Community Development Block Grant (CDBG)

Policies & Procedures Manual for Subrecipients



Development Services 625 Swift Blvd., MS-19 Richland, WA 99352

Toni Lehman, CDBG/HOME Administrator, tlehman@ci.richland.wa.us

Voice: (509) 942-7580 Web: www.ci.richland.wa.us

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INTRODUCTION

This manual applies to all CDBG funds awarded to and/or sub awarded by the City of Richland ("City"). This manual is designed to help Subrecipients and Contractors understand the requirements of the CDBG program. It is a supplement to applicable regulations, standards, and policies. Subrecipients and Contractors must comply with all applicable Federal regulations governing the use of CDBG funds including 2 CFR Part 200 unless exempt in 24 CFR 570.502.

This manual does not replace or amend any of the provisions included in the Subrecipient Agreement executed between the City and Subrecipient and should not be relied upon in lieu of terms of the Agreement. Should there be any disagreement between the executed Agreement and this manual, the provisions contained within the Agreement shall take precedence.

The procedures prescribed in this manual represent minimum requirements for the Subrecipient's / Contractor's accounting, internal controls, and financial reporting systems. They are not intended to replace existing procedures used by the Subrecipient / Contractor.

Each Subrecipient must comply with the requirements of this Manual. In addition, the Subrecipient must ensure a copy of the Manual is accessible to all personnel who are responsible for compliance with the requirements and procedures contained within the manual.

For additional information, see: <u>Playing by the Rules – A Handbook for CDBG Subrecipients on Administrative Systems.</u>

SECTION 1 – DEFINITIONS

Activity – an individually-funded program / project delivered by the City, Subrecipient, or Contractor.

Agreement / Contract – a legal instrument by which a Subrecipient or Contractor may carry out the activity or program as defined in <u>2 CFR 200.22</u> Contract and Agreement may be used interchangeably throughout the manual.

CFR – Code of Federal Regulations. All HUD regulations are found in <u>Title 24</u>. Office of Management and Budget regulations are found in <u>Title 2</u>.

Closeout – the process by which the City determines all applicable administrative actions and work as outlined in the Agreement have been completed and takes actions to close the project.

Consolidated Plan – a concise summary of the City's five-year plan for the CDBG and HOME allocations. The Consolidated Plan is supported by five Annual Action Plans. The information required is detailed in <u>24 CFR 91.200</u> through <u>§91.230</u>.

City – the terms "Grantee," "Recipient," and "pass-through entity" are also commonly used to refer to the City of Richland in other HUD documentation. As a means of clarifying roles, "City" will be used exclusively to refer to the City of Richland within this document.

Contractor – provide goods and/or services through a procurement relationship.

Federal Funding Accountability and Transparency Act ("FFATA") – requires information about Federal awards and subawards of \$30,000 or more to be posted on a single, searchable website that is open for public access. It is the City's responsibility to post the information for CDBG subawards.

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

IDIS (Integrated Disbursement and Information System) – the system used by the City to track project information for HUD.

Internal Controls – a process, implemented by the Subrecipient or Contractor, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- (a) Effectiveness and efficiency of operations
- (b) Reliability of reporting for internal and external use
- (c) Compliance with applicable laws and regulations

Metropolitan Statistical Area ("MSA") – a region that consists of a city and surrounding communities that are linked by social and economic factors (Richland is part of the Kennewick-Richland MSA).

Non-Federal Entity – a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a federal award (the City, Subrecipient, or Contractor).

Nonprofit organization – any corporation, trust, association, cooperative, or other organization (not including institutions of higher education) that:

- (a) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
- (b) Is not organized primarily for profit; and
- (c) Uses net proceeds to maintain, improve, or expand the operations of the organization.

Program Year – the duration of a program year is January 1st to December 31st.

Project – for the purposes of CDBG, projects are groupings of similar activities that will be funded. Projects must tie back to goals identified in the Consolidated Plan. Projects may represent major types of programs funded in Action Plans and amendments such as housing, public service, economic development, or infrastructure.

Public Service Activities – providing a service to low- and/or moderate-income persons / households. The city of Richland has allotted 15% of the current year's allocation to public services activities as permitted by HUD. These activities are further described in 24 CFR 570 201(e).

SAM.gov – the official U.S. Government system for finding wage determinations and checking exclusions (suspensions and debarments). In order to be eligible for CDBG funding, contractors and subcontractors must be registered with SAM.gov.

Subaward – an Agreement or Contract provided by the City to a Subrecipient to carry out a program / project. It does not include payments to contractors or individuals who are beneficiaries of the program / project.

Subrecipient – a public or non-profit agency that receive subawards from the City to carry out a specific activity. The Subrecipient may not make subawards to another entity without the express written approval of the City.

Subrecipient Agreement – the legal instrument between the City and Subrecipient when the substance of the transaction meets the definition of a subaward.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended ("URA") – URA requires the City to minimize, to the greatest extent possible, the permanent displacement of any low- or moderate-income persons that might result from the use of CDBG funds.

Section 2 – CDBG Program Overview

BACKGROUND

The Community Development Block Grant ("CDBG") is authorized under Title I of the Housing and Community Development Act of 1974. CDBG is funded and regulated by the U.S. Department of Housing and Urban Development ("HUD") and administered locally by the City of Richland. The regulation implementing the CDBG Program is located in 24 CFR Part 570. See HUD's Guide to National Objectives and Eligible Activities for CDBG Entitlement Communities.

