



*GENERAL DISCLAIMER: This CDBG Disaster Recovery (CDBG-DR) subrecipient agreement template is a sample only. It identifies the minimum amount of content for consistency with the Entitlement and State CDBG Program requirements, including 24 CFR 570.503 (applicable to local government grantees, and to some state grantees by waiver and alternative requirement published in the Federal Register) and 2 CFR 200.330 through 200.332 (applicable to state and local government grantees). This sample notes some differences between requirements for state and local government grantees. CDBG-DR awards generally are subject to waivers and modifications of the Entitlement and State CDBG Program requirements. As a result, this template will require modifications to conform to the requirements attached to the particular CDBG-DR award as outlined in applicable Federal Register Notices.*

*Grantees must ensure that every subrecipient agreement satisfies applicable CDBG-DR award requirements as well as state and local laws. Grantees should also include provisions that in the grantee’s determination are sufficient to reduce risk to the grantee from subrecipient noncompliance and to ensure that the grantee can meet its own responsibility to HUD for performance and financial reporting.*

*Grantees should tailor the subrecipient agreement to the program or project that the subrecipient will carry out, deleting requirements that do not apply to the use of the funds, and adding additional information about the eligible activity, national objective, recordkeeping, and other requirements for the use of the funds. Grantees may attach the applicable regulations from 24 CFR part 570, or incorporate them into the agreement.*

## TEMPLATE – SUBRECIPIENT AGREEMENT\*

### AGREEMENT BETWEEN [Grantee] AND [Subrecipient] FOR [NAME OF CDBG-DR PROJECT OR PROGRAM]

THIS AGREEMENT is entered this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the \_\_\_\_\_ (the “Grantee”) and [insert name of subrecipient, which must match the name associated with the subrecipient’s unique entity identifier under the “General Award Information” section below] (the “Subrecipient”).

#### I. RECITALS

WHEREAS, Pursuant to Public Law XXX-XXX (the Appropriations Act) and the Federal Register Notice dated [date], at [insert citation to the Federal Register Notice that allocated CDBG-DR funds awarded to Grantee], the U.S. Department of Housing and Urban Development (“HUD”) has awarded \$X in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the Grantee for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and described in the Grantee’s Action Plan (the “Action Plan”); and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds to carry out a part of the Grantee’s Federal award by committing \$[indicate portion of Grantee’s Federal award available for use by Subrecipient] of the Grantee’s Federal award, pursuant to this Subrecipient Agreement (the “Agreement”); and

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WHEREAS, the CDBG-DR funds made available for use by the Subrecipient under this Agreement constitute a subaward of the Grantee’s Federal award, the use of which must be in accordance with requirements imposed by Federal statutes, regulations, and the terms and conditions of the Grantee’s Federal award; and

WHEREAS, [insert description of recovery need addressed by subaward];

WHEREAS, the Subrecipient has legal authority to enter this agreement, and the Subrecipient’s governing body has duly adopted the [insert resolution, motion, or similar action] dated XXXX, authorizing the Subrecipient to enter this agreement with the Grantee, and by signing this agreement, to assure the Grantee that it will comply with all the requirements of the subaward described herein; and

NOW, THEREFORE, in consideration of the need for recovery from [insert disaster] and the premises and mutual covenants described herein, the parties mutually agree to the terms described in this Agreement.

**II. GENERAL AWARD INFORMATION**

The subaward from the Grantee to the Subrecipient, which is described below, is for the purpose of carrying out a portion of a Federal award described in section I of this agreement, and creates a Federal assistance relationship with the Subrecipient. This agreement must be updated to reflect any changes to the federal award and the following award information [when some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward]:

Contact information:

Grantee:

Subrecipient:

\_\_\_\_\_  
(name of awarding official)

\_\_\_\_\_  
(name of primary contact)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Grantee Name \_\_\_\_\_

Subrecipient Name \_\_\_\_\_

[Address] \_\_\_\_\_

[Address] \_\_\_\_\_

[City, State, ZIP] \_\_\_\_\_

[City, State, ZIP] \_\_\_\_\_

[Telephone] \_\_\_\_\_

[Telephone] \_\_\_\_\_

[Fax Number] \_\_\_\_\_

[Fax Number] \_\_\_\_\_

Federal Award Identification Number:

CFDA Number and Name: CFDA Number and Name [the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement]:

Federal Award Date: [the date when the Federal award is signed by the authorized official of the Federal awarding agency]

Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs): [2 CFR 200.331(a)(1)(xiii) asks for this information to be included in the subrecipient agreement, however, it should be distinguished from the indirect cost rate applicable to the subrecipient]

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Federal award project description: [Award title and description of the purpose of each funding action, if any. The description should capture the overall purpose of the award and, if there are multiple funding actions, sufficient description to define the need for each funding action.]

