

Project Name (Project #):
Fed. Assistance Listing: 14.231 HUD ESG

**MEMORANDUM OF AGREEMENT
FOR
PURCHASE OF SERVICES**

THIS AGREEMENT is made by and between the City of Madison, Wisconsin, a municipal corporation, hereinafter referred to as the "City" and _____ of Madison, Wisconsin, hereinafter referred to as "Contractor."

WHEREAS, the City of Madison has received HEARTH/Emergency Solutions Grant (HESG, hereinafter referred to as "ESG") grants E-23-MC-55-0005 and E-24-MC-55-0005 from the U.S. Department of Housing and Urban Development ("HUD"), pursuant to Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 USC 11371-11378), as amended; and,

WHEREAS, the City's 2025 Budget (Legistar #85264), approved and adopted by the Common Council on November 12, 2024 (RES-24-00657, Legistar #85776), and the City's subsequently approved Annual Action Plan (AAP) authorized an amount of up to \$ _____ in ESG funds for services in 2025 to be purchased from the Contractor; and,

WHEREAS, the terms of this Agreement shall be in effect from January 1, 2025, through December 31, 2025, contingent on the City receiving sufficient funds from HUD; and,

WHEREAS, it is agreed that these services are proper functions of City government, but that they can be provided more economically and effectively through a Purchase of Services Agreement; and,

WHEREAS, the Contractor warrants that it and its agents and employees are willing and able to perform such services upon the terms and conditions set forth herein and has designated _____ as its agent with primary responsibility for the performance of this Agreement;

NOW, THEREFORE, the parties hereto mutually agree as follows:

I
THE CONTRACT DOCUMENT

Besides the Memorandum of Agreement, this Agreement includes the following Exhibits, which are attached hereto and incorporated herein by reference, all of which constitute one agreement;

1. Scope of Services to be performed by the Contractor;
2. Budget, Method of Payment and Reimbursement Request Form;
3. Program Report form(s);
- 3A. Homeless and At-Risk of Homelessness Documentation Requirements (if applicable);
4. Board of Directors of the Contractor;
5. Conflict of Interest Requirements;
6. Prohibition on Lobbying;
7. Environmental Review Regulations;
8. Uniform Administrative Requirements and Cost Principles;
- 8A. Build America, Buy America (BABA) Requirements (if applicable);
9. Non-Discrimination, Equal Opportunity and Fair Housing, Minority/Women Business Enterprises, Non-Discrimination on the Basis of Disability, and Section 3 Requirements;
10. Affirmative Action Requirements;
11. Requirements Regarding Lead-Based Paint;
12. Federal Labor Standards (if applicable);

13. Participation in HUD Programs by Faith-Based Organizations;
14. Displacement, Relocation, and Acquisition (if applicable);
15. Program Income Requirements;
16. Vulnerable Populations;
17. Ban the Box;
18. Expense List and Backup Documentation;
19. Emergency Solutions Grant (ESG) Program Rules.

II

SCOPE OF SERVICES

Contractor shall perform services for the City as specified in the Scope of Services and any amendments thereto. This Agreement shall become effective upon execution by the Mayor, on behalf of the City of Madison. Expenses for services performed pursuant to the Scope of Services, but before the execution of this Agreement, may be reimbursed by the City, but in no case shall any payment be made by the City pursuant to this Agreement for 2025 services performed before January 1, 2025, or after December 31, 2025. Contractor shall perform services for the City as specified in the 2025 Scope of Services attached to this Agreement as Exhibit 1. All services shall be performed in compliance with the applicable budget, attached to this Agreement as Exhibit 2. The Contractor further agrees to furnish all information, reports, and recommendations regarding the services provided under this Agreement requested by the City including, but not limited to, financial statements and reports, reports of services rendered, and any other reports or documents requested. Financial and service reports shall be provided according to a schedule to be included in this Agreement. Any other reports or documents shall be provided within five (5) working days after the Contractor receives the City's written request, unless the parties agree in writing on a longer period.

In addition, the Contractor will respond to questions regarding the community's need for the Contractor's services and related services and the cost of such services, including questions from City officials or employees, as defined in Sec. 2.40 (3)(i), MGO.

In addition, the Contractor agrees to make its staff and records available to employees of the City of Madison, the U.S. Department of Housing and Urban Development and the Comptroller General at any time.

III

SPECIAL PROVISIONS

It is the intent of the parties that all services performed pursuant to this Agreement will be performed within the corporate limits of the City of Madison for the benefit of Madison residents.

IV

PERSONNEL ASSIGNED

The Contractor agrees that all service activities will be performed and coordinated by its agents and employees, and that these services shall include the production of required reports in a form approved by the City.

In the event of the death, disability, removal or resignation of any of the Contractor's agents or employees, such that the Contractor is unable to coordinate and perform the service activities herein agreed upon, this Agreement may be terminated at the option of the City pursuant to the provisions of Section VII of this Agreement. It is agreed that all of the Contractor's agents and employees, who are performing services pursuant to the terms of this Agreement, are employees and agents of the Contractor, and not of the City, and that they will not at any time represent themselves to be employees or agents of the City. In case the agent named on Page One of this Agreement is replaced by another for any reason, the Contractor will notify the City in writing within three (3) working days of the time the first agent terminates his or her agency.

The Contractor agrees that it will comply with all applicable federal, state, and local laws and regulations, including but not limited to tax withholding, Fair Labor Standards, F.I.C.A., Worker's Compensation, Unemployment Compensation, Fair Employment, and Affirmative Action, and that it will maintain insurance coverage adequate to cover all Worker's Compensation liability.

V
INDEMNIFICATION

The Contractor shall be liable to and hereby agrees to indemnify, defend and hold harmless the City of Madison, and its officers, officials, agents, and employees against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of personal injury, bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the Contractor's and/or Subcontractor's acts or omissions in the performance of this Agreement, whether caused by or contributed to by the negligence of the City, its officers, officials, agents or its employees. The obligations of Contractor under this paragraph shall survive the expiration or termination of this Agreement. Contractor further agrees to release and hold harmless the City of Madison, and its officers, officials, agents, and employees from any loss or damages incurred by Contractor or its officers, agents, employees, contractors, subcontractors, beneficiaries or direct recipients resulting from: (1) the reduction, modification, pause, delay, suspension, cancellation or termination, in whole or in part, of the federal Emergency Solutions Grant (ESG) Program funds awarded to the City that is the source of payment for this Agreement; or (2) any reduction, modification, pause, delay, suspension, cancellation or termination by HUD regarding the City's authority to use ESG Program funds.

VI
INSURANCE

The Contractor will insure, and will require each Subcontractor to insure, as indicated, against the following risks to the extent stated below. The Contractor shall not commence work under this Agreement, nor shall the Contractor allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by the City Risk Manager.

Commercial General Liability. The Contractor shall procure and maintain during the life of this Agreement, Commercial General Liability insurance including, but not limited to bodily injury, property damage, personal injury, and products and completed operations (unless determined to be inapplicable by the Risk Manager) in an amount not less than \$1,000,000 per occurrence. This policy shall also provide contractual liability in the same amount. Contractor's coverage shall be primary and noncontributory and list the City of Madison, its officers, officials, agents and employees as additional insureds. Contractor shall require all Subcontractors under this Agreement (if any) to procure and maintain insurance meeting the above criteria, applying on a primary and noncontributory basis and listing the City of Madison, its officers, officials, agents and employees as additional insureds.

Automobile Liability. The Contractor shall procure and maintain during the life of this Agreement Business Automobile Liability insurance covering owned, non-owned and hired automobiles with limits of not less than \$1,000,000 combined single limit per accident. Contractor shall require all Subcontractors under this Agreement (if any) to procure and maintain insurance covering each Subcontractor and meeting the above criteria.

Workers' Compensation. The Contractor shall procure and maintain during the life of this Agreement statutory Workers' Compensation insurance as required by the State of Wisconsin. The Contractor shall also carry Employers Liability limits of at least \$100,000 Each Accident, \$100,000 Disease - Each Employee, and \$500,000 Disease - Policy Limit. Contractor shall require all Subcontractors under this Agreement (if any) to procure and maintain such insurance, covering each Subcontractor.

Professional Liability. If the services provided are professional services, the Contractor shall procure and maintain professional liability insurance with coverage of not less than \$1,000,000. If such policy is a "claims made" policy, all renewals thereof during the life of the Agreement shall include "prior acts coverage," covering at all times all claims made with respect to Contractor's work performed under the Agreement. This Professional Liability coverage must be kept in force for a period of six (6) years after the services have been accepted by the City.

Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best rating of no less than A- (A minus) and a Financial Category rating of no less than VII.

Proof of Insurance, Approval. The Contractor shall provide the City with certificate(s) of insurance showing the type, amount, effective dates, and expiration dates of required policies prior to commencing work under this Agreement. Contractor shall provide the certificate(s) to the City's representative upon execution of the Agreement, or sooner, for approval by the City Risk Manager. If any of the policies required above expire while this Agreement is in effect, Contractor shall provide renewal certificate(s) to the City for approval. Certificate Holder language should be listed as follows:

City of Madison
ATTN: Risk Management, Room 406
210 Martin Luther King, Jr. Blvd.
Madison, WI 53703

The Contractor shall provide copies of additional insured endorsements or insurance policies, if requested by the City Risk Manager. The Contractor and/or Insurer shall give the City thirty (30) days advance written notice of cancellation, non-renewal or material changes to any of the above-required policies during the term of this Agreement.

VII AMENDMENT

This Agreement may be amended at any time by mutual written agreement of the parties, executed in writing by authorized representatives of each party.

No oral statement of any person, and no written statement of anyone other than the City's Community Development Manager or their designee shall modify or otherwise affect the terms and conditions of this Agreement.

VIII TERMINATION

This Agreement may be terminated at any time by written, mutual agreement of the parties, provided all applicable laws and regulations are complied with.

The City shall have the right at its option to terminate this Agreement and be free from all obligations hereunder in the event that the Contractor is in default or violates any of the terms, conditions, assurances, or certifications of this Agreement.

In the event of such default or violation by the Contractor, the City shall send to Contractor by certified mail a Notice of Demand to Cure Default, explaining the nature and extent of the default or violation. The Contractor shall cure or remedy said violation or default within ten (10) working days after receipt of said Notice, unless a longer time is agreed upon by both parties in writing. In case the default is not cured or remedied within ten (10) working days or a longer time agreed upon, the City may exercise its option to terminate this Agreement.

In the event of such termination by the City, the City shall send to Contractor by certified mail or by fax or by e-mail a Notice of Termination, which shall be effective five (5) days after receipt of said Notice.

The City shall also have the right at its option to terminate this Agreement and be free from all obligations hereunder upon the happening of any one of the following events, upon five (5) days written notice:

1. The death, disability, removal or resignation of such key employee or agent of the Contractor, so that the Contractor is unable to perform according to the terms of this Agreement.
2. The occurrence of any event beyond the control of either party to this Agreement which renders it impossible to continue performance pursuant to this Agreement.

If one of the above events occurs and the City terminates this Agreement, the City shall send to Contractor by certified mail or by fax or by e-mail a Notice of Termination, which shall become effective five (5) days after receipt of said Notice.

Notwithstanding the foregoing, the City may in its sole discretion and without any reason terminate this Agreement at any time by providing the Contractor not less than thirty (30) days' written notice of termination.

In the event of termination of this Agreement for any reason, the City will pay or reimburse Contractor in accordance with Exhibit 2, and subject to availability of funds from the federal granting authority, for work performed as of the effective date of termination and any non-cancelable obligations properly incurred prior to the date of termination, provided, however, that: (1) such costs are properly documented as required elsewhere in this Agreement; (2) such costs shall not exceed the amount allowed under this Agreement; and (3) receipt of all required reports as of the date of termination has been submitted to the City. Contractor shall stop work and cease to incur or obligate any new costs as of the effective date of termination. Subject to the foregoing, the Contractor will return to the City within 30 calendar days any City funds unexpended at the time of the termination.

If the Contractor acquires any asset with City funds and subsequently ceases to use the asset for the purposes described in this Agreement, the Contractor shall, upon the written direction of the City in its sole discretion, either: (i) pay to the City the fair market value of the asset; (ii) transfer control of the asset to the City; or (iii) follow written disposition instructions provided by the Community Development Manager.

The Contractor agrees that no City funds received pursuant to this Agreement will be expended in any manner which violates this Agreement, or to perform any services other than those specified in the Agreement.

The Contractor shall be liable to the City for any such expenditure of funds contrary to this Agreement, and agrees to repay the amount of any such expenditure to the City on or before December 31, 2025 for 2025 services. In the alternative, the City may withhold any payments to the Contractor for the purpose of set-off. If the violation is discovered after December 31, 2025 for 2025 services, Contractor agrees to repay the City within thirty (30) days after receiving the City's written request for repayment.

IX ASSURANCES AND CERTIFICATIONS

The Contractor makes the following assurances and certifications as part of this Agreement:

1. It possesses legal authority to enter into this Agreement; a resolution, motion or similar action has been duly adopted or passed as an official act of the Contractor's governing body, authorizing the execution of this Agreement, including each and every part thereof, and directing and authorizing the person identified in the introduction as the agent of the Contractor to act in connection with this Agreement and to provide all required reports and such additional information as may be required.
2. It will involve consumers of service and other community agencies in the planning and evaluation of related activities and programs. It will maximize use of available resources of all kinds, including but not limited to, grants, donations, bequests, contributions of housing, program and office supplies and equipment, and volunteer time.
3. It will cooperate with other community agencies and establish a comprehensive and reliable evaluation of all aspects of its housing and community development program, which may include fiscal, management, and performance audits. Such cooperative evaluation may require articulation and measurement of program objectives, documentation of performance from current

records, and cooperation with City efforts to improve the collection and accuracy of performance data.

4. It will plan services performed pursuant to this Agreement to maximize benefit to homeless and at-risk persons as defined in 24 CFR 576 & 583 and the local Consolidated Community Development Plan.
5. It will comply with all applicable laws, statutes, ordinances, administrative rules and orders of the City of Madison, State of Wisconsin and Federal Government.
6. It will comply with the provisions of the Hatch Act requiring that no funds provided under this Agreement shall pay for lobbying or political activities, as set forth in Exhibit 6. Further, the Contractor agrees to abide by the Madison ordinances regarding lobbying and registration, per MGO 2.40.
7. It will comply with HUD conflict of interest regulations as set forth in Exhibit 5 and in 24 CFR 570.611.
8. It will comply with HUD environmental review regulations, as set forth in Exhibit 7 and 24 CFR 576.57, before the Contractor, or its agents, commit funds or take any action which would affect any structure or property within City of Madison boundaries in any way.
9. It will comply with "Uniform Administrative Requirements and Cost Principles" cited in Exhibit 8, and set forth in 24 CFR 570.502, 24 CFR 570.610, the applicable portions of 24 CFR Part 84 and 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" and its implementing regulations, as well as local requirements articulated in Exhibit 8. The Contractor also agrees to send to the City's Community Development Division ("CDD") any additional required schedules, audits, reports or management letters referenced in Exhibit 8, and/or as detailed in Exhibit 1 to this Agreement, the Scope of Services.
10. It will comply with "Build America, Buy America (BABA) Requirements" cited in Exhibit 8A, as well as with the OMB guidance provided at 2 CFR Part 184, if applicable to the Contractor's infrastructure project.
11. It will enforce the "equal opportunity", "accessibility", "Section 3" and "minority business/women business enterprise" requirements set forth in Exhibit 9, and the Affirmative Action Requirements set forth in Exhibit 10, insofar as they are applicable to services performed pursuant to this Agreement. It will comply with all of the applicable requirements of Madison General Ordinance, Section 39.05 "Non-Discrimination Based Upon Disability," as set forth in Exhibit 9, during the life of this Agreement.
12. It will comply with the Lead-Based Paint requirements set forth in Exhibit 11, insofar as they are applicable to services performed pursuant to this Agreement.
13. It will comply with the provisions for Participation in HUD Programs by Faith-Based Organizations, wherein funds may not be used for religious activities, as set forth in Exhibit 13 and 24 CFR 570.200(j) and 576.23.
14. It will enforce the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and related HUD implementing regulations as set forth in Exhibit 14 and 24 CFR Part 576, insofar as they are applicable to services performed pursuant to this Agreement.
15. It will comply with the Program Income requirements set forth in Exhibit 15 and 24 CFR 576.2, 576.201, 576.500(o) and 576.500(u)(3), insofar as they are applicable to revenues generated pursuant to this Agreement.
16. It will comply with the "vulnerable populations" requirements set forth in Exhibit 16 and City resolution 53,279.
17. It will comply with the City of Madison MGO 32.12(13) prohibiting any person receiving City financial assistance for the development, redevelopment, or rehabilitation of a rental housing project to refuse to lease or otherwise make unavailable housing solely because the applicant for

the housing is a direct recipient of Federal, State, or local government housing subsidies. This is applicable during the period of the term of City financial assistance.

18. It will credit the CDD and will include the City logo in all its documents, publicity newsletters, brochures or site signs regarding the funded activities. The Contractor shall post signs crediting the City at Project Sites involving construction or rehabilitation.
19. Contractor agrees not to sell, assign, lease, mortgage, or convey or otherwise transfer any legal or equitable interest in all or part of the property acquired and/or rehabbed in performance of this Agreement or permit the same to occur without the prior written consent of the CDD, except as permitted under the terms of this agreement.
20. If a loan is provided under this Agreement and is secured by a mortgage in favor of the City, Contractor shall not create, suffer or permit any mortgage, lien, charge or encumbrance to attach or be recorded or filed against the Property, whether such lien is superior or inferior to the City, without the City's prior written approval.
21. Contractor acknowledges that nothing contained in this Agreement or any contract between the Contractor and the City, nor any act by the City, or any of the parties, shall be deemed or construed by any of the parties, or by third persons, to create any relationship of third-party beneficiary, principal or agent, limited or general partnership, or joint venture, or of any association or relationship involving the City.
22. It will comply with HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.
23. It will comply with the special requirements for the ESG program as set forth in Exhibit 19 related to matching funds, use of buildings, and other provisions.
24. It will comply with the McKinney-Vento (42 USC 11362) which requires the development and implementation, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. Contractor further understands that State and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of State and local resources.
25. Weapons prohibition. Contractor shall prohibit, and shall require its Subcontractors to prohibit, its employees from carrying weapons, including concealed weapons, in the course of performance of work under this Agreement, other than while at the Contractor's or Subcontractor's own business premises. This requirement shall apply to vehicles used at any City work site and vehicles used to perform any work under this Agreement, except vehicles that are an employee's "own motor vehicle" pursuant to Wis. Stat. sec. 175.60(15m).
26. Contractor will comply with the "Ban the Box" provisions set forth in Exhibit 17 and as outlined in Madison General Ordinance Sec. 39.08, insofar as they are applicable to service performed pursuant to this Agreement.

