

**AMENDMENT FOUR
TO THE FEDERALLY FUNDED
COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RECOVERY (CDBG-DR)
HOMETOWN REVITALIZATION PROGRAM
SUBRECIPIENT AGREEMENT**

On **April 14, 2022**, the State of Florida, Department of Commerce (“Commerce”), and **the City of Chipley, Florida** (“Subrecipient”) entered into agreement **M0041** (“Agreement”). Commerce and the Subrecipient may individually be referred to herein as a “Party” or collectively as the “Parties.”

WHEREAS, Section 4, Modification of Agreement, of the Agreement provides that any amendment to the Agreement shall be in writing executed by the Parties thereto; and

WHEREAS the Agreement was previously amended on **June 16, 2022, January 16, 2025, and September 15, 2025;**

WHEREAS the Parties wish to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and obligations set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

1. Section (20) Funding/Consideration, Subsection (a) is hereby deleted in its entirety and replaced with the following:

(a) The funding for this agreement shall not exceed **One Million, Twenty-Seven Thousand, One Hundred Two Dollars and Eighty-One Cents** (\$1,027,102.81), subject to the availability of funds. The State of Florida and Commerce’s performance and obligation to pay under this agreement is contingent upon annual appropriations by the Legislature and subject to any modification in accordance with Chapter 216, F.S. or the Florida Constitution.

2. Section (6)(a) Audit Requirements, is hereby deleted and replaced with the following:

(a) Subrecipient shall conduct a single or program-specific audit in accordance with the provisions of 2 C.F.R. part 200 if it expends \$1,000,000 or more in Federal awards from all sources during its fiscal year.

3. This Agreement is hereby amended to add the following:

(31) CONTRACTING WITH ENTITIES OF FOREIGN COUNTRIES OF CONCERN PROHIBITED

In accordance with section 287.138, F.S., a contract between a governmental entity and an entity which would give access to an individual’s personal identifying information which is executed, extended, or renewed on or after the dates provided in section 287.138(4), F.S., must include an attestation by the entity on Form PUR 1355, “Foreign Country of Concern Attestation Form,” which is incorporated herein by reference. If applicable, prior to execution of the Contract, Contractor must provide Commerce with a signed Foreign Country of Concern Attestation Form pursuant to section 287.138(4), F.S., and rule 60A-1.020, F.A.C.

(32) FOREIGN INFLUENCE

In accordance with section 286.101, F.S., if this Agreement has a value of \$100,000 or more, Contractor shall disclose to Commerce any current or prior interest of, any contract with, or any grant or gift received from a foreign country of concern if such interest, contract, or grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years. The disclosure requirements are more fully defined within the statute. Contractor represents that it is, and for the duration of this Contract will remain, in compliance with section 286.101, F.S.

(33) HUMAN TRAFFICKING

In accordance with section 787.06, F.S., when a contract is executed, renewed, or extended between a nongovernmental entity and a governmental entity, the nongovernmental entity must provide the governmental entity with an affidavit signed by an officer or a representative of the nongovernmental entity under penalty of perjury attesting that the nongovernmental entity does not use coercion for labor or services as defined in that statute. Prior to execution of the Contract, Contractor must provide Commerce with an affidavit signed by an officer or a representative of Contractor under penalty of perjury attesting that Contractor does not use coercion for labor or services as defined in section 787.06, F.S.

4. Attachment A – Scope of Work, is hereby deleted in its entirety and replaced with the attached Attachment A – Scope of Work.
5. Attachment I, Audit Requirements, is hereby deleted in its entirety and replaced with the attached Attachment I – Audit Requirements.
6. Exhibit 1 to Attachment I, Funding Sources, is hereby deleted in its entirety and replaced with the attached Exhibit 1 to Attachment I, Funding Sources.
7. Attachment J, Audit Compliance Certification, is hereby deleted in its entirety and replaced with the attached Attachment J- Audit Compliance Certification.
8. All other terms and conditions of the Subrecipient Agreement not otherwise amended remain in full force and effect.