Is this award for research and development? [State yes or no]

Subrecipient's unique entity identifier:

Subaward Period of Performance: [insert Start and End Date]

Total Amount of the Federal Award Committed to the Subrecipient by the Grantee: [insert amount]

Amount of Federal funds obligated by this agreement: [insert amount]

Total Amount of Federal Funds Obligated to the Subrecipient: [total funds obligated to the subrecipient by the grantee, including the current obligation]

Indirect cost rate applicable to the Subaward to the Subrecipient (more information on indirect costs can be found in section VI. B. below): [Insert approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with 2 CFR part 200), or a de minimis indirect cost rate as defined in §200.414(f) Indirect (F&A) costs]

### **III. SCOPE OF SERVICE (Refer to the Guide to the Subrecipient Agreement to complete this section)**

#### **A. Eligible Use of Funds**

As a condition of receiving this subaward, the Subrecipient shall administer the [insert name of CDBG-DR program or project], which includes performing all of the work described in this section. The Subrecipient shall complete the activities in a manner satisfactory to the Grantee and consistent with the terms of conditions of this agreement and applicable Federal statutes and regulations.

#### **Prohibited Activities**

The Subrecipient may only carry out the activities described in this agreement. The Subrecipient is prohibited from charging to the subaward the costs of CDBG ineligible activities, including those described at 24 CFR 570.207, and from using funds provided herein or personnel employed in the administration of activities under this agreement for political activities, inherently religious activities, or lobbying.

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### Program Delivery (CDBG Eligible Activities)

Activity #1 *[Insert CDBG eligible activity citation and regulatory language, or if subrecipient’s activities will be eligible under a particular waiver and alternative requirement, include the specific waiver and alternative requirement.]*

*Also insert complete description of activity to be undertaken including what products or services are to be performed, where they are to be provided, for whom they are to be provided, how they are to be provided. This description should include the provision of all services, labor, materials, supplies, and equipment that are required or reasonably inferable to complete the activity. The description should also provide enough detail for the Grantee and HUD to be able to accurately monitor the activities performed by the Subrecipient.]*

Activity #2 *[Same description as above]*

Activity #3 *[Same description as above]*

*[Add other activities as necessary]*

### Pre-Award Costs

*[Insert specific requirements related to pre-award costs, or prohibition on pre-award costs applicable to the Subrecipient. All Subrecipients are limited to pre-award costs permitted by the applicable Federal Register notices governing the CDBG-DR award. For local government grantees, these costs also are limited to those authorized under 24 CFR 570.200(h).]*

### General Administration of Subaward

*[Add description of general administrative services to be performed by the Subrecipient in support of activities noted above, if any, and include a limit on the amount of program administration costs allowable under the subaward. Grantee may specify that all costs are activity delivery costs (ADCs). ADCs are those allowable costs incurred for implementing and carrying out eligible CDBG activities. All ADCs are allocable to a CDBG activity, including direct and indirect costs integral to the delivery of the final CDBG-assisted activity. For more information about classifying costs as program administration costs or activity delivery costs, please see CPD notice CPD-13-07, which is available on the HUD Exchange.]*

#### B. National Objectives

All activities funded with CDBG-DR funds must meet the criteria for one of the CDBG program’s National Objectives.

The Subrecipient certifies that the activities carried out under this agreement shall meet the following national objectives and satisfy the following criteria:

*[indicate which National Objective each activity will satisfy, and include the citation for the criteria the Subrecipient must meet for demonstrating compliance with each identified National Objective]*

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[Activity #1]

[national objective, e.g. Low- to moderate-income housing]

[criteria Subrecipient must satisfy e.g., 24 CFR 570.208(a)(3)]

[records necessary to demonstrate compliance with that criteria (local government grantees follow 24 CFR 570.606)]

[Add national objective information for other activities as necessary]

C. Levels of Accomplishment –Performance Goals and Timelines

The Subrecipient shall complete the activities required under this agreement in accordance with the following timeframes and performance goals associated with each of the activities:

<u>Activity</u>	<u>Performance Goal</u>	<u>Timeframe for Completion of Performance Goal</u>
[Activity #1]	[Description of performance goals, e.g. # of Units]	[timeframes for each performance goal]

[Add goals, and timeframes for completion of performance goals as necessary for other activities]

D. Staffing

The Subrecipient shall supervise and direct the completion of all activities under this agreement. Any changes in the Key Personnel assigned or their responsibilities under the activities are subject to the prior approval of the Grantee.

At a minimum, the Subrecipient shall assign the following staff with the identified responsibilities (the “Key Personnel”) to the identified activities:

[Provide a narrative of how the activity will be accomplished, who will be responsible for managing the activity; additional personnel needed to implement the program/activity and an approximate allocation of time to the activity. Complete one chart for each activity.]

[Activity #1]

Staff Member Title	Responsibilities	Time Allocation

[Add additional charts for additional activities as necessary]

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**IV. PERFORMANCE MONITORING & REPORTING**

**A. Monitoring**

The Grantee shall monitor the performance of the Subrecipient as necessary and in accordance with regulations on Subrecipient Monitoring and Management, 2 CFR 200.330 – 2 CFR 200.332, to ensure Subrecipient compliance with all of the requirements of this agreement, including the timeframes and performance goals associated with the activities. Substandard performance as determined by the Grantee will constitute noncompliance with this agreement. If action to correct such substandard performance is not taken by the Subrecipient within \_\_\_ days after being notified by the Grantee, the Grantee may impose additional conditions on the Subrecipient and its use of CDBG-DR funds consistent with 2 CFR 200.207, suspend or terminate this agreement, or initiate other remedies for noncompliance as appropriate and permitted under 2 CFR 200.338.

