

**AGREEMENT BETWEEN AUGUSTA, GEORGIA  
AND  
Living In Purpose**

**2023 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

This Agreement is made and entered into this 1 day of January 2023, by and between Augusta, Georgia, by and through the Augusta, Georgia Commission, as the Implementer of the Community Development Block Grant Program (hereinafter referred to as "Grantee"), and Living In Purpose, (hereinafter referred to as the "Sub recipient").

WHEREAS, the Grantee has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Sub recipient to assist the Grantee in utilization of such funds;

WHEREAS, Living In Purpose acknowledges and agrees to comply with all relevant Federal and applicable Local guidelines related to the administration of this Agreement;

NOW, THEREFORE, it is agreed between the parties hereto as follows:

**ARTICLE I. DEFINITIONS AND IDENTIFICATIONS**

Unless otherwise specified, the following terms used herein shall be defined as listed below in this Article I.

**Act**

Means Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq.).

**Annual Plan**

The one-year portion of a Participating Jurisdiction's Consolidated Plan (see definition of "Consolidated Plan"). It includes the PJ's annual application for HOME funds, HOPWA and ESG

**Business Concern**

Means businesses that can provide evidence that they meet one of the following:

- a) 51 percent or more owned by Section 3 residents; or
- b) At least 30 percent of its full-time employees include persons that are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents.
- c) Provides evidence, as required, of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in the above two paragraphs.

**Consolidated Plan**

A document written by a State or local government describing the housing needs of the low- and moderate-income residents, outlining strategies to meet the needs and listing all resources available to

implement the strategies. This document is required to receive HUD Community Planning and Development funds.

**Community Development Block Grant (CDBG) Program or Program**

The term “Community Development Block Grant (CDBG) Program”, or “Program” shall mean that program administered by the Augusta, Georgia Housing and Community Development Department funded by a Community Development Block Grant. Such grant shall be that which has been applied for by Augusta, Georgia, and awarded by the U.S. Department of Housing and Urban Development (HUD) as authorized pursuant to Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended.

**C.F.R.**

HUD's section of the Code of Federal Regulations (CFR) is Title 24 and is often referenced as 24 CFR. Chapter IX of 24 CFR, entitled Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, applies to programs administered by the Office of Public and Indian Housing.

**Covered Person**

For purposes of 24 CFR 5, subpart I, and parts 966 and 982, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

**Department**

The term “Department” shall mean the Augusta, Georgia Housing and Community Development Department.

**Grant**

A federal grant is an award of financial assistance from a federal agency to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States. Federal grants are not federal assistance or loans to individuals.

**Grantee**

The term “Grantee” shall mean Augusta, Georgia. Augusta, Georgia is a consolidated form of government, a political subdivision of the State of Georgia. Augusta, Georgia may be referenced as “Augusta”.

**Household**

Household means all the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other related or unrelated person who share living arrangements.

**HUD**

The term “HUD” shall mean the U. S. Department of Housing and Urban Development.

### **Low- and Moderate-Income Household**

The term “Low- and Moderate-Income Household” shall mean a household having a total income equal to or less than the Section 8 low income limit established by HUD **Low and Moderate Income Person**

The term “Low- and Moderate-Income Person” shall mean a member of a family having a total income equal to or less than the U.S. Department of Housing and Urban Development (HUD) established Section 8 low income limit. This limit has been set as 80% of Area Median Income. Individuals not related by birth or by marriage will be considered as one-person families for this purpose.

### **Participating Jurisdiction**

The term given to any State or local government that HUD has designated to administer a CDBG Program. HUD designation as a PJ occurs if a State or local government meets the funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan.

### **Personal Property**

Property of any kind except real property. It may be tangible, having physical existence, or intangible, having no physical existence, such as copyrights, patents, or securities.

### **Project**

The term “Project” shall mean the objective established for the expenditure of CDBG funds as set forth in Article III hereto entitled “Scope of Services and Timetable.”

### **Small Business**

Means a business that meets the criteria set forth in Section 3 (a) of the Small Business Act, as amended (15 U.S. C. 632), and “Minority and Women’s Business Enterprise” shall mean a business at least fifty-one percent (51%) percent owned and controlled by minority group members or women. For the purposes of this definition section, the following terms shall be defined as follows: “minority group members” shall mean are African Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans and American Indians. The Sub recipient may rely on written representations by businesses regarding their status as Minority and Women Business Enterprises.

### **Sub recipient**

A public agency or nonprofit organization selected by a participating jurisdiction to administer all or a portion of the participating jurisdiction’s CDBG Program. A public agency or nonprofit organization that receives CDBG funds solely as a developer or owner of housing is not a Sub recipient.

### **U.S.C.**

United States Code, "the codification by subject matter of the general and permanent laws of the United States,"

## **ARTICLE II: PREAMBLE**

In order to establish the background, context and frame of reference for this Agreement and to manifest the objectives and the intentions of the respective parties herein, the following statements, representations and explanations are set forth. Such statements, representations and explanations shall be accepted as conditions precedent for the undertakings and commitments included within the following

provisions. These statements, representations, and explanations may be relied upon by the parties as essential elements of the mutual considerations upon which this Agreement is based.

- A. Title I of the Housing and Community Development Act of 1974, P. L. 93-383 (hereinafter the "Act") consolidated several existing programs for Community Development into a single program of Community Development Block Grants (hereinafter "CDBG") for the purpose of allowing local discretion in the determination of needs and prioritization of community development. The Mayor, Augusta, Georgia Commission and the citizens of Augusta, Georgia through citizen participation workshops have determined the needs and prioritization of community development in Augusta, Georgia.
- B. Pursuant to HUD regulations, 24 CFR 570.200 (a), certain projects were included in Augusta's CDBG submission to HUD, referred to as the Annual Plan. Augusta determined that each of the individual projects included in the Annual Plan address one or more of the following three national objectives:
  - 1. Activities benefiting low and moderate income persons;
  - 2. Activities which aid in the prevention or elimination of slum and/or blight;
  - 3. Activities designed to meet community development needs having a particular urgency.