X

MAINTENANCE OF EFFORT

It is understood and agreed that the level of services, activities and expenditures by the Contractor, in existence prior to the initiation of services hereunder, shall be continued and not be reduced in any way as a result of this Agreement except for reductions unrelated to the provisions or purposes herein stated. It is further understood and agreed that the program funded through this Agreement will not result in the displacement of employed workers, impair existing contracts for services or result in the substitution of funds allocated under this Agreement for other funds in connection with work which would have been performed even in the absence of this Agreement.

XI
CONTRACT PAYMENT

It is expressly understood and agreed that in no event will the total payment under this Agreement exceed, the lesser of the following: (1) _____; OR (2) the amount of cash expenditures made by the Contractor for purposes of carrying out the services hereunder.

Payment to Contractor under this Agreement is further conditioned upon the City's actual receipt and availability of federal ESG Program funds awarded to the City that is the source of payment for this Agreement. Should the availability of funds awarded to the City be reduced, modified, paused, suspended, or canceled by the federal authority, the City may reduce or withhold payment to the Contractor as needed. In such event, the City shall notify Contractor in writing and the parties agree to confer in good faith to reach agreement on an amendment or other disposition of this Contract to identify portions of Contractor's program and corresponding payment to be altered accordingly, including but not limited to early termination or cancellation and return of unused funds, if required by the action of the federal granting authority.

Contractor shall reimburse the City for any funds paid under this Contract that the City determines have been misused or misappropriated. Any such reimbursement shall be due upon City's written demand to Contractor.

This Section XI shall survive the expiration or termination of this Agreement.

XII
SEVERABILITY

It is mutually agreed that, in case any provision of this Agreement is determined by any court of law to be unconstitutional, illegal, or unenforceable, it is the intention of the parties that all the other provisions of this Agreement remain in full force and effect.

XIII
COUNTERPARTS, ELECTRONIC DELIVERY

This Agreement may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Agreement may be exchanged between the parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original. Executed copies or counterparts of this Agreement may be delivered by facsimile or email and upon receipt be deemed original and binding upon the parties hereto, whether or not a hard copy is also delivered. Copies of this Agreement, fully executed, shall be as valid as an original.

XIV
CHOICE OF LAW AND VENUE

This Agreement shall be governed by and construed under the laws of the State of Wisconsin without regard to conflict of law principles. The venue for any legal dispute relating to this Agreement that cannot be mutually resolved informally shall be a court of competent jurisdiction in Dane County, Wisconsin.

XV
NOTICES

All notices to be given under the terms of this Agreement shall be in writing and signed by the person serving the notice and shall be sent registered or certified mail, return receipt requested, postage prepaid, or hand delivered to the address of the parties listed below:

For the City: Sarah Lim, Community Development Specialist
Community Development Division
215 Martin Luther King, Jr. Blvd., Suite 300
P.O. Box 2627
Madison, WI 53701-2627

For the Contractor:

IN WITNESS WHEREOF, the parties hereto have set their hands at Madison, Wisconsin.

By:

Signature

DATE

Name and Title (Print)

By: **CITY OF MADISON**
A Municipal Corporation

Satya Rhodes-Conway
Mayor

DATE

Approved:

Approved:

Eric T. Veum
Risk Manager

DATE

Michael Haas
Acting City Clerk

DATE

Approved:

Approved as to Form:

David P. Schmiedicke
Finance Director

DATE

City Attorney

DATE

Approved:

Linette S. Rhodes
Community Development Manager

DATE

Exhibit 1**Scope of Services
20XX**

Agency	
Program Name	
Program Number	
Program Manager	
Total Program Budget	
City of Madison Allocation	
Funding Source	
Contract Term	

1. Program/Project Description and Timeline:**2. Contract Goals and Outcomes:****3. Service Population and/or Intended Service Area:****4. Hours of Service Availability:****5. Location of Service:****6. Staffing (total program budget):**

Title	FTE	Duties

7. Requirements and Schedule:**Housing Inventory Chart (Monthly)**

Agencies must complete a program participant count of individuals who are sheltered or housed on the last Wednesday of each month for all emergency shelters, transitional housing, rapid rehousing, permanent supportive housing, and other permanent housing programs. This data must be reported in the monthly Housing Inventory Chart (HIC), which will be available via a Google Drive link. The HIC must be completed by the 10th of each month. This requirement does not apply to prevention and supportive services-only programs.

Reimbursement Requests (Monthly)

Agencies should submit reimbursement requests monthly through the City of Madison's ContractURL system. Each reimbursement request must include a completed Exhibit 2 (Expense Report).

For ESG-funded programs that require a one-for-one match, Exhibit 2 must accurately reflect the match source and amount. Invoices will be approved within two weeks of submission, pending the review of proper documentation.

Activity/Performance Report (Quarterly)

Exhibit 3 (Activity/Performance Report) must be submitted through the City of Madison's ContractURL invoicing system on a quarterly basis.

Itemized List of Expenses and Backup Documentation

Agencies must submit an itemized list of expenses and backup documentation for both the funding amount and, if applicable, the match amount reported on Exhibit 2 for a one-month invoice. The due date and instructions will be provided in the month preceding the due date.

Contract Closeout

The final reimbursement request must be submitted by **January 15, 20XX**. The following documents must be uploaded to the City's ContractURL system along with the final reimbursement request:

- Completed Exhibit 2 (Expense Report)
- Completed Exhibit 3 (Activity/Performance Report)
- Match confirmation letter, if funded with ESG

Point-in-Time

Agencies must participate in the unsheltered count for Point-in-Time Counts.

Continuum of Care (CoC) Participation

- Agencies must work with the community's Coordinated Entry system and coordinate their services with other housing and service providers.
- Agencies must participate in CoC meetings.
- Agencies must adhere to all applicable sections of the Written Standards as approved by the CoC's Board of Directors.
- Agencies must cooperate with CoC Committees' requests for information, performance measures, monitoring, and technical assistance.

HMIS Requirements

- Agencies must maintain an accurate record of clients served in HMIS.
- The previous month's data must be entered into HMIS no later than the 5th of the following month. Up-to-date and accurate data contribute to the evaluation of Consortium-wide programming and unmet needs. Up-to-date entry is defined as data entered by the 5th of the month following the initiation of services.
- To ensure compliance with HUD Data Standards and relevant regulations, all HMIS-participating agencies must:
 - Ensure their HMIS users have completed the HMIS User Agreement.
 - Sign and comply with the HMIS Agency Participation Agreement.
 - Comply with the State of Wisconsin HMIS Governance Charter and Policies & Procedures.
 - Adhere to the current HUD Data Standards Manual.
 - Attend program-specific HMIS training (for street outreach, prevention, rapid re-housing, shelter, and/or transitional living programs) conducted by the HMIS lead agency.

Grievance Procedure

Agencies must have a written termination and grievance policy that allows applicants and participants to formally dispute decisions regarding eligibility for assistance and termination of assistance. The policy must also provide a process for participants to file grievances about concerns related to program operations and service delivery. It must outline how applicants and participants are informed of the grievance procedure and provide a clear, formal process for review and resolution. The policy should ensure accessibility, fairness, and timely response.

EXHIBIT 2 - BUDGET AND EXPENSE REPORT
REVENUE AND EXPENSE REPORT SUMMARY

CITY OF MADISON
COMMUNITY DEVELOPMENT DIVISION

Name of Agency: **AGENCY NAME**

Date of Report:

Period Covered:

Person Completing Report:

Telephone:

All expenditures must be documented. Only program expenses actually paid out for the period covered may be claimed on this report.
Please use **WHOLE numbers ONLY**. If using formulas or amounts with cents, kindly **convert to WHOLE numbers** before submitting to CDD.

All Program Expenses	2025 City Allocation	City Portion of Expenses Billed This Period	City Portion of Expenses Billed Year-to-Date	% of City Budget Spent
A. PERSONNEL	-	-	-	0%
B. OTHER OPERATING	-	-	-	0%
C. SPACE	-	-	-	0%
D. SPECIAL COSTS	-	-	-	0%
TOTAL	\$ -	\$ -	\$ -	0%

Vendor #:

Contract #: **tbid**

Budget Adjustments and Method of Reimbursement

1. Agency may alter this budget within 10% of each deliverable by formal notification to assigned CDD Contract Manager. Changes which would result in modifications in excess of 10% of any original deliverable must receive the Community Development Manager's written approval, prior to Agency's commitment of funds.
2. Agency's submitted contract expenses will be authorized for reimbursement by the City upon approval by the Community Development Manager. Invoices will be approved **within 2 weeks of submission**, pending review of proper documentation; i.e., (1) a completed program report describing completed activities and (2) any other required reports specified in the Agreement.
3. Any funds not expended by the termination date of the Agreement are **ineligible** for reimbursement.

EXHIBIT 2 - BUDGET AND EXPENSE REPORT
INDIVIDUAL PROGRAM EXPENSES BY FUNDING SOURCE

CITY OF MADISON
COMMUNITY DEVELOPMENT DIVISION

Name of Agency: **AGENCY NAME**

Period Covered:

All expenditures must be documented. Only program expenses actually paid out for the period covered may be claimed on this report.

Please use **WHOLE numbers ONLY**. If using formulas or amounts with cents, kindly **convert these to WHOLE numbers** before submitting to CDD.

Pgm Letter	Program Name (Funding Source)	Program Expenses	2025 City Allocation	City Portion of Expenses Paid YTD	City Portion of Exp. Billed <u>THIS PERIOD</u>	City Portion of Exp. Billed <u>YTD</u>	% of City Allocation Spent
A		PERSONNEL	-			-	0%
		OTHER OPERATING	-			-	0%
		SPACE	-			-	0%
		SPECIAL COSTS	-			-	0%
		TOTAL	\$ -	\$ -	\$ -	\$ -	0%
B		PERSONNEL	-			-	0%
		OTHER OPERATING	-			-	0%
		SPACE	-			-	0%
		SPECIAL COSTS	-			-	0%
		TOTAL	\$ -	\$ -	\$ -	\$ -	0%
C		PERSONNEL	-			-	0%
		OTHER OPERATING	-			-	0%
		SPACE	-			-	0%
		SPECIAL COSTS	-			-	0%
		TOTAL	\$ -	\$ -	\$ -	\$ -	0%
D		PERSONNEL	-			-	0%
		OTHER OPERATING	-			-	0%
		SPACE	-			-	0%
		SPECIAL COSTS	-			-	0%
		TOTAL	\$ -	\$ -	\$ -	\$ -	0%
E		PERSONNEL	-			-	0%
		OTHER OPERATING	-			-	0%
		SPACE	-			-	0%
		SPECIAL COSTS	-			-	0%
		TOTAL	\$ -	\$ -	\$ -	\$ -	0%
TOTAL FOR ALL PROGRAMS			\$ -	\$ -	\$ -	\$ -	0%

Exhibit 3

Performance Report 2025

Please submit the following reports quarterly.

Quarter	Reporting Start Date	Reporting End Date
1 st	1/1/2025	3/31/2025
2 nd	1/1/2025	6/30/2025
3 rd	1/1/2025	9/30/2025
4 th (DUE 1/15/2026)	1/1/2025	12/31/2025



Homeless Definition

ELIGIBILITY BY COMPONENT (Emergency Solutions Grants Program)	Street Outreach	<p>Individuals defined as Homeless under the following categories are eligible for assistance in SO:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 4 – Fleeing/Attempting to Flee DV (where the individual or family also meets the criteria for Category 1) <p>SO projects have the following additional limitations on eligibility within Category 1:</p> <ul style="list-style-type: none"> Individuals and families must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelter
	Emergency Shelter	<p>Individuals and Families defined as Homeless under the following categories are eligible for assistance in ES projects:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 2 – Imminent Risk of Homeless Category 3 – Homeless Under Other Federal Statutes Category 4 – Fleeing/Attempting to Flee DV
	Rapid Re-housing	<p>Individuals defined as Homeless under the following categories are eligible for assistance in RRH projects:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 4 – Fleeing/Attempting to Flee DV (where the individual or family also meets the criteria for Category 1)
	Homelessness Prevention	<p>Individuals and Families defined as Homeless under the following categories are eligible for assistance in HP projects:</p> <ul style="list-style-type: none"> Category 2 –Imminent Risk of Homeless Category 3 – Homeless Under Other Federal Statutes Category 4 – Fleeing/Attempting to Flee DV <p>Individuals and Families who are defined as At Risk of Homelessness are eligible for assistance in HP projects.</p> <p>HP projects have the following additional limitations on eligibility with homeless and at risk of homeless:</p> <ul style="list-style-type: none"> Must only serve individuals and families that have an annual income <u>below</u> 30% of AMI



Homeless Definition

CRITERIA FOR DEFINING HOMELESS	Category 1	Literally Homeless	<p>(1) Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:</p> <ul style="list-style-type: none"> (i) Has a primary nighttime residence that is a public or private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); <u>or</u> (iii) Is exiting an institution where (s)he has resided for 90 days or less <u>and</u> who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
	Category 2	Imminent Risk of Homelessness	<p>(2) Individual or family who will imminently lose their primary nighttime residence, provided that:</p> <ul style="list-style-type: none"> (i) Residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; <u>and</u> (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing
	Category 3	Homeless under other Federal statutes	<p>(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:</p> <ul style="list-style-type: none"> (i) Are defined as homeless under the other listed federal statutes; (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; <u>and</u> (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers
	Category 4	Fleeing/ Attempting to Flee DV	<p>(4) Any individual or family who:</p> <ul style="list-style-type: none"> (i) Is fleeing, or is attempting to flee, domestic violence; (ii) Has no other residence; <u>and</u> (iii) Lacks the resources or support networks to obtain other permanent housing



Homeless Definition

RECORDKEEPING REQUIREMENTS



RECORDKEEPING REQUIREMENTS	Category 1	Literally Homeless	<ul style="list-style-type: none"> Written observation by the outreach worker; <u>or</u> Written referral by another housing or service provider; <u>or</u> Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter; For individuals exiting an institution—one of the forms of evidence above <u>and</u>: <ul style="list-style-type: none"> discharge paperwork <u>or</u> written/oral referral, <u>or</u> written record of intake worker's due diligence to obtain above evidence <u>and</u> certification by individual that they exited institution
	Category 2	Imminent Risk of Homelessness	<ul style="list-style-type: none"> A court order resulting from an eviction action notifying the individual or family that they must leave; <u>or</u> For individual and families leaving a hotel or motel—evidence that they lack the financial resources to stay; <u>or</u> A documented and verified oral statement; <u>and</u> Certification that no subsequent residence has been identified; <u>and</u> Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing
	Category 3	Homeless under other Federal statutes	<ul style="list-style-type: none"> Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute; <u>and</u> Certification of no PH in last 60 days; <u>and</u> Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; <u>and</u> Documentation of special needs <u>or</u> 2 or more barriers
	Category 4	Fleeing/ Attempting to Flee DV	<ul style="list-style-type: none"> For victim service providers: <ul style="list-style-type: none"> An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by the intake worker. For non-victim service providers: <ul style="list-style-type: none"> Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; <u>and</u> Certification by the individual or head of household that no subsequent residence has been identified; <u>and</u> Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

EXHIBIT 5 (Federal Funds)

CONFLICT OF INTEREST REQUIREMENTS

The Contractor hereby agrees to comply with the conflict of interest (COI) provisions of 24 CFR 92.356 (HOME), 24 CFR 570.611 (CDBG), 24 CFR 576.404 (ESG), and 2 CFR 200.318 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards).

Among the major requirements of these regulations are the following:

1. Applicability.
 - a. In the procurement of supplies, equipment, construction, and services by the City and Contractors, the COI provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply.
 - b. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions of 24 CFR 570.611 shall apply. These cases include the acquisition and disposition of real property and the provision of assistance by the City or by its Contractors to individuals, businesses, and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation).
2. Conflicts Prohibited. No persons described in paragraph 4 below who exercise or have exercised any functions or responsibilities with respect to activities assisted under this Agreement 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 CDD-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect there to either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
3. No person described in paragraph 4 below may either select or accept gratuities, favors, or anything of monetary value from contractors, potential contractors or parties to sub-agreements.
4. Persons Covered. The COI provisions of paragraph 2 of this section apply to any person, their partner, or any member(s) of their immediate family who is an employee, agent, consultant, officer, or elected official or appointed official of the City, of any designated public agencies, or of Contractors that are receiving funds under this Agreement.
5. If the Contractor has a parent affiliated or subsidiary organization, the Contractor must maintain written standards of conduct covering organizational co-affiliates of interest so that relationships with a parent company affiliated or subsidiary do not appear to be impartial in conducting a procurement action.
6. Exceptions: Threshold Requirements for HOME, CDBG and ESG ("City-ESG") funds from the U.S. Department of Housing and Urban Development (HUD). Upon the written request of the City, HUD may grant an exception to the provisions of paragraph 2 of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the CDBG Program and the effective and efficient administration of the City's program or project. An exception may be considered only after the City has provided the following:
 - a. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - b. An opinion of the City's attorney that the interest for which the exception is sought would not violate state or local laws.