~ Remainder Left Intentionally Blank ~

IN WITNESS HEREOF, by signature below, the Parties agree to abide by the terms, conditions, and provisions of Commerce Agreement Number **M0041** as amended. This Amendment is effective on the date the last Party signs this Amendment.

| CITY OF CHIPLEY, FLORIDA | DEPARTMENT OF COMMERCE |
|---------------------------------|-------------------------------|
| Signed: | SIGNED: |
| Tracy L. Andrews | J. ALEX KELLY |
| MAYOR | SECRETARY |
| DATE: | DATE: |

Approved as to form and legal sufficiency, subject only to full and proper execution by the Parties.

**OFFICE OF GENERAL COUNSEL
DEPARTMENT OF COMMERCE**

By: _____

Approved Date: _____

Attachment A – Scope of Work

1. PROGRAM DESCRIPTION:

The Florida Department of Commerce (Commerce) has allocated \$60,406,429 in funding for the Rebuild Florida Hometown Revitalization Program through the Community Development Block Grant – Disaster Recovery (CDBG-DR) Program by the U.S. Department of Housing and Urban Development (HUD) to address unmet disaster recovery needs related to damage from Hurricane Michael. Federal Register requirements clearly state that funds may be used only for disaster relief and long-term recovery in communities affected by the specified disaster. Requirements provide that fund be directed to areas with the greatest need. All CDBG-DR funded eligible activities must tie to storm damage as specified in and not prior to the Presidential Disaster Declaration 4399 for Hurricane Michael on October 11, 2018.

Projects must meet a CDBG-DR National Objective such as: Benefit LMI persons, Slum and Blight or address an Urgent Need. Additional information can be found in the Federal Register, Volume 85, No.17.

Projects eligible for funding under this program include:

- Public facility improvements, including streetscapes, lighting, sidewalks, and other physical improvements.
- Acquisition, demolition, site preparation, or rehabilitation or commercial structures carried out by a unit of local government.
- Assistance to small businesses for rehabilitation and physical improvements to their places of business. Façade improvements to private or public structures in commercial area.

2. PROJECT DESCRIPTION:

The City of Chipley has been awarded ***One Million, Twenty-Seven Thousand, One Hundred Two Dollars and Eighty-One Cents*** (\$1,027,102.81) in CDGB-DR (Community Development Block Grant- Disaster Recovery) funding. This project will address unmet damage needs that exist in Downtown Chipley while simultaneously creating an aesthetically pleasing area to attract potential customers to the surrounding commercial district. This will be accomplished by acquiring and demolishing the building known as the ‘Mongoven Building’ which remains in a state of irreversible disrepair since Hurricane Michael. The footprint will then be turned into a ‘pocket park’.

3. SUBRECIPIENT RESPONSIBILITIES:

A. CDBG-DR Hometown Revitalization Policies, Procedures and Implementation

City of Chipley will conduct the program design and implementation services necessary to mobilize and launch its production implementation systems to support the programs and projects to help people, properties and communities recover from storm related damage due to Hurricane Michael as follows:

1. Complete and submit to Commerce within forty-five (45) days of agreement execution, a staffing plan for the City of Chipley CDBG-DR Program that includes:

- a. Organizational chart; and,
- b. Job descriptions for Subrecipient's employees, contracted staff, vendors, and contractors.
- c. Scope of work and procurement plan for all contracted staff, vendors, and contractors.
2. Develop and submit a copy of the following policies and procedures to the Commerce Agreement Manager within forty-five (45) days of agreement execution:
 - a. Procurement policies and procedures that incorporate 2 CFR Part 200.317-327.
 - b. Administrative financial management policies, which must comply with all applicable HUD CDBG- DR and State of Florida rules.
 - c. Quality assurance and quality control system policies and procedures that comply with all applicable HUD CDBG-DR and Commerce Policies
 - d. Policies and procedures that at a minimum, include information about the Hometown Revitalization Program application process, application requirements, underwriting criteria, compliance requirements, and reporting methodology
 - e. Policies and procedures to detect and prevent fraud, waste and abuse that describe how the subrecipient will verify the accuracy of applicant information, monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring, and which items will be monitored, and procedure for referring instances of fraud, waste and abuse to HUD Office of Inspector General (OIG) Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov).
 - f. Policies and procedures for the requirements under 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award.
3. Establish and administer a system of record and production and grants management reporting systems within forty-five (45) days of agreement execution.
4. Complete and submit a Project Detail Budget (Attachment B) for approval by Commerce no later than thirty (30) days after the execution of the subrecipient agreement.
5. Complete and submit an Activity Work Plan (Attachment C) for approval by Commerce no later than thirty (30) days after the execution of the subrecipient agreement.
6. Maintain organized subrecipient agreement files and make them accessible to Commerce or its representatives upon request.
7. Comply with all terms and conditions of the subrecipient agreement, Hometown Revitalization Program Guidelines and Design, Action Plan, Action Plan Amendments, and Federal, State and local laws.
8. Attend fraud related training by HUD OIG to assist in the proper management of CDBG-DR grant funds when available.
9. Update all applicable Hometown Revitalization Program policies and procedures as needed and upon Commerce request.
10. Complete procurement of all vendors for internal grants management and compliance and direct program and project production, including:
 - a. Selection of vendors, subrecipients, and/or staff that will be responsible for managing applicant intake and related operations, compliance, finance and administration;
 - b. Selection of vendors, subrecipients, and/or staff that will be responsible for managing demolition and/or construction;
 - c. Selection of vendors, subrecipients, and/or staff that will be responsible for managing Land and Structure Buyout; and,
 - d. Selection of vendors, subrecipients, and/or staff that will be responsible for Appraisal, Environmental Review, title services, and legal services.

11. Meet or exceed federal underwriting standards. Subrecipients must establish underwriting criteria that, at a minimum, complies with CDBG underwriting criteria found at 24 CFR 570.209. Project costs must be demonstrated to be reasonable. All other sources of financing must be committed or otherwise unavailable to the applicant. Project costs must be need-based, and documentation must be sufficient to prove that CDBG funds will not supplant non-federal financial funding or support.
12. Include the following statement on all program materials and applications "Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729."
13. Ensure all projects seeking assistance under the current CDBG-DR funds for Hurricane Michael, and any future funds allocated for Hurricane Michael, provided by Commerce, receive the required Environmental Clearance from Commerce prior to the Subrecipient being able to commit CDBG-DR funds.¹⁴
14. Evaluate each grant applicant for the potential for duplication of benefits and decline any grant amount that would constitute such a duplication.
15. Develop and submit a monthly revised detailed timeline for implementation consistent with the milestones outlined in the Hometown Revitalization Program guidelines and report actual progress against the projected progress.
16. Develop and submit both a monthly and quarterly report to Commerce by the 10th day of the following month or quarter, that outlines the progress made to date, the projected activities to be completed in the upcoming month or quarter, and any risks or issues identified for the delivery of the project. The reports must include metrics that demonstrate the implementation costs to date with projected spending, and any other information Commerce determines is necessary.
17. Obtain approval from Commerce and FEMA before conveying ownership.
18. Provide scope of land use in accordance with Commerce's direction, prior to closing.
19. Enforce the proper land use according to *83 Fed. Reg. 5863* in perpetuity for a use that is compatible with open space, recreational, or floodplain and wetlands management practices.
20. Enforce and monitor all deed restrictions.
21. Approve the conveying of property and the proper use of land.
22. Utilize a certified appraiser for each property that is eligible to be acquired.
23. Utilize a certified damage inspector, insurance adjuster reports, or similar documentation to assess damages of each property to assure that damages were caused by Hurricane Michael.