Augusta has determined that the Project is a CDBG eligible activity because it addresses one or more of these objectives.

- C. Under the rules and regulations of HUD, Augusta is administrator for the Program. Augusta is mandated to comply with various statutes, rules and regulations of the United States, pertaining to the allocation and expenditure of funds, as well as the protection of the interest of certain classes of individuals residing in Augusta.
- D. The Grantee is desirous of disbursing the funds to the Sub recipient for use in the Project. Further, as a condition precedent to the release of CDBG funds to the Sub recipient, the Grantee, as Administrator for the Program must obtain the assurance from the Sub recipient of full compliance with all applicable statutes, rules and regulations of the United States, the State of Georgia, and/or Augusta relating to the Project and the Program.

**ARTICLE III: PROJECT**

The Grantee agrees to reimburse the Sub recipient in an amount not to exceed **One Hundred Thousand Dollars (\$100,000.00)** (hereinafter the "Grant") to implement the following project(s):

**Facility Upgrades and Renovation of Living In Purpose's Purpose Center**

Sub recipients will provide Renovations of Living In Purpose. Said project is more fully set forth in Exhibit "A" attached hereto and made a part hereof.

**ARTICLE IV: NOTICES**

Sub recipient and the Grantee agree that all notices required by this Agreement shall be in writing and delivered through one of the following: U.S. Mail (postage prepaid), commercial courier, personal

delivery, facsimile, or other electronic means. Any notice delivered as aforesaid shall be effective on the date of delivery. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following Agreement representatives:

Grantee: Augusta, Georgia  
Attention: Garnett Johnson, Mayor  
535 Telfair Street, 9<sup>th</sup> Floor  
Augusta, Georgia 30901

With copy to: Housing and Community Development Department  
Attention: Hawthorne E. Welcher, Jr., Director  
510 Fenwick Street  
Augusta, Georgia 30901

If to Sub recipient: Yannik Mckie  
5001 Gateway Blvd  
Grovetown, Ga 30813  
(404) 374-6999  
[yannikmckie@gmail.com](mailto:yannikmckie@gmail.com)

## **ARTICLE V: GENERAL CONDITIONS**

### **A. General Compliance**

The Sub recipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 [the U. S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)] including subpart K of these regulations, except that (1) the Sub recipient does not assume the Grantee's environmental responsibilities and (2) the Sub recipient does not assume the Grantee's responsibility for initiating the review process. The Sub recipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this Agreement. The Sub recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

### **B. Independent Contractor**

Nothing in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Sub recipient shall at all times remain an "Independent Contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation; FICA; Retirement; Life and/or Medical insurance; and Workers' Compensation Insurance, because the Sub recipient is an Independent Contractor.

C. Hold Harmless

The Sub recipient shall hold harmless, defend and indemnify the Grantee, and its employees and agents from any and all liabilities, demands, damages, losses, claims, actions, suits, charges, judgments and expenses, including attorney's fees, that arise out of the Subrecipient's performance or nonperformance of the services or subject matter as required in this Agreement.

D. Workers' Compensation

The Sub recipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement, if applicable.

E. Insurance and Bonding

The Sub recipient shall carry sufficient insurance coverage to protect Contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash reimbursements/advances from the Grantee.

The Sub recipient shall, at all times that this Agreement is in effect, cause to be maintained in force and effect an insurance policy(s) that will ensure and indemnify the Grantee against liability or financial loss resulting from injuries occurring to persons or property or occurring as a result of any negligent error, act, or omission of the Sub recipient in performance of the work during the term of this Agreement.

The Sub recipient shall provide, always that this agreement is in effect, Worker's Compensation Insurance in accordance with the laws of the State of Georgia.

The Sub recipient shall provide, at all times that this Agreement is in effect, Insurance with limits of not less than:

- A. Workmen's Compensation Insurance – in accordance with the laws of the State of Georgia.
- B. Public Liability Insurance
- C. Property Damage Insurance
- D. Valuable Papers Insurance – in an amount sufficient to assure the restoration of any plans, drawings, field notes, or other similar data relating to the work covered by the Project.
- E. Professional Liability Insurance –

Grantee will be named as an additional insured with respect to Sub recipient's liabilities hereunder in insurance coverages identified in items (b) and (c).

The policies shall be written by a responsible company(s), to be approved by the Grantee, and shall be non-cancellable except on thirty-(30) days' written notice to the Grantee. Such policies shall name the Grantee as co-insured, except for worker's compensation and professional liability policies, and a copy of such policy or a certificate of insurance shall be filed with the Director at the time of the execution of this Agreement.

F. Grantee's Recognition

The Sub recipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Sub recipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement, and shall:

- a. Acknowledgement of Augusta as grantee
- b. To label all assets purchased with by as Augusta property, and
- c. Insertion of HUD logo on all publications relating to program funded with CDBG funds.

G. Amendments

1. The Grantee or Sub recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement; are executed in writing, signed by a duly authorized representative of each organization; and approved by the Grantee's governing body. Such amendments shall not cancel or invalidate this Agreement, nor relieve or release the Grantee or Sub recipient from its obligations under this Agreement.
2. Further it is understood that the Grantee is responsible to HUD for the administration of funds, Grantee may consider and act upon reprogramming recommendations as proposed by its Sub recipient. In the event that the Grantee approves any modification, amendment, or alteration to the funding allocation, the Sub recipient shall be notified pursuant to Article V and such notification shall constitute an official amendment to this Agreement.
3. The Sub recipient shall submit to the Grantee within thirty (30) days of the completion of each Project a complete financial accounting of all its project activities.
4. The Department's Director shall be authorized to approve line-item changes to the Sub recipient's budget provided that such changes do not increase in the grant amount set forth in the Project's overall Budget.
5. 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, as it deems necessary. If such amendments result in a change (i) in the funding, (ii) the scope of services, or (iii) schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the Grantee and Sub recipient.