7. Exceptions: Threshold Requirements for EHH / ESG ("State-ESG") funds from the Wisconsin Department of Administration (DOA) Division of Energy, Housing and Community Resources (DEHCR). Upon the written request of the City or its Contractors, DEHCR may grant an exception to the provisions of paragraph 2 of this section on a case-by-case basis after full disclosure and where DEHCR determines (in consultation with federal agencies, if necessary) that such exception is in the best interests of the State and is not contrary to state or federal laws.
8. Factors to be Considered for Exceptions: HOME, CDBG and City-ESG funds. In determining whether to grant a requested exception after the City has satisfactorily met the requirements of paragraph 4 of this section for federal funds, HUD shall consider the cumulative effect of the following factors, where applicable:
 - a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
 - b. Whether an opportunity was provided for open competitive bidding or negotiations;
 - c. Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - d. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
 - e. Whether the interest or benefit was present before the affected person was in a position as described in paragraph 2 of this section;
 - f. Whether undue hardship will result either to the City or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - g. Any other relevant considerations.
9. Factors to be Considered for Exceptions: EHH / State-ESG funds. In determining whether to grant a requested exception after the City has satisfactorily met the requirements of paragraph 4 of this section for funding from DEHCR, DEHCR shall consider the cumulative effect of the following factors, where applicable:
 - a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
 - b. Whether an opportunity was provided for open competitive bidding or negotiations;
 - c. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - d. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
 - e. Whether the interest or benefit was present before the affected person was in a position as described in paragraph 2 of this section;
 - f. Whether undue hardship will result either to the City or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - h. Any other relevant considerations.

METHOD FOR REQUESTING EXCEPTION FROM CONFLICT OF INTEREST REQUIREMENTS

In order for the City to efficiently deal with a Contractor's request for an exception to COI regulations, the Contractor shall submit the following to the Community Development Division (CDD) prior to commitment of federal funds:

1. A cover letter describing the (a) perceived conflict, (b) the actions taken to resolve the conflict, and (c) issues related to Factors to be Considered for Exceptions (paragraphs 8 and 9 of the section above).
2. A copy of the loan/investment committee and/or Board meeting minutes showing the conflict was publicly disclosed.
3. A letter from the Contractor's attorney stating that in their opinion such conflict does not violate state or local laws.

Requests from Contractors receiving DEHCR EHH (State-ESG) funds will be first reviewed by CDD staff before being forwarded to DEHCR.

The Contractor shall not commit any federal funds until the conflict has been resolved and the City has received a letter of formal exception from HUD or DEHCR. Under the terms of this Agreement, any such commitment prior to HUD or DEHCR approval will not be honored by the City.

ADDITIONAL CITY REQUIREMENTS

Annually, for the term of the contract:

1. Each Contractor must submit a list of their Board of Directors or investor group to CDD, and maintain on-site membership lists for any sub-committees to the Board and Conflict of Interest Disclosure Forms completed by each Board or sub-committee member.
2. The Contractor shall:
 - a. Hold a training session with its Board or comparable, appropriate decision-making group, and any sub-committee explaining the federal requirements regarding conflicts of interest and each member's responsibilities and rights under those regulations.
 - b. Distribute a copy of this Exhibit to each member, subcommittee member, potential loan or investment recipient, supplier or Contractor.
 - c. Maintain, on site, copies of the minutes from each Board or corporate meeting, or any meeting at which the investment or use of CDD funds is discussed.
 - d. Incorporate into each loan or investment information package, application, contract, and closing documents, a full copy of the COI regulations contained in the contract with the City.

EXHIBIT 6 (Federal Funds)

PROHIBITION ON LOBBYING

PROHIBITION OF USE OF FEDERAL FUNDS FOR LOBBYING

Certification for Contracts, Grants, Loans and Cooperative Agreements

The Contractor, by entering into this Agreement, hereby certifies to the best of their knowledge and belief that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement; and
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions; and
3. The Contractor will require that these provisions be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. [Title 31, United States Code, Section 1352]

Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

LOBBYING REGULATED

The Contractor agrees to abide by Madison General Ordinance 2.40, which outlines procedures whereby persons acting as lobbyists are required to provide to the public full information as to their identity, the identity of their principal, their expenditures, and their lobbying activities.

The following language is added to all funding applications:

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report your lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in forfeitures of \$1,000 to \$5,000.

You may register at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>.

EXHIBIT 7 (Federal Funds)

ENVIRONMENTAL REVIEW REGULATIONS

The City may not commit federal funds under this Agreement until it has complied with the environmental review regulations at 24 CFR Part 58. The City's environmental review shall include, but not be limited to, ascertaining the project's effect on: historic properties; contamination and toxic substances (including Radon); floodplains; and air and water pollution.

In fulfillment of the above:

1. The City will conduct an environmental review to ascertain the environmental status of the project and the types of procedures (the conditions), if any, the Contractor must follow in order to comply with the intent of the National Environmental Policy Act of 1969, and applicable federal and City regulations.
2. The City will not release funds for projects that require an Environmental Assessment or an Environmental Impact Statement, nor will the Contractor obligate HUD funds, or take any choice-limiting actions on the project until the City has obtained an authorization for the release of funds from HUD. The City will notify the Contractor of such a certification, and will outline any required conditions for environmental compliance within either Exhibit 1 of this Agreement, or in a subsequent written communication.
3. The Contractor agrees to notify the Community Development Division (CDD) Project/Contract Manager of newly discovered conditions or changes in the project which would affect the status of the project in regard to applicable federal and City regulations.
4. The Contractor will allow inspection of the project by the City, HUD, or its agents, and shall provide the City with requested documentation related to the environmental status of a proposed project and will fully cooperate with the City.

**UNIFORM ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES
(PRIVATE, NON-PROFIT AGENCIES)**

The Contractor shall comply with the requirements of the following federal regulations:

- 24 CFR 570.502
- 24 CFR 570.610
- applicable portions of HOME Investment Partnership Program Final Rule 24 CFR 92.505, "Applicability of Uniform Administrative Requirements"
- 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" revised by 89 FR 30046-01, effective October 1, 2024.

It is understood and agreed that the Contractor, or non-Federal entity, is obligated to comply with all of the regulations and subsequent amendments specified above, whether or not they are set forth in this Agreement. HUD and the City have identified the following major requirements for monitoring purposes.

Financial and Program Management

A. The nonprofit's financial management systems must meet HUD requirements. They must provide:

1. Accurate, current, and complete disclosure. HUD requires reporting on an accrual basis but the Contractor need not establish an accrual accounting system.
2. Records that identify the source and application of funds for grant-supported activities.
3. Effective control over, and accountability for, all funds, property, and other assets.
4. Comparison of actual outlays with budgeted amounts for each grant.
5. Written procedures to minimize the time elapsing between the transfer of funds from the City of Madison and the disbursement by the Contractor.
6. Written procedures for determining the reasonableness, allocability (distribution) and allowability of costs, in accordance with 2 CFR 200 Subpart E ("Cost Principles").
7. Accounting records, including cost accounting records, which are supported by source documentation.
8. Records Retention. The Contractor shall retain financial records, supporting documents, statistical records, and environmental review records, and all other records pertinent to the services purchased pursuant to this Agreement for a minimum period of five (5) years from the date of the submission of the City's annual performance report, except as follows:
 - a. Records that are the subject of any litigation, claim or audit findings shall be retained for three years or until such litigation, claim or audit findings have been resolved, whichever is later.
 - b. Records for real property and equipment, which was acquired in whole or part with Federal funds, shall be retained for three years after final disposition of the property.

B. Non-Federal Financial Reports and Audits:

1. Contractor expending \$1,000,000 or more in Federal funds, from all sources, in a fiscal year shall submit the following to the Community Development Division (CDD) within nine months of the end of its fiscal year:
 - a. A single or program-specific audit conducted in accordance with the requirements of the Government Auditing Standards and 2 CFR 200 Subpart F ("Audit Requirements"), which shall include:
 - I. A schedule of all revenues and expenditures by program and revenue source, that reconciles costs for the contract period, and a schedule of revenues and expenditures of CDD funds by program, including a bridging schedule if the contract year and the Contractor's fiscal year do not coincide. NOTE: This schedule should break out the revenues and expenses by funding source and identify the exact amount of CDD funds expended for a program; other revenue should not be combined within a program description of expenses. A schedule of expenditures of federal awards satisfies this requirement if single audit is performed.
 - II. A schedule of all real property assets if any such property is purchased with CDBG funds; including an itemized list of all debt against each property and the terms of that debt.
 - III. The CDD Schedule of Findings and Questioned Costs.
 - b. A copy of the management letter received from the auditor if such letter is issued and the agency response to the management letter.
2. Contractor expending less than \$1,000,000 in Federal funds, from all sources, in a fiscal year shall submit the following:

For an agency that has an annual certified audit completed:

 - a. A copy of their annual certified audit, within 30 days of completion: which shall include the following schedules:
 - I. Report on the Internal Control structure.
 - II. Report on compliance with Laws, Regulations, Contracts and Grants. The City of Madison requires that the auditor plan the compliance audit such that 2 CFR 200 Subpart E ("Cost Principles") is considered material to the financial statements taken as a whole. The auditor will determine:
 - (A) Whether direct and indirect cost allocation plans are reasonable and acceptable;
 - (B) That costs are necessary and reasonable and were allocated according to the cost allocation plan;
 - (C) That the costs charged to the contract are based on actual costs incurred and are supported by accounting records and documents.
 - b. A schedule of all revenues and expenditures by program and revenue source, that reconciles costs for the contract period, and a schedule of revenues and expenditures of CDD funds by program, including a bridging schedule if the contract year and the Contractor's fiscal year do not coincide. NOTE: This schedule should break out the revenues and expenses by funding source and identify the exact amount of CDD funds expended for a program; other revenue should not be combined within a program description of expenses.

- c. A schedule of all real property assets if any such property is purchased with CDBG funds; including an itemized list of all debt against each property and the terms of that debt.
 - d. The CDD Schedule of Findings and Questioned Costs in Exhibit 8.
3. A copy of the management letter received from the auditor if such letter is issued, and the agency response to that letter.

Agencies which do not have annual audits completed may be requested by CDD to have an audit completed at CDD expense.

If no annual audit is done, an agency will submit financial statements showing how the funds were expended and a letter signed by the president of the board of directors stating that they approved the financial statement as prepared.

UNDER NO CIRCUMSTANCES WILL CDD REIMBURSE A FUNDED AGENCY FOR ANY COSTS RELATED TO AN AUDIT UNLESS THE AGENCY IS BEING AUDITED IN ACCORD WITH THE SINGLE AUDIT ACT AND 2 CFR 200 SUBPART F.

Property Standards

- A. Real Property means land, including improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements, but excludes movable machinery and equipment.
 - 1. Title to real property acquired with Federal funds shall vest in the Contractor subject to the condition that the Contractor uses the property for the authorized purpose of the project as long as it is needed and shall not encumber the property without the approval of the City and/or HUD.
 - 2. When the real property acquired with Federal funds is no longer needed for the purposes of the agreement the Contractor shall request written disposition instructions from the City.
- B. Equipment means tangible non-expendable personal property including exempt property charged directly to the award and having a useful life of more than one year and an acquisition cost of \$10,000 or more per unit.
 - 1. Title to equipment acquired in whole or in part with Federal funds shall vest in the Contractor, subject to the conditions of 2 CFR 200.313.
 - 2. The Contractor shall use the equipment acquired with Federal funds for the authorized purpose of the project as long as it is needed and shall not encumber the equipment without the approval of the City and/or HUD.
 - 3. The Contractor's property management records for equipment acquired with Federal funds shall include the following:
 - a. A description of the equipment;
 - b. Manufacturer's serial number, model number, or other identification number;
 - c. Source of the equipment, including grant or other agreement number;
 - d. Whether title vests in the agency;

- e. Acquisition date and cost;
 - f. Percentage of Federal participation in cost of the equipment;
 - g. Location, use, condition of property;
 - h. Unit acquisition cost; and
 - i. Disposition data, including sales price or the method used to determine fair market value.
- 4. A control system shall be in place to insure adequate safeguards to prevent loss, damage or theft of the equipment.
 - 5. A physical inventory of the equipment acquired with Federal funds shall be conducted and the results reconciled with the equipment records at least every two years.
 - 6. When equipment acquired in whole or in part with Federal funds is no longer needed for the purposes of the agreement the contractor shall request written disposition instructions from the City.
 - 7. The Contractor shall implement adequate maintenance procedures to keep the equipment in good condition.

Procurement Standards, Methods and Procedures

A. Responsibilities

The Contractor must use its own documented procurement procedures which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in 2 CFR 200 – Part D. The Contractor is the responsible authority, without recourse to HUD or the City regarding the settlement of all contractual and administrative issues arising out of the procurement entered into in support of the award or other agreement.

B. Codes of Conduct

The Contractor shall have a written code of conduct governing the performance of its employees engaged in the award and administration of contracts. The code of conduct shall address the conflict of interest requirements of this contract and the acceptance of gifts.

C. Competition

The Contractor shall conduct all procurement in a manner to provide to the maximum extent practical, open and free competition. Contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals shall be excluded from competing for a project.

D. Procurement Standards

- 1. The Contractor shall have written procurement procedures in accordance with 2 CFR 200.318 that include, but are not limited to, the following minimum procedural requirements:
 - a. Unnecessary or duplicative items shall not be purchased;
 - b. Where appropriate, an analysis of lease and purchase alternatives is done to assure the most economical and practical procurement.
 - c. Solicitations for goods and services shall include:
 - I. A clear and accurate description of the technical requirements for the material, product or service to be procured without unduly restricting competition.
 - II. All requirements and all other factors to be used in evaluating bids or

- proposals.
- III. A description of technical requirements including minimum acceptable standards.
 - IV. Detailed product specifications should be avoided if at all possible. When otherwise impractical, a "brand name or equivalent" description may be used as a means to define the performance of procurement. In this instance, the specific features of the named brand which must be met by offers must be clearly stated.
 - V. Acceptance of products and services dimensioned in the metric system, when practical and economically feasible.
 - VI. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources, protect the environment and are energy efficient.
- d. The Contactor must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the Contactor must not preclude potential bidders from qualifying during the solicitation period.
- 2. The Contractor shall make positive efforts to utilize small businesses, minority owned businesses and women owned businesses, veteran-owned businesses, as defined in **Exhibit 9** regardless of the anticipated subcontract amount or procurement method. Contractor will report all sub-awards greater than \$30,000 on **Exhibit 9**.
 - 3. The Contractor shall not use a "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting.
 - 4. The Contractor may determine the type of procuring instruments to use (e.g., fixed price contracts, cost reimbursable contracts, or purchase orders) as appropriate for the particular procurement and for promoting the best interest of the program or project involved.
 - 5. Contracts shall be made only with responsible subcontractors that possess the potential ability to perform successfully. Consideration shall be given to such matters as subcontractors' integrity, compliance with public policy, including where applicable Section 3 of the Housing and Urban Development Act of 1968, record of past performance, and financial and technical resources.
 - 6. The Contractor shall develop project specifications in sufficient detail to obtain comparable estimates or bids. In the case of construction related contracts, it may be necessary for the Contractor to procure architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups. An architect or engineer is required if the building contains more than 50,000 cubic feet of total volume (state code) or at the CDBG Project Manager's discretion. A project with multiple related components must include the services of an architect or engineer, a general contractor or construction manager. A Project with multiple related components is one that includes a variety of related objectives or types of labor, such as rehab of a bathroom, which includes electrical, plumbing and flooring or one where the work is related or overlaps the same space.

E. Procurement Methods

The Contractor shall conduct competitive procurement by one of the methods listed below or obtain approval from CDD.

1. **Micro-purchases** where the total value of contract(s) to be let is less than \$10,000. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (\$200.67 Micro-purchase). To the extent practicable, the Contractor must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the Contractor considers the price to be reasonable.
2. **Small purchase procedures** where the total value of contract(s) to be let is less than \$250,000. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
3. **Sealed bids (formal advertising)**. The Contractor defines selection criteria prior to solicitation of bids or proposals which must include but is not limited to price. Bids are publicly solicited from an adequate number of known suppliers, providing them sufficient response time. A firm fixed price contract (lump sum or unit price) is awarded to the responsive and responsible bidder whose bid or offer, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price and most advantageous to the program or project principally on the basis of price. Other factors such as compliance with federal requirements, the M/W/DBE goal, and quality may be considered when specified in the advertisement. The sealed bid method is the preferred method for procuring construction, in accordance with 2 CFR 200.320(c).
4. **Competitive Request for Proposals (RFP) or Request for Qualifications (RFQ) Process**. The Contractor's selection criteria includes evaluation factors and their relative importance usually via a point system that includes price, compliance with federal requirements and the M/W/DBE goal, and other terms and conditions presented in the RFP. The Contractor conducts a technical evaluation of proposals to determine the offeror who appears to have the greatest potential to satisfy the terms and conditions of the RFP or RFQ. The Contractor may negotiate and award a firm-fixed or cost reimbursement contract to the lowest responsive and responsible proposal that is deemed most advantageous to the program or project. No public disclosure of the contents of the offeror's proposals is made on the final date of receipt. This type of process is generally used when conditions are not appropriate for the use of sealed bids.
5. Procurement by a **noncompetitive proposal** process is permitted only in limited circumstances and must be approved by CDD.

F. Procurement Procedures

1. **Small Purchase/Estimate Process**: The Contractor solicits comparable estimates from an adequate number of qualified sources. At least three price or rate quotations must be obtained unless it can be documented that only two were obtained following good faith efforts. The Contractor will select the lowest responsive and responsible bid or offer. This process can only be used for services, supplies or other property costing in the aggregate up to the small purchase threshold of \$250,000.