4. ELIGIBLE TASKS AND DELIVERABLES:

A. Deliverable No 1 - Program Implementation.

The following tasks are eligible for reimbursement under this deliverable:

1. Paid application preparation costs.
2. Develop policies for the Recipient to adopt related to special conditions listed in this subgrant agreement.
3. Prepared list of minority and women business enterprise (MBE/ WBE) firms that operate in the Recipient's area.
4. Prepared and submitted public notices for publication.
5. Conducted HUD-related Uniform Act Relocation activities related to acquisition of properties.
6. Maintained financial records related to project activities on-site.
7. Conducted a Fair Housing Activity.

8. Attended Prebid conference, bid opening, and preconstruction meeting.
9. Reviewed contractor payroll(s) and interview employees to determine compliance with the Davis-Bacon Act, the Contract Work Hours, Safety Standards Act, and the Copeland "Anti-Kickback" Act.
10. Maintained client files.
11. Attended meetings of the Recipient's local governing body to provide progress reports on subgrant activities.
12. Prepared documentation for and attend on-site monitoring visits by Commerce.
13. Prepared request for funds and submission by the Recipient's authorized employee.
14. Prepared subgrant modification documents for the Recipient.
15. Prepare and submit detailed quarterly progress report.
16. Section 3 of MBE/WBE report to Commerce.
17. Responded to citizen complaints.
18. Prepared responses to monitoring findings and concerns for Recipient to submit to Commerce or HUD.
19. Paid advertising costs of public notices and invitations to bid.
20. Paid permit fees and legal fees.
21. Paid CDBG portion of required audit.
22. Submitted request for funds to Commerce.
23. Conduct complete environmental review/assessment in accordance with 24 CFR Part 58. (includes Paid invoices for environmental review activities other than advertising)

B. Deliverable No. 2- Engineering Services

The following tasks are eligible for reimbursement under this deliverable:

1. Contract with a Florida licensed Engineer/Architect to provide engineering services to the following location:
 - a. Mongoven Building
2. Contract with Florida Licensed Engineer/Architect to provide Preliminary Engineering Services:
 - a. Provide a cost estimate of the project.
 - b. Assess sites for the project.
3. Contract with a Florida licensed Engineer/Architect to provide Basic Engineering Services
 - a. Develop the plan drawings
 - b. Develop specifications
 - c. Create bid documents for the project.
 - d. Prepare permit applications
 - e. Attend Prebid and preconstruction conference.
 - f. Prepare change orders.
 - g. Review construction bid and make recommendations to the Recipient.
4. Contract with a Florida licensed Engineer/Architect to provide additional Engineering Services
 - a. Conduct site surveys for construction, buildings and other similar special surveys as may be required, such as route surveys.

- b. Conduct laboratory tests, well test, borings, and specialized geological soils, hydraulic, or other studies recommended by the engineer
- c. Conduct property surveys, detailed description of sites, maps, drawings, or estimates related to them.
- d. Conduct redesigns ordered by the owner after final plans have been accepted by the owner and the local government, accept redesigns to reduce the project cost to within the funds available and projects which received "readiness to proceed" points or a planning and design grant.
- e. Appear before courts or boards on matters of litigation or hearings related to the project.
- f. Conduct environmental assessments or environmental impact statements. (different than Environmental Review)
- g. Perform detailed staking necessary for construction of the project in excess of the control staking.
- h. Provide an operation and maintenance manual for a facility
- i. Conduct activities required to obtain state and federal regulatory agency construction permits
- j. Design hookups (water, electrical)
- k. The cost of engineering specialties such as electrical, hydro-geological services, biologists, heating, ventilation and air conditioning (HVAC)).
- l. Perform Resident Inspection services (inspected construction activities or consistency with plans and specifications, reviewed construction invoices and certify costs)

C. Deliverable No. 3- Construction

1. Project shall be an open space constructed on the site of the Mongoven Building, Florida in accordance with plans and specifications as approved by Commerce.
 - a. Mobilization and Bonds
 - b. Site preparation
 - c. Turfgrass Installation
 - d. Fence Installation
 - e. Seating Installation
 - f. Tree Installation
 - g. Sidewalk Installation
 - h. Irrigation Installation
 - i. Signage, Façade Restoration, and Landscaping
2. Acquisition and demolition of the existing building at Parcel ID 00000000-00-144-90000, City of Chipley formally known as the Mongoven Building.