The Sub recipient shall be allowed only one amendment to this Agreement. No amendment will be granted to extend the agreement beyond the established end date of the grant period.

#### H. Suspension or Termination

1. In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Sub recipient materially fails to comply with any terms of this Agreement, including, but not limited to the following:
  - a) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statues, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
  - b) Failure, for any reason, of the Sub recipient to fulfill in a timely and proper manner its obligations under this Agreement;
  - c) Ineffective or improper use of funds provided under this Agreement; or
  - d) Submission by the Sub recipient to the Grantee reports of materially incorrect or incomplete.
  - e) In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Sub recipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

#### I. Liquidated Damages

For Public Facilities Projects only, the SUB RECIPIENT agrees to pay as liquidated damages to the Grantee the sum of **\$100.00** for each consecutive calendar day after expiration of the Contract Time of Completion Time, except for authorized extensions of time by the Grantee. This Section is independent of the above section dealing with Suspension and Termination. The parties agree that these provisions for liquidated damages are not intended to operate as penalties for breach of Contract.

The liquidated damages set forth above are not intended to compensate the Grantee for any damages other than inconvenience and loss of use or delay in services. The existence or recovery of such liquidated damages shall not preclude the Grantee from recovering other damages in addition to the payments made hereunder which the Grantee can document as being attributable to the documented SUB RECIPIENT failures. In addition to other costs that may be recouped, the Grantee may include costs of personnel and assets used to coordinate, inspect, and re-inspect items within this Contract as well as attorney fees if applicable.



**ARTICLE VI: ADMINISTRATIVE REQUIREMENTS**

A. Financial Management

1. Accounting Standards

The Sub recipient agrees to comply with 24 CFR 84.21-28; Sub recipient shall (i) adhere to the accounting principles and procedures required therein, (ii) utilize adequate internal controls, and (iii) maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Sub recipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

- a) Sub recipient gives the Grantee, HUD, and the Comptroller General, through any authorized representatives, access to and the right to examine all records, books, papers, or documents relating to the Project.
- b) Sub recipient agrees to maintain books, records, and documents in accordance with general accepted accounting procedures and practices that sufficiently and properly reflect all expenditures of Grant funds provided by the Grantee under this Agreement
- c) All Grant funds disbursed through a Community Development Block Grant shall be used only for eligible activities specifically outlined in this Agreement. The Sub recipient shall comply with any conditions and timetables set forth in this Agreement. In the event (i) the Sub recipient does not comply with the conditions and/or timetables; (ii) the Sub recipient ceases to exist; or (iii) Sub recipient ceases to provide the services for which the Grant was made, the Sub recipient shall be in default. If the Sub recipient is deemed to be in default, the Sub recipient will not be authorized to carry out another CDBG eligible project. In the event of default, the Grantee may exercise any rights or remedies provided in this Agreement.

B. Documentation and Recordkeeping

1. Records to be Maintained

The Sub recipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, which are pertinent to the activities to be funded under this Agreement. Such records shall include, but not be limited to:

- a) Records providing a full description of each activity undertaken;
- b) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c) Records required to determine the eligibility of activities;
- d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;

- e) Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG program;
- f) Financial records as required by 24 CFR 570.502 and 24 CFR 84.21-28; and other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The Sub recipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of seven (7) years. The retention period begins on the submission date of the Grantee's annual performance and evaluation report to HUD, in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, in instances where involving any type of litigation, claims, audits, negotiations or other actions that involve any of the records cited, which have started before the expiration of the seven-year period, shall be retained until the completion of the actions and resolution of all issues, or the expiration of the seven-year period, whichever occurs later.

3. Client Data

The Sub recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee's monitors or their designees for review upon request.

4. Disclosure

The Sub recipient understands that client information collected under this Agreement is private and confidential. The use or disclosure of such information, when not directly connected with the administration of the Grantee's or Sub recipient's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such persons receiving service. In the case of information about a minor, a responsible parent/legal guardian must provide written consent.

5. Close-outs

The Sub recipient's obligation to the Grantee shall continue until all closeout requirements are completed. Activities during the closeout period shall include but are not limited to: making final payments and disposing of program assets. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sub recipient has control over CDBG funds, including program income.

Any Grant funds remaining at the end of the Agreement period shall be returned to the Grantee, and the Grantee may in its discretion reprogram the funds to another CDBG eligible project.

6. Audits and Inspections

All Sub recipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully explained and corrected by the Sub recipient within 30 days after receipt by the Sub recipient. Failure of the Sub recipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Sub recipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Sub recipient audits and OMB Circular A-133, if applicable. If Sub recipient does not expend \$500,000 in Federal funds within the fiscal year, then a financial statement audit shall be submitted to Grantee.

C. Reporting and Payment Procedures

1. Program Income

The Sub recipient shall provide “monthly” reports on all program income [as defined at 24 CFR 570.500 (a)] generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the Sub recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub recipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the Agreement period. Any interest earned on cash advances from the U. S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

Program income anticipated to be generated from the use of CDBG funds for this project is approximately Zero Dollars (\$0).

2. Indirect Costs

If indirect costs are charged, the Sub recipient will develop an Indirect Cost Allocation Plan for determining the Sub recipient’s appropriate share of administrative costs. Sub recipient shall submit such plan to the Grantee for approval, by using a form to be specified by the Grantee.