CDD approval is required for Projects where the total value of contract(s) to be let is over \$250,000:

2. At least one week before publicly advertising, the Contractor must submit a complete bid document package to CDD for approval. A complete bid document package must include selection criteria, the advertisement, specifications, additional federal requirements, and instructions to bidders with M/W/DBE goal. After obtaining CDD approval, the Contractor publicly advertises bidding opportunities including electronic posting at least three weeks

before deadline with the third week to allow for submitting bids through one of the three processes below:

- a. Competitive Sealed Bid/Invitation for Bids (IFB) Process: Sealed bids with "best and final offers" are solicited and publicly opened at a time and place specified in the IFB. The Contractor awards a firm-fixed contract to the lowest responsive and responsible bid or offer that is most advantageous to the program or project principally on the basis of price. Other factors such as compliance with federal requirements, the M/W/DBE goal, and quality may be considered when specified in the RFB.
 - b. Competitive Negotiation/Request for Proposals or Qualifications (RFP or Qualifications) Process: The Contractor's selection criteria includes evaluation factors and their relative importance usually via a point system that includes price, compliance with federal requirements and the M/W/DBE goal, and other terms and conditions presented in the RFP. The Contractor conducts a technical evaluation of proposals to determine the offeror who appears to have the greatest potential to satisfy the terms and conditions of the RFP. The Contractor may negotiate and award a firm-fixed or cost reimbursement contract to the lowest responsive and responsible proposal that is deemed most advantageous to the program or project. No public disclosure of the contents of the offeror's proposals is made on the final date of receipt.
 - c. Value Engineering Process: CDD may allow the Contractor to use a Value Engineering process where the general contractor is selected before the project design is complete. Value Engineering may be used in conjunction with either a sealed bid or competitive negotiation process as specified above. The General Contractor's subcontractors are selected through an open and competitive process using either an approved sealed bid or competitive negotiation process as specified above. A fixed maximum price is set prior to the start of construction. Value Engineering is encouraged for construction projects of sufficient size to offer reasonable opportunities for cost reductions. It will be allowed only for very complex and high priced projects where the expertise of the general contractor is needed before the project design has been completed.
3. For projects involving construction related contracts, the Contractor shall:
- a. Obtain the attachment from CDD entitled "Additional Federal Requirements" with requirements appropriate to the specifications of the project, (e.g., simplified acquisition threshold currently set at \$250,000, Davis Bacon requirements, Section 3 requirements, etc.). This attachment, the major components of which are listed below, must be attached to both solicitations for bids and construction contracts.
 - b. Submit a list of proposed selected bidders with sufficient information for CDD to determine eligibility for receiving a contract.
 - c. Obtain from the City's Department of Civil Rights (DCR):
 - i. A goal for utilizing minority-owned, women-owned, and disadvantaged businesses (M/W/DBE) in excess of the small purchase threshold.
 - ii. The attachment entitled "Instructions for Bidders" with requirements appropriate to the specifications of the project for attachment to solicitations for bids. This attachment will specify the process for submitting a list of proposed selected bidders to the Department of Civil Rights with sufficient information to provide an approval of proposed sub-contractors on the basis of compliance with good faith efforts to contract with M/W/DBE and/or achieving the goal set for that project.

G. Cost and Price Analysis

The Contractor shall make and document some form of cost or price analysis with every procurement action. Cost analysis is the review and evaluation of each element of cost to

determine reasonableness, allocability and allowability.

H. Procurement Records

The Contractor shall maintain procurement records and files for purchases in excess of the small purchase threshold which include at a minimum the following:

1. Basis for subcontractor selection or rejection (including price and other pre-determined criteria),
2. Justification for lack of competition when competitive bids or offers are not obtained, and
3. Basis for cost or price of the subcontract.

Contract Provisions

- A. The Contractor certifies compliance with the contract provisions below as applicable. For the purposes of this section, the term recipient means the City of Madison.
- B. In accordance with 2 CFR Part 200 Appendix II, the Contractor further certifies that all contracts and subcontracts related to federally funded programs and grant agreements contain the following provisions in writing as applicable:
 1. *Equal Employment Opportunity*—All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
 2. *Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)*—All contracts and subgrants in excess of \$2000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.
 3. *Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)*—When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.
 4. *Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333)*—Where

applicable, all contracts awarded by the recipient or Contractor in excess of \$100,000 for contracts that involve the employment of mechanics or laborers shall include a provision for compliance with 40 U.S.C. 3702 and 3704 of the Contract Work Hours and Safety Standards Act, as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 3702 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. The requirements of 40 U.S.C. 3704 are applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. *Rights to Inventions Made Under a Contract or Agreement*— Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.
6. *Clean Air Act (42 U.S.C. 7401 et seq.)* and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended—Contracts and subgrants of amounts in excess of \$150,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).
7. *Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)*— Contractors and sub-contractors certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier, up to the recipient or Contractor.
8. *Debarment and Suspension (E.O.s 12549 and 12689)*—No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors shall provide the required certification regarding registration in the System for Award Management (SAM), exclusion status and that of its principal employees. The Federal Debarred Contractors List and registration information can be accessed via the Internet at <https://www.sam.gov>.
9. *Drug-Free Workplace Requirements*—The Drug-Free Workplace Act of 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential

recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

10. Compliance with City's DCR Affirmative Action requirements including a requirement to take affirmative steps to use minority-owned, women-owned, and disadvantaged businesses (M/W/DBE's) whenever possible as well as procedures to document compliance with federal, state and local regulations pertaining to the employment of women, minorities, and low income individuals on programs and projects when required by the City.
11. The requirements of the Energy Policy and Conservation Act (Pub. L 94-163) for Wisconsin.
12. Records retention and access requirements.
13. Notice and adequate explanation of related Contractor, city and or federal Reporting Requirements.
14. Subcontracts in excess of \$100,000 shall include provisions that allow for administrative, contractual and legal remedies when the subcontractor violates the contract terms.
15. Subcontracts in excess of \$100,000 shall include provisions for termination for cause, termination by the Contractor, and termination for circumstances beyond the Contractor's control.
16. For construction, rehabilitation and facility improvement contracts in excess of \$100,000, a bid guarantee equal to 5% of the bid price, and a payment bond and a performance bond each for 100% of the construction contract price. The Contractor may submit a written request for determination of an exception to the payment and performance bond requirement in limited circumstances where it can be demonstrated that the City's interest is adequately protected.

COMMUNITY DEVELOPMENT DIVISION (CDD) REQUIRED
Schedule of Findings and Questioned Costs
For Year Ended _____

Name of Agency _____

Summary of Auditor's Results

- | | | |
|--|------------------------------|--|
| 1. Was a Single Audit required? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| What dollar threshold was used to distinguish between Type A and Type B programs as defined by the Single Audit? (If applicable.) | \$ _____ | |
| 2. Type of auditor's report issued? | _____ | |
| 3. Internal control over financial reporting: | | |
| a. Were material weakness(s) identified? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| b. Were reportable condition(s) identified not considered to be material weaknesses? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| c. Was noncompliance material to the financial statements noted? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| 4. Internal control over major programs: | | |
| a. Were material weakness(s) identified? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| b. Were reportable conditions(s) identified not considered to be material weaknesses? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| 5. Was the indirect cost allocation plan reasonable and acceptable per 2 CFR 200 Subpart E ("Cost Principles")? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe.) |
| 6. Were the actual costs reasonable and allocated appropriately per 2 CFR 200 Subpart E ("Cost Principles")? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe.) |
| 7. Were the costs allocated to the CDD contracts based on costs incurred, and are they supported by records and documents? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe.) |
| 8. Were any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Subpart F ("Audit Requirements")? (Include Assistance Listing/CFDA No. and amount.) | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 9. Does the audit include an identification of all federal revenue sources and dollar amounts by program? (Include State of WI pass-through funds.) | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe.) |
| 10. Does the audit list any financial statement findings? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 11. Does the audit list any federal and state award findings and questioned costs? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 12. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| 13. Does the audit report identify any additional audit issues related to the Agency's CDD grants/contracts? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, describe.) |
| 14. Does the audit include the schedule of revenues and expenditures by program and revenue source? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe why not.) |
| 15. Does the audit include the schedule of CDD funds expended by program? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe why not.) |
| 16. Does the audit include the schedule of real property assets and the debt recorded against each property? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If no, describe why not.) |
| 17. Was a Management Letter or other document conveying audit comments issued as a result of this audit? | Yes <input type="checkbox"/> | No <input type="checkbox"/> (If yes, provide a copy.) |

Name and signature of partner: _____

Date of report: _____

EXHIBIT 8A (Federal Funds)

**BUILD AMERICA, BUY AMERICA (BABA)
REQUIREMENTS**

The Contractor shall comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended; as well as with the OMB guidance provided at 2 CFR Part 184, "Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure"; if applicable to the Contractor's infrastructure project.

Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates are subject to BABA requirements, unless excepted by a waiver.

EXHIBIT 9 (Federal Funds)

**NON-DISCRIMINATION, EQUAL OPPORTUNITY AND FAIR HOUSING,
MINORITY/WOMEN BUSINESS ENTERPRISES,
NON-DISCRIMINATION ON THE BASIS OF DISABILITY, AND SECTION 3 REQUIREMENTS**

Non-Discrimination

Consistent with Federal regulations and City ordinance, the Contractor may not, directly or through contractual licensing or other arrangements, take any of the following actions on the grounds of race, national origin or ancestry, citizenship status, color, religion or atheism, sex, age, handicap/disability, marital status, source of income, arrest record (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), conviction record (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), social security number (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), less than honorable discharge, physical appearance, sexual orientation, gender identity, genetic identity, political beliefs, familial status, student status, domestic partnership status, receipt of rental assistance, homelessness, unemployment status (limited to actions regarding employment but not applicable to actions regarding housing or public accommodations), credit history (limited to actions regarding employment but not applicable to actions regarding housing or public accommodations), status as a victim of domestic abuse, sexual assault or stalking, as defined in MGO 39.03:

1. Deny any individual any facilities, services, financial aid or other benefits provided under the program or activity;
2. Provide any facilities, services, financial aid or other benefits which are different, or are provided in a different form, from that provided to others under the program or activity;
3. Subject an individual to segregated or separate treatment in any facility, or in any matter of process related to receipt of any service or benefit under the program or activity;
4. Restrict an individual's access to, or enjoyment of, any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits under the program or activity;
5. Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirements or conditions which individuals must meet in order to be provided any facilities, services or other benefit provided under the program or activity;
6. Deny an individual an opportunity to participate in a program or activity as an employee;
7. Aid or otherwise perpetuate discrimination against an individual by providing Federal financial assistance to an agency, organization, or person that discriminates in providing any housing, aid, benefit, or service;
8. Otherwise limit an individual in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by other individuals receiving the housing, aid, benefit, or service;
9. Use criteria or methods of administration that have the effect of subjecting persons to discrimination or have the effect of defeating or substantially impairing

accomplishment of the objectives of the program or activity with respect to persons who are members of the protected classes defined in MGO 39.03; or

10. Deny a person the opportunity to participate as a member of planning or advisory boards.

In determining the site or location of housing, accommodations, or facilities, the Contractor may not make selections that have the effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination on the ground of race, national origin or ancestry, citizenship status, color, religion or atheism, sex, age, handicap/disability, marital status, source of income, arrest record (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), conviction record (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), social security number (limited to actions regarding employment or public accommodations but not applicable to actions regarding housing), less than honorable discharge, physical appearance, sexual orientation, gender identity, genetic identity, political beliefs, familial status, student status, domestic partnership status, receipt of rental assistance, homelessness, status as a victim of domestic abuse, sexual assault or stalking, as defined in MGO 39.03. The Contractor may not make selections that have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of Section 109 of Title I of the Housing and Community Development Act of 1974, 24 CFR part 6 and of this Attachment.

The Contractor may classify employees or applicants for employment, volunteers or applicants for volunteer service, applicants for or consumers of services, or applicants for board or committee membership in the Contractor's organization on the basis of membership in any of the protected classes defined in the MGO 39.03, only in those certain instances where such classification is a bona fide qualification reasonably necessary to the proper performance of the services contracted for.

Equal Opportunity and Fair Housing

Specifically, the Contractor hereby agrees to comply with the following as applicable:

1. The requirements of the Fair Housing Act (42 U.S.C. 3601-et seq) and implementing regulations at 24 CFR part 100; Executive Order 11063 (Equal Opportunity in Housing) and implementing regulations at 24 CFR part 107; and title VI of the Civil Rights Act of 1964 (42 USC 2000d (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR part 1;
2. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR part 146, and the prohibitions against discrimination against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;
3. The requirements of Executive Order 11246 (Equal Employment Opportunity), as amended by Executive Order 13279 and 12086, and the implementing regulations issued at 41 CFR Chapter 60;
4. The requirements of City of Madison Equal Opportunities Ordinance 39.03; and
5. The requirements of City of Madison Landlord and Tenant Law, MGO Chapter 32, where appropriate.

Minority and Women Business Enterprises

Specifically, the Contractor hereby agrees to comply with the following as applicable:

1. The requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise), and of 24 CFR 85.36; and

Accordingly, the Contractor hereby agrees to take affirmative steps to assure that women and minority businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

- a. Including qualified women's business enterprises and small and minority businesses on solicitation lists;
- b. Assuring that women's enterprises and small and minority businesses are solicited whenever they are potential sources;
- c. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum participation by small and minority business, and women's business enterprises;
- d. Where the requirement permits, establishing delivery schedules which will encourage participation by women's business enterprises and small and minority business;
- e. Using the services and assistance of the Small Business Administration, and the U.S. Office of Minority Business Development Agency of the Department of Commerce; and
- f. If any subcontracts are to be let, requiring the prime Contractor to take the affirmative steps in a through e above.

For the purposes of these requirements, a Minority Business Enterprise (MBE) is defined as an enterprise that is at least 51 percent owned and controlled in its daily operation by members of the following groups: Black, Hispanic, Asian or Pacific Islander, American Indian, or Alaskan Natives. A Women Business Enterprise (WBE) is defined as an enterprise that is at least 51 percent owned and controlled in its daily operation by women. The City of Madison maintains an online directory of W/MBE businesses, which can be accessed at: <http://www.cityofmadison.com/dcr/aaTBDir.cfm>.

2. For CDBG-funded Agreements, submit the CDBG Contractor, Subcontractor and Vendor Report Form to the Community Development Division (CDD) on a quarterly or annual basis covering the period from October 1 to September 30 (Exhibit 9, Form A) by October 5th of each year. Exhibit 9, Form A can be accessed at: http://www.cityofmadison.com/cdbg/doc_library.htm#Z
3. For HOME-funded Agreements with contracts to be let that are valued below \$200,000, submit the HOME Contractor and Subcontractor Report Form to CDD on an annual basis covering the period from January 1 to December 31 (Exhibit 9, Form B) with Project/Activity Completion Report for Housing Development Projects or by January 10th of each year for Subrecipient activities. Exhibit 9, Form B can be accessed at: http://www.cityofmadison.com/cdbg/doc_library.htm#Z . For HOME funded Agreements with construction contracts to be let valued at \$200,000 or more, Contractor may request to meet relevant federal completion reporting requirements via reports also submitted to the City's Department of Civil Rights (DCR).

Nondiscrimination on Basis of Disability

Nondiscrimination Based on Disability. Contractor shall comply with Section 39.05, Madison General Ordinances, “Nondiscrimination Based on Disability in City-Assisted Programs and Activities.” Under section 39.05(7) of the Madison General Ordinances, no City financial assistance shall be granted unless an Assurance of Compliance with Sec. 39.05 is provided by the applicant or recipient, prior to the granting of the City financial assistance.

Contractor hereby makes the following assurances: Contractor assures and certifies that it will comply with section 39.05 of the Madison General Ordinances, “Nondiscrimination Based on Disability in City Facilities and City-Assisted Programs and Activities,” and agrees to ensure that any subcontractor who performs any part of this agreement complies with sec. 39.05, where applicable. This includes but is not limited to assuring compliance by the Contractor and any subcontractor, with section 39.05(4) of the Madison General Ordinances, “Discriminatory Actions Prohibited.”

Contractor may not, in providing any aid, benefit or service, directly or through contractual, licensing or other arrangements, violate the prohibitions in Section 39.05(4), listed below:

Discriminatory Actions Prohibited: Contractor assures that, in providing any aid, benefit, or service, it shall not, directly or through contractual, licensing, or other arrangements, on the basis of disability:

1. Deny a qualified person with a disability the opportunity to participate in or benefit from the aid, benefit, or service;
2. Afford a qualified person with a disability an opportunity to participate in or benefit from the aid, benefit, or service, or the City facility, that is not equal to that afforded others;
3. Provide a qualified person with a disability with a City facility or an aid, benefit, or service that is not as effective as that provided to others;
4. Provide different or separate City facilities, or aid, benefits, or services to persons with a disability or to any class of persons with disabilities unless such action is necessary to provide qualified persons with a disability with City facilities, aid, benefits, or services that are as effective as those provided to others;
5. Aid or perpetuate discrimination against a qualified person with a disability by providing significant assistance to any agency, organization, or person that discriminates on the basis of disability in providing any aid, benefit, or service to beneficiaries of the recipient’s program;
6. Deny a qualified person with a disability the opportunity to participate as a member of planning or advisory boards; or
7. Otherwise limit a qualified person with a disability in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others receiving an aid, benefit, or service from a recipient, or by others using City facilities.

Contractor shall post notices in an accessible format to applicants, beneficiaries, and other persons, describing the applicable provisions of Sec. 39.05 of the Madison General Ordinances, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 USCA Sec 2000e-10).

A. Employment Provisions

1. No qualified individual with handicaps shall, solely on the basis of handicap, be subjected to discrimination in employment under any program or activity that receives Federal financial assistance from the Department.
2. A Contractor shall make reasonable accommodation to the known physical or mental limitations of an otherwise qualified applicant with handicaps or employee with handicaps, unless the Contractor can demonstrate that the accommodation would impose an undue hardship on the operation of its program.
3. A Contractor may not use any employment test or other selection criterion that screens out or tends to screen out individuals with handicaps or any class of individuals with handicaps unless the Contractor demonstrates that the test score, or other selection criteria, as used by the Contractor is job related for the position in question.