5. COMMERCE RESPONSIBILITIES:

- A. Monitor the ongoing activities of Subrecipient to ensure all activities are being performed in accordance with the Agreement to the extent required by law or deemed necessary by Commerce in its discretion
- B. Assign a Grant Manager as a point of contact for Subrecipient
- C. Review Subrecipient's invoices described herein and process them on a timely basis

D. Commerce shall monitor progress, review reports, conduct site visits, as Commerce determines necessary at Commerce’s sole and absolute discretion, and process payments to Subrecipient

6. DELIVERABLES

Subrecipient agrees to provide the following services as specified:

| Deliverable No. 1 – Program Implementation | | |
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| Tasks | Minimum Level of Service | Financial Consequences |
| Subrecipient shall provide project implementation activities as identified in Section 4.A. which shall be reimbursed upon satisfactory completion of an eligible task as detailed, as identified in this Attachment A. | Subrecipient may request reimbursement upon completion of a minimum of one (1) task as identified in Section 4.A. as evidenced by submittal of the following documentation: 1) Summary of Project Implementation activities 2) Invoice package in accordance with section 7 of this Attachment A. | Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable. |
| | | Deliverable No. 1 Cost: \$62,600.00 |

| Deliverable No. 2 – Engineering Services | | |
|--|---|---|
| Tasks | Minimum Level of Service | Financial Consequences |
| Subrecipient shall complete tasks as detailed in Section 4.B of this Scope of Work | Subrecipient shall request reimbursement upon completion of a minimum of any one (1) task detailed in 4.B of this Scope of Work or a percentage of completion (20%, 40%, 60%, 80%, 90%, 100%) of any one task at the site listed in 4.B as evidenced by the following documentation: 1) Percentage of task completed at date of invoice 2) Copies of final working plans / drawings 3) Copies of all required permits 4) Copies of laboratory tests (if applicable) 5) Copies of any completed surveys 6) Copies of inspection reports 7) Invoice package in accordance with Section 7 of this Scope of Work | Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable. |

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| Deliverable No. 2 Cost: \$69,500.00 |
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| Deliverable No. 3 – Construction |
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| Tasks | Minimum Level of Service | Financial Consequences |
|---|---|---|
| Subrecipient shall complete task as detailed in Section 4.C of this Scope of Work | Subrecipient shall request reimbursement upon completion of a minimum of one (1) task as detailed in 4.C. of this Scope of Work or percentage of the construction contract(s) at the site listed in 4.C. or a percentage of completion (5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 55%, 60%, 65%, 70%, 75%, 80%, 85% 90%, 95%, 100%) of any one task at each individual site as evidenced by the following documentation: <ol style="list-style-type: none"> 1) Recipient shall provide AIA forms G702/G703 or similar Commerce approved industry standard forms signed by the contractor and certifies by the engineer performing inspection services for the project 2) Photographs of completed construction to date for all sites/locations in 4.C. 3) Invoice package in accordance with Section 7 of this Scope of Work. | Failure to complete the Minimum Level of Service as specified shall result in non-payment for this deliverable. |

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| Deliverable No. 3 Cost: \$895,002.81 |
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| Total Project Costs Not to Exceed: \$1,027,102.81 |
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COST SHIFTING: The deliverable amounts specified within the Deliverables table above are established based on the Parties’ estimation of sufficient delivery of services fulfilling grant purposes under the Agreement in order to designate payment points during the Agreement Period; however, this is not intended to restrict Commerce’s ability to approve and reimburse allowable costs the City of Chipley incurred providing the deliverables herein. Prior written approval from Commerce’s Grant Manager is required for changes to the above Deliverable amounts that do not exceed **25%** of each deliverable total funding amount. Changes that exceed **25%** of each deliverable total funding amount will require a formal written amendment request from the City of Chipley, as described in **MODIFICATION** section of the Agreement. Regardless, in no event shall Commerce reimburse costs of more than the total amount of this Agreement.