The City's objective for this program is to develop a thriving community for low- and moderate-income ("LMI") persons through the implementation of the following:

- Providing decent housing by:
 - o Preserving the affordable housing stock.
 - Increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination.
 - Increasing the supply of supportive housing.
 - o Helping people experiencing homelessness obtain appropriate housing.
 - o Assisting those at risk of homelessness.
- Provide a suitable living environment by:
 - o Improving the safety and livability of neighborhoods.
 - Increasing access to quality facilities and services.
 - Reducing the isolation of income groups within an area through de-concentration of low-income housing opportunities.
- Expanding economic opportunities by:
 - Creating jobs that are accessible to low- and moderate-income people.
 - Providing access to credit for development activities that promote long-term economic and social viability of the community.
 - o Empowering low-income persons to achieve self-sufficiency.

NATIONAL OBJECTIVES

HUD's three National Objectives for the CDBG program are listed below. Subrecipient must meet and comply with at least one of these objectives:

- Provide benefit to low- and moderate-income households and/or persons.
- 2. Aid in the prevention or elimination of slums or blight.
- 3. Meet particularly urgent need(s).

Although a Subrecipient complies with the CDBG Program objectives by meeting any one of the three National Objectives, all City of Richland activities have been designated under the first National Objective – "Benefit To Low- and Moderate-Income households and/or Persons," therefore, this objective will be the primary focus in the manual.

BENEFIT TO LOW- AND MODERATE-INCOME ("LMI") HOUSEHOLDS AND/OR PERSONS

INCOME

Subrecipient must ensure the income of the clients they serve does not exceed **sixty percent** (60%) of the Area Median Income ("AMI") defined by HUD. Section 6 outlines how to determine income.

Extremely Low-income: 0-30% AMI

Low-income: 31-50% AMI

Moderate-income: 51-80% AMI

ACTIVITIES

To be eligible for CDBG funding, each activity must meet one of the four following criteria listed in 24 570.208(a):

Area Benefit Activities

An activity that benefits all the residents in an area, where at least fifty-one percent (51%) of the residents are low- and moderate-income persons.

Limited Clientele Activities

Activities that benefit a specific group of people, rather than all the residents in a particular area. To qualify under this category, the activity must meet **one** of the following requirements:

Benefit clientele generally presumed to be principally low-and moderate-income individuals. The following groups are currently presumed by HUD to meet this criterion:

Abused children

Homeless

Persons living with AIDS

Elderly

Severely Disabled

Migrant farm workers

Battered spouses
 Illiterate individuals

- Requires information on household size and income to ensure at least fifty-one percent (51%) of the clientele being served are individuals whose family income does not exceed the LMI limit.
- Have income eligibility requirements that limit the activity exclusively to low- and moderate-income individuals.

Housing Activities

An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low or moderate-income individuals or households. This would include, but not necessarily be limited to, the acquisition or rehabilitation of property by the City, a Subrecipient, a developer, an individual homebuyer, or an individual homeowner.

Rental Housing Activities

All CDBG rental units will be occupied by LMI households at affordable rents. The City's affordable rent standard has been established ensuring a tenant will pay no more than 30% of their gross monthly income towards rent, including utilities.

Section 3 – Requirements to Becoming a Subrecipient or Contractor

ANNUAL PROCESS

- The City advertises when the application is open for public or private non-profit agencies to apply for funding.
- The City seeks public input on housing and community development needs as the Annual Action Plan is being developed.
- The completed applications are forwarded to the City of Richland Planning Commission.
- The Planning Commission makes funding recommendations to the Richland City Council based on the yearly CDBG allocation and understanding that HUD regulations only allows for 15% of the funding to go toward Public Service Programs.
- The recommendations are incorporated into the Annual Action Plan.
- Public comment is requested on the Annual Action Plan.
- The Richland City Council makes the final decision on the content in the Annual Action Plan.
- The Annual Action Plan is sent to HUD for approval.

Example Timeline:

Monday, June 19	8:00 A.M.	. Application available	
		APPLICATION SUBMISSION DEADLINE – hand, electronic submission by 5:00 P.M. or US mail postmarked by midnight	
Wednesday, July 26	6:00 P.M.	Planning Commission – public hearing on housing and community development needs	
Wednesday, August 23	6:00 P.M.	Planning Commission - applicant presentations, deliberations, and recommendations to Council	
Tuesday, October 3	6:00 P.M.	City Council - public hearing and approval of 2024 Annual Action Plan	

Links to Richland's current Consolidated Plan, Annual Action Plan, and CAPER can be found at the Development Services section of the City of Richland's website: www.ci.richland.wa.us/departments/development-services/community-development-block-grant

CONTRACTOR/SUBRECIPIENT DETERMINATIONS

Per <u>2 CFR 200.331</u>, the City is required to make a case-by-case determination whether CDBG funds will be disbursed to a Contractor or Subrecipient.

Subrecipient

Subrecipients are public or non-profit agencies that receive subawards from the City to carry out a specific activity. Subrecipient may not make subawards to another entity without the express written approval of the City. A Subrecipient:

- Determines which clients are eligible to receive the service through their agency.
- Has its performance measured in relation to whether objectives of a Federal program were met.
- Has responsibility for programmatic decision-making.
- Is responsible for adherence to applicable Federal program requirements.
- In accordance with its Agreement, uses the CDBG funds to carry out a program for a public purpose as opposed to providing goods or services for the benefit of the City.