B. Accessibility

The Contractor agrees to comply with the provisions of local, State and Federal law regarding accessibility including, but not limited to the Rehabilitation Act, the Fair Housing Amendments Act, the Architectural Barriers Act, the Americans with Disabilities Act, Madison General Ordinance 39.05, the Wisconsin Open Housing Law and all applicable implementing regulations thereto. The primary provision of Section 504 of the Rehabilitation Act of 1973, as amended, requires the following:

1. Existing facilities

A Contractor shall operate each program or activity receiving Federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with disabilities. This paragraph does not:

- a. Necessarily require a Contractor to make each of its existing facilities accessible to and usable by individuals with disabilities;
- b. In the case of historic preservation programs or activities, require the Contractor to take any action that would result in a substantial impairment of significant historic features of a historic property; or
- c. Require a Contractor to take any action that it can demonstrate would result in a fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens. If an action would result in such an alteration or such burdens, the Contractor shall take any action that would not result in such an alteration or such burdens but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity.
- d. A Contractor may comply with the requirements of this section in its programs and activities receiving Federal financial assistance through such means as redesign of equipment, location of programs or services to accessible facilities or accessible portions of facilities, assignment of aides to beneficiaries, home visits, the addition or redesign of equipment (e.g., appliances or furnishings) changes in management policies or procedures, acquisition or construction of additional facilities, or alterations to existing facilities on a selective basis, or any other methods that result in making its program or activity accessible to individuals with disabilities. A Contractor is not required to make structural changes to existing facilities where other methods are effective in achieving

compliance with this section. In choosing among available methods for meeting the requirements of this section, the Contractor shall give priority to those methods that offer programs and activities to qualified individuals with disabilities in the most integrated setting appropriate.

2. Non-Housing Facilities

- a. New construction - New non-housing facilities shall be designed and constructed to be readily accessible to and usable by individuals with disabilities.
- b. Alterations to facilities - Alterations to existing non-housing facilities shall, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with disabilities. For purposes of this paragraph, the phrase "to the maximum extent feasible" shall not be interpreted as requiring that a Contractor make a non-housing facility, or element thereof, accessible if doing so would impose undue financial and administrative burdens on the operation of the Contractor's program or activity.

3. Housing Facilities

In addition, where housing units are being constructed or renovated the following provisions apply in the appropriate situation:

- a. New Construction
 - i. New multifamily housing projects (including public housing projects as required by 24 CFR 8.25) shall be designed and constructed to be readily accessible to and usable by individuals with disabilities.
 - ii. Subject to paragraph (c) of this section, a minimum of five percent of the total dwelling units or at least one unit in a multifamily housing project, whichever is greater, shall be made accessible for persons with mobility impairments. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR 8.32 is accessible for purposes of this section. An additional two percent of the units (but not less than one unit) in such a project shall be accessible for persons with hearing or vision impairments. In addition, the entire project must comply with the design requirements of the Wisconsin Open Housing Law.
 - iii. The City and HUD may prescribe a higher percentage or number than that prescribed in paragraph (2) of this section for any area upon request therefore by any affected Contractor or by any State or local government or agency thereof based upon demonstration to their reasonable satisfaction of a need for a higher percentage or number, based on census data or other available current data (including a currently effective Consolidated Plan), or in response to evidence of a need for a higher percentage or number received in any other manner. In reviewing such request or otherwise assessing the existence of such needs, HUD or the City shall take into account the expected needs of eligible persons with and without disabilities.
- b. Substantial Rehab

If alterations are undertaken to a project (including a public housing project as required by 24 CFR 8.25(a)(2) that has 15 or more units and the cost of the

alterations is 75 percent or more of the replacement cost of the completed facility, then the provisions of 24 CFR 8.22 shall apply. In addition, any project of 3 or more units, where more than 50% of the interior square footage is to be remodeled, must comply in total with the design requirements of the Wisconsin Open Housing Law.

c. Other Rehab

- i. Alterations to dwelling units in a multifamily housing project shall, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with disabilities. If alterations of single elements or spaces of a dwelling unit, when considered together, amount to an alteration of a dwelling unit, the entire dwelling unit shall be made accessible. Once five percent of the dwelling units in a project are readily accessible to and usable by individuals with mobility impairments, then no additional elements of dwelling units, or entire dwelling units, are required to be accessible under this paragraph. Alterations to common areas or parts of facilities that affect accessibility of existing housing facilities shall, to the maximum extent feasible, be made to be accessible to and usable by individuals with disabilities. For purposes of this paragraph, the phrase *to the maximum extent feasible* shall not be interpreted as requiring that a Contractor make a dwelling unit, common area, facility or element thereof accessible if doing so would impose undue financial and administrative burdens on the operation of the multifamily housing project. In addition, any project of 3 or more units must comply with the design requirements of the Wisconsin Open Housing Law.
- ii. The City and HUD may prescribe a higher percentage or number than that prescribed in paragraph a. above for any area upon request therefore by an affected Contractor or by any State or local government or agency thereof based upon demonstration to the reasonable satisfaction of HUD of a need for a higher percentage or number, based on census data or other available current data (including a currently effective Consolidated Plan), or in response to evidence of a need for a higher percentage or number received in any other manner. In reviewing such request or otherwise assessing the existence of such needs, HUD and the City shall take into account the expected needs of eligible persons with and without disabilities.

Equal Opportunity for Businesses and Lower Income Persons
(HUD Act of 1968 Section 3)

The purpose of Section 3 of the Housing and Urban Development Act of 1968, {12U.S.C.1701u}(section3)} and implementing regulations at 24 C.F.R.135}, “is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low-and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low-and very low-income persons.”

Section 3 Clause Requirement

For housing and community development financial assistance, “Section 3 covered contracts” applies to any contracts or subcontracts providing assistance for housing rehabilitation, housing construction, or other public construction projects in excess of \$200,000. These projects shall include the following clause (referred to as the Section 3 clause in 24 CFR 135.38):

- 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. 1701u (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 will 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 will 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 will 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, were 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 future HUD assisted contracts.

City of Madison Section 3 Reporting

The City of Madison has established employment and training goals that subrecipients, contractors, and subcontractors should meet in order to comply with Section 3 requirements outlined in [24 CFR Part 75.19 for housing and community development financial assistance].

The safe harbor benchmark goals for housing and community development financial assistance are as follows:

1. Twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers;

Section 3 Labor Hours/Total Labor Hours = 25%; and

2. Five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers, as defined at 24 CFR Part 75.21.

Targeted Section 3 Labor Hours/Total Labor Hours = 5%

It is the responsibility of the Contractor to implement efforts to achieve Section 3 compliance. Any Contractor that does not meet the Section 3 benchmarks must demonstrate Good Faith Efforts as to why meeting the benchmarks were not feasible. All Contractors submitting bids or proposals for projects with Section 3 covered financial assistance are required to certify that they will comply with the requirements of Section 3.

Specifically, the Contractor hereby agrees to comply with Section 3 Requirements as follows:

1. Prior to bidding construction work, Contractor shall contact the City's Department of Civil Rights (DCR) at contractcompliance@cityofmadison.com to schedule a meeting with its General Contractor (GC) to review contract compliance requirements at least 30 days before bidding. Prior to commencing construction, GC shall invite DCR to any pre-construction meetings with its sub-contractors.
2. By executing this Agreement, Contractor acknowledges receipt and thorough review of the Section 3 Worker and Section 3 Monthly Report Forms supplied by DCR and related contracting requirements.

CDBG CONTRACTOR, SUBCONTRACTOR, VENDOR REPORT

Exhibit 9, FORM A

AGENCY NAME: _____

IRS FEIN #: _____

Contract Name: _____

Contract #: _____

Please submit this report quarterly or annually by October 5 for the period covering October 1 to September 30. NOTE: Report is due September 30th each year.

☐ Indicate X if No Contract Activity During Report PeriodReport Period: From: October 1, 2024
MONTH, DATE YEARTo: September 30, 2025
MONTH, DATE YEAR

Report the following whenever CDBG funds are used to purchase goods or services or pay a contractor or subcontractor:

- a. From a **Minority-owned vendor or business (Minority Business Enterprise: MBE)**;
- b. From a **Female-owned vendor or business (Women Business Enterprise: WBE)**; OR
- c. Valued at **more than \$10,000 from ANY vendor or business.**

Contractor or Subcontractor Name	Address	City	State	Zip	Type of Trade Code (See below)	Racial/Ethnic Code (See below)	Woman owned Business (Y/N)	Section 3 Contractor (Y/N)	Prime Contractor IRS FEIN #	Subcontractor IRS FEIN # (Leave blank if no subcontractor)	Contract or Subcontract Amount
1.											
2.											
3.											
4.											
5.											
6.											
7.											
8.											

Type of Trade Code:

- 1 = New Construction
2 = Education/Training
3 = Other (Rehabilitation, supply, professional services, etc.)

Racial/Ethnic Code of Business Ownership:

- 1 = White Americans
2 = Black Americans
3 = Native Americans
4 = Hispanic Americans
5 = Asian/Pacific Americans
6 = Hasidic Jews

Woman-owned business
Section 3 Business
(Certified by DCR)

- Y- Yes
N- No

- Y- Yes
N- No

Consult the City's M/WBE or Disadvantaged Business Directories here:

<https://www.cityofmadison.com/civil-rights/contract-compliance/targeted-business-enterprise-programs/directories>

For **Racial/Ethnic Code**, enter the numeric code which indicates the racial/ethnic or gender character of the owner(s) and controller(s) of 51% of the business. When 51% or more is not owned and controlled by any single racial/ethnic category, enter the code which seems most appropriate. (Instructions from HUD Form 2516.)

For **Type of Trade**, enter the numeric codes which best indicates the contractor's/subcontractor's service. The "other" category includes supply, professional services (e.g., accounting, cleaning) and all other activities except rehab/construction and education/training activities.

HOME CONTRACTOR AND SUBCONTRACTOR REPORT

EXHIBIT 9, FORM B

AGENCY NAME: _____

PROJECT NAME: _____

PROJECT #: (e.g., DN 025 2013) _____

DATE SUBMITTED: _____



Indicate X if No Contract Activity During Report Period

Please submit one report for each HOME Project/Contract COMPLETED during the period covering January 1 to December 31 with contracts let valued under \$200,000.

Report the following whenever a HOME funded project or program contracts or subcontracts with business enterprises including vendors and suppliers:								
Contract Firm Name	Address	City	State	Zip	Racial/Ethnic Code (Enter code from below)	Woman owned Business (Y/N)	IRS/ FEIN #	Contract Amount
1.								
2.								
3.								
4.								
5.								
Sub-contract Firm Name	Address	City	State	Zip	Racial/Ethnic Code (Enter code from below)	Woman owned Business (Y/N)	IRS/ FEIN #	Contract Amount
1.								
2.								
3.								
4.								
5.								

Racial/Ethnic Code of Business Ownership:

- 1 = Alaskan Native or American Indian
- 2 = Asian/Pacific Islander
- 3 = Black
- 4 = Hispanic
- 5 = White, Non-hispanic

Woman-owned

business

Y- Yes

N- No

Consult the City's M/WBE or Disadvantaged Business Directories here:

<https://www.cityofmadison.com/civil-rights/contract-compliance/targeted-business-enterprise-programs/directories>

For **Racial/Ethnic Code**, enter the numeric code which indicates the racial/ethnic or gender characteristic of the owner(s) and controller(s) of 51% of the business enterprise. When 51% or more of the business enterprise is not owned and controlled by any single racial/ethnic category, enter the code which seems most appropriate.

EXHIBIT 10

AFFIRMATIVE ACTION

A. The following language applies to all contractors employing fifteen (15) or more employees (MGO 39.02(9)(c):

The Contractor agrees that, within thirty (30) days after the effective date of this Contract, Contractor will provide to the City of Madison Department of Civil Rights (the "Department"), certain workforce utilization statistics, using a form provided by the City.

If the Contract is still in effect, or if the City enters into a new Agreement with the Contractor, within one year after the date on which the form was required to be provided, the Contractor will provide updated workforce information using a second form, also to be furnished by the City. The second form will be submitted to the Department no later than one year after the date on which the first form was required to be provided.

The Contractor further agrees that, for at least twelve (12) months after the effective date of this Contract, it will notify the Department of each of its job openings at facilities in Dane County for which applicants not already employees of the Contractor are to be considered. The notice will include a job description, classification, qualifications, and application procedures and deadlines, shall be provided to the City by the opening date of advertisement and with sufficient time for the City to notify candidates and make a timely referral. The Contractor agrees to interview and consider candidates referred by the Department, or an organization designated by the Department, if the candidate meets the minimum qualification standards established by the Contractor, and if the referral is timely. A referral is timely if it is received by the Contractor on or before the date stated in the notice.

The Department will determine if a contractor is exempt from the above requirements (Sec..A) at the time the Request for Exemption in B.(2) is made.

B. Articles of Agreement, Request for Exemption, and Release of Payment:

The "ARTICLES OF AGREEMENT" beginning on the following page, apply to all contractors, unless determined to be exempt under the following table and procedures:

NUMBER OF EMPLOYEES	LESS THAN \$50,000	\$50,000 OR MORE
	Aggregate Annual Business with the City*	Aggregate Annual Business with the City*
14 or less	Exempt**	Exempt**
15 or more	Exempt**	Not Exempt

*As determined by the Finance Director

**As determined by the Department of Civil Rights

- (1) Exempt Status: In this section, "Exempt" means the Contractor is exempt from the Articles of Agreement in section B.(5) of this Contract and from filing an Affirmative Action plan as required by Section IV of the Articles of Agreement. The Department of Civil Rights ("Department") makes the final determination as to whether a contractor is exempt. If the Contractor is not exempt, sec.B.(5) shall apply and Contractor shall select option A. or B. under Article IV therein and file an Affirmative Action Plan.
- (2) Request for Exemption – Fewer Than 15 Employees: (MGO 39.02(9)(a)2.b.) Contractors who believe they are exempt based on number of employees shall submit a Request for Exemption on a form provided by the Department within thirty (30) days of the effective date of this Contract.
- (3) Exemption – Annual Aggregate Business: (MGO 39.02(9)(a)2.c.): The Department will determine, at the time this Contract is presented for signature, if the Contractor is exempt because it will have less than \$50,000 in annual aggregate business with the City for the calendar year in which the contract is in effect. CONTRACTORS WITH 15 OR MORE EMPLOYEES WILL LOSE THIS EXEMPTION AND BECOME SUBJECT TO SEC.B.(5) UPON REACHING \$50,000 OR MORE ANNUAL AGGREGATE BUSINESS WITH THE CITY WITHIN THE CALENDAR YEAR, BEGINNING IN 2019.
- (4) Release of Payment: (MGO 39.02(9)(e)1.b.) All non-exempt contractors must have an approved Affirmative Action plan meeting the requirements of Article IV below on file with the Department within thirty (30) days of the effective date of this Contract and prior to release of payment by the City. Contractors that are exempt based on number of employees agree to file a Request for Exemption with the Department within thirty (30) days of the effective date and prior to release of payment by the City.

(5) Articles of Agreement:

ARTICLE I

The Contractor shall take affirmative action in accordance with the provisions of this Contract to ensure that applicants are employed, and that employees are treated during employment without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin and that the employer shall provide harassment-free work environment for the realization of the potential of each employee. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship insofar as it is within the control of the Contractor. The Contractor agrees to post in conspicuous places available to employees and applicants notices to be provided by the City setting out the provisions of the nondiscrimination clauses in this Contract.

ARTICLE II

The Contractor shall in all solicitations or advertisements for employees placed by or on behalf of the Contractors state that all qualified or qualifiable applicants will be employed without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin.

ARTICLE III

The Contractor shall send to each labor union or representative of workers with which it has a collective bargaining Agreement or other Contract or understanding a notice to be provided by the City advising the labor union or workers representative of the Contractor's equal employment opportunity and affirmative action commitments. Such notices shall be posted in conspicuous places available to employees and applicants for employment.

ARTICLE IV

(This Article applies to non-public works contracts.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison (MGO 39.02) including the Contract compliance requirements. The Contractor warrants and certifies that one of the following paragraphs is true (**check one**):

- ☐ A. Contractor has prepared and has on file an affirmative action plan that meets the format requirements of Federal Revised Order No. 4, 41 CFR part 60-2, as established by 43 FR 51400 November 3, 1978, including appendices required by City of Madison ordinances or it has prepared and has on file a model affirmative action plan approved by the Madison Common Council.
- ☐ B. Within thirty (30) days after the effective date of this Contract, Contractor will complete an affirmative action plan that meets the format requirements of Federal Revised Order No. 4, 41 CFR Part 60-2, as established by 43 FR 51400, November 3, 1978, including appendices required by City of Madison ordinance or within thirty (30) days after the effective date of this Contract, it will complete a model affirmative action plan approved by the Madison Common Council.
- ☐ C. Contractor believes it is exempt from filing an affirmative action plan because it has fewer than fifteen (15) employees and has filed, or will file within thirty (30) days after the effective date of this Contract, a form required by the City to confirm exempt status based on number of employees. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.
- ☐ D. Contractor believes it is exempt from filing an affirmative action plan because its annual aggregate business with the City for the calendar year in which the contract is in effect is less than fifty thousand dollars (\$50,000), or for another reason listed in MGO 39.02(9)(a)2. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.

ARTICLE V

(This Article applies to public works contracts only.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison, including the Contract compliance requirements. The Contractor agrees to submit the model affirmative action plan for public works Contractors in a form approved by the Director of Affirmative Action.

ARTICLE VI

The Contractor will maintain records as required by Section 39.02(9)(f) of the Madison General Ordinances and will provide the City's Department of Affirmative Action with access to such records and to persons who have relevant and necessary information, as provided in Section 39.02(9)(f). The City agrees to keep all such records confidential, except to the extent that public inspection is required by law.