7. INVOICE SUBMITTAL:

Commerce shall reimburse the Subrecipient in accordance with Section 6, above. In accordance with the Funding Requirements of s. 215.971(1), F.S. and Section (20) of this Agreement, the Subrecipient and its subcontractors may only expend funding under this Agreement for allowable costs resulting from obligations incurred during this Agreement. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures (<https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>).

- A. Subrecipient shall provide one (1) invoice per month for services rendered during the applicable period of time as defined in the deliverable table. In any month in which deliverables have not been completed, the Subrecipient will provide notice that invoicing will not be submitted.
- B. The following documents shall be submitted with the itemized invoice:
 1. A cover letter signed by Subrecipient's Agreement Manager certifying that the costs being claimed in the invoice package: (1) are specifically for the project represented to the State in the budget appropriation; (2) are for one or more of the components as stated in Section 6 DELIVERABLES, of this SCOPE OF WORK; (3) have been paid or that professional services have been rendered in a rural community or rural area of opportunity as defined in section 288.0656(2), F.S.; and (4) were incurred during this Agreement.
 2. Subrecipient's invoices shall include the date, period in which work was performed, amount of reimbursement, and work completed to date;
 3. A copy of all supporting documentation for vendor payments; and
 4. A copy of the bank statement that includes the cancelled check or evidence of electronic funds transfer. The State may require any other information from Subrecipient that the State deems necessary to verify that the services have been rendered under this Agreement.
- C. If the Subrecipient is a county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., the payment of submitted invoices may be issued for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in this Agreement to the extent that federal or state law, rule, or other regulations allows such payments. Upon meeting either of the criteria set forth below, the subrecipient may elect in writing to exercise this provision.
 1. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., that demonstrates financial hardship; or
 2. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., and which is located in a fiscally constrained county, as defined in section 218.67(1), F.S. If the Subrecipient meets the criteria set forth in this paragraph, then the Subrecipient is deemed to have demonstrated financial hardship.
- D. The Subrecipient's invoice and all documentation necessary to support payment requests must be submitted into Commerce's Subrecipient Enterprise Resource Application (SERA). Further instruction on SERA invoicing and reporting, along with a copy of the invoice template, will be provided upon execution of the agreement.

ATTACHMENT I – AUDIT REQUIREMENTS

The administration of resources awarded by Commerce to the Subrecipient may be subject to audits and/or monitoring by Commerce as described in this section.

Monitoring

In addition to reviews of audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements) and section 215.97, F.S., as revised (see “AUDITS” below), monitoring procedures may include, but not be limited to, on-site visits by Commerce staff, limited scope audits as defined by 2 C.F.R. part 200, as revised, and/or other procedures. By entering into this Agreement, the Subrecipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by Commerce. In the event Commerce determines that a limited scope audit of the Subrecipient is appropriate, the Subrecipient agrees to comply with any additional instructions provided by Commerce staff to the Subrecipient regarding such audit. The Subrecipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the Subrecipient is a State or local government or a non-profit organization as defined in 2 C.F.R. part 200, as revised.

