	2 nd Qtr Actual	3 rd Qtr Actual	4 th Qtr Actual
Input					
01 Available CDBG Funds	\$72,640				
02 No of CDBG Supported Staff	44				
Output					
01 Total CDBG Expenditures	\$72,640				
02 Number of Participants	40,032				
Efficiency Measures					
01 CDBG Cost per Participant	\$1.81				
Effectiveness Measures					
01 % of CDBG Fund Expended	100%				

EXHIBIT "B"

PROJECT BUDGET

PROJECT BUDGET

DEPARTMENT Parks and Recreation

PROJECT NAME Summer Youth Program at Community Centers

PROJECT NO 28-035038

TOTAL BUDGET AMOUNT \$272,422

Summer Youth Program

Internal Order No	GL Account No	Description	Other Funding	CDBG Amount
131000001777	5101015	Temporary Salaries		\$ 185,585
131000001777	5103007	Temporary FICA (7.65%)		\$ 14,197
131000001777		Program Supplies	\$ 25,000	
131000001777		Utilities (during hours of program operation)	\$ 43,960	
		TOTAL BUDGET	\$ 68,960	\$ 199,782

Community Center Summer Extended Hours

Internal Order No	GL Account No	Description	Budget
131000001799	5101015	Temporary Salaries	\$ 67,478
131000001799	5103007	Temporary FICA (7.65%)	\$ 5,162
		TOTAL BUDGET	\$ 72,640

FUNDING SOURCES

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
 CITY OF SAN ANTONIO
 FY 2009-2010

DEPARTMENT Parks and Recreation

PROJECT NAME Summer Youth Recreation Program

CONTRACT PERIOD Contract Execution - Earliest of 9/30/10 or Project Completion

PROGRAM	ALL FUNDING SOURCES	AMOUNT
Summer Youth Program at Community Centers	CDBG	\$ 199 782
Summer Youth Program at Community Centers	Program Income from Registration Fees	\$ 68 950
Community Center Summer Extended Hours	CDBG	\$ 72 640

EXHIBIT "C"

TIMESHEET

CITY OF SAN ANTONIO
GRANTS MONITORING & ADMINISTRATION

TIME DISTRIBUTION RECORD

Employee Name _____ Title _____

SAP Number _____ Pay Period Ending _____

	DATE	CDBG Hours Worked	HOME Hours Worked	Other Hours Work	TOTAL
Monday					0
Tuesday					0
Wednesday					0
Thursday					0
Friday					0
Saturday					
Sunday					
Total		0	0	0	0
Monday					0
Tuesday					0
Wednesday					0
Thursday					0
Friday					0
Saturday					
Sunday					
Total		0	0	0	0
Total Hours Worked		0	0	0	0

Total Hours % of CDBG
Time
% of HOME
Time
% of Other
Time

To the best of my knowledge, the hours reported are true and correct. I further certify that all time reported on the timesheet was worked solely on CDBG eligible activities unless otherwise indicated.

Employee's Signature

Date

Supervisor's Signature

Date

EXHIBIT "D"

EXPENDITURE REPORT

VOUCHER
(Attach Required Documentation)

PROGRAM _____

AMOUNT _____

VENDOR

NAME _____

ADDRESS _____

DESCRIPTION AND PURPOSE OF EXPENDITURE

* * * * *

Approved by _____

Title _____

Date _____

Note Voucher page should be attached to the copy of supporting documentation submitted with the Expenditure report

PROGRAM INCOME REPORT

DEPARTMENT _____
 ADDRESS _____

PROJECT NO _____
 MONTH OF _____

PERIOD COVERED _____
 PROGRAM INCOME RECEIVED \$ _____

Delineate how income was generated (donation fundraising activity sales etc)

Expenses incurred to generate income (see Note) Attach documentation/invoices

<u>ITEM</u>	<u>COST</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
	TOTAL COST \$ _____
	INCOME AVAILABLE \$ _____

NOTE Costs incurred solely to raise capital or obtain contributions may not be charged to the program i.e. advertising of activity program personnel working on activity during normal working hours etc

In accordance with City Council Ordinance No N/A dated N/A 20 program income shall be committed and expended during the current contract period to further eligible program objectives Approval line items in which funds will be spent and the amount of received program income allocated include

INDEX CODE	ACCOUNT	AMOUNT
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

Submitted By _____
 Title Director
 Date _____

TOTAL \$ _____
 Approved / Disapproved
 Grants Monitoring & Administration
 Name _____
 Date _____

EXHIBIT "E"