ARTICLE VII

In the event of the Contractor's or subcontractor's failure to comply with the Equal Employment Opportunity and Affirmative Action provisions of this Contract or Sections 39.03 and 39.02 of the Madison General Ordinances, it is agreed that the City at its option may do any or all of the following:

- A. Cancel, terminate or suspend this Contract in whole or in part.
- B. Declare the Contractor ineligible for further City contracts until the Affirmative Action requirements are met.
- C. Recover on behalf of the City from the prime Contractor 0.5 percent of the Contract award price for each week that such party fails or refuses to comply, in the nature of liquidated damages, but not to exceed a total of five percent (5%) of the Contract price, or ten thousand dollars (\$10,000), whichever is less. Under public works contracts, if a subcontractor is in noncompliance, the City may recover liquidated damages from the prime Contractor in the manner described above. The preceding sentence shall not be construed to prohibit a prime Contractor from recovering the amount of such damage from the noncomplying subcontractor.

ARTICLE VIII

(This Article applies to public works contracts only.)

The Contractor shall include the above provisions of this Contract in every subcontract so that such provisions will be binding upon each subcontractor. The Contractor shall take such action with respect to any subcontractor as necessary to enforce such provisions, including sanctions provided for noncompliance.

ARTICLE IX

The Contractor shall allow the maximum feasible opportunity to small business enterprises to compete for any subcontracts entered into pursuant to this Contract. (In federally funded contracts the terms "DBE, MBE, and WBE" shall be substituted for the term "small business" in this Article.)

EXHIBIT 11 (Federal Funds)

REQUIREMENTS REGARDING LEAD-BASED PAINT

Applicable City, State and Federal Laws

Contractors must comply with the provisions of lead paint work from State of Wisconsin, City of Madison and other federal regulations imposed by HUD

City of Madison MGO 7.49: Applies whenever exterior painting or remodeling is being done to any property built before 1978.

Federal Lead Paint Regulation 24 CFR, Part 35: Applies to any HUD-CPD funded activity with requirements as listed below based on type of activity and dollar amount associated with rehabilitation of the unit. HUD passed the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 3535 (d), 4821 and 4851.

State of Wisconsin Code DHS 163: Applies to any person performing, supervising, or offering to perform or supervise a lead-based paint activity involving housing or a child occupied facility constructed prior to 1978 (unless the property is occupied by elderly or the disabled or is a zero-bedroom dwelling unit). The Code requires certification of all inspectors, supervisors, workers and the company, and established work practice standards.

City of Madison Ordinance

1) Scope.

Owners of buildings and structures built before 1978 shall paint or remodel or cause to be painted or remodeled any painted exterior surface of such buildings or structures in conformity with the standards set forth in this section. These standards also apply if the age of the building or structure cannot be established by the owner to the satisfaction of Public Health Madison and Dane County.

- (a) Painting or remodeling includes but is not limited to work involving construction, alteration, repair, painting, paint removal or decorating.
- (b) A painted exterior surface means an exterior surface covered with a paint or other surface coating material.
- (c) An exterior surface may include but is not limited to walls; windows, window assemblies and trim; soffit; fascia; doors, door assemblies and trim; porch and balcony floors and ceilings; columns; handrails, and guardrails; and foundations.

2) Standards for Paint Removal Methods.

- (a) The following methods shall not be used to remove paint or other surface coating materials without the use of adequate engineering controls:
 - 1) Open flame burning;
 - 2) Power tool cleaning including but not limited to machine sanding or machined grinding;
 - 3) Open-air abrasive blasting or stripping using sand, steel grit, steel shot, aluminum oxide, water or other abrasive media.

- (b) The methods listed in Subdivision (a) above may be used only with adequate engineering controls to the extent feasible to reduce public exposure to lead. Adequate engineering controls include but are not limited to vacuum attachments equipped with high efficiency particulate accumulator (HEPA) filters, partial containment structures, total containment structures under negative pressure or other method approved by the Director of Public Health Madison and Dane County.

3) Safety Procedures.

- (a) All windows, doors, HVAC intake vents and other entry ways into the building or structure shall be kept closed or sealed, if necessary, while work is being performed.
- (b) Plastic sheeting shall be used to prevent accumulation of dust and debris on the soil, vegetation or other surfaces adjacent to the work area. At a minimum, plastic sheeting shall be securely attached to the building or structure and extend the length of the work area.
- (c) All visible dust and debris in and around the work area and all waste work materials such as tape, plastic sheeting, mop heads, cleaning cloths, sponges, disposable clothing, filters and other disposable work materials must be cleaned up at the end of each work day during the entire painting or remodeling project. The dust, debris and disposable work materials must be placed in double 4 mil or single 6 mil plastic bags.
- (d) Waste generated during the project shall be disposed of in conformance with all applicable local, state and federal laws and regulations. Waste shall be transported and disposed of in such a manner as to prevent lead from becoming airborne.

4) Warning Notice.

At least two warning signs shall be conspicuously posted adjacent to the work area. The signs shall be posted at the beginning of the project and remain posted until the project has been completed. The signs shall measure at least eleven (11) inches by eight (8) inches and display the following wording:

**Caution – Paint Removal Work Area
Danger to Children and Pregnant Women**

5) Exemption.

Persons are exempt from this ordinance if there is no lead-bearing paint present on the surfaces to be painted or remodeled or if there is no lead-bearing paint disturbed by the painting or remodeling process. Lead-based paint means paint or other surface coatings that contain lead equal to or exceeding 1.0 milligram per square centimeter or 0.5 percent by weight or 5,000 parts per million (ppm) by weight. This determination must be made prior to removing or disturbing the paint by a laboratory certified to do lead analysis through the Environmental Lead Laboratory Accreditation Program. Paint chip samples must be collected according to instructions provided by the accredited laboratory. Acceptable paint chip samples must include all layers of paint and omit any surface material such as wood, masonry, etc. A finding of no lead-bearing paint must be supported with written documentation showing who performed the testing specifying

the company or lab name and address and technician name, the date of testing, the test method used, the location and type of surface tested and the test result for each sample.

6) Penalties.

Any person violating any of the provisions of this ordinance shall be subject to a forfeiture of not less than fifty dollars (\$50) nor more than one thousand dollars (\$1,000) and each day or fraction of a day on which any provision of this ordinance is violated shall be deemed a separate offense.

State Laws

1. The State of Wisconsin Department of Health Services (DHS) adopted rules to reduce lead paint hazards. A summary of the major State requirements are as follows:
 - A. All lead inspectors, project designers, risk assessors, workers, supervisors and the company employing them must be accredited by DHS.
 - B. A person certified as a supervisor of lead hazard reduction must be on the site at all times when work designed to reduce lead-based paint hazards is being performed and must have her/his certification card on the premises.
 - C. All workers must be individually certified and have their certification cards on the premises.
 - D. The supervisor of the lead hazard reduction work must notify the Wisconsin DHS a minimum of 2 working days prior to commencing the work.
 - E. When rehabilitation work involves occupied dwellings, *"Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and School"* must be provided prior to rehab beginning. Signed certificate of delivery is required.
2. The Contractor shall conform to any local rules, including MGO 7.49, which establishes standards for paint removal and safety procedures.

Federal Regulations

Level of Activity: Less than or equal to \$5,000 per unit rehabilitation on pre-1978 housing

Testing Requirements

- Paint testing performed on surfaces to be disturbed by a certified lead paint assessor. (Federal mitigation requirements apply only to those areas on the property where chipping or peeling paint has tested positive for lead, and/or where lead-positive paint chips have fallen.)

-OR-

- May presume lead paint exists. (Federal mitigation requirements apply to any areas on the property where paint is chipping or peeling and/or where paint chips may have fallen.)

Work Requirements

- Repair surfaces disturbed during work,
- Use safe work practices when working on areas identified as lead based paint.
- Clearance of work site, or entire home if site was not contained. Clearance is not required if rehab did not disturb painted surfaces of greater than 20 square feet on the exterior, 2 square feet in any interior room, or greater than 10% of the surface area in any interior or exterior component.

Notification Requirements

- Pamphlet- “Protect Your Family from Lead in Your Home”
- Disclosure of available information or knowledge regarding presence of lead paint
- Disclosure of test results within 15 calendar days of receiving report or a disclosure of presumption of lead
- Notice of hazard reduction activities within 15 calendar days after reduction activities are completed (including clearance results)
- Following all State of Wisconsin and City of Madison codes

Level of Activity: Between \$5,000 and \$25,000 per unit rehabilitation on pre-1978 housing
--

Testing Requirements

- Full risk assessment on unit receiving assistance, related common areas and exterior painted surfaces by a certified risk assessor.

-OR-

- May presume lead paint and perform standard treatments.

Work Requirements

- Perform interim controls on identified hazards
- Safe work practices unless rehab did not disturb painted surfaces of greater than 20 square feet on the exterior, 2 square feet in any interior room, or greater than 10% of the surface area in any interior or exterior component.
- Clearance on unit, related common areas and exterior painted surfaces

Notification Requirements

- Pamphlet- “Protect Your Family from Lead in Your Home”
- Disclosure of available information or knowledge regarding the presence of lead paint.
- Disclosure of test results within 15 calendar days of receiving report or a disclosure of presumption of lead.
- Notice of hazard reduction activities within 15 calendar days after completed, including clearance results.
- Following all State of Wisconsin and City of Madison codes

Level of Activity: More than \$25,000 per unit rehabilitation on pre-1978 housing
--

Testing Requirements

- Full risk assessment on assisted unit, related common areas and exterior painted surfaces using a certified assessor.

-OR-

- May presume lead and abate all applicable surfaces.
-

Work Requirements

- Abate all interior and exterior identified hazards that have been disturbed.
- Interim controls performed on identified hazards on exterior that are not disturbed by rehab.
- Safe work practices unless rehab did not disturb painted surfaces of greater than 20 square feet on the exterior, 2 square feet in any interior room, or greater than 10% of the surface area in any interior or exterior component.
- Clearance on unit, related common areas and exterior painted surfaces

Notification Requirements

- Pamphlet- "Protect Your Family from Lead in Your Home"
- Disclosure of available information or knowledge regarding the presence of lead paint.
- Disclosure of test results within 15 calendar days of receiving report or a disclosure of presumption of lead.
- Notice of hazard reduction activities within 15 calendar days after completed, including clearance results.
- Following all State of Wisconsin and City of Madison codes

NOTE: Safe work practices must be completed by a State certified worker. All clearance must be done by a State certified inspector. Keep on file State DHS license number for company and supervisor.

EXHIBIT 12 (Federal Funds)

CERTIFICATE OF EXEMPTION FROM FEDERAL LABOR STANDARDS

The City hereby finds that the Contractor meets the criteria for exemption from the Federal Fair Labor Standards requirements on one of the following grounds:

For CDBG-funded projects:

- A. The Agreement does not involve payment for construction activities or does not involve construction on eight (8) or more residential units at any one site.
- B. The project does not exceed \$2,000 of construction work and hence, does not fall under the provisions of the Davis-Bacon Act.

For HOME-funded projects:

- A. The Agreement does not involve payment for construction activities on a project involving construction on twelve (12) or more HOME-assisted residential units.

The Contractor agrees to notify the City within five (5) days if the above circumstances change, such that the Contractor no longer meets one of the qualifying criteria; further, the Contractor hereby agrees to comply with the Federal Fair Labor Standards, as detailed in EXHIBIT 12A where and when they become applicable. EXHIBIT 12A effectively replaces this Exhibit when and where it is determined that Federal Fair Labor Standards apply.

A. APPLICABILITY

The Project or Program to which the construction work covered by this Contract pertains is being assisted by the United States of America, and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

1. Minimum wages and fringe benefits

i. All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in 29 CFR 5.5(d) and (e), the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act (40 U.S.C. 3141(2)(B)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(v) of these contract clauses; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under 29 CFR 5.5(a)(1)(iii)) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

ii. Frequently recurring classifications

A. In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in 29 CFR part 1, a wage determination may contain, pursuant to § 1.3(f), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to 29 CFR 5.5(a)(1)(iii), provided that:

1. The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
2. The classification is used in the area by the construction industry; and
3. The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

B. The Administrator will establish wage rates for such classifications in accordance with 29 CFR 5.5(a)(1)(iii)(A)(3). Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

iii. Conformance

A. The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be classified in conformance with the wage determination. Conformance of an additional

classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

1. The work to be performed by the classification requested is not performed by a classification in the wage determination; and
2. The classification is used in the area by the construction industry; and
3. The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- B. The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.
- C. If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- D. In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.
- E. The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under 29 CFR 5.5 (a)(1)(iii)(C) and (D). The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to 29 CFR 5.5 (a)(1)(iii)(C) or (D) must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

iv. Fringe benefits not expressed as an hourly rate

Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.

v. Unfunded plans

If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in 29 CFR 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

- vi. Interest** In the event of a failure to pay all or part of the wages required by the contract, the Contractor will be required to pay interest on any underpayment of wages.

2. Withholding

i. Withholding requirements

The U. S. Department of Housing and Urban Development may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in 29 CFR 5.5(a) for violations of this contract, or to satisfy any such liabilities required by any

other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in 29 CFR 5.5(a)(3)(iv), HUD may on its own initiative and after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

ii. Priority to withheld funds

The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- A. A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- B. A contracting agency for its procurement costs;
- C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- D. A contractor's assignee(s);
- E. A contractor's successor(s); or
- F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

3. Records and certified payrolls

i. Basic record requirements

- A. **Length of record retention.** All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.
- B. **Information required** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.
- C. **Additional records relating to fringe benefits.** Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(v) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in 40 U.S.C. 3141(2)(B) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.
- D. **Additional records relating to apprenticeship** Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

ii. Certified payroll requirements

- A. **Frequency and method of submission.** The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed,

certified payrolls to HUD if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the certified payrolls to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system

B. Information required. The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i)(B), except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf> or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

C. Statement of Compliance. Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

1. That the certified payroll for the payroll period contains the information required to be provided under 29 CFR 5.5(a)(3)(ii), the appropriate information and basic records are being maintained under 29 CFR 5.5 (a)(3)(i), and such information and records are correct and complete;
2. That each laborer or mechanic (including each helper and apprentice) working 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 29 CFR part 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(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

D. Use of Optional Form WH-347. The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by 29 CFR 5.5(a)(3)(ii)(C).

E. Signature. The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

F. Falsification. The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under 18 U.S.C. 1001 and 31 U.S.C. 3729.

G. Length of certified payroll retention. The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

iii. Contracts, subcontracts, and related documents. The contractor or subcontractor must

maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

iv. Required disclosures and access.

- A. Required record disclosures and access to workers.** The contractor or subcontractor must make the records required under 29 CFR 5.5(a)(3)(i)–(iii), and any other documents that HUD or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by 29 CFR 5.1, available for inspection, copying, or transcription by authorized representatives of HUD or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.
- B. Sanctions for non-compliance with records and worker access requirements.** If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to 29 CFR 5.12. In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under 29 CFR part 6 any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.
- C. Required information disclosures.** Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to HUD if the agency is a party to the contract, or to the Wage and Hour Division of the Department of Labor. If the Federal agency is not such a party to the contract, the contractor, subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to HUD, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

4. Apprentices and equal employment opportunity

i. Apprentices.

- A. Rate of pay.** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- B. **Fringe benefits.** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.
 - C. **Apprenticeship ratio.** The allowable ratio of apprentices to journeyworkers on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to 29 CFR 5.5(a)(4)(i)(D). Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in 29 CFR 5.5(a)(4)(i)(A), must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.
 - D. **Reciprocity of ratios and wage rates.** Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.
- ii. **Equal employment opportunity.** The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.
- 5. **Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.
 - 6. **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (11), along with the applicable wage determination(s) and such other clauses or contract modifications as the U.S. Department of Housing and Urban Development may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate.
 - 7. **Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.
 - 8. **Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.
 - 9. **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.
10. **Certification of eligibility.**
- i. By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).
 - ii. No part of this contract shall be subcontracted to any person or firm ineligible for award of a

Government contract by virtue of 40 U.S.C. 3144(b) or 29 CFR 5.12(a).

iii. The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, 18 U.S.C. 1001.

11. Anti-retaliation. It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5;
- iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5; or
- iv. Informing any other person about their rights under the DBA, Related Acts, or 29 CFR parts 1, 3, or 5.

B. Contract Work Hours and Safety Standards Act (CWHSSA)

The Agency Head must cause or require the contracting officer to insert the following clauses set forth in 29 CFR 5.5(b)(1), (2), (3), (4), and (5) in full, or (for contracts covered by the Federal Acquisition Regulation) by reference, in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses must be inserted in addition to the clauses required by 29 CFR 5.5(a) or 4.6. As used in this paragraph, the terms "laborers and mechanics" include watchpersons and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in 29 CFR 5.5(b)(1) the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in 29 CFR 5.5(b)(1), in the sum of \$31 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in 29 CFR 5.5(b)(1).

3. Withholding for unpaid wages and liquidated damages.

i. **Withholding process.** The U.S Department of Housing and Urban Development or the recipient of Federal assistance may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in 29 CFR 5.5(b) on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in 29 CFR 5.2). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may

be used to satisfy the contractor liability for which the funds were withheld.

ii. Priority to withheld funds. The Department has priority to funds withheld or to be withheld in accordance with 29 CFR 5.5(a)(2)(i) or (b)(3)(i), or both, over claims to those funds by:

- A. A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- B. A contracting agency for its procurement costs;
- C. A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- D. A contractor's assignee(s);
- E. A contractor's successor(s); or
- F. A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901-3907.

4. Subcontracts. The contractor or subcontractor must insert in any subcontracts the clauses set forth in 29 CFR 5.5(b)(1) through (5) and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in 29 CFR 5.5(b)(1) through (5). In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

5. Anti-retaliation It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- i. Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in 29 CFR part 5;
- ii. Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or 29 CFR part 5;
- iii. Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or 29 CFR part 5; or
- iv. Informing any other person about their rights under CWHSSA or 29 CFR part 5.

C. CWHSSA required records clause In addition to the clauses contained in 29 CFR 5.5(b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other laws referenced by 29 CFR 5.1, the Agency Head must cause or require the contracting officer to insert a clause requiring that the contractor or subcontractor must maintain regular payrolls and other basic records during the course of the work and must preserve them for a period of 3 years after all the work on the prime contract is completed for all laborers and mechanics, including guards and watchpersons, working on the contract. Such records must contain the name; last known address, telephone number, and email address; and social security number of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid; daily and weekly number of hours actually worked; deductions made and actual wages paid. Further, the Agency Head must cause or require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph must be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview workers during working hours on the job.