**B. Reporting**

The Subrecipient shall submit regular **X (monthly or quarterly)** progress and financial reports to the Grantee [Grantee should insert specifics on the form, content, and frequency here as necessary].

**V. PERIOD OF PERFORMANCE AND TERM**

The period of performance for Subrecipient, meaning the time during which the Subrecipient may incur new obligations to carry out activities under this agreement, shall start on the \_\_\_ day of \_\_\_\_\_, 20\_\_ and end on the \_\_\_ day of \_\_\_\_\_ of 20\_\_.

This agreement and its terms and conditions shall remain in effect during any period that the Subrecipient has control over CDBG-DR funds provided through this agreement, including program income as defined in [cite to the appropriate definition in either 24 CFR 570.500(a) or 24 CFR 570.489(e), as amended, or the applicable Federal Register Notice if there is an applicable Federal Register Notice that waives the regulatory definition and provides an alternative definition. The appropriate citation will depend on the requirements applicable to the CDBG-DR funds as imposed by Federal statute, regulations, and the terms and conditions of Federal awards].

**VI. BUDGET**

The Subrecipient shall complete all activities in this agreement in accordance with the following budget. Any amendments to the budget must be approved in writing by both the Grantee and the Subrecipient.

**A. Budget Table**

[Grantee shall insert a detailed budget table with line items and amounts for each line item. At a minimum the budget should identify activity delivery and administrative costs. The grantee may require the Subrecipient to provide supplementary budget information in a timely fashion in the form and content prescribed by the Grantee.]

**B. Indirect Costs**

Indirect costs may be charged to the this subaward under a cost allocation plan prepared in accordance with 2 CFR part 200, subpart E.

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Any indirect costs, as defined in 2 CFR part 200, that are included in the budget shall only be charged to CDBG-DR funds to the extent that the costs are consistent with the conditions of Section VIII (E) (2) of this agreement.

[The Indirect Cost Rate applicable to this award should be identified in Section II., General Information, and may also be listed here. 2 CFR 200.331(a)(4) requires the Grantee to include an approved federally recognized indirect cost rate negotiated between the Subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the Grantee and the Subrecipient (in compliance with 2 CFR part 200), or a de minimis indirect cost rate as defined in 2 CFR §200.414 Indirect (F&A) costs, paragraph (f).]

### C. Program Income

[The Grantee should define “program income” for the Subrecipient, which may be the definition in 24 CFR 570.500(a) or the definition in the Federal Register notices governing the CDBG-DR funds. The Grantee should specify whether program income received must be returned to the Grantee or may be retained by the Subrecipient.]

Where program income is to be retained by the Subrecipient, this section shall specify the activities that will be undertaken with the program income and that all provisions of this agreement shall apply to the specified activities.]

[If the Entitlement CDBG regulations apply to the grantee, the grantee must impose the program income provisions in 24 CFR 570.502, 24 CFR 570.503, or 24 CFR 570.504, as modified by the Federal Register notice governing the use of CDBG-DR funds.]

[If the Grantee is a State, the Grantee should indicate applicable requirements associated with the Subrecipient’s use of program income. These requirements may be set out in the terms and conditions of the Grantee’s Federal award, in applicable Federal Register Notices, or other Federal statutes or regulations.]

## VII. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this agreement shall not exceed \$ \_\_\_\_\_.

*[The Grantee should describe detailed payment procedures in this Section. The language below is sample language that may serve as a starting point, but it is not intended to be exhaustive or comprehensive. The description should include, but not be limited to, how the Subrecipient requests payments for work under this agreement, any documentation that Subrecipient must submit to substantiate payment requests, whether Grantee will make payments on an advance payment or reimbursement basis, and when the Grantee shall not be obligated to satisfy the Subrecipient’s payment request (e.g. requests seeking advances or reimbursements for costs that are inconsistent with this agreement, federal statutes, regulations (including Cost Principles in 2 CFR part 200, subpart E), or the terms and conditions of the Grantee’s Federal award, or that would otherwise result in the Grantee charging improper, unauthorized, or otherwise unallowable costs to the Grantee’s Federal award). Part 200 expresses a preference for payment advance (200.305), unless a grant agreement or notice provides otherwise or a subrecipient requests payment on a reimbursement basis. States could choose to set up another process.]*

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The Subrecipient shall submit to the Grantee requests for payments of activities under this agreement and consistent with the approved budget (the “Request for Payment”). Each Request for Payment shall be broken down into requested draws against the budget line items specified in Section VI.

The Grantee shall pay to the Subrecipient CDBG-DR funds available under this agreement based upon information submitted by the Subrecipient for allowable costs permitted under this agreement and consistent with the approved budget. With the exception of advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts.