3. Invoicing and Payment Procedures

a) In order to obtain reimbursement from the Grantee in connection with the Project, Sub recipient shall provide the following information:

- (1) Sub recipient shall submit Monthly Progress Reports for the Project by using the form attached hereto as Exhibit “E”, detailing accomplishments for the report period and the number of participants, which will be listed separately according

to race, sex and female head of household. Additionally, for each Program participant, the Sub recipient shall complete a Participant Income Eligibility Form by using the form attached hereto as Exhibit "D" which shall be submitted with Sub recipient's Monthly Progress Report. The Monthly Progress Report and Participant Income Eligibility Form must be included with all requests for payment until all funds have been expended. In the event that all funds are expended prior to the expiration of the agreement period, reports must continue to be submitted throughout the twelve-month period of the grant cycle.

- (2) The Sub recipient shall submit time sheets as backup documentation for salary reimbursement. In addition, the Sub recipient shall submit mileage, if applicable.
  - (3) Request for reimbursements by Sub recipient shall have the following attached: invoices, cancelled checks, receipts or other documentation evidencing funds expended by Sub recipient.
  - (4) The Grantee agrees to reimburse costs allowable under Federal, State and Local laws and guidelines.
- b) Upon receiving the invoices, reports and other material, the Department shall audit such documentation to determine whether the items invoiced are eligible for reimbursement under applicable Federal, State and Local laws and regulations.
  - c) The Department shall authorize the Grantee's Financial Officer to reimburse the Sub recipient for all costs it determines are eligible for reimbursement, pursuant to the audit. Payments will be made on a monthly basis with a 30-day turnaround period by Grantee. Requests for payments must be received by Grantee not later than the 15<sup>th</sup> day of each calendar month for work performed during the preceding calendar month. The Sub recipient shall not claim reimbursement from the Grantee for portions of its obligations which have been paid by another source of revenue.
  - d) The Grantee will pay the Sub recipient funds available under this Agreement based upon information submitted by the Sub recipient, which is consistent with any approved budget and the Grantee policy concerning payments. The Grantee reserves the right to liquidate funds available under this Agreement for costs incurred by the Grantee on behalf of the Sub recipient.

#### 4. Progress Reports

The Sub recipient shall submit Monthly Progress Reports to the Grantee by using the form attached (Exhibit E) as required by the Grantee. Progress reports shall be submitted by the 15<sup>th</sup> day of the month following prior quarter activities.

#### 5. Annual Reports

The Sub recipient shall submit an Annual Performance Report to the Grantee by using the form (Exhibit F), content as required by the Grantee. The Annual Performance

Report shall be submitted to Grantee by January 15 of the year following the grant period.

D. Procurement

1. Compliance

The Sub recipient shall comply with current Grantee's policy concerning the purchase of equipment. Sub recipient shall maintain inventory records of all non-expendable personal property, as defined by such policy that may be procured with funds provided herein. Personal property means property of any kind except Real Property. All program assets (unexpended program income and/or property) shall revert to the Grantee upon termination of this Agreement.

- a) All procurement transactions, regardless of dollar amount, whether negotiated or advertised, shall be conducted in a manner consistent with the Cost Principles for Non-Profit Organizations, OMB Circular A-110 "Procurement Standards", which provides maximum open free competition.
- b) Sub recipient shall make positive efforts to utilize small business and minority owned business sources, as well as women-owned businesses, for supplies and services, as required by Federal guidelines.

Augusta enforces DBE requirements and/or DBE goals set by Federal and/or State Agencies in accordance with State and Federal laws. The U.S. District Court for the Southern District of Georgia has entered an Order enjoining the Race-Based portion of Augusta, Georgia's DBE Program. (A copy of this Order may be obtained at: <http://www.augustaga.gov/index.aspx?NID=1448>). Thus, Augusta, Georgia does not have or operate a Disadvantaged Business Enterprise (DBE), Minority Business Enterprise (MBE) or Women owned Business Enterprise (WBE) program for projects (or portions of projects) having Augusta, Georgia as the source of funding.

2. OMB Standards

3. Unless specified otherwise within this agreement, the Sub recipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48.Travel

The Sub recipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

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

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

**ARTICLE VII: RELOCATION REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT**

The Sub recipient agrees to comply with each of the following (i) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606 (b); (ii) the requirements of 24 CFR 570.606 (c) governing the Residential Anti-Displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (iii) the requirements in 24 CFR 570.606 (d) governing optional relocation policies. (The Grantee shall have the authority to preempt the optional policies.) The Sub recipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606 (b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Sub recipient also agrees to

comply with applicable Grantee ordinances, resolutions, and policies concerning the displacement of persons from their residences.

## **ARTICLE VIII: PERSONNEL & PARTICIPANT CONDITIONS**

### **A. Civil Rights**

#### **1. Compliance**

- a) The Sub recipient agrees to comply with the following: Title VI of the Civil Rights Act of 1964 as amended; Title VII of the Civil Rights Act of 1968 as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Age Discrimination Act of 1975; Executive Order 11063; and Executive Order 11246, as amended by Executive Orders 11375, 11478, 12107, and 12086.
- b) In compliance with Executive Order 11246 and Section 3 of the 1968 Housing and Urban Development Act regarding Equal Employment Opportunity, the Sub recipient agrees and understands that no person shall be discriminated against on the grounds of race, color, national origin, age, familial status, handicap, or sex. Further, the Sub recipient understands and agrees that it will immediately take any measures necessary to effectuate this policy. For the benefit of interested parties, all subcontractors will be notified of the policy provisions. Notice of the policy will be placed in plain sight at the Project location.

#### **2. Nondiscrimination**

The Sub recipient agrees to comply with the Non-discrimination in Employment and Contracting Opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable Non-discrimination provisions in Section 109 of the Housing and Community Development Act also apply.

#### **3. Land Covenants**

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), 24 CFR 570.601 and 24 CFR 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Agreement, the Sub recipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, which prohibits discrimination as herein defined, in the sale, lease, rental, use, or occupancy of such land, or in any improvements erected or to be erected thereon. Such covenant shall provide that the Grantee and the United States are beneficiaries of such covenant and are entitled to enforce such. The Sub recipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures, as are necessary to enforce such covenant, and agree it will not so discriminate.