D. Incorporation of contract clauses and wage determinations by reference Although agencies are required to insert the contract clauses set forth in this section, along with appropriate wage determinations, in full into covered contracts, and contractors and subcontractors are required to insert them in any lower-tier subcontracts, the incorporation by reference of the required contract clauses and appropriate wage determinations will be given the same force and effect as if they were inserted in full text.

E. Incorporation by operation of law The contract clauses set forth in this section (or their equivalent under the Federal Acquisition Regulation), along with the correct wage determinations, will be considered to be a part of every prime contract required by the applicable statutes referenced by 29 CFR 5.1 to include such clauses, and will be effective by operation of law, whether or not they are included or incorporated by reference into such contract, unless the Administrator grants a variance, tolerance, or exemption from the application of this paragraph. Where the clauses and applicable wage determinations are effective by operation of law under this paragraph, the prime contractor must be compensated for any resulting increase in wages in accordance with applicable law.

F. Health and Safety.

The provisions of this paragraph (F) are applicable where the amount of the prime contract exceeds **\$100,000**.

1. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health and safety, as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.
2. The contractor shall comply with all regulations issued by the Secretary of Labor pursuant to 29 CFR Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96), 40 U.S.C. § 3701 et seq.
3. The contractor shall include the provisions of this paragraph in every subcontract, so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

Use of Volunteers

24 CFR Part 70 implements section 955 of the National Affordable Housing Act which provides for an exemption from the requirement to pay prevailing wage rates for volunteers utilized on projects funded by the Community Development Block Grant programs.

Volunteers are defined as individuals who perform service for a public or private entity for civic, charitable, or humanitarian reasons, without promise, expectation, or receipt of compensation for services rendered, on a HUD-assisted or insured project which is subject to a requirement to pay prevailing wage rates. Individuals shall be considered volunteers only when their services are offered freely and without pressure and coercion, direct or implied from an employer.

An individual shall not be considered a volunteer if the individual is otherwise employed at any time in the construction or maintenance work for which the individual volunteers.

24 CFR Part 70.4 has established procedures for implementing prevailing wage exemptions for volunteers. The procedures include:

- a. Local or State agencies or private parties whose employees are otherwise subject to Davis- Bacon or HUD-determined prevailing wage rates which propose to use volunteers and wish to pay the volunteer's expenses, reasonable benefits, or nominal fees shall request a determination from HUD that these payments meet the criteria established by HUD. A written determination shall be provided to the requester by the Department within ten days of receipt by the Department of sufficient information to allow for the determination.
- b. A determination under paragraph (a) shall not be construed in any way as limiting the use of bona fide volunteers on HUD-assisted construction, but rather is required to ensure that the Department performs its appropriate responsibilities under Reorganization Plan No. 14 of 1950 and related Department of Labor Regulations in title 29 CFR part 5, regarding the administration and enforcement of the Davis-Bacon and related Acts, and its responsibility for the administration and enforcement of HUD-determined or adopted wage rates in the operation of public housing assisted under the United States Housing Act of 1937.
- c. For a project covered by prevailing wage rate requirements in which all the work is to be done by volunteers and there are no paid construction employees, the local or State funding agency (or, if none, the entity that employs the volunteers) shall record in the pertinent project file the name and address of the agency sponsoring the project, a description of the project (location, cost, nature of the work), and the number of volunteers and the hours of work they performed. The entity responsible for recording this information shall also provide a copy of this information to the City for forwarding to HUD.
- d. For a project covered by prevailing wage rate requirements in which there is to be a mix of paid workers and volunteers, the local or State funding agency (or, if none, the entity responsible for generating certified payrolls) shall provide HUD the information in paragraph (c) of this section, along with the names of the volunteers.
- e. Volunteers who receive no expenses, benefits or fees described in (b) and are otherwise bona fide shall be recorded as in (c) or (d).

EXHIBIT 13 (Federal Funds)

**PARTICIPATION IN HUD PROGRAMS BY
FAITH-BASED ORGANIZATIONS**

The Contractor hereby agrees to comply with provisions of the regulations at 24 CFR 570.200j (CDBG), 24 CFR 576.406 (ESG), or 24 CFR 92.257 (HOME) to wit:

- A. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HUD-funded programs. Neither the federal government nor a state or local government receiving funds under these federal programs shall discriminate against an organization on the basis of the organization's religious character or affiliation.
- B. Organizations that are directly HUD-funded may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under this Agreement. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this Agreement, and participation must be voluntary for the beneficiaries of the HUD-funded programs or services.
- C. A religious organization that participates in the HUD-funded program will retain its independence from federal, state, and local governments and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs provided that it does not use direct HUD funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide City-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a City-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- D. An organization that participates in HUD-funded programs shall not, in providing program assistance, or in their outreach activities related to such services, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion, areligious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- E. HUD funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HUD funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this Agreement. Where a structure is used for both eligible and inherently religious activities, HUD funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to these funds. Sanctuaries, chapels, or other rooms that a HUD-funded religious congregation uses as its principal place of

worship, however, are ineligible for HUD-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant is subject to government-wide regulations governing real property disposition (24 CFR parts 84 and 85).

- F. If a state or local government contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.
- G. If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and sub-recipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of Section 92.508(a)(2)(xiii).

EXHIBIT 14 (Federal Funds)

DISPLACEMENT, RELOCATION AND ACQUISITION

The Contractor hereby agrees to comply with the provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its regulations at 49 CFR Part 24; Department of Housing and Urban Development Regulations 24 CFR 570.606, 24 CFR, Part 42, 104(d) One-for-One Replacement., HOME Investment Partnerships Program 24 CFR Part 92, Sec 92.353, Wis. Stats., and Ch. COMM 202 of Wisconsin Administrative Codes.

Highlights of the requirements are as follows:

A. *Minimizing displacement.*

Consistent with the other goals and objectives of this part, the Contractor must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with City or HUD funds.

B. *Relocation assistance for displaced persons.*

(1) *General.*

A displaced person (defined in paragraph (b)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655) and 49 CFR Part 24 and Chapter COMM 202 of the Wisconsin Administrative Codes (whichever is greater).

(2) *Displaced Person.*

- a. *Generally.*** For purposes of paragraph (b) of this section, the term *displaced person* means a person (family, individual, business, nonprofit organization, or farm) that moves from real property or moves his or her personal property from real property as a direct result of:
 - i.** A written notice of intent to acquire, rehabilitate, and/or demolish (see [§ 24.203\(d\)](#)), the initiation of negotiations for, or the acquisition of, such real property in whole or in part for a project;ii. The rehab or demolition of such real property for a project assisted with City funds; or
 - iii.** The rehab, demolition, acquisition of, or written notice of intent to acquire all or a part of other real property on which the person conducts a business or farm operation, for a project assisted with City funds.
- b) *Persons required to move temporarily.*** A person who is required to move or moves his or her personal property from the real property as a direct result of the project but is not required to relocate permanently. All benefits for persons required to move on a temporary basis are described in [§ 24.202\(a\)](#).
- c) *Voluntary Acquisitions.*** A tenant who moves as a direct result of a voluntary acquisition as described in [§ 24.101\(b\)\(1\)](#) through [\(3\)](#) is eligible for relocation assistance when there is a binding written agreement between the agency and the owner that obligates the agency, without further election, to purchase the real property.

(3) *Person Not Displaced.*

The following is a nonexclusive listing of persons who do not qualify as displaced persons:

- a. A person who moves before the initiation of negotiations unless the Contractor determines that the person was displaced as a direct result of the program or project;
- b. A person who initially enters into occupancy of the property after the date of its acquisition for the project;
- c. A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
- d. An owner-occupant who moves as a result of an acquisition of real property as described in [§ 24.101\(a\)\(2\)](#) or [\(b\)\(1\)](#) or [\(2\)](#), or as a result of the rehabilitation or demolition of the real property.
- e. A person whom the contractor determines is not displaced as a direct result of a partial acquisition (upon approval of the Community Development Division (CDD));
- f. A person who, after receiving a notice of relocation eligibility is notified in writing that they will not be displaced for a project. Such written notification shall not be issued unless the person has not moved and the Contractor agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility;
- g. An owner-occupant who conveys his or her property after being informed in writing that if a mutually satisfactory agreement on terms of the conveyance cannot be reached, the Contractor will not acquire the property.
- h. A person who retains the right of use and occupancy of the real property for life following its acquisition by the Contractor;
- i. A person who is determined to be in unlawful occupancy prior to or after the initiation of negotiations, or a person who has been evicted for cause, under applicable law;
- j. A person who is not lawfully present in the United States;
 - a. Pursuant to Public Law 105-17, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child. All persons seeking URA relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.
- k. Temporary, daily, or emergency shelter occupants are in most cases not considered displaced persons. However, agencies may determine that a person occupying a shelter is a displaced person due to factors which could include reasonable expectation of a prolonged stay, or other extenuating circumstances. At a minimum, agencies shall provide advisory assistance to all occupants at initiation of negotiations.

(4) *Initiation of negotiations.*

The term “initiation of negotiations” means:

- a. Whenever the displacement results from the acquisition of the real property by a Contractor, the initiation of negotiations means the delivery of the initial written offer by the Contractor to the owner or the owner’s representative to purchase the real property for the project. However, if the Contractor issues a notice of its intent to acquire the real property, and a person moves after that notice, but before delivery of the initial written purchase offer, the initiation of negotiations means the actual move of the person from the property.
- b. Whenever the displacement is caused by rehabilitation or demolition of the real property, the initiation of negotiations means the notice to the person that they will be displaced by the project or, if there is no notice, the actual move of the person from the property.
- c. In the case of permanent relocation of a tenant as a result of a voluntary-acquisition of real property described in [§ 24.101\(b\)\(1\)](#) the tenant is not eligible for relocation assistance under this part, until there is a binding written agreement between the agency and the owner that obligates the agency, without further election, to purchase the real property.

However, in both (a) and (b) above, negotiations do not become effective, for purposes of establishing eligibility for relocation assistance, until there is a written agreement between the Contractor and the owner to purchase the real property. Agreements such as options to purchase and conditional purchase and sale agreements are not considered a binding agreement within the meaning of this part unless such agreements satisfy the requirements of the Federal agency providing the Federal financial assistance or until all conditions to the agency’s obligation to purchase the real property have been satisfied.

(5) *Basic acquisition policies.*

- a. Expeditious acquisition. The Contractor shall make every reasonable effort to acquire the real property expeditiously by negotiation.
- b. Notice to owner. As soon as feasible, the Contractor shall notify the owner in writing of the Contractor’s interest in acquiring the real property and will notify the owner of the following.
 - i. The Contractor will not acquire the property if negotiations fail to result in an amicable agreement, and the owner is so informed in writing.
 - ii. The Contractor will inform the owner in writing of what it believes to be the just compensation for the property based on an appraisal of the property at which time the owner was invited to accompany the appraiser during the appraiser’s inspection.
 - iii. Clearly advise the owner that it is unable to acquire the property if negotiations fail to result in an agreement, as the Contractor does not have authority to acquire property by eminent domain.

(6) *Relocation notices.*

- a. General information notice. As soon as feasible, a person scheduled to be displaced or who may be required to move temporarily shall be furnished with a general written description of the displacing Contractor’s relocation program which does at least the following:

- i. Informs the person that they may be displaced (or, if appropriate, required to move temporarily from their unit) for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);
- ii. Informs the displaced person (or person required to move temporarily from their unit, if appropriate) that they will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the displaced person successfully relocate;
- iii. Informs the displaced person (or person required to move temporarily from their unit, if appropriate) that they will not be required to move without at least 90 days advance written notice and informs any person to be displaced from a dwelling that they cannot be required to move permanently unless at least one comparable replacement dwelling has been made available;
- iv. Informs the displaced person or person required to move temporarily that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child, as defined by relocation;
- v. Describes the displaced person's (or persons required to move temporarily) their right to appeal the Contractor's determination as to a person's application for assistance for which a person may be eligible under this part.

(7) *Manner of notices.*

Each notice which the Contractor is required to provide to a property owner, occupant, or owner's or tenant's designated representative (24 CFR 24.2(a)) under this part, except the notice described at SS 24.102(b), shall be personally served or sent by certified or registered first-class mail, return receipt requested, and documented in Contractor files. Each notice shall be written in plain, understandable language. Persons who are unable to read and understand the notice must be provided with appropriate translation and counseling. Each notice shall indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. A Federal funding agency may approve a process to permit the displaced person to elect to receive required notices by electronic delivery in lieu of the use of certified or registered first-class mail, return receipt requested, or personally served notices, when an agency demonstrates a means to document receipt of such notices by the property owner or occupant. A Federal funding agency may approve a process to permit the use of electronic signature which meet the following requirements and safeguards:

- i. A process to document and record when information is legally delivered in digital format. A date and timestamp must establish the date of delivery and receipt with an electronic record capable of retention.
- ii. A process to link the electronic signature with an electronic document in a way that can be used to determine whether the electronic document was changed subsequent to when an electronic signature was applied to the document.
- iii. A certification that use of electronic signatures is consistent with existing State and Federal laws.

(8) *Special Assistance.*

Reasonable accommodations must be made for persons with disabilities and language assistance must be made available for persons with limited English proficiency.

(9) *Records.*

The Contractor shall maintain adequate records of its acquisition and displacement activities in sufficient detail to demonstrate compliance with this part. These records shall be retained for at least 3 years after each owner of a property and each person displaced from the property receives the final payment to which they are entitled under this part, or in accordance with the applicable regulations of the Federal funding agency, whichever is later.

(10) *One-for-one replacement of lower-income dwelling units.*

All occupied and vacant occupiable lower-income dwelling units that are demolished or converted to a use other than as lower-income permanent dwelling units in connection with an activity assisted under this part, must be replaced with lower-income dwelling units.

Before obligating or expending any City funds provided for any activity that will directly result in the demolition of lower-income dwelling units or the conversion of lower-income dwelling units to another use, the Contractor must submit the following information in writing to the Community Development Division for submittal to HUD:

- a. A description of the proposed assisted activity;
- b. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for low/moderate-income dwelling units as a direct result of the assisted activity;
- c. A time schedule for the commencement and completion of the demolition or conversion;

In addition, the Contractor will cooperate with the Community Development Division in developing the following information for submittal to HUD;

- a. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
- b. The source of funding and a time schedule for the provision of replacement dwelling units;
- c. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy.

(11) *Relocation assistance under Section 104(d).*

Under 42 USC 5304(d), each "displaced person" is entitled to choose to receive either assistance at URA levels (see paragraph B. of this section) or the 104(d) levels described in section 24 CFR 570.606(c).

(12) *Appeals.*

If a person disagrees with the City's determination concerning the person's eligibility for, or the amount of relocation assistance for which the person may be eligible, the person may file a written appeal of that determination with the City. The appeal procedures are described in 49 CFR 24.10. In addition, a low- or moderate-income

household that has been displaced from a dwelling may file a written request for review of the City's decision to the HUD Field Office.

Additional Requirements

The Contractor must submit a completed relocation plan to the State of Wisconsin for approval, along with a copy to the Community Development Division. Any offer to purchase a property must be contingent upon State approval of such a plan.

The Contractor further agrees to:

1. Notify the Community Development Division of the identification of a potential site prior to the initiation of negotiations resulting in the acquisition and/or rehabilitation of a property; and
2. Inform in writing each owner at the time of the initiation of negotiation of such a property of their rights and responsibilities under the Relocation Act.
3. Inform in writing each tenant at the time of the initiation of negotiation of such a property, or at the time rehabilitation is considered in the case of a contractor who already owns the property, of the potential for displacement or non-displacement, conditions of continued occupancy, or potential eligibility for relocation assistance and cautioning the tenant not to move in order to avoid jeopardizing potential relocation benefits if the project does proceed and individuals are displaced.
4. Maintain all records as required under the Relocation Act.

Note: For a more comprehensive review of all of the requirements, contact the Community Development Division.

EXHIBIT 15 (Federal Funds)

PROGRAM INCOME REQUIREMENTS

The Contractor hereby agrees to operate the program in compliance with United States Department of Housing and Urban Development Program Income Regulations 24 CFR 570.500, 570.504, HOME Investment Partnership Program Final Rule 24 CFR 92.300, 92.503, and 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

1. The Contractor will use all Program Income, as well as funds returned to the Contractor for the amount of the prorated share of City funds, for the purposes outlined in and under the terms of this Agreement.
 - a. Program Income is to include the original City funds contributed to the project plus interest, penalties, fees or profit generated, proceeds from the disposition of real property, payments of principal and interest on rehabilitation loans, and proceeds from special assessments.
 - b. Program Income generated as interest earned on revolving funds may not be retained by the Contractor. The Contractor will return all earned interest to the City's Community Development Division ("CDD"), on at least a quarterly basis.
 - c. Admission fees, service fees, and other receipts derived from the operation of a public work or facility, the construction of which was assisted by City funds, do not constitute Program Income.
2. For any funds received on a partial collection or settlement of a non-performing loan, or one that is in default, the Contractor will apply fifteen percent (15%) of the amount collected to "interest accrued" and the remaining eighty-five percent (85%) to "principal outstanding."
3. The Contractor will report to CDD all Program Income received and expended on a monthly basis. The Contractor will record the receipt and expenditure of such revenues in accordance with 24 CFR 84.24.
4. The Contractor will return to CDD any Program Income not disbursed for program related and eligible costs before requesting any additional payments from CDD for the same activity. Upon CDD's receipt of a reimbursement request in accordance with Exhibit 2 of this Agreement, and at the sole discretion of CDD staff, returned Program Income funds may be made available to the Contractor for reuse to fulfill the primary goals and objectives under the terms listed in this Agreement.
5. **HOME Program Income.** The Contractor will adhere to HOME Investment Partnerships Program Final Rule 24 CFR 92.503 for program income, repayments and recaptured funds.
6. **Community Housing Development Organizations (CHDO) Proceeds.** The Contractor will adhere to HOME Investment Partnerships Program Final Rule 24 CFR 92.300 as it pertains to Subpart G – Community Housing Development Organizations (CHDO).