Subrecipients must have the needed support, sufficiently developed plans, a program site, and budget to start the proposed program after the funding approval. CDBG funds are provided on a reimbursement basis once the service is completed. Subrecipient must have the ability to complete the program within the program year.

CONTRACTOR

The City typically utilizes contractors to provide goods and services through a procurement relationship (see Section 10 - Procurement). A Contractor:

- Provides goods and/or services.
- Provides similar goods or services to many different purchasers.
- Normally operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of CDBG.

FAITH BASED ORGANIZATIONS

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the CDBG program. Organizations may not engage in inherently religious activities, such as worship or religious instruction, or proselytization, as a part of the programs or services funded with CDBG funds. If the organization conducts such activities, the activities **must** be offered at a different time or location, from the programs or services funded with CDBG funds, and participation must be voluntary for the beneficiaries of the CDBG-funded programs or services. Faith-based organizations may use space in their facilities to provide CDBG-funded services without removing religious art, icons, scripture, or other religious symbols.

SUSPENSION AND DEBARMENT

The City is not allowed to do business using Federal funds with any Contractor or Subrecipient that is on the federal excluded list (2 CFR 200.214). Before executing any Contract or Subrecipient Agreement using CDBG funds, the City will consult the Excluded Parties List at SAM.gov.

Section 4 – Environmental Requirements

CDBG regulations requires an Environmental Review and environmental clearance before funds are expended or costs are incurred on any activity. This includes:

- Execution of a legally binding agreement.
- Use of non-CDBG funds on actions that would have an adverse impact (e.g., demolition, dredging, filling, excavating).
- Use of non-CDBG funds on actions that would be prohibited with CDBG funds until an Environmental Review is completed.

Some activities are unlikely to have a direct impact on the environment; however, an Environmental Review is still required prior to implementation. Such activities include:

- Public service activities.
- Information and financial services.
- Engineering and design costs.
- The purchase of tools or insurance.
- Technical assistance or training.

SUBRECIPIENT REQUIREMENTS

Subrecipient may be asked to assist in the Environmental Review by providing information, maps, and site data. Subrecipient shall comply with all terms and conditions of the Environmental Review and shall implement all required mitigation measures identified in the Environmental Review. This includes activities outlined in the Scope of Work not paid directly by CDBG funds.

SECTION 5 – AGREEMENTS

When the City receives its annual CDBG allocation from HUD (typically summer of contract year) the City will distribute Subrecipient Agreements via DocuSign. Execution of the Agreement binds the Subrecipient for a specified period of time and may be revised only upon written authorization from the City in the form of an addendum. Compliance with the stipulations in this Manual is a requirement of the Agreement. CDBG Subrecipient agreement requirements are found at 24 CFR 570.503

INSURANCE REQUIREMENTS

The Subrecipient and its employees, volunteers, contractors, and consultant shall provide to the Consortium, and carry throughout the life of the Agreement: Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, if applicable, and other coverage as may be appropriate or required by State or Federal law.

Insurance is to be placed with insurers with a current rating by the Housing Agencies, of at least Class VI for financial status and at least B+ for performance from the A.M. Best Company, or a rating of at least A from Demotech, Inc. This insurance shall include the followingⁱ:

- Commercial General Liability: Commercial General Liability Insurance shall be written on Insurance Services Office ("ISO") occurrence form CG 00 011 and shall cover liability arising from premises, operations, independent contractors, personal injury, and advertising injury. The insurance shall include the City, its members, officers, officials, employees, and agents with respect to performance of services, and shall contain no special limitations on the scope of protection afforded as an additional insured. If the liability coverage is written as a claim made policy, then evidence of an extended reporting period or "tail" coverage for a three-year period after project completion must be purchased, or otherwise maintained for the three-year period.
 - Employers Liability Coverage: If this agreement is over fifty thousand dollars (\$50,000) then Employers Liability Coverage shall also be maintained. Coverage shall include limits of not less than one million dollars (\$1,000,000) per occurrence, and two million dollars (\$2,000,000) aggregate.
- Comprehensive Automobile Liability Insurance: Business Automobile Liability Insurance with a
 minimum combined limit no less than one million dollars (\$1,000,000) per accident for bodily injury
 and property damage shall be maintained. Coverage shall include owned, hired, leased, and nonowned automobiles. Coverage shall be written on ISO form CA 00 01ii or a substitute form
 providing equivalent liability coverage. If deemed necessary, the policy shall be endorsed to provide
 contractual liability coverage.
- Professional Legal Liability: Subrecipient shall maintain Professional Legal Liability or Professional Errors and Omissions coverage appropriate to the Subrecipient's profession and shall be written subject to limits of not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) policy aggregate limit. The coverage shall apply to liability for a professional error, act, or omission arising out of the scope of the work for this agreement. Coverage shall not exclude bodily injury, hazards, or property damage related to the work in this agreement, including testing, monitoring, measuring operations, or laboratory analysis where such services are rendered as part of the agreement.
- <u>Worker's Compensation</u> (Industrial Insurance): Workers' Compensation Insurance shall be maintained and Subrecipient shall provide evidence of coverage, if required.

ADDITIONAL REQUIREMENTS

- A Completed IRS Form W-9 (only for 1st time CDBG Subrecipient / Contractor)
- Evidence of Business License with the City of Richland

Staff reserves the right to require additional documentation as it deems appropriate. Such requests will be made in writing and will include the nature of the additional requirements and the reason why the additional requirements are being imposed.