4. Section 504

The Sub recipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally Assisted Program. The Grantee shall provide the Sub recipient with all applicable guidelines necessary for compliance with said section throughout the term of this Agreement.

B. U.S. President Executive Order 11246

1. Approved Plan

The Sub recipient agrees that pursuant to the Grantee's specification, it shall be committed to carry out the principles provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide program guidelines to the Sub recipient to assist in the formulation of such program, and the Sub recipient shall submit a plan for approval prior to the award of funds.

2. Women-and Minority-Owned Businesses (W/MBE) (24 CFR 570.610 & Part 84 applies)

In accordance with 24 C.F.R. 570.610 and Part 84, the Sub recipient will use its best efforts to afford Small Businesses, Minority Business Enterprises and Women's Business Enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "Small Business" shall mean a business that meets the criteria set forth in section 3 (a) of the Small Business Act, as amended (15 U.S. C. 632), and "Minority and Women's Business Enterprise" shall mean a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For purposes of this section, the following terms shall be defined as follows: "minority group members" shall mean African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans and American Indians. The Sub recipient may rely on written representations by businesses regarding their status as Minority and Women business Enterprises, in lieu of an independent investigation.

**Disclaimer:** Augusta enforces DBE requirements and/or DBE goals set by Federal and/or State Agencies in accordance with State and Federal laws. The U.S. District Court for the Southern District of Georgia has entered an Order enjoining the Race-Based portion of Augusta, Georgia's DBE Program. (A copy of this Order may be obtained at: <http://www.augustaga.gov/index.aspx?NID=1448>). Thus, Augusta, Georgia does not have or operate a Disadvantaged Business Enterprise (DBE), Minority Business Enterprise (MBE) or Women owned Business Enterprise (WBE) program for projects (or portions of projects) having Augusta, Georgia as the source of funding.

3. Access to Records

The Sub recipient shall furnish and cause each of its own subcontractors to furnish all information and reports required hereunder. Sub recipient will permit access to its books, records, and accounts to the Grantee, HUD and its agent, or other authorized Federal officials, for purposes of investigation to determine and ensure compliance with the rules, regulations, and provisions stated herein.



4. Notifications

The Sub recipient will provide a notice to each Labor Union or representative of workers with which it has a collective bargaining agreement, other agreement, and/or understanding, which advises the Labor Union or worker's representative of the Sub recipient's commitments contained herein and requiring the posting of copies of the notice in conspicuous places available to employees and applicants for employment. Such notice shall be provided by the Agency Contracting Officer.

5. Equal Employment Opportunity (EEO) Statement

The Sub recipient shall state that it is an Equal Opportunity employer in all solicitations or advertisements for employees posted and/or advertised by or on behalf of the Sub recipient.

6. Subcontract Provisions

The Sub recipient shall include, specifically or by reference, the provisions of the Civil Rights Act, Paragraphs VIII. A and B, in every contract or purchase order making such provisions binding upon each of its own subcontractors and/or if its other type of subcontractor.

C. Employment Restrictions

1. Prohibited Activity

The Sub recipient is prohibited from using funds provided herein or personnel employed in the administration of the Program for any of the following activities: political, inherently religious, lobbying, political patronage and/or nepotism.

2. Labor Standards

The Sub recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the following: Davis-Bacon Act, as amended; the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*); and all other applicable Federal State and Local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. Further, the Sub recipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 8864 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Sub recipient shall maintain documentation that demonstrates compliance with the Hour and Wage requirements of said part. Such documentation shall be made available to the Grantee, upon request, for review.

The Sub recipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all Contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part, with assistance provided under this Agreement, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts. Further, said contractors shall comply with applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5, and 7, governing the payment of wages and ratio of apprentices and trainees to journey workers, provided that, if wage rates higher than those required

under the regulations are imposed by State or Local law, nothing hereunder is intended to relieve the Sub recipient of its obligation, if any, to require payment of the higher wage. The Sub recipient shall cause or require to be inserted provisions meeting the requirements of this paragraph in all such contracts subject to such regulations.

3. “Section 3” Clause

a) Compliance

Compliance with each of the following shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the Grantee, Sub recipient and any of the Sub recipient’s subcontractors and: the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement. Failure to fulfill these requirements shall subject the Grantee, the Sub recipient and any of the Sub recipient’s subcontractors and, their successors and assigns, to sanctions specified by the agreement through which Federal assistance is provided. The Sub recipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Sub recipient further agrees to comply with the “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement.

*“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to low and very low income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low and very low income persons residing in the metropolitan area in which the project is located.”*

The Sub recipient further agrees to ensure that opportunities for training and employment arising in connection with a Housing Rehabilitation (including reduction and abatement of lead-based paint hazards), Housing Construction, or other Public Construction Project are given to low and very low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to low and very low income persons within the service area of the project or the neighborhood in which the project is located, and to low and very low income participants in other HUD programs. Sub recipient further agrees, where feasible to award contracts for work undertaken in connection with a Housing Rehabilitation (including reduction and abatement of lead-based paint hazards), Housing Construction, or other Public Construction Project to business concerns that provide economic opportunities for low and very low income persons residing within the metropolitan area in which the CDBG-funded project is located. Where feasible, priority should be given to business concerns that provide economic opportunities to low and very low income residents within the service area or the neighborhood in which the project is located and to low and very low income participants in other HUD programs.