Payment will be made upon submission by the Subrecipient of a properly executed Request for Payment, together with all supporting invoices, bills, time sheets, and other documents necessary to justify the payment. The Request for Payment form must also be accompanied by documentation from the Subrecipient demonstrating that all procurements for which payment is requested have been made in accordance with this agreement.

## VIII. AMENDMENT AND TERMINATION

### A. Amendments

The Grantee or Subrecipient may amend this agreement at any time provided that such amendments make specific reference to this agreement, are approved by the Grantee’s governing body, and are signed in writing by a duly authorized representative of the Grantee and the Subrecipient. Such amendments shall not invalidate this agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this agreement. Amendments will generally be required when any of the following are anticipated: i) revision to the scope or objectives of the Program, including purpose or beneficiaries; ii) need to extend the availability of Grant Funds; iii) revision that would result in the need for additional funding; and iv) expenditures on items for which applicable cost principles require prior approval (see 24 CFR 570.200h for pre-award/pre-agreement costs).

The Grantee may, in its discretion, amend this agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

### B. Suspension or Termination

The Grantee may terminate this agreement, in whole or in part, upon \_\_\_\_\_ days’ notice, whenever it determines that the Subrecipient has failed to comply with any term, condition, requirement, or provision of this agreement. Failure to comply with any terms of this agreement, include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this agreement;

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3. Ineffective or improper use of funds provided under this agreement; or
4. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

The Grantee shall promptly notify the Subrecipient, in writing, of its determination and the reasons for the termination together with the date on which the termination shall take effect [if Grantee is subject to 2 CFR part 200, subpart D, insert: “and any other notifications required under 2 CFR part 200, subpart D”]. Upon termination, the Grantee retains the right to recover any improper expenditures from the Subrecipient and the Subrecipient shall return to the Grantee any improper expenditures no later than thirty (30) days after the date of termination. The Grantee may, at its sole discretion, allow Subrecipient to retain or be reimbursed for costs reasonably incurred prior to termination, that were not made in anticipation of termination and cannot be canceled provided that said costs meet the provisions of this agreement, 2 CFR Part 200, Subpart E, Cost Principles, and any other applicable state or Federal statutes, regulations or requirements.

[If Grantee is subject to 2 CFR part 200, subpart D, insert: “This agreement may also be terminated in whole or in part by either the Grantee or the Subrecipient, or based upon agreement by both the Grantee and the Subrecipient in accordance with the requirements in 2 CFR part 200, subpart D.”]

## **IX. OTHER REQUIREMENTS TO COMPLY WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD**

The CDBG-DR funds available to the Subrecipient through this agreement constitute a subaward of the Grantee’s Federal award under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. This agreement includes terms and conditions of the Grantee’s Federal award that are imposed on the Subrecipient, and the Subrecipient agrees to carry out its obligations in compliance with all of the obligations described in this agreement. [Grantee may also add in requirements from its Federal award as an Exhibit, as if they were directly imposed upon the Subrecipient].

### **A. General Compliance**

The Subrecipient shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 CFR part 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this agreement. These Federal Register notices include, but are not limited to, [cite currently published, applicable Federal Register notices, or attach them as Exhibits]. Notwithstanding the foregoing, (1) the Subrecipient does not assume the any of Grantee’s responsibilities for environmental review, decision-making, and action, described in 24 CFR part 58 and (2) the Subrecipient does not assume any of the Grantee’s responsibilities for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis.

### **B. Duplication of Benefits**

The Subrecipient shall not carry out any of the activities under this agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and

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Emergency Assistance Act (42 USC 5155) and described in Appropriations Act. The Subrecipient must comply with HUD’s requirements for duplication of benefits, imposed by Federal Register notice on the Grantee, which are: *[insert relevant language and web link to applicable requirements, or attach relevant requirements to this agreement]*. The Subrecipient shall carry out the activities under this agreement in compliance with the Grantee’s procedures to prevent duplication of benefits in Exhibit *[identify appropriate exhibit]*.

C. Drug-Free Workplace

*Drug-free workplace.* Subrecipients must comply with drug-free workplace requirements in Subpart B of part 2429, which adopts the governmentwide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

D. Insurance & Bonding

[For Grantee’s subject to 2 CFR part 200, subpart D, insert: “The Subrecipient shall comply with the bonding and insurance requirements of 24 CFR §200.325 and §200.310”. State’s may wish to insert requirements that the Subrecipient carry sufficient insurance coverage to protect CDBG-acquired assets from loss due to theft, fraud and/or undue physical damage, and acquire a blanket fidelity bond covering all employees in an amount equal to CDBG-DR funds provided by the Grantee.]

E. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

[The subparts of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200, that apply to the Subrecipient differ based on the Grantee. The Grantee should modify this provision to list the portions of 2 CFR part 200 that are applicable to the Subrecipient. Grantees should refer to 24 CFR 570.502(a) and (c), 24 CFR 570.489(d), and any applicable Federal Register Notices. E.g., if the Grantee and the Subrecipient are subject to 24 CFR 570.502, insert: “2 CFR part 200, except as provided in 24 CFR 570.502(a) and (c)”].