LENGTH OF CONTRACT / AGREEMENT

The timing for entering the written agreement depends on the type of program activity and the type of entity which the City is engaging.

- CDBG Subrecipient The Subrecipient will receive the Subrecipient Agreement when the City receives its actual award from HUD (typically in the Summer). Subrecipient may accrue costs beginning January 1st, but actual reimbursement will not occur until the Agreement has been executed. Contracts will expire on December 31st unless an addendum is approved.
- For large-scale programs or projects the contract will expire on a date mutually agreed upon.

Section 6 – Required Documentation

INCOME

Each Subrecipient is required to maintain documentation on clients benefiting from activities and programs funded through the City's CDBG program. As a condition of receiving the HUD grant, the City, and in turn the Subrecipient, must certify that low- and moderate-income persons are being served.

Eligibility will be determined using the most current HUD income limits. To determine eligibility:

- Subrecipient will verify the household size (household size includes all persons who will live in the applicant's household at the time of occupancy); and
- Determine gross annual income of each household member 18 years of age and older that is anticipated to be received during the coming 12-month period.
- The household size and gross annual income will be compared to the most recent area <u>median</u> <u>income ("AMI") limits</u> as published annually by HUD.

Examples of income include, but are not limited to:

- Wages, salaries, overtime, tips, commissions, bonuses, etc.
- Self-employment income from owned business, including proprietorships and partnerships.
- Interest, dividends, net rental income, or income from estates or trusts.
- Social Security or railroad retirement.
- Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs.
- Retirement, survivor, or disability pensions.
- Any other source of income received regularly, including Veterans payments, unemployment compensation, child support and alimony.

The higher of the wages calculated from the source documentation must be used to determine income eligibility.

Technical Guide for Determining Income and Allowances: _ https://files.hudexchange.info/resources/documents/HOMEGuideForIncomeAndAllowances.pdf

Subrecipient is encouraged to use the Office of Community Planning and Development income eligibility calculator when calculating client annual income, the calculator can be found at: https://www.hudexchange.info/incomecalculator/

PRESUMED BENEFIT

In the case of activities which benefit clients designated as presumed benefit, Subrecipient is not required to collect income data. Subrecipient must retain in the client file and provide upon request, substantiation of the client's eligibility including the signed self-certification form (**Appendix C**). Additional documentation may include:

- a current written letter from their doctor, case-manager, or other professional third-party entity, or
- proof of receiving federal or state benefits such as social security award letters, supplemental security award letters, placement as a foster child, etc.

Group	Income Level	
Abused Children	Extremely low income	
Victims of domestic violence	Low income	
Severely disabled adults	Low income (unless income is obtained placing them in a different category).	
Homeless persons	Extremely low income	
Illiterate adults	Low income	
Persons with AIDS	Low income	
Migrant farm workers	Low income	
Elderly (over 62)	Moderate income (for center-based services such as a senior center) Low income (non-center-based services)	

Additional Required Documentation

- Total Number of Clients who are Female Heads of Households.
- Total Number of Clients Who are Disabled.
- Client Race & Ethnicity

All Applicants' information for services provided through Federal funding shall be held in strict confidence.

QUARTERLY REPORTS

Subrecipient is required to submit Quarterly Reports (**Appendix D**) containing information on the people being served. The Quarterly Report template will be provided to each Subrecipient. Specific due dates for the Quarterly Reports are as follows:

- Quarter 1 (January 1-March 31) due no later than April 15
- Quarter 2 (April 1-June 30) due no later than July 15
- Quarter 3 (July 1-September 30) due no later than October 15
- Quarter 4 (October 1-December 31) due no later than January 15

Quarterly Reports should be completed, signed, and emailed to the City (tlehman@ci.richland.wa.us) by the dates listed above. Failure to submit quarterly reports may result in delayed reimbursements and/or negative marks on the performance reports provided to the Planning Commission during review and consideration of proposals for future funding recommendations.

ANNUAL REPORTS

The Annual Report template will be provided to the Subrecipient. Annual reports should be completed, signed, and emailed to the City (tlehman@ci.richland.wa.us) by January 31st of the year following the program awar

Section 7 – File Organization and Maintenance

Subrecipient should structure their activity / program files and other records to comply with the general requirements as discussed in this manual. In setting up program and client files, the following may be helpful:

PROGR	RAM FILE		
	National Objective Documentation— Supplied by the City		
	Environmental Review Record – Supplied by the City		
	Subrecipient Agreement		
	Amendments		
	Notice of Award (supplied by the City)		
	Correspondence relating to the grant award		
	Copies of Requests for Reimbursement		
	Budget Amendment(s) – if applicable		
	Any other information pertinent to the CDBG Grant		
	Program measurable goals and expectations		
CHENT			
CLIENT			
	Application for assistance		
	Client Income Certification and Eligibility Forms		
	Documentation as to services provided to the client and any outcomes of service		
	Copies of any program requirements		
	Pre- and post-program evaluations – if applicable		
	Evaluation of activity and program accomplishment		

RECORDS RETENTION

All records pertaining to CDBG subawards must be retained for at least six (6) years after expiration of the Subrecipient agreement or completion of an independent audit, in order to allow access for audit and public examination. If there are any litigations, claims, or audit findings that extend beyond this six-year period, the Subrecipient must retain its records until all litigations, claims, or audit findings involving the records have been resolved.