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

b) Notifications

The Sub recipient agrees to send a Notice to each labor organization or representative of workers with which it has a collective bargaining agreement, other agreement and/or understanding, if any, advising said labor organization or worker's representative of its commitments under this Section 3 clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c) Subcontracts

The Sub recipient will include this Section 3 clause in every subcontract and will take appropriate action in accordance with the subcontract, upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Sub recipient will not enter into any subcontract with any entity that it has notice or knowledge that the subcontractor (the latter) has been found to be in violation of regulations under 24 CFR Part 135, nor will not let any subcontract, unless and until, the entity has first provided a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Sub recipient shall not assign or transfer any interest in this Agreement, without prior written consent of the Grantee there to provided. However, claims for money due or to become due to the Sub recipient from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontract

a) Approvals

The Sub recipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the prior written consent of the Grantee.

b) Monitoring

The Sub recipient shall monitor all subcontracted services on a regular basis to assure Agreement compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c) Content

The Sub recipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d) Selection Process

The Sub recipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee, along with documentation concerning the selection process.

E. Hatch Act

The Sub recipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

F. Conflict of Interest

The Sub recipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include, but are not limited to, the following:

1. The Sub recipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of Agreements supported by Federal funds.
2. No employee, officer or agent of the Sub recipient shall participate in the selection, award, or administration of an Agreement supported by Federal funds if an actual or apparent conflict of interest would be involved.
3. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities; who are in a position to participate in a decision-making process; or who are in a position to gain inside information with regard to such activities, may obtain a financial interest in any Agreement. Nor shall any such person have a financial interest in any contract, subcontract or agreement with respect to the CDBG-assisted activity. Further such persons shall not have a financial interest in any contracts, subcontracts, or agreement with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Sub recipient, or any designated public agency.

#### G. Lobbying

The Sub recipient hereby certifies that:

1. 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 any of the following persons: (i) an officer or employee of any agency, (ii) a Member of Congress, (iii) an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any of the following: (a) Federal contract, (b) the making of any Federal grant, (c) the making of any Federal loan, the entering into of any cooperative agreement, and (d) the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for the purpose of influencing or attempting to influence any of the following persons: (i) an officer or employee of any agency, (ii) a Member of Congress, (iii) an officer or (iv) employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, there shall be completed and submitted a Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. There shall be language of paragraph (4) of this certification included in the award documents for all sub awards at all tiers (including each of the following: subcontracts, sub grants and Agreements under grants, loans and cooperative agreements), and that all Sub recipients shall certify and disclose accordingly.
4. Lobbying Certification

This certification is a material representation of fact, upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file this 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.

#### H. Copyright

If this Agreement results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

#### I. Religious Activities

The Sub recipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200 (j), to include, but not limited to, worship, religious instruction, or proselytization.

**ARTICLE IX: ENVIRONMENTAL CONDITIONS**

A. Air and Water

The Sub recipient agrees to comply with the following requirements, insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 7401, *et seq.*;
- Federal Water Pollution Act, as amended, 33 U.S.C., 1251 *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

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

C. Lead-Based Paint

The Sub recipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall list the hazards of lead-based paint and explain the following: (1) symptoms, (2) treatment and (3) precautions that should be taken when dealing with lead-based paint poisoning and (4) the advisability and availability of blood lead level screening for children under the age seven (7). The notice should also state that if lead-based paint is found on the property, that abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, the following may be conducted: paint testing, risk assessment, treatment and/or abatement.

D. Historic Preservation

The Sub recipient agrees to comply with the Historic Preservation requirements as set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years (50) old or older, or that are included on a Federal, state or local historic property list.

**ARTICLE X: SEVERABILITY**

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

**ARTICLE XI: SECTION HEADINGS AND SUBHEADINGS**

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

**ARTICLE XII: WAIVER**

The Grantee's failure to upon a breach by the Sub recipient does not waive the Grantee's right to act upon any subsequent or similar breach of this Agreement by Sub recipient. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision as provided for in this Agreement.

**ARTICLE XIII: GOVERNING LAW AND VENUE**

The law of the State of Georgia shall govern this Agreement between Grantee and Sub recipient with regard to its interpretation and performance, and any other claims related to this agreement, which are not specifically governed by Federal Law.

All claims, disputes and other matters in question between Grantee and Sub recipient arising out of or relating to this Agreement, or the breach thereof, shall be decided in the Superior Court of Richmond County, Georgia, if not specifically governed by Federal Law. The Sub recipient, by executing this Agreement, specifically consents to jurisdiction and venue in Richmond County and waives any right to contest the jurisdiction and venue in the Superior Court of Richmond County, Georgia.

**ARTICLE XIV: ENTIRE AGREEMENT**

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

**ARTICLE XV: SUB RECIPIENT ACKNOWLEDGEMENT**

***"Subrecipient acknowledges that this contract and any changes to it by amendment, modification, change order or other similar document may have required or may require the legislative authorization of the Board of Commissioners and approval of the Mayor. Under Georgia law, Subrecipient is deemed to possess knowledge concerning Augusta, Georgia's ability to assume contractual obligations and the consequences of Subrecipient's provision of goods or services to Augusta, Georgia under an unauthorized contract, amendment, modification, change order or other similar document, including the possibility that the Sub recipient may be precluded from recovering payment for such unauthorized goods or services.***

***Accordingly, Sub recipient agrees that if it provides goods or services to Augusta, Georgia under a contract that has not received proper legislative authorization or if the Sub recipient provides goods or services to Augusta, Georgia in excess of the any contractually authorized goods or services, as required by Augusta, Georgia's Charter and Code, Augusta, Georgia may withhold payment for any unauthorized goods or services provided by Sub recipient. Sub recipient assumes all risk of non-payment for the provision of any unauthorized goods or services to Augusta, Georgia, and it waives all claims to payment or to other remedies for the provision of any unauthorized goods or services to Augusta, Georgia, however characterized, including, without limitation, all remedies at law or equity." This acknowledgement shall be a mandatory provision in all Augusta, Georgia contracts for goods and services, except revenue producing contracts.***