The Subrecipient shall comply with the applicable provisions in 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. These provisions include:

*[modify the following language as necessary]*

1. Financial & Program Management

The Subrecipient shall expend and account for all CDBG-DR funds received under this agreement in accordance with:

[The Grantee should identify the requirements and procedures applicable to the Subrecipient for expending and accounting for the Grantee’s CDBG-DR funds. For Grantees subject to 24 CFR 570.489(d), these must be the Grantee’s own fiscal and administrative requirements, new fiscal and administrative requirements adopted by the Grantee, or the requirements in 2 CFR part 200, including 2 CFR part 200, subpart D, which covers Standards for Financial and Program Management. For Grantees subject to 24 CFR 570.502, this agreement must identify the requirements in 2 CFR part 200, including 2 CFR part 200, subpart D, which covers Standards for Financial and Program Management. Ultimately,

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the requirements and procedures applicable to Subrecipients for expending and accounting for the Grantee's CDBG-DR funds will depend on the requirements imposed by Federal statute, regulations, and the terms and conditions of the Grantee's Federal awards.]

## 2. Cost Principles

Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior Federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this agreement, except for the following:

- (i) Depreciation methods for fixed assets shall not be changed without the approval of the Federal cognizant agency.
- (ii) Fines penalties, damages, and other settlements are unallowable costs to the CDBG program.
- (iii) Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445);
- (iv) Organization costs (2 CFR 200.455); and
- (v) Pre-Award Costs, as limited by this agreement.

## F. Documentation and Record Keeping

### 1. Records to be Maintained

The Subrecipient shall establish and maintain records sufficient to enable the Grantee to (1) determine whether the Subrecipient has complied with this agreement, applicable Federal statutes and regulations, and the terms and conditions of the Grantee's Federal award and (2) satisfy recordkeeping requirements applicable to the Grantee. These records include the records described in Section III. of this agreement, Scope of Service.

At a minimum, the Subrecipient shall maintain records required by

[If the Grantee is subject to 24 CFR 570.506, insert: "24 CFR 570.506, as if the requirements in 24 CFR 570.506 were directly imposed upon the Subrecipient" and additionally include any additional recordkeeping requirements imposed by Federal Register notice governing the use of the funds.]

[If the Grantee is subject to 24 CFR 570.490, the Grantee should insert language to ensure that the Subrecipient enables the Grantee to satisfy 24 CFR 570.490 and maintains records that the Grantee is required to maintain as jointly agreed upon by HUD and the Grantee, maintains records sufficient to enable HUD to make the determinations described at 24 CFR 570.493, and maintains any records necessary for fair housing and equal opportunity purposes. State Grantees also must include any additional recordkeeping requirements imposed by Federal Register notice governing the use of the funds.]

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[The Grantee should also specify the particular records or form of records that the Subrecipient must maintain in order meet recordkeeping requirements imposed by Federal statute, regulation, and the terms and conditions of the Grantee’s Federal award, and to assist the Grantee in meeting its recordkeeping and reporting requirements. This list is not exhaustive, but such records may include: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG –DR program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG program regulations; Financial records as required by 24 CFR 570.502, and 2 CFR part 200, including records necessary to demonstrate compliance with all applicable procurement requirements; and Other records necessary to document compliance with this agreement, any other applicable Federal statutes and regulations, and the terms and conditions of Grantee’s Federal award.]

### 2. Access to Records

[If Grantee is subject to 24 CFR 570.502 and 24 CFR 570.508, insert language governing access to records that complies with 2 CFR 200.331(a)(5), 2 CFR 200.336 and 24 CFR 570.508.]

[If Grantee is subject to 24 CFR 570.489(m) and 24 CFR 570.490, insert language governing access to records that complies with 2 CFR 200.331(a)(5) and 24 CFR 570.490(c).]

[For all subrecipients, add the following: “As required by 2 CFR 200.331(a)(5), the Subrecipient shall permit the Grantee and auditors to have access to the Subrecipient’s records and financial statements as necessary for the Grantee to meet its audit requirements under the Federal award.”]

### 3. Record Retention and Transmission of Records to the Grantee

Prior to closeout of this agreement, the Subrecipient must transmit to the Grantee records sufficient for the Grantee to demonstrate that all costs under this agreement met the requirements of the Federal award.

[If the Grantee is a local government or a State government whose subrecipients are subject to 24 CFR 570.502, insert: “Subrecipient shall retain financial records, supporting documents, statistical records, and all other Subrecipient records pertinent to this agreement and Subrecipient’s subaward for the longer of 3 years after the expiration or termination of this agreement, or 3 years after the submission of the Grantee’s annual performance and evaluation report, as prescribed in § 91.520 of this title or in the applicable Federal Register notices governing the use of the funds, in which the specific activity is reported on for the final time.