Section 8 – Invoices and Disbursement of Funds

Disbursement of funds may occur once the Agreement has been executed. Subrecipient / Contractor is required to spend their appropriated funds within the dates outlined in their Agreement. Subrecipient / Contractor is required to submit invoices no less than once a quarter in conjunction with submittal of their quarterly reports.

All funding requests must be on a reimbursement basis. The Subrecipient / Contractor is required to submit:

- The Invoice and Disbursement form (Appendix D) signed and dated by the Subrecipient's authorized agent.
- An agency invoice.
- **Copies of** substantiated legible backup documentation to ensure the invoice request is understandable by the City such as:
 - Paid invoices
 - Proof of Payment
 - o Payroll detail registers for each position for which reimbursement is being requested
 - Statement of Financial Income and Expenses

While not required for submittal with the request for disbursement, the Subrecipient must maintain documentation (including certified timesheets and canceled checks) to support payment to employees for salaries and/or fringe benefits. The City, at its discretion, may request copies of this supporting documentation.

The City will review each request for reimbursement submitted by the Subrecipient. The City may request additional documentation if necessary.

Section 9 – Subrecipient Internal Policies and Procedures

REQUIRED POLICIES

Subrecipient must have a written Code of Ethics Policy acknowledging that benefits of CDBG-funded activities shall not be denied because of race, color, national origin, religion, sex (including sexual orientation and gender identity), familial status, or disability. A Subrecipient's oversight body is expected to demonstrate their commitment to integrity and ethical values. The following Acts are the basis for these requirements.

- <u>Title VI of the Civil Rights Act of 1964</u> (Prohibits discrimination based on race, color, and national origin including language access for persons with limited English proficient)
- Section 504 of the Rehabilitation Act of 1973 (Prohibits disability discrimination)
- <u>Title IX of the Education Amendments of 1972</u> (Prohibits sex discrimination in education and training programs)
- Age Discrimination Act of 1975 (Prohibits age discrimination in the provision of services)
- Executive Order 13166, (Improving Access to Services by Persons with Limited English Proficiency).
- Americans with Disabilities Act (ADA) (Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications).
- Section 504 of Rehabilitation Act (Prohibits discrimination on the basis of disability in all programs and activities receiving federal assistance). This regulation provides that no qualified individual with disabilities shall, because a Subrecipient's facilities are inaccessible to or unusable by individuals with disabilities, be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination under any program or activity that receives federal financial assistance.

Citizens who are deaf, deaf-blind, hard of hearing or speech disabled may access the Washington State Relay at (711) or (800) 833-6384 and will provide sign interpreters for public meetings upon request for CDBG program accessibility. All public meeting sites are handicapped accessible and auxiliary aids are available for those individuals requesting them.

Programs may target particular groups for services without violating guidelines as long as any member of the target group is allowed to participate in the program.

CONFLICT OF INTEREST POLICY

The policy needs to include that no employee, officer, or agent shall participate in the selection, award, or administration of a Contract / Agreement supported by federal funds if a real or apparent conflict of interest would be involved. The officers, employees, and agents of the Subrecipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements. However, Subrecipient may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the City (24 CFR 570.611).

Such a conflict would arise if any of the following people or agencies has a financial or other interest in the firm that is selected for an award:

- Employee
- Officer
- Agent
- Immediate family
- Partner of any of the above-mentioned individuals
- Organization

If a conflict is present during their tenure or for one year thereafter, the person may not:

- Have responsibilities with respect to the CDBG activities.
- Participate in decision-making processes.
- Have access to inside information with regard to the activities that could result in a personal or financial interest or benefit from a CDBG-assisted activity.

ADDITIONAL POLICIES

The following is a list of additional requirements that must be included in Subrecipient's Policies and Procedures:

- Procedure to determine board and staff qualifications and duties.
- Lines of Authority policy.
- Accounting procedures for approving and recording transactions (i.e., financial records must periodically be compared to actual assets and liabilities to check for completeness and accuracy).
 - o Payroll records need to support the charges.
 - o Eligible costs need to be in compliance with Federal Cost Principles 2 CFR Part 200.
- Procedure for internal reviews.
- Procedures to verify program participants are eligible.

Section 10 – Procurement of Good and Services

The purpose of these standards is to ensure materials and services are obtained efficiently, economically, and in compliance with the provisions of applicable federal laws. Situations where local and federal purchasing standards do not match, the more stringent procurement procedures must be followed.

Subrecipient / Contractor's must follow applicable federal regulations, including:

- 2 CFR 200.318 General Procurement Standards
- 2 CFR 200.319 Competition
- 2 CFR 200.320 Methods of Procurement to be Followed

Sole Source Procurement (non-competitive process) is solicitation from only one source. This process is rare and is acceptable only after solicitation of a number of sources is unsuccessful. Sole Source Procurement is appropriate only when the needed service or good is only available from a single source, or there is an emergency or public urgency that exists which will not permit the delay of competitive solicitation.

BUILD AMERICAN BUY AMERICAN (BABA) ACT

BABA requires that all iron and steel (since 2023), construction materials (required in 2025), and manufactured products (required in 2025) purchased with CDBG funds are produced in America.