**ARTICLE XVI: E-VERIFY**

*All contractors and subcontractors entering into contracts with Augusta, Georgia for the physical performance of services shall be required to execute an Affidavit verifying its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm, or corporation which is contracting with Augusta, Georgia has registered with and is participating in a federal work authorization program. All contractors and subcontractors must provide their E-Verify number and must be in compliance with the electronic verification of work authorized programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603, in accordance with the applicability provisions and deadlines established in O.C.G.A. § 13-10-91 and shall continue to use the federal authorization program throughout the contract term. All contractors shall further agree that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to its contract with Augusta, Georgia the contractor will secure from such subcontractor(s) each subcontractor's E-Verify number as evidence of verification of compliance with O.C.G.A. § 13-10-91 on the subcontractor affidavit provided in Rule 300-10-01-.08 or a substantially similar form. All contractors shall further agree to maintain records of such compliance and provide a copy of each such verification to Augusta, Georgia at the time the subcontractor(s) is retained to perform such physical services*

**[SIGNATURES ON THE FOLLOWING PAGE]**



**ARTICLE XVII: COUNTERPARTS**

This Agreement is executed in two (2) counterparts – each of which shall be deemed an original and together shall constitute one and the same Agreement with one counterpart being delivered to each party hereto.

**IN WITNESS WHEREOF**, the parties have set their hands and seals as of the date first written above.

ATTEST: **AUGUSTA, GEORGIA**  
(Grantee)

By: \_\_\_\_\_  
Garnett L. Johnson  
As its Mayor

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

By: \_\_\_\_\_  
Takiyah Douse  
As Interim Administrator

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

By: \_\_\_\_\_  
Hawthorne E. Welcher, Jr., Director  
Housing & Community Development Department

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

By: \_\_\_\_\_  
Augusta, GA Law Department  
General Counsel

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

\_\_\_\_\_  
Lena J. Bonner  
Clerk of Commission

ATTEST: Living In Purpose  
Sub recipient

By: \_\_\_\_\_  
Yannik Mckie, Founder

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

**EXHIBIT "A"**  
**SCOPE OF SERVICES AND TIMETABLE**

The Sub recipient will be responsible for administering Living In Purpose in a manner satisfactorily to the Grantee, according to and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

**J. SCOPE OF SERVICES**

**A. Activities**

The Living in Purpose Afterschool Program, Men in Training Mentor Program, Hooping with Purpose Basketball Program, Dream Center Music Program, Gardening Black Farm Street Program, Pod Casting for Purpose Program and Entrepreneurship Legacy Program.

**Program Delivery**

Sub recipient will provide a public facility for low income and homeless individuals. This project will take place at 1650 Olive Rd Augusta, Ga 30904. Monday – Friday 0900 – 1830. Additional activities and hours as needed which also is to include weekends.

**General Administration**

The Board of Directors manages the Sub recipient; The Chief Executive Officer manages the agency, finance, and programs; Volunteers support the agency and clients.

**B. National Objectives**

The Sub recipient certifies that the activity/activities carried out under this Agreement will meet the National Objective to benefit low and moderate income persons

**LOW MOD LIMITED CLIENTELE**

Sub recipient will meet the requirements provided for in the regulations by requiring information on family size and income. This information will be used to ensure that clients are low to moderate income.

**C. LEVELS OF ACCOMPLISHMENT – Goals and Performance Measures**

The Sub recipient agrees to provide the following levels of program services:

<b>PROPOSED PERFORMANCE GOAL</b>	<b>PROPOSED PERFORMANCE MEASURE</b>
Media Room Remodeling	Serve more youth overall, measure with monthly meeting, attendance records, increase participation
Upgrade Kitchen	Begin the cooking of the culinary program, partner with other nonprofits & their programs, increase of how many youth fed, measured by monthly meeting, attendance, scorecards
Upgrade Signage	This will help increase the participation by at least 20% of youth and make a impact of the afterschool as it will be visual to everyone eye.

**D. Staffing**

CEO – Chief Executive Officer – Oversees the staffing, activities, programs and funding that is provided.

COO – Chief Operating Officer – Makes sure the operations of the building & programs are operating as designed and planned.

ADMINISTRATOR – Maintain the required documents from grants, staffing, program participants, requirements for the building and more.

VOLUNTEERS – Provide time and talents weekly need =ed for the programs to run with the proper ration to youth served in the programs.

PURPOSE COACHES – Volunteers that give their time to teach and or instruct in their area of expertise for the various programs.

MENTORS – Guide & participant with the development of moral, values, integrity, respect, & responsibility of Young kings

**E. Performance Monitoring**

The Sub recipient agrees that the Department may carry out periodic monitoring activities, as determined necessary by the Department. At a minimum, monitoring shall occur annually, but it may occur more frequently if the Department deems it necessary. The Department will provide the Sub recipient advance written notice prior to any monitoring activities. Such monitoring shall consist of (i) evaluating the Sub recipient’s compliance with the terms and conditions of this Agreement, and (ii) comparing the Sub recipient’s projected Project schedule, budget, and output with its actual performance. Upon request, the Sub recipient shall furnish the Department, the Grantee, or its designee copies of such records and information, as the Department or the Grantee deems necessary. In addition, the Sub recipient shall submit monthly progress reports, as required by this Agreement, and shall prepare other such reports as may be required by the Department, the Grantee, and/or HUD.

The Grantee will monitor the performance of the Sub recipient in accordance with the goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If, Sub recipient does not take corrective

action to address such substandard performance within a reasonable period of time after being notified by the Grantee, Agreement suspension or termination procedures will be initiated.

## **II. TIME OF PERFORMANCE**

Services of the Sub recipient shall start on **the latest signature date on this agreement and end December 31, 2023**. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub recipient remains in control of CDBG funds or other CDBG assets, including program income.

**III. BUDGET**

Line Item	Amount
Kitchen, Hood & Panel & install, walls, fire suppression system, plumbing for kitchen	\$33,000
Boiler System / Heating & Air	\$12,000
Plumbing through Building / Floor Replacement / Roof	\$55,000
<b>TOTAL</b>	<b>\$100,000</b>

Any amendments to the budget must be in writing and approved, in writing, by the Grantee’s Director of the Augusta Housing and Community Development Department.