The preceding requirement is however, subject to the following exceptions:

- (i) Records for activities subject to the reversion of assets provisions at 24 CFR § 570.503(b)(7) or change of use provisions at 24 CFR § 570.505 must be maintained for as long as those provisions continue to apply to the activity, otherwise, records for real property and equipment acquired under this agreement must be retained for 3 years after final disposition;

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- (ii) Records for individual activities for which there are outstanding loan balances, other receivables, or contingent liabilities must be retained until such receivables or liabilities have been satisfied;
- (iii) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken;
- (iv) When the Subrecipient is notified in writing by HUD, the cognizant agency for audit as defined in 2 CFR 200.18, the oversight agency for audit as defined in 2 CFR 200.73, the cognizant agency for indirect costs as defined in 2 CFR 200.19, or the Grantee, the Subrecipient shall extend the retention period consistent with the notification;
- (v) When records are transferred to or maintained by HUD or the Grantee, the 3-year retention requirement is not applicable to the Subrecipient;
- (vi) (If the Grantee is required to report on program income after the period of performance) The retention period for the records pertaining to the earning of the program income (as defined in this agreement) starts from the end of the Grantee's fiscal year in which the program income is earned; and
- (vii) For indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates), and their supporting records:
  - a. If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the Grantee) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
  - b. If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the Grantee) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.]

[If the Grantee is a State subject to 24 CFR 570.491(d), insert: “Notwithstanding the term of this agreement, all records the Subrecipient is required to maintain, including supporting documentation, shall be retained for the greater of three years from closeout of the Federal award to the Grantee, or the period required by other applicable laws and regulations as described in 24 CFR § 570.487 and 24 CFR § 570.488.” Alternatively, the State may identify a shorter record retention period, and require transmission of records to the State after that period.]

#### 4. Client Data and Other Sensitive Information

The Subrecipient is required to maintain data demonstrating client eligibility for activities provided under this agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided.

[If the Grantee is subject to 2 CFR 200.303, insert: “The Subrecipient must comply with 2 CFR §200.303 and take reasonable measures to safeguard protected personally identifiable information, as defined in 2 CFR 200.82, and other information HUD or the Grantee designates as sensitive or the

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Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.”]

[For all grantees, insert requirements consistent with State or local requirements concerning the privacy of personal records, consistent with 24 CFR 570.508 (local governments) and 570.490(c) (States).]

### G. Close-out

The Subrecipient shall closeout its use of the CDBG-DR funds and its obligations under this agreement by complying with the closeout procedures in 2 CFR § 200.343. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records.

Notwithstanding the terms of 2 CFR 200.343, upon the expiration of this agreement, the Subrecipient shall transfer to the recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds, further, any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the subrecipient in the form of a loan) shall be treated in accordance with 24 CFR 570.503(b)(7).

[This Section should be modified as needed to include any requirements of the Federal Register notice governing the use of CDBG-DR funds, or for states, to include State closeout requirements in lieu of the requirements of 2 CFR 200.343. Any continuing requirements on the Subrecipient that will continue after closeout should be included in a Subrecipient agreement that is enforceable after the termination of this agreement.]

### H. Audits, Inspections, and Monitoring

#### 1. Single Audit

The Subrecipient must be audited as required by 2 CFR part 200, subpart F when it is expected that the Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

#### 2. Inspections and Monitoring

The Subrecipient shall permit the Grantee and auditors to have access to the Subrecipient's records and financial statements as necessary for the Grantee to meet the requirements of 2 CFR part 200.

The Subrecipient must submit to monitoring of its activities by the Grantee as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this agreement.

This review must include: (1) reviewing financial and performance reports required by the Grantee; (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the Grantee detected through audits,

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on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from the Grantee as required by 2 CFR §200.521.

### 3. Corrective Actions

The Grantee may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. The Grantee may require the Subrecipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means. In response to audit deficiencies or other findings of noncompliance with this agreement, Grantee may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance, or provide training and technical assistance as needed to correct noncompliance.

[Some Grantees may be required by Federal Register Notice to make reviews and audits, including onsite reviews of the Subrecipient as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2). If so, these Grantees should insert: “The Subrecipient shall be subject to reviews and audits by the Grantee, including onsite reviews of the Subrecipient as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2).”]

#### I. Procurement and Contractor Oversight

[If the Grantee is subject to 2 CFR part 200, subpart D, insert: “The Subrecipient shall comply with the procurement standards in 2 CFR §200.318 - §200.326 when procuring property and services under this agreement.”]

[If the Grantee is not subject to 2 CFR part 200, subpart D, but is subject to State CDBG regulations at 24 CFR 570.489(g), and applicable Federal Register Notices require the Grantee to establish requirements for procurement policies and procedures based on full and open competition for Subrecipients, insert language to impose requirements on the Subrecipient that shall require their compliance with the Grantee’s procurement policies and procedures when procuring property or services under this agreement. The Grantee’s policies and procedures should be defined in detail, or attached as an Exhibit, and satisfy all applicable requirements, including 24 CFR 570.489(g) as modified by applicable Federal Register Notices.]

The Subrecipient shall impose the Subrecipient’s obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

The Subrecipient must comply with CDBG regulations regarding debarred or suspended entities at [insert 24 CFR 570.609 or 24 CFR 570.489(l) as appropriate]. CDBG funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement.