- Iron and Steel
- Construction Material
 - o Non-ferrous metals
 - Lumber
 - o Plastic and polymer-based composite building materials, pipes, and tube
- All other Construction Material (required in 2025)
 - All other plastic and polymer-based composite building materials
 - Glass
 - o Fiber optic cable
 - Optical fiber
 - Engineered wood
 - o Drvwall
- Manufactured Products (required in 2025)
 - o Materials or wood supplies that have been:
 - Processed into a specific form or shape, or
 - Combined with other materials, or supplies to create a product with different properties than the individual articles, materials, or supplies

GENERAL RESPONSIBILITIES

Regulations governing the purchase and procurement of goods and services with CDBG funds must be followed to assure that:

- Procurement transactions are conducted in a manner that provides maximum free and open competition.
- Equal Employment Opportunity and Fair Labor Standards are adhered to throughout the procurement process.
- Small minority-owned businesses and Women's business enterprises have an opportunity to bid.
- Unnecessary or duplicate purchase are not made.

SUBRECIPIENT REQUIREMENTS

To achieve the objectives of the federal regulations, the following is required:

- A clear and accurate description of the material, product, or service to be procured.
- Clearly set forth all requirements which bidders must fulfill (Equal Employment Opportunity, Davis-Bacon wage rates, etc.).
- Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement.
- All Subrecipients must have written procurement procedures for the purchase of goods and services.
- **2** Subrecipient must meet with City prior to procurement of goods and services.
- The chosen Contractor must be registered with SAM.gov.

The procurement method summary is as follows. Full details are outlined in the City of Richland's Procurement Policy (**Appendix F**).

- \$0 to \$3,000- Micro-purchases may be awarded without soliciting competitive quotes.
- \$3,001 to \$150,000 must obtain 3 written quotes
- \$150,001 and over written specifications are necessary and require a sealed bidding process using a "Request for Proposal" or "Competitive Bid." Competitive bidding must be advertised for at least 14 business days with opening on 15th day. Subrecipient must perform a price analysis, including amendments and change orders.

SECTION 11 – MONITORING

The City of Richland is responsible for monitoring Subrecipients to ensure compliance with all federal, state, and local rules, regulations, and laws.

Monitoring is accomplished through the following:

- On-site monitoring
- Desk monitoring
- Written correspondence
- Phone conversations

The City will monitor Subrecipient files by requesting files be submitted for desk monitoring and/or by scheduling on-site monitoring visits. Subrecipient will be notified of the monitoring visit in advance. A monitoring checklist is provided in **APPENDIX E** to assist in preparation for a monitoring visit.

During on-site monitoring visits, staff will observe the operation and management of the activity. The Subrecipient should be prepared to have inspections of accounting systems, client records, file organization, goal and objectives review, agreement compliance, budget status, review, and program performance.

City staff will document the details of the desk review and on-site monitoring visits. Official records will report the names of Subrecipient staff contacted, the files that were reviewed, discussion of any concerns, and any findings or recommendations.

MONITORING VISITS

Monitoring visits will also take place periodically throughout the duration of the project. Monitoring visits can take place remotely or on-site. Depending on the results of a remote visit, the City may schedule an on-site follow-up visit. The basic steps of a formal monitoring visit include:

- Notification Call or Letter Explains the purpose of the visit, date, scope of monitoring, information
 that will be needed to conduct the review, and a list of key agency personnel required to attend the
 meeting.
- **Documentation and Data Gathering** The City will collect, and review data and document conversations held with staff, which will serve as the basis for conclusions drawn from the visit. This includes reviewing client files, financial records, and Subrecipient procedures.
- Follow-Up Letter The City will forward a formal written notification of the results of the
 monitoring visit pointing out problem areas and recognizing successes. The Subrecipient will be
 required to respond in writing to any problems or concerns noted.

ONGOING OVERSIGHT

City CDBG staff will conduct on-going oversight in order to review the programmatic and financial aspects of the Subrecipient's activities. The City will review the quarterly reports submitted by the Subrecipient for compliance with federal regulations regarding the use of federal funds and the implementation of the program.

The monitoring process is oriented toward resolving problems, offering technical assistance, and promoting timely implementation of programs. To this end CDBG staff may require corrective actions be taken by the Subrecipient. Some examples of significant problems that require corrective action by the Subrecipient includes:

Non-compliance with applicable federal statutes, regulations, and executive orders

- Non-Compliance with state laws or local ordinances
- Services that are not documented
- Goals not being met
- Program files that are not in order
- Complaints by clients
- Required reports not being submitted in a timely manner
- Funding not being spent correctly

THE FOLLOWING SECTIONS ARE FOR PUBLIC FACILITIES, HOUSING, CONSTRUCTION, AND REHABILIATION PROJECTS ONLY

Section 12 – Construction Projects

Subrecipient shall undertake their CDBG funded construction activities in accordance with the following schedule.

PRE-BID

Attend a pre-bid meeting with the CDBG Administrator to review the following:

- City procurement policy and bid solicitation process
- Applicable federal regulations, statutes, and Executive Orders
- Davis-Bacon requirements
- Environmental Review requirements/process

BID

- Solicit Bids & Advertisement Advertisement must be placed AT LEAST two weeks prior to acceptance of bids (when required by procurement rules)
- Determine lowest responsible bidder (when required by procurement rules)
- Conduct Mandatory Bidder Checklist
- Confirm and obtain bond and insurance documentation
- Create a contract with chosen contractor in accordance with <u>2 CFR 200 Appendix II</u>
- Confirm bidder is currently registered in SAM.gov
- Submit documentation of bid process to City

PRECONSTRUCTION

Subrecipient must attend a preconstruction meeting with the City and selected contractor(s) to review the compliance monitoring process, compliance monitoring requirements, and the requisition process and to finalize the construction schedule.