1. In the event that the Subrecipient expends \$1,000,000 or more in federal awards in its fiscal year, the Subrecipient must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised. In determining the federal awards expended in its fiscal year, the Subrecipient shall consider all sources of federal awards, including federal resources received from Commerce. The determination of amounts of federal awards expended should be in accordance with the guidelines established by 2 C.F.R. 200 Subpart F (Audit Requirements), as revised. An audit of the Subrecipient conducted by the Auditor General in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the Subrecipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 C.F.R. 200 Subpart F (Audit Requirements), as revised.
3. If the Subrecipient expends less than \$1,000,000 in federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, is not required. In the event that the Subrecipient expends less than \$1,000,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from Subrecipient resources obtained from other than federal entities).
4. Although 2 C.F.R. 200 Subpart F (Audit Requirements) does not apply to commercial (for-profit) organizations, the pass-through entity has an obligation to ensure that for-profit Sub-subrecipients that expend \$1,000,000 or more in federal awards must comply with federal awards guidelines (see 2 C.F.R. 200.501(h)). Additionally, for-profit entities may be subject to certain specific audit requirements of individual federal grantor agencies.

Additional Federal Single Audit Act resources can be found at:

<https://harvester.census.gov/facweb/Resources.aspx>

PART II: STATE FUNDED

This part is applicable if the Subrecipient is a non-state entity as defined by section 215.97(2), F.S.

1. In the event that the Subrecipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such Subrecipient, the Subrecipient must have a State single or project-specific audit for such fiscal year in accordance with section 215.97, F.S.; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the Subrecipient shall consider all sources of state financial assistance, including state financial assistance received from Commerce, other state agencies, and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1, the Subrecipient shall ensure that the audit complies with the requirements of section 215.97(8), F.S. This includes submission of a financial reporting package as defined by section 215.97(2), F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of section 215.97, F.S., is not required. In the event that the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year and elects to have an audit conducted in accordance with the provisions of section 215.97, F.S., the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the Subrecipient's resources obtained from other than State entities).

Additional information regarding the Florida Single Audit Act can be found at:

<https://apps.fldfs.com/fsaa/>

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to section 215.97(8), F.S., State agencies may conduct or arrange for audits of state financial assistance that are in addition to audits conducted in accordance with section 215.97, F.S. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

n/A

PART IV: REPORT SUBMISSION

1. Copies of reporting packages, to include any management letter issued by the auditor, for audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and required by PART I of this Exhibit Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following at the address indicated:
 - A. Florida Department of Commerce
Financial Monitoring and Accountability (FMA)
The copy submitted to the FMA section should be sent via email to: FMA-RWB@commerce.fl.gov
 - B. The Federal Audit Clearinghouse designated in 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, electronically at: <https://harvester.census.gov/facweb/>

2. Copies of audit reports for audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and required by Part I (in correspondence accompanying the audit report, indicate the date that the Subrecipient received the audit report); copies of the reporting package described in Section .512(c), 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and any management letters issued by the auditor; copies of reports required by Part II of this Exhibit must be sent to Commerce at the addresses listed in paragraph three (3) below.
3. Copies of financial reporting packages required by PART II of this Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following:
 - A. Commerce at the following address:

Electronic copies: Audit@commerce.fl.gov
 - B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Email Address: flaudgen_localgovt@aud.state.fl.us
4. Any reports, management letter, or other information required to be submitted to Commerce pursuant to this Agreement shall be submitted timely in accordance with 2 C.F.R. part 200 subpart F, section 215.97 F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
5. Subrecipients and Sub-subrecipients, when submitting financial reporting packages to Commerce for audits done in accordance with Chapter 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Subrecipient/Sub-subrecipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The Subrecipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five (5) years from the date the audit report is issued, or five (5) state fiscal years after all reporting requirements are satisfied and final payments have been received, or for a period of three (3) years from the date that Commerce closes out the CDBG program year(s) from which the funds were awarded by the U.S. Department of Housing and Urban Development, whichever period is longer, and shall allow Commerce, or its designee, the Chief Financial Officer (CFO), or Auditor General access to such records upon request. In addition, if any litigation, claim, negotiation, audit, or other action involving the records has been started prior to the expiration of the controlling period as identified above, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the controlling period as identified above, whichever is longer. The Subrecipient shall ensure that audit working papers are made available to Commerce, or its designee, CFO, or Auditor General upon request for a period of five (5) years from the date the audit report is issued, unless extended in writing by Commerce.