**IV. PAYMENT**

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed One Hundred Thousand Dollars (**\$100,000.00**). Draw downs for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein, and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III, and in accordance with performance.

Payments may be contingent upon certification of the Sub recipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

Sub recipient is also responsible for submitting to the Grantee each of the following: (i) monthly progress reports, (ii) time sheets (if applicable), (iii) mileage (if applicable), (iv) invoices and any other documentation deemed necessary by the monitoring official during the funding cycle. These records shall be retained up to five (5) years after the Agreement expires.

**EXHIBIT "B"**  
**PROGRAM REQUIREMENTS**

Sub recipient shall operate this project funded through the Augusta Georgia's Community Development Block Grant Program according to the following guidelines:

1. At a minimum, Accounting and related records of Sub recipient shall be comprised of the following:
  - a. Voucher System - All supporting documentation, including, but not limited to, purchase order, invoices, receiving reports, and requisitions.
  - b. Books of Original Entry - Cash receipts, disbursements journal, and general ledger.
  - c. Chart of Accounts - Listing of accounts must be maintained in an accounting system.
  - d. Personnel Records - Separate personnel files shall be maintained for each project employee. At a minimum, the file shall contain the following: (i) a resume of the employee, (ii) a description of duties assigned, (iii) a record of the date employed, (iv) rate of pay at the time of employment, (v) subsequent pay adjustments, and (vi) documentation supporting leave taken by the employee.
  - e. Attendance Record - Attendance records shall be maintained for all personnel paid with CDBG funds. This shall apply to part-time and full-time personnel. In addition to accounting for daily attendance, the type of leave taken (i.e. annual, sick, or other), shall be disclosed and documented. Daily attendance records must support budgetary changes for payroll purposes.
  - f. Payroll Records - Formal payroll records supporting cash disbursements to employees shall be maintained. Such records shall disclose the following information for each employee: (i) name, (ii) job title, (iii) social security number, (iv) date hired, (v) rate of pay, and (vi) all required deductions for tax purposes. Timely quarterly payment of taxes, which are withheld from employees for the Federal Government, and required matching costs, shall be documented in payroll records. In addition, all charges for payroll purposes shall be made and documented in accordance with the budget submitted to the Grantee.
  - g. Checking Accounts - Monthly bank reconciliation shall be conducted by Sub recipient. All checks, including voided checks, stubs, etc. shall be pre-numbered and accounted for, including voided checks. Check stubs, cancelled checks, and deposit slips must be readily available for audit purposes.
  - h. Petty Cash - Sub recipient is encouraged to use an imprest or cash advance system and adhere to a monthly, or if necessary, more frequent reimbursement procedure if any CDBG funds are used as petty cash.
  - i. Purchasing Practices - HUD considers State-purchasing regulations to be an acceptable standard for purchasing practices. Local purchasing practices and other procedures shall prevail unless State and/or Federal practices and procedures are more stringent.

Therefore, Sub recipient is obligated to conform to the more restrictive practices and procedures. It is recommended that Sub recipient use a formal pre-numbered purchase order system where possible and applicable.

- j. Inventories - Sub recipient is advised to maintain adequate safeguards against loss by theft or physical deterioration of any inventories of office supplies, equipment, or other items purchased with CDBG funds.
  - k. Property Records - Sub recipient is required to maintain formal subsidiary records to control all project property and equipment. Such records shall disclose the acquisition and subsequent disposition of all property. An annual inventory should be conducted, and the books shall reflect the actual value of property held at the end of the fiscal year.
2. All project accounting records and supporting documents shall be maintained for a period of at least five (5) years after termination of the Grantee's award. The records shall be made available to the Grantee, HUD and/or any of their authorized representatives.
  3. Sub recipient should maintain records in an orderly manner, with systematic identification for different federal time periods. Records must be protected from fire or other perils. If records are stored in a location other than the project site, they shall be readily accessible to the Grantee's staff, HUD officials, and others who may be authorized to examine such records.

**EXHIBIT "C"**  
**REPORT SCHEDULE**

<b>REPORT</b>	<b>DUE DATE</b>	<b>PERIOD COVERED</b>
Monthly Progress Report	15 <sup>th</sup> day of each month (Jan. – Dec.)	For Prior Months' Activities
Annual Performance Report	January 15 after year of grant period	Grant Period (Jan 1 – Dec 31)
Audit or Financial Statement	30 days after receipt of Audit Report	Sub recipient's audit period



ATTACHMENTS:

Regulations, Circulars & Local Procurement Policy

1. Community Development Block Grant Entitlement Program 24 CFR 570
2. OMB Circular A-122  
"Cost Principles for Non-Profit Organizations"
3. OMB Circular A-110 (Part 84) – Uniform Administrative Requirements  
"Grants and Agreements with Institutions of Higher Education, Hospitals, & Other Non-Profit Organizations"
4. OMB Circular A-133, "Audits of Institutions of Higher Education and Other Non-Profit Institutions"
5. The Augusta, Georgia Procurement Code is available on the Augusta, Georgia website, [www.augustaga.gov](http://www.augustaga.gov). All Sub recipients shall be responsible for reviewing and/or obtaining a copy of such Code. Sub recipients should contact the Augusta, Georgia Housing and Community Development Department with any questions and/or concerns regarding the Procurement Code.
6. Executive Orders

Forms

1. Reimbursement Request, Checklist & Itemization
2. Participant Income Eligibility "Exhibit D"
3. Monthly Progress Report "Exhibit E"
4. Annual Performance Report "Exhibit F"
5. Income Eligibility Calculation Worksheet
6. FY 2013 Income Limits
7. Time Sheet (Use if applicable)
8. Bid Tabulation (Use if applicable)
9. Quote Tabulation (Use if applicable)
10. Travel Log (Use if applicable)
11. Inventory Form (Use if applicable)