CONSTRUCTION

Subrecipient must submit requisitions with required documentation to City. Requisition must include details about work completed.

COMPLETION

- Schedule final activity inspection with City
- Submit final requisition requisition must include detail on work completed and a <u>letter from the</u> Subrecipient that work has been satisfactorily completed

SECTION 13 – CROSS CUTTING

FAIR HOUSING AND EQUAL OPPORTUNITY

The City shall ensure that it and its Subrecipients comply with the Fair Housing and Equal Opportunity requirements. These requirements include all Code of Ethics outlined in Section 9 and the following:

- The Civil Rights Act of 1968 (Prohibits discrimination in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities because of race, color, national origin, religion, sex, familial status, or disability).
- The Fair Housing Act (Prohibits discrimination by direct providers of housing)
- Executive Order 11246 (Prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin. The Executive Order also requires Contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.)

Possible actions which the City can take to ensure compliance include:

- Reviewing zoning, building, and housing codes and revising as necessary to encourage equal opportunity in housing.
- Considering fair housing priorities when developing land use plans for public facilities and housing.
- Developing / strengthening local fair housing laws, including enforcement powers and sanctions.
- Requiring private developers and real estate agents to use HUD's affirmative marketing and advertising practices.

Subrecipient is responsible for taking necessary and appropriate actions to prevent discrimination in federally assisted housing and lending practices related to loans insured or guaranteed by the federal government. Further, Subrecipient should strive to promote a strategy for increasing the choice of housing opportunities for low- and moderate-income persons including minorities and female-headed households.

ACCESSIBILITY

The Americans with Disabilities Act (ADA) states discrimination includes the failure to design and construct housing (built for first occupancy after January 26, 1993) that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable, and able to be carried out without much difficulty or expense.

Section 504 - Disability Accessibility Policy

Public structures built or rehabilitated must be made handicapped accessible. Structures designed, built, or altered (rehabilitated) with CDBG funds shall conform to the <u>Uniform Federal Accessibility Standards</u> (UFAS).

UNIFORM RELOCATION ASSISTANCE ("URA")

The City and Subrecipient will follow the guidance as authorized under the <u>Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970</u>, as amended, and <u>Section 104(d) of the Housing and Community Development Act of 1974</u>.

Generally, a displaced person under the URA is an individual, family, partnership, association, corporation, or

organization, which moves from their home, business, or farm or moves their personal property, as a direct result of acquisition, demolition, or rehabilitation for a federally funded activity.

The City will minimize, to the greatest extent possible, permanent displacement that might result from the use of CDBG funds. The City reserves the right to reject an activity or require that a Subrecipient provide non-federal financial relocation assistance to persons or organizations affected by the activity if the activity causes permanent displacement.

Under URA, CDBG activities must provide:

- Relocation assistance for displaced persons, businesses, or occupants, AND
- Replacement of any Housing Units lost as a result of activity.

In the event of a displacement, required steps include:

- Relocation advisory services,
- A minimum 90 days written notice to vacate prior to requiring possession,
- · Reimbursement for moving and reestablishment expenses,
- Provision of payments for the added cost of renting or purchasing comparable replacement housing (residential displacement).

REPLACEMENT OF A HOUSING UNIT

- A unit does **not** need to be replaced if:
 - It is a substandard unit not suitable for rehabilitation AND
 - It has been vacant for over a year.
- A unit **needs** to be replaced if:
 - o It is in standard condition (regardless of how long it has been vacant),
 - It is in substandard condition but is suitable for rehabilitation (regardless of how long it has been vacant),
 - o It has been occupied (*except by squatters*) within one year of the date of the agreement, regardless of condition (*even if it is not suitable for rehabilitation*).

VACANT PROPERTY ACQUISITION

The City may determine that an appraisal is unnecessary if the valuation is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$10,000 or less, based on a review of available data. If this is the case, Subrecipient shall prepare a waiver.

If personal property is stored on vacant land that is to be acquired, the owner qualifies for payment of his or her actual moving and related expenses. Actual direct loss of tangible personal property incurred by the acquisition shall result in the payment of the fair market value of the item or a substitute item that performs a comparable function.

LEAD-BASED PAINT

Subrecipient must abide by all applicable local, state, and federal regulations and codes governing lead-based paint hazards. Where regulations differ, Subrecipient must adhere to the stricter standards. More information regarding State Lead laws can be found online: https://www.commerce.wa.gov/about-us/rulemaking/lead-based-paint-laws-rules/

The City and its Subrecipients are subject to the <u>Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846)</u>, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (<u>42 U.S.C. 4851-4856</u>), and <u>24 CFR Part 35</u>:

- prohibits use of lead-based paint in residential structures; and
- requires notification of hazards of lead-based paint poisoning; and
- requires eliminating any lead-based paint hazards.