EXHIBIT 1 to ATTACHMENT I – FUNDING SOURCES

Federal Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following:

| | |
|---|---|
| Federal Awarding Agency: | U.S. Department of Housing and Urban Development |
| Federal Funds Obligated to Subrecipient: | \$1,027,102.81 |
| Assistance Listing Numbers Title: | Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii |
| Assistance Listing Numbers: | 14.228 |
| Project Description: | City of Chipley was awarded \$1,027,102.81 in CDBG-DR funding for Downtown Recovery and Revitalization Project. |
| <i>This is not a research and development award.</i> | |

Compliance Requirements Applicable to the Federal Resources Awarded Pursuant to this Agreement are as Follows:

Federal Program

1. The Subrecipient shall perform its obligations in accordance with sections 290.0401- 290.048, F.S.
2. The Subrecipient shall perform its obligations in accordance with 24 C.F.R. §§ 570.480 – 570.497.
3. The Subrecipient shall perform the obligations as set forth in this Agreement, including any attachments or exhibits thereto.
4. The Subrecipient shall perform the obligations in accordance with chapter 73C-23, F.A.C.
5. The Subrecipient shall be governed by all applicable laws, rules and regulations, including, but not necessarily limited to, those identified in Award Terms & Conditions and Other Instructions of the Subrecipient’s Notice of Subgrant Award/Fund Availability (NFA).

State Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following: *N/A*

Matching Resources for Federal Programs: *N/A*

Subject to Section 215.97, Florida Statutes: *N/A*

Compliance Requirements Applicable to State Resources Awarded Pursuant to this Agreement are as Follows: *N/A*

NOTE: Title 2 C.F.R. § 200.331 and section 215.97(5), F.S., require that the information about Federal Programs and State Projects included in Exhibit 1 and the Notice of Subgrant Award/Fund Availability be provided to the Subrecipient.

Compliance Requirements Applicable to State Resources Awarded Pursuant to this Agreement are as Follows: *N/A*

NOTE: Title 2 CFR § 200.331 and Section 215.97(5), F.S., require that the information about Federal Programs and State Projects included in Exhibit 1 and the Notice of Subgrant Award/Fund Availability be provided to the Subrecipient.

ATTACHMENT J – AUDIT COMPLIANCE CERTIFICATION

| | |
|--|---|
| <p>Email a copy of this form within 60 days of the end of each fiscal year in which this subgrant was open to audit@commerce.fl.gov.</p> | |
| <p>Subrecipient:</p> | |
| <p>FEIN:</p> | <p>Subrecipient’s Fiscal Year:</p> |
| <p>Contact Name:</p> | <p>Contact’s Phone:</p> |
| <p>Contact’s Email:</p> | |
| <p>1. Did the Subrecipient expend state financial assistance, during its fiscal year, that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and the Florida Department of Commerce (Commerce)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, answer the following before proceeding to item 2.</p> <p>Did the Subrecipient expend \$750,000 or more of state financial assistance (from Commerce and all other sources of state financial assistance combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, the Subrecipient certifies that it will timely comply with all applicable State single or project-specific audit requirements of section 215.97, Florida Statutes, and the applicable rules of the Department of Financial Services and the Auditor General.</p> | |
| <p>2. Did the Subrecipient expend federal awards during its fiscal year that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and Commerce? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, also answer the following before proceeding to execution of this certification:</p> <p>Did the Subrecipient expend \$1,000,000 or more in federal awards (from Commerce and all other sources of federal awards combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, the Subrecipient certifies that it will timely comply with all applicable single or program-specific audit requirements of 2 C.F.R. part 200, subpart F, as revised.</p> | |
| <p>By signing below, I certify, on behalf of the Subrecipient, that the above representations for items 1 and 2 are true and correct.</p> | |
| <p>_____ Signature of Authorized Representative</p> | <p>_____ Date</p> |
| <p>_____ Printed Name of Authorized Representative</p> | <p>_____ Title of Authorized Representative</p> |