PERFORMANCE REPORTS

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28-035038

SUBGRANTEE Parks and Recreation

PROJECT NAME Summer Youth Program

PREPARED BY _____

FOR QUARTER _____

APPROVED BY _____

FISCAL YEAR 2008-2009	ANNUAL GOAL	Quarter 1	Quarter 2	Quarter 3	Quarter 4	ANNUAL TOTAL/AVG
Input						
01 Total CDBG Funds	\$ 199,782					
02 Total Other Project Funds	\$ 68,950					
03 Number CDBG Funded Staff	44					
Output						
01 Total CDBG expenditures	\$ 199,782					
02 Total Other expenditures	\$ 68,950					
03 Number of Clients Served	2,300					
Efficiency						
01 CDBG Cost Per Participant	\$ 86.86					
02 Other Cost Per Participant	\$ 29.98					
Effectiveness						
01 % CDBG Funds Expended	100%					
02 % Other Project Funds Expended	100%					

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst)

DATE _____

REVIEWED & APPROVED BY _____ (Supervisor)

DATE _____

MONTHLY PERFORMANCE REPORT

PROJECT NUMBER 28-034029

SUBGRANTEE Parks and Recreation

PROJECT NAME Community Center Summer Extended Hours

PREPARED BY _____

FOR QUARTER _____

APPROVED BY _____

FISCAL YEAR 2008-2009	ANNUAL GOAL	Quarter 1	Quarter 2	Quarter 3	Quarter 4	ANNUAL TOTAL/AVG
Input						
01 Total CDBG Funds	\$ 72,640					
02 Total Other Project Funds	\$ -					
03 Number CDBG Funded Staff	44					
Output						
01 Total CDBG expenditures	\$ 72,640					
02 Total Other expenditures	\$ -					
03 Number of Clients Served	40,032					
Efficiency						
01 CDBG Cost Per Participant	\$ 181					
02 Other Cost Per Participant	\$ -					
Effectiveness						
01 % CDBG Funds Expended	100%					
02 % Other Project Funds Expended	100%					

EXPLANATORY COMMENTS

GMA

REVIEWED & APPROVED BY _____ (Analyst) DATE _____

REVIEWED & APPROVED BY _____ (Supervisor) DATE _____

ATTACHMENT IV

**CDBG FUNDED PERSONNEL CLASSIFICATIONS
&
PAY RANGES**

**MONITORING & OVERSIGHT
*Housing & Community Development***

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0040	Administrative Assistant I	1	3100
0046	Management Analyst	9	3100
0156	Contract Coordinator	5	3100
0178	Contract Manager	3	3100
0826	Fiscal Planning Manger	1	3100
0909	Customer Services Representative	1	3100
1020	Grants Administrator	1	3100
1076	Executive Secretary	1	3100
2063	Administrative Associate	2	3100

**HOUSING SERVICES ADMINISTRATION
*Housing & Neighborhood Services***

0040	Administrative Assistant I	1		6100
0041	Administrative Assistant II	2		6100
0161	Sr Planner	1		6100
0555	Sr Construction Inspector	1		6100
0558	Construction Specialists I	6		6100
0559	Construction Specialists II	2		6100
0561	Construction Supervisor	4		6100
0892	Fiscal Officer	1		6100
0910	Sr Customer Service Representative	3		6100
0978	Housing Loan Officer	4		6100
0979	Housing Loan Coordinator	1		6100
2063	Administrative Associate	1		6100

**CODE COMPLIANCE
*Housing & Neighborhood Services***

0506	Code Enforcement Investigators	4	6100
0507	Code Compliance Supervisor	1	6100

**CDBG FAIR HOUSING ADMINISTRATION
*Community Initiatives***

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0017	Secretary I	1	3800
0918	Program Manager	1	3800
0971	Community Services Specialist	2 5	3800

ATTACHMENT IV

COMMUNITY DEVELOPMENT SERVICES

Planning & Community Development

0125	Real Estate Specialist	1	5000
0146	Sr GIS Analyst	1	5000
0870	Special Projects Coordinator	1	5000
0937	Community Development Coordinator	1	5000
1069	Assistant Planning Director	1	5000

CDBG /HOME GRANTS ACCOUNTING

Finance

0927	Financial Accountant	1	0700
------	----------------------	---	------

EMPOWERMENT ZONE OUTREACH AND TECHNICAL ASSISTANCE

Economic Development

0923	Sr Economic Development Specialist	1	1600
------	------------------------------------	---	------

NEIGHBORHOOD COMMERCIAL REVITALIZATION ADMINISTRATION

Housing & Neighborhood Services

0040	Administrative Assistant I	1	6100
0161	Sr Planner	1	6100
0923	Sr Economic Development Specialist	1	6100

LEGAL ADMINISTRATION

City Attorney's Office

0015	Paralegal	1	0600
0063	Assistant City Attorney II	1	0600
0065	Assistant City Attorney III	1	0600
0093	Legal Secretary	2	0600