[Grantee must impose any additional requirements on procurements and contractors that may be required by the statute appropriating the CDBG-DR funds or the Federal Register notices governing the CDBG-DR funds. These may include alternative requirements that impose additional requirements on 2 CFR 200.317 through

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200.326 and 24 CFR 570.489(g) to ensure all contracts and agreements (with subrecipients, recipients, and contractors) clearly state the period of performance or date of completion, incorporate performance requirements and liquidated damages into each procured contract or agreement, or other similar contract oversight provisions. They also may include limitations on the types of procurements for administrative responsibilities, or reporting requirements that all procurements be posted on the Grantee's website.]

### J. Property Standards

Real property acquired by the Subrecipient under this agreement shall be subject to [If the Grantee is subject to 24 CFR 570.505, insert: "24 CFR 570.505"; If the Grantee is subject to 24 CFR 570.489(j), insert: "24 CFR 570.489(j)"]; and 24 CFR 570.200(j) (imposing 24 CFR §5.109 requirements regarding disposition and change in use of real property by a faith-based organization).

[If the Grantee is subject to 24 CFR 570.502, insert: "The Subrecipient shall also comply with the Property Standards at 2 CFR 200.310, 2 CFR 200.312, 2 CFR 200.314 through 2 CFR 200.316. The Subrecipient shall also comply with 2 CFR 200.313 Equipment, except that when the equipment is sold, the proceeds shall be program income, and equipment not needed by the Subrecipient for activities under this agreement shall be transferred to the Grantee for its CDBG-DR program or shall be retained after compensating the Grantee."]

[State Grantees subject to 24 CFR 570.489(d) that have chosen to apply the provisions of 2 CFR part 200, insert: "The Subrecipient shall also comply with the Property Standards in 2 CFR 200.310 through 2 CFR 200.316, except to the extent they are inconsistent with 24 CFR 570.200(j) and 24 CFR 570.489(j), in which case Subrecipient shall comply with 24 CFR 570.200(j) and 24 CFR 570.489(j), and except to the extent that proceeds from the sale of equipment are program income and subject to the program income requirements under this agreement, pursuant to 24 CFR 570.489(e)(1)(ii).

[When the activity will result in patentable inventions, the Grantee may wish to require a license agreement. 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements," may affect ownership in inventions.]

### K. Federal Funding Accountability and Transparency Act (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

### L. Relocation, Real Property Acquisition, and One-for-one Housing Replacement

The Subrecipient shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606.

In addition to other URA requirements, these regulations (49 CFR § 24.403(d)) implement Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC § 5181, which provides that "Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing

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payment under the [URA] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act".

[Grantee must insert any waivers and alternative requirements related to the URA, optional relocation assistance, and one-for-one housing replacement that were published in the Federal Register notices governing the CDBG-DR appropriation.]

### M. Nondiscrimination

#### 1. 24 CFR part 6

The Subrecipient will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The Subrecipient will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR funds. Thus, the Subrecipient shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

#### 2. Architectural Barriers Act and the Americans with Disabilities Act

The Subrecipient shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of "building" as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in

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nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

[Local government grantees shall insert “The Subrecipient shall comply with the laws, regulations, and executive orders referenced in 24 CFR 570.607 regarding employment and contracting to the extent they are applicable.”]

### 3. State and Local Nondiscrimination Provisions

[Grantee can insert guidelines necessary for compliance with the nondiscrimination regulations in force during the term of this agreement. Grantee shall also insert any state and local nondiscrimination laws.]

### 4. Title VI of the Civil Rights Act of 1964 (24 CFR part 1)

#### (i) General Compliance:

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended [if the Grantee is subject to 24 CFR part 570, subpart K, insert: “and 24 CFR 570.601 and 570.602”. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 CFR part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 CFR part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

#### (ii) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Subrecipient assures that the program or activities described in this Agreement will be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to this part 1.

If the Federal financial assistance under this agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Subrecipient’s assurance herein shall obligate the Subrecipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the Subrecipient for the period during which Federal financial assistance is extended pursuant to the contract or application.

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This assurance gives the Grantee and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the Subrecipient Under this Agreement, the instrument effecting any disposition by the Subrecipient of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the Subrecipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

### 5. Affirmative Action

#### (i) Approved Plan

The Subrecipient agrees that it shall carry out pursuant to the Grantee's specifications an Affirmative Action Program in compliance with the President's Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 42 CFR chapter 60. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the release of funds under this agreement.

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

[If the Grantee is subject to 2 CFR part 200, subpart D, and more specifically 2 CFR 200.321, insert: “

The Subrecipient shall take the affirmative steps listed in 2 CFR 200.321(b)(1) through (5) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the Subrecipient procures property or services under this agreement.

#### (iii) Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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(iv) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

N. Labor and Employment

1. Labor Standards

The Subrecipient shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 3141, *et seq.*), and 29 CFR part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

The Subrecipient agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The Subrecipient shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the Grantee for review upon request.

O. Section 3 of the Housing and Urban Development Act of 1968

[Grantee may delete this section if Section 3 requirements do not apply to the Subrecipient’s activities under this agreement.]