On an annual basis, CDD staff will review, determine and approve the projected use and availability of all Program Income funds. Any necessary revisions to the Scope of Services or budget for the operation of the program will be made after said review.

The Contractor may, with the written approval of CDD staff and subject to available Program Income funds, be permitted to supplement the program's authorized budget with additional Program Income funds received after the start of the program year(s) covered by this Agreement, not to exceed a maximum amount specified by CDD staff as part of the written approval. If applicable, corresponding revisions to Exhibit 2 (Budget) of this Agreement will be made to reflect the additional terms and conditions stipulated in CDD staff's written approval.

EXHIBIT 16 (Federal Funds)

VULNERABLE POPULATIONS

Pursuant to Resolution No. 53,279, adopted by the City of Madison Common Council on May 21, 1996, Contractors whose programs deal with vulnerable populations, including, but not limited to, young children, youth, elderly, and people with disabilities, shall develop and implement policies and procedures to ensure the lowest possible degree of risk of victimization, abuse, or exploitation by employees and volunteers of the Contractor. The Contractor will use reasonable application and screening tools to select employees and volunteers who work directly with vulnerable clients. Use of all application and screening tools must be in a manner consistent with the Equal Opportunities Ordinance and the Fair Employment Act.

Note: As referenced in Resolution No. 53,279, some common components of screening include, but are not limited to: disclosure of criminal convictions and pending criminal charges, criminal background checks, reference checks, driving records checks, interviews, and testing procedures.

EXHIBIT 17

BAN THE BOX

For all contracts to which the provisions of **EXHIBIT 16 VULNERABLE POPULATIONS** do not apply, the following **Ban the Box – Arrest and Criminal Background Checks** provisions will apply:

Ban the Box – Arrest and Criminal Background Checks.
(Sec. 39.08, MGO. Applicable to contracts exceeding \$25,000.)

A. Definitions.

For purposes of this section, "Arrest and Conviction Record" includes, but is not limited to, information indicating that a person has been questioned, apprehended, taken into custody or detention, held for investigation, arrested, charged with, indicted or tried for any felony, misdemeanor or other offense pursuant to any law enforcement or military authority.

"Conviction record" includes, but is not limited to, information indicating that a person has been convicted of a felony, misdemeanor or other offense, placed on probation, fined, imprisoned or paroled pursuant to any law enforcement or military authority.

"Background Check" means the process of checking an applicant's arrest and conviction record, through any means.

B. Requirements. For the duration of this Contract, the Contractor shall:

1. Remove from all job application forms (and applications for unpaid interns, trainees or apprentices) any questions, check boxes, or other inquiries regarding an applicant's arrest and conviction record, as defined herein.
2. Refrain from asking an applicant in any manner about their arrest or conviction record until after a conditional offer of employment is made to the applicant in question.
3. Refrain from conducting a formal or informal background check or making any other inquiry using any privately or publicly available means of obtaining the arrest or conviction record of an applicant until after a conditional offer of employment is made to the applicant in question.
4. Make information about this ordinance available to applicants and existing employees, and post notices in prominent locations at the workplace with information about the ordinance and complaint procedure using language provided by the City.
5. Comply with all other provisions of Sec. 39.08, MGO.

C. Exemptions: This section does not apply when:

1. Hiring for a position where certain convictions or violations are a bar to employment in that position under applicable law;
2. Hiring a position for which information about criminal or arrest record, or a background check is required by law to be performed at a time or in a manner prohibited under sec. B. above, including a licensed trade or profession where the licensing authority explicitly authorizes or requires the inquiry in question; or
3. The contractor is identified by the City as being subject to the Vulnerable Populations Resolution adopted by the Common Council on May 21, 1996 (Substitute Resolution No. 53, 279.)

To be exempt under sec. C. 1. or 2. above, Contractor must demonstrate to the City that there is a law or regulation that requires the hiring practice in question. If so, the contractor is exempt from this section for the position(s) in question.

EXHIBIT 18

Itemized List of Expenses and Backup Documentation

As a part of financial monitoring, CDD staff will select one month during the contract year to request an itemized list of expenses along with supporting documentation for the invoice amount and any match amount detailed in Exhibit 2. If questions or concerns arise, documentation for additional months may also be requested.

Itemized List of Expenses

CDD staff should be able to reconcile your itemized lists to your expenditure report. Itemized lists should include, at minimum, the following information for each expense submitted as part of the report:

- The date of the original charge
- The budget category of the expense
- The vendor (e.g. landlord, utility provider, payroll, etc.)
- A brief description of the expense
- The total amount of the expense

A simple way to organize your itemized lists is in an Excel file formatted similarly to the following table:

Date	Budget Category	Vendor	Description	Amount
3/10/2024	Rent Assistance	Landlord	Rent Payment	750.00
3/15/2024	Staff Salaries/Benefits	Payroll	Wages – JS (caseworker)	1,000.00
3/15/2024	Staff Salaries/Benefits	Benefits	Benefits – JS (caseworker)	250.00
			TOTAL	2,000.00

Backup Documentation

For each expense, provide backup documentation sufficient to demonstrate that your agency was charged a certain amount on a certain date. For most expenses, that means providing either an invoice or a payable with the expense amount, date, and vendor.

Examples of backup documentation for common expenses include:

- Office supplies and related purchases
 - o Original receipt, invoice, or agency payment authorization
- Rent checks
 - o Signed lease OR invoice from landlord OR other agency document authorizing monthly rent payments in the amount of \$N to the landlord on behalf of the participant
 - If the agency is not paying 100% of the bill, the document(s) provided should indicate how much the agency is paying
- Utility payments
 - o Utility bill OR other agency document authorizing the utility payment, either once or monthly, on behalf of the participant
 - If the agency is not paying 100% of the bill, the document(s) provided should indicate how much the agency is paying
- Motel vouchers
 - o Original receipt, invoice, or agency payment authorization
- Employee payroll
 - o Original timesheets demonstrating hours spent on EHH eligible activities vs. other non-EHH activities; AND
 - o Payroll register OR other document demonstrating how much employee was paid, pre-tax
- Employee benefits
 - o Sufficient documentation to demonstrate how much the agency is paying for employee's benefits, and how often
- Any allocated cost
 - o A list of each type of cost which contributed to the allocated cost pool (e.g. administrative salaries, audit costs, travel)

CDD staff may have additional questions depending on the types of cost submitted.

EXHIBIT 19

ESG PROGRAM RULES

The Grantee shall comply with all applicable regulations as provided for under 24 CFR Part 576 and the ESG Program Manuals in addition to the specific Program Rules provided as follows which may refer back to the aforementioned regulations under 24 CFR Part 576:

1. Affirmative Outreach (24 CFR § 576.407 (b) & § 808 (e)(5) of the Fair Housing Act)

The Grantee and Subrecipients have a statutory duty to affirmatively further fair housing by ensuring Fair Housing Act rules are maintained in such a way that no one may take any of the following actions based on race, color, national origin, religion, sex, gender orientation, sexual orientation, familial status, or handicap: refusing to rent or sell housing; refusing to negotiate for housing; making housing unavailable; denying a dwelling; setting different terms, conditions or privileges for sale or rental of a dwelling; providing different housing services or facilities; falsely denying that housing is available for rent. Furthermore, the Grantee and Subrecipients will ensure the provision of their service under this Agreement is in line with the demographic trends of their communities, which means at least once during the Performance Period there should be an analysis of impediments to fair housing choice within the jurisdiction and identify appropriate actions to overcome the effects of any impediments as identified through that analysis. Records reflecting the analysis and actions in this regard should be maintained.

2. Anti-Lobbying (24 CFR Part 87)

The Grantee and Subrecipients will not use federally appropriated funds to pay, by or on behalf of it, any person for influencing or attempting to influence any governmental or affiliated governmental officer or employee. If any funds other than federally appropriated funds are used to influence or attempt to influence as aforementioned, the Grantee or Subrecipients must both complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and in all sub-award documents disclose to Subrecipients the lobbying activity accordingly.

3. Certification by a Local Unit of Government (24 CFR § 576.202 (a)(2))

Each HUD-CoC/local homeless coalition must obtain a certification of approval from a unit of general-purpose local government for the geographic area in which ESG emergency shelter activities are to be carried out under this Agreement.

4. Client Non-Discrimination

The Grantee and Subrecipients must not discriminate in the provision of services carried out under this Agreement on the basis of race, sex, age, handicap, religion, national origin, gender or sexual preference or any other basis prohibited by applicable law.

5. Confidentiality (24 CFR § 576.500 (x))

The Grantee and Subrecipients will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

6. Conflict of Interest (24 CFR § 576.404)

The Grantee and Subrecipients must not condition ESG financial assistance on a participant's acceptance of housing when it is owned by the organization or is a parent or subsidiary of that organization. The Grantee or Subrecipients must not conduct initial evaluations or provide

homelessness prevention assistance to persons living in property owned by them, a parent, or a subsidiary. For procurement of goods and services, the Grantee and Subrecipients must comply with 24 CFR § 576.404(b). For all other transactions and activities, restrictions on financial interests and benefits apply to employees, agents, consultants, officers, and elected or appointed officials of the Grantee or Subrecipients if they have certain types of responsible positions. Restrictions also pertain to financial gain for self, family, or those with business ties.

The existence of a potential conflict of interest does not automatically prohibit a person from receiving services. If a possible conflict of interest exists, the Grantee and/or Subrecipient must gain approval from the Department prior to the provision of services.

7. Coordinated Entry (24 CFR § 576.400 (d))

Each HUD CoC is required to develop and/or operate a coordinated entry system if any agencies in the continuum of care receive ESG funding. When using ESG funds, the Grantee and Subrecipients must participate in the coordinated entry for their continuum of care, as defined by their area's HUD CoC. If there is not yet a coordinated entry, a Grantee or Subrecipient must participate in its implementation and subsequent use.

8. Debarred or Suspended Subrecipients (24 CFR § 5.105 (c))

Federal funds may not be used to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor or Subrecipient during any period of debarment, suspension, or placement of ineligibility status.

9. Drug Free Work Place (24 CFR § 5.105 (d))

The Grantee and Subrecipients will or will continue to provide a drug-free workplace by complying with the implementation of rules around drug prohibition, notification to employees of the rules, and disclosure of violations in accordance with the rule.

10. Employment Non-Discrimination and Equal Opportunity (24 CFR § 5.105 (a))

The Grantee and Subrecipients do not and will not discriminate in employment and personnel practices on the basis of race, sex, age, handicap, religion, national origin, gender or sexual preference or any other basis prohibited by applicable law. Hiring, transferring, and promotion practices are performed without regard to the above listed items.

11. Environmental Review (24 CFR § 576.407 (d))

The Grantee or Subrecipients, or any contractor of the Grantee or Subrecipients, may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a Project until HUD and the Department have performed an environmental review under 24 CFR Part 50 and the Grantee has received HUD approval of the property.

12. Faith-Based Activities ((24 CFR § 576.406)

Grantee and Subrecipients shall ensure that all eligible activities under this Agreement are administered in a manner which is free from religious influences and in accordance with the following principles: Grantee and Subrecipients will not discriminate against any employee or applicant for employment and will not limit employment or give preference in employment to persons on the basis of religion; Grantee and Subrecipients will not discriminate against any person applying for shelter or services and will not limit shelter or services or give preference to persons on the basis of religion; Grantee and Subrecipients will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing and exert no other religious influence in carrying out the programs or services funded under this Agreement. If an organization conducts these activities, the activities must be offered separately, in time or

location, from the programs or services funded under this Agreement, and participation must be voluntary for program participants.

13. Financial Management (2 CFR Part 200)

The Grantee and Subrecipients must ensure compliance with regulations and requirements pertaining to the following key areas of financial management: Allowable costs, source documentation, internal controls, budget controls, cost allocation plans, cash management, accounting records, procurement, property asset controls, and audits. Furthermore, the Grantee and Subrecipients must use ESG program funds only for eligible activities and in accordance with the budget. Any changes from the planned expenditures must be approved in advance by Department. ESG funds may not be used for activities other than those authorized in the regulations and approved by the Department. Furthermore, all expenditures must be in accordance with conditions such as funding ceilings and other limitations on ESG eligible costs.

14. Homeless Participation Involvement (24 CFR § 576.405)

The Grantee and Subrecipients must have representation of a person who is homeless or was formerly homeless on the board of directors or policymaking entity directly responsible for making policy for the project(s) for which funding is being provided for under this Agreement.

15. Identification

The Grantee cannot require third party documentation such as birth certificates or photo identification as a condition of immediately admitting an individual or family into emergency shelter or as a condition of receiving any EHH services.

16. Involuntary Family Separation and Non-Discrimination (24 CFR § 576.102 (b); 24 CFR § 5.403 Definitions- Family; 24 CFR § 570.3 Definitions -Household; 24 CFR § 5.105(a))

All individuals or groups of individuals, regardless of age, gender identification, sexual orientation, and marriage status, identifying as a family at a family shelter must be served as a family. Families at family shelters must not be separated when entering shelter. There can be no inquiry, documentation requirement, or "proof" related to family status, gender identification and/ or sexual orientation. The prohibition on inquiries or documentation does not prohibit inquiries related to an individual's sex for the limited purpose of determining placement in temporary, singles-only emergency shelters which are limited to one sex because they have shared bedrooms or bathrooms, or for determining the number of bedrooms to which a household may be entitled. The age of a child under 18 must not be used as a basis for denying any family's admission to a program which uses ESG funding or services if those programs serve families with children under age 18.

17. Lead Safety (24 CFR § 576.403 (a) & 24 CFR § 35, subparts A, B, H, J, K, M, and R)

For Renovation -- any renovation carried out with ESG assistance shall be sufficient to ensure the building involved is lead-safe and sanitary. The requirements pertaining to rehabilitation differ according to the level of federal support. For shelter -- the facility must be free from lead-based paint contamination wherein clients may potentially stay for more than 100 days unless the facility is such that it is statutorily exempted. For homelessness prevention and rapid re-housing - every assisted unit must be free from lead-based paint contamination wherein that assistance lasts more than 100 days, or is for first month rent payment and/or security deposit assistance, or where the residents select their own housing. When Lead-Based Paint requirements do apply, the requirements around notice of evaluation, presumption, hazard reduction activities and the provision of an information pamphlet apply.

18. Major Facility Rehabilitation (24 CFR § 576.102 (c)(1))

If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

19. Match (24 CFR § 576.201)

The Grantee and Subrecipients must match 100% of the amount allocated to them in ESG funding. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. However, if ESG funds are used to satisfy the matching requirements of another Federal program, then funding from that federal program may not be used to satisfy the ESG matching requirement.

20. Monitoring

The Grantee shall comply with monitoring visits and/or desk monitoring from Department staff for ESG program compliance. If a lead agency, the Grantee shall assure Subrecipient compliance with the ESG program.

21. Participation in Housing Inventory and Point-In-Time

Each Grantee and Subrecipient is required to participate in both the monthly housing inventory and the annual Point-in-Time count in January as directed by HUD.

22. Payment Request Criteria

Per special instruction from HUD, ESG grants are to be paid by reimbursement. Therefore, the Grantee is required to draw down funds on a cost reimbursement basis. The only modification of this ESG cost reimbursement principle is for HUD-approved pre-Agreement costs.

23. Procurement and Subcontracting ((2 CFR Part 200 Subpart D)

The Grantee and Subrecipients must have written procurement procedures which seek to avoid purchasing unnecessary items, mandate an analysis as to whether leasing or purchasing is more economical, and which meet the statutory solicitation requirements when seeking bids. Purchases of services from contractors or vendors by nonprofit Grantees with ESG funds are subject to the federal regulations governing procurement procedures.

24. Program Income (24 CFR § 576.201 (f))

ESG program income includes any amount of a security or utility deposit returned to the Grantee or Subrecipients. Program income must be used as match and documented correctly. The Grantee and Subrecipients are prohibited from requiring or suggesting repayment of any service or financial assistance except for security and utility deposit.

25. Recordkeeping (24 CFR § 576.500)

In general, the Grantee and Subrecipients must have policies and procedures in place to ensure all recordkeeping requirements of 24 CFR § 576.500 are met. The policies and procedures must be established in writing and implemented by the Grantee and its Subrecipients to ensure EHH funds are used in accordance with these requirements. In addition, sufficient records must be established and maintained to enable the Department and HUD to determine whether EHH

requirements are being met. The Grantee must maintain a copy of any executed contract with any

Subrecipients which relates to Project activities funded under this Agreement. The Program records for the Grantee and Subrecipients must be maintained for a minimum of five (5) years after the final expenditure under this Agreement.

26. Residency

The Grantee shall not require homeless individuals and families to be residents of the State of Wisconsin or locality therein to receive shelter or other ESG services, nor shall the Grantee set differing allowed lengths of stay/enrollment based on whether a homeless individual or family are residents of the State of Wisconsin or locality therein.

27. Subrecipient Monitoring

If the Grantee has any Subrecipients, the Grantee must perform an annual monitoring for ESG compliance within twelve (12) months of the start date of this Agreement. If Grantee has a new Subrecipient that has never before received ESG funds, the Grantee must perform compliance monitoring within six (6) months of the Subrecipient first incurring expenses related to this Agreement.

28. WBE/ MBE (2 CFR § 200.321 & Section 16.75 (3m)(b) Wis. Stats)

The Grantee and Subrecipients should utilize small businesses and women- and minority-owned firms to the greatest extent practicable. Furthermore, the Grantee and Subrecipients will comply with the reporting requirements as established by the Department.

29. Written Standards (24 CFR § 576.400 (e))

The Grantee and Subrecipients must establish and consistently apply written standards for providing ESG assistance. The standards must provide a clear policy or instruction for the items listed in 24 CFR § 576.400 (e)(3).