ATTACHMENT IV

HOME FUNDED PERSONNEL CLASSIFICATIONS
&
PAY RANGES

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0046	Management Analyst	4	3100
2063	Administrative Associate	1	3100

ESG/HOPWA ADMINISTRATION
DCI, Community Action Division

0046	Management Analyst	1	3800
0961	Caseworker I	1	3800
0971	Caseworker II	2	3800

HUD CONSOLIDATED FUNDING RECOMMENDATIONS

MAY 14, 2009
Agenda Item 7a-b

Jeanetta Tinsley
Office of Grants Monitoring and Administration

Summary

- This public hearing presents the Proposed FY 2009-2010 Consolidated Annual Action Plan/Budget for the following programs:
 - CDBG (Community Development Block Grant)
 - HOME (HOME Investment Partnership)
 - ESG (Emergency Shelter Grant)
 - HOPWA (Housing Opportunities for Persons With AIDS)

2

Background

- On January 15, 2009, the City Council approved the HUD Consolidated Funding Budget schedule which included:
 - Release of Funding RFA on January 26, 2009
 - Two application conferences on February 13th & 20th
 - Application submission deadline on March 2nd
 - Two public hearings: March 12th & May 14th
 - Advertisement of proposed funding April 13th
 - City Council consideration on May 14th

3

Background

The City of San Antonio was notified on May 4th of the City's 2009-2010 HUD Entitlement Allocations

Program	FY 08-09	FY 09-10	Variance
CDBG	14,384,933	14,604,704	+219,771
HOME	6,371,233	7,079,150	+707,917
ADDI	45,588	-0-	(45,558)
ESG	639,013	640,466	+1,453
HOPWA	1,025,000	1,064,378	+39,378
TOTAL	\$22,915,767	\$23,388,698	+922,931

4

Background

- As a result of the RFA process, Staff received requests for over \$33 million.
- Applications were reviewed and scored by City Staff.
- Requests for Public Service, Emergency Shelter Grant (ESG), Housing Opportunities for Persons With AIDS (HOPWA) funding were coordinated by the Dept. of Community Initiatives in January 2008 under the 2 year consolidated funding process.

5

Summary & Recommendations

- The staff recommendation for CDBG and HOME funds for FY 2008-2009 is as follows:

6

Summary & Recommendations

Community Development Block Grant (CDBG)
Proposed Budget FY 2009-2010

<i>Total Funds Available</i>	<i>\$14,604,704</i>	<i>100%</i>
Administration	\$2,953,775	20%
Housing & Related Activities	\$4,053,803	28%
HUD Section 108 Loan Payment	\$4,800,000	33%
Neighborhood Revitalization	\$642,648	4%
Public Services	\$2,172,872	15%

7

Summary & Recommendations

Community Development Block Grant (CDBG)

<i>CDBG Program Administration</i>	<i>Proposed</i>
City Attorney CDBG Legal Administration	335,001
City Attorney Code Enforcement	79,612
Dept. of Community Initiatives Fair Housing Program	207,498
Finance CDBG/HOME Grants Accounting	65,700
Grants Monitoring & Admin. Monitoring & Oversight	1,916,551
Planning & Dev. Services Community Dev. Program	\$329,915
Public Works Disability Access Administration	\$19,498
TOTAL	\$2,953,775

8

Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

Section 108 Loan Payment	\$4,800,000
--------------------------	-------------

Housing Rehabilitation & Reconstruction Programs

HNSD Housing Programs Operations	1,797,570
HNSD Lead-Based Paint Program	500,000
HNSD Rental Rehab Program	700,000
HNSD Rehab/Reconstruction Program	1,052,803
Total Proposed Housing Allocation	\$4,050,373

9

Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

<i>Neighborhood Revitalization</i>	<i>Proposed</i>
EDD Empowerment Zone Outreach	72,413
HNSD Code Compliance Enforcement	77,600
HNSD Neighborhood Commercial Revit.	466,779
St. Vincent de Paul Shortfall	25,893
TOTAL	\$642,684

10

Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

<i>Public Services</i>	<i>Proposed</i>
Antioch Transformation Network	51,816
Any Baby Can Case Management	73,428
Any Baby Can Prescription Assist. Program	60,582
Christian Senior Services Sr. Companion	50,000
Corazon Ministries Food Security	39,473
El Centro de Barrio Activity Center for Frail & Elderly	120,000

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Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

<i>Public Services</i>	<i>Proposed</i>
Emergency Assistance for Low-Income Disabled Women with Cancer	100,000
Hispanic Religious Partnership for Community Health Inc., Hunger Relief	62,754
HNSD Code Compliance	157,861
Parks & Rec. Swimming Pool Program	76,557

12

Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

<i>Public Services</i>	<i>Proposed</i>
Parks & Rec. Summer Youth Program	272,422
Project Assist	15,000
Project Mend	90,000
SAILS Gateway to Abilities Program	100,000
San Antonio AIDS Foundation	74,293
San Antonio Food Bank	400,000

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Summary & Recommendations

Community Development Block Grant (CDBG) Cont.