1. Compliance

The Subrecipient shall comply with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, and implementing its implementing regulations at 24 CFR part 135.

The Subrecipient shall include the “Section 3 clause” at 24 CFR 135.38 in every “Section 3 covered contract” (as defined in 24 CFR 135.5).

P. Conduct

1. Hatch Act

The Subrecipient shall comply with the Hatch Act, 5 USC 1501 – 1508, and shall ensure that no funds provided, nor personnel employed under this agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

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### 2. Conflict of Interest

[If the Grantee is subject to 24 CFR 570.489, insert: “In the procurement of supplies, equipment, construction, and services pursuant to this agreement, the Subrecipient shall comply with the conflict of interest provisions in the Grantee’s procurement policies and procedures. In all cases not governed by the conflict of interest provisions in the Grantee’s procurement policies and procedures, the Subrecipient shall comply with the conflict of interest provisions in 24 CFR 570.489(h).”]

[If the Grantee is instead subject to 24 CFR 570.611 and 2 CFR part 200, insert: “In the procurement of supplies, equipment, construction, and services pursuant to this agreement, the Subrecipient shall comply with the conflict of interest provisions in 2 CFR 200.317 and 200.318. In all cases not governed by 2 CFR 200.317 and 200.318, the Subrecipient shall comply with the conflict of interest provisions in 24 CFR 570.611.”]

### 3. Lobbying Certification

The Subrecipient hereby certifies that:

- (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions;
- (iii) It shall require that the language of paragraph (a) through (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and
- (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is required by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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### Q. Religious Activities

The Subrecipient agrees that funds provided under this agreement shall not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

### R. Environmental Conditions

#### 1. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Subrecipient must comply with the limitations in 24 CFR 58.22 even though the Subrecipient is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making, and action (see 24 CFR part 58) and is not delegated the Grantee's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance, and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of Federal funds for the activity.

#### 2. Air and Water

The Subrecipient shall comply with the following requirements insofar as they apply to the performance of this agreement:

- Air quality. (1) The Clean Air Act (42 U.S.C. 7401 et. seq.) as amended; particularly section 176(c) and (d) (42 U.S.C. 7506(c) and (d)); and (2) Determining Conformity of Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency—40 CFR parts 6, 51, and 93).
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, including the requirements specified in Section 114 and Section 308 of the Federal Water Pollution Control Act, as amended, and all regulations and guidelines issued thereunder;

#### 3. Flood Disaster Protection

The Subrecipient shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a. Additionally, the Subrecipient shall comply with Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a), which includes a prohibition on the provision of flood disaster assistance, including loan assistance, to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. Section 582 also includes a responsibility to notify property owners of their responsibility to notify transferees about mandatory flood purchase requirements. More information about these requirements is available in the Federal Register notices governing the CDBG-DR award.

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4. Lead-Based Paint

[For Entitlement grantees, enter “The Subrecipient shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, J, K, and R, which apply to activities under this agreement.”]

[For State Grantees, enter “The Grantee shall follow the Grantee’s procedures with respect to CDBG assistance that fulfill the objectives and requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title. These provisions are attached to this agreement as Exhibit \_\_\_\_\_.”]

5. Historic Preservation

The Subrecipient shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title 54 of the United States Code, and the procedures set forth in 36 CFR part 800 insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

**X. OTHER REQUIREMENTS IMPOSED BY GRANTEE**

Consult with an attorney regarding any other provisions that the grantee should include in this agreement. These may include state and local requirements, or stock/boilerplate language such as a hold harmless, assignability, severability, entire agreement, or waiver/default provision, provisions about jurisdiction, provisions about where notices under the award should be sent, damages/liquidated damages provisions, and provisions about how to interpret section headings and subheadings. Grantee may wish to include a requirement requiring signage about project funding. Grantee may include provisions clarifying that an employee/employer relationship is not created by this agreement (sometimes called an independent contractor provision), but such provision should be consistent with 2 CFR 200.330.

[Remainder of page left blank.]

*Disclaimer: This is a sample agreement template and is not a complete legal document. Before using any part of this template, check with legal counsel to ensure that the grantee’s subrecipient agreements comply with state and local laws and regulations, and all requirements of the grantee’s CDBG-DR award.*



**THE UNDERSIGNED**, as authorized officials on behalf of the parties, have executed this Contract for Loan Guarantee Assistance, which shall be effective as of the date of execution hereof on behalf of the Grantee.

**GRANTEE**

By: \_\_\_\_\_  
(signature)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**SUBRECIPIENT**

By: \_\_\_\_\_  
(signature)

Name: \_\_\_\_\_

Title: \_\_\_\_\_  
(Chief Elected Official/Executive Officer with Authority to Sign)

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

Attest: \_\_\_\_\_  
ASSISTANT [CITY/COUNTY] CLERK

Countersigned: \_\_\_\_\_  
FINANCE OFFICER OR CONTRACT COMPLIANCE OFFICER

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

\_\_\_\_\_  
ASSISTANT [CITY/COUNTY] ATTORNEY

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