<i>Public Services</i>	<i>Proposed</i>
San Antonio Urban Ministries Fairweather Lodges	30,000
St. Peter – St. Joseph Children's' Home Project Ayuda	67,900
YMCA Active Older Adult Program	264,037
YWCA Self-Employment for Econ. Dev.	30,000
Total Proposed Public Service Allocation	\$2,172,872

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HUD CONSOLIDATED FUNDING RECOMMENDATIONS

Agenda Item 7b

Summary & Recommendations

HOME Investment Partnership Grant (HOME)
Program Proposed Budget FY 2009-2010

FY 2009-2010 HOME Entitlement	\$7,079,180	100%
CHDO Set-Aside – First-time Homebuyer	1,061,873	15%
Down Payment & Closing Cost Assist.	1,000,000	14%
HOME Program Administration	707,915	10%
Housing Rehabilitation & Reconstruction	2,364,362	33%
New Construction – Multi-Family	1,945,000	27%
TOTAL	\$7,079,150	100%

16

Summary & Recommendations

HOME Investment Partnership Grant (HOME)

<i>HOME Administration</i>	<i>PROPOSED</i>
Grants Monitoring & Admin	\$707,915
<i>Down payment & Closing Cost Assistance</i>	<i>PROPOSED</i>
HNSD Homeownership Incentive Program (HIP)	\$1,000,000
<i>First-Time Homebuyer Program (CHDO Set-aside)</i>	<i>PROPOSED</i>
Avenida Guadalupe Association	300,000
San Antonio Alternative Housing Corp.	761,873
TOTAL	\$1,061,873

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Summary & Recommendations

HOME Investment Partnership Grant (HOME) Cont.

<i>New Construction- Multi-family</i>	<i>PROPOSED</i>
Darson Marie Terrace	745,000
Mirabella Apartments	1,200,000
TOTAL	\$1,945,000
<i>Rehabilitation/Reconstruction Program</i>	<i>PROPOSED</i>
HNSD Owner-Occupied Rehab./Recon.	\$1,300,000
HNSD Rental Rehabilitation Program	\$1,064,362
TOTAL	\$2,364,362

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HUD CONSOLIDATED FUNDING RECOMMENDATIONS

MAY 14, 2009
Agenda Item 7c-d

Presented by Dennis Campa
Department of Community Initiatives

ESG FY 2010 Recommended Funding

AGENCY	Current ESG Funding	ESG Proposed Allocation
FVPS – BWS	8,812	8,812
SAMM	100,000	100,000
SAFB	90,000	90,000
Total Subcontracting	\$198,812	\$198,812
DCI Haven for Hope Operations	N/A	*\$168,781
DCI Programs	408,250	240,850
DCI Administration	31,951	32,023
Total Allocation	\$639,013	\$640,466

* Assumes 6 months of Haven for Hope operations in FY 2010

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FY 2010 ESG Proposed Allocations



Family Violence Prevention Services supports the Battered Women's Shelter and the Overflow Shelter at Dwyer Avenue Center



San Antonio Metropolitan Ministries supports the operations of the shelter on Commerce St.



San Antonio Food Bank provides meals to families residing at the Dwyer Avenue Center



DCI internal programs support prevention services, essential services, and the operations of the Dwyer Center

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HOPWA FY 2010 Recommended Funding

AGENCY	Current Funding	HOPWA Proposed Allocation
AARC- Housing Works	114,176	124,881
AARC- Transportation	144,861	154,025
BEAT-AIDS	75,000	75,000
SAAF- Operations	296,206	305,370
SAAF- TBRA	364,007	373,171
Total Subcontracting	\$994,250	1,032,447
DCI Administration	30,750	31,931
Total Allocation	\$1,025,000	1,064,378

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FY 2010 HOPWA Allocation



Alamo Area Resource Center supports the HIV/AIDS Housing Works and Transportation Program



Black Effort Against the Threat of AIDS supports the rehabilitation of Hudson Street facility



San Antonio AIDS Foundation supports skilled nursing/hospice facility and tenant based rental assistance

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Recommendations

Staff recommends approval of the proposed projects and budget allocations

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