At a minimum, Subrecipient must:

- Notify a purchaser or lessee of the presence of any known lead-based paint and/or lead-based paint hazards.
- Test all painted or stained surfaces that will be disturbed or removed during rehabilitation for the
 presence of lead-based paint or presume lead-based paint. Notify the occupants of the results
 within 15 days of receiving the evaluation report or making the presumption.
- Provide each occupied dwelling unit with the EPA-approved lead hazard information pamphlet Protect Your Family From Lead in Your Home or an EPA-approved equivalent.
- Reduce lead hazards as required by <u>24 CFR Part 35 Subpart R</u>.
- Perform clearance testing, including dust testing, before re-occupancy after all-but-minimal (de minims) amounts of paint disturbance.

SECTION 14 - DAVIS BACON ACT

The Davis-Bacon Act is required for public construction projects in excess of **\$2,000** (regardless of the amount of CDBG funding being utilized toward the project) **AND** for residential projects of 8 or more units.

Residential is defined as: a non-multiple unit building containing space for uses such as living, sleeping, preparation of food, and eating that is used by one family who owns the property as their domicile both prior to and after renovation or demolition.

DAVIS BACON AND RELATED ACTS (DBRA)

All laborers and mechanics employed by the Contractor or Subcontractor shall be paid wages at rates not less than those prevailing (40 U.S.C. 276a--276a-5). Where Federal Wage Rates and Washington State Wage Rates differ, the higher of the two wage rates is required.

A guide for contractors on Davis-Bacon can be found online at:

https://files.hudexchange.info/resources/documents/Davis-Bacon-and-Labor-Standards-Agency-and-Contractor-Guide.pdf

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

Subrecipients(and their contractors) shall also comply with <u>Chapter 37</u> of the Contract Work Hours and Safety Standards Act which requires that certain contracts contain a clause specifying that no laborer or mechanic doing any part of the work contemplated by the contract shall be required or permitted to work more than 40 hours in any workweek, unless paid at least 1 ½ times the basic rate of pay for all overtime hours. <u>Chapter 37.3704</u> of the Act requires that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.

COPELAND "ANTI-KICKBACK" ACT

Contracts shall include a provision for compliance with the <u>Copeland "Anti-Kickback" Act</u> (18 U.S.C. 874), as supplemented by Department of Labor regulations (<u>29 CFR part 3</u>). Contractor and Subrecipient shall not induce – by any means – any employed person to give up any part of the compensation to which they are otherwise entitled. In addition, Contractor and Subcontractor must maintain and submit weekly certified payroll records, including certification of compliance with the Act. The City is required to report all suspected and reported violations to HUD.

PERMISSIBLE DEDUCTIONS WITHOUT DOL APPROVAL (29 CFR 3.5)

- Social Security, Federal and / or State Income Tax withholding
- Bona fide prepayment of wages
- Court ordered payments
- Fringe benefit plans with certain provisions
- Purchase of U.S. savings bonds
- Repayment of loans or purchase shares in a credit union
- Deduction to pay regular union initiation fees and membership dues provided by a Collective Bargaining Agreement (CBA)
- Authorized contribution to charitable organizations (such as the American Red Cross, United Way, etc.)
- Deduction of "reasonable costs" for board, lodging, or other facilities meeting the requirements of

section 3(m) of FLSA

• Deduction for safety equipment - if not prohibited by the <u>Fair Labor Standards Act</u> or required by law for the employer to furnish

Fair Labor Standards Act

Subrecipients, Contractors, and Subcontractors must:

- Pay minimum wage (<u>29 CFR Part 531)</u>.
- Provide overtime pay for time worked over 40 hours in a workweek as outlined in the *Contract Work* and *Safety Standards Act* section above.
- Keep records in accordance with 29 CFR Part 516.
- Be in compliance with the Exceptions and Exemptions listed in 29 CFR Parts 525 & 541.

Section 15 - Davis Bacon Act Project over \$200,000 ONLY

If the Davis Bacon qualified project is \$200,000 or more, Section 3 requirements must be met. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the CDBG funds are utilized as outlined in 24 CFR Part 75.

Section 3 projects include housing rehabilitation, housing construction, and other public construction projects either fully or partially funded with CDBG funds. Section 3 is triggered when the normal completion of construction and rehabilitation projects **creates the need for <u>new</u> employment, contracting, or training opportunities**. Material supply contracts, as defined in <u>24 CFR Part 75.3</u> are not subject to Section 3 requirements.

SECTION 3 WORKER

A Section 3 Worker is any worker who currently fits, or fit when hired (within the past five years), at least one of the following categories (must be documented):

- The worker's income for the previous or annualized calendar year is below the income limit established by HUD
- The worker is employed by a Section 3 business concern
- The worker is a Youth Build participant

TARGETED SECTION 3 WORKER

A Targeted Section 3 Worker has the same requirements as a Section 3 Worker **AND** also lives within the service area or neighborhood of the project.

SECTION 3 BUSINESS CONCERN

A Section 3 business concern is a business that meets one of the following criteria (must be documented within the last six-month period):

- It is at least 51 percent owned and controlled by low- or very low-income persons
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 Workers
- It is at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8 assisted housing

SERVICE AREA

An area within one mile of the Section 3 project. If fewer than 5,000 people live within one mile of the project, the service area becomes a circle centered on the project with a population of at least 5,000 people.

PROJECTS

For each of its Section 3 projects, the City will search the <u>Section 3 Business Registry</u> for businesses in the Tri-Cities metropolitan area that can provide the trades required for the project. To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, the City shall ensure contracts for work awarded in connection with Section 3 projects are provided to business concerns that provide economic opportunities to Section 3 Workers.

The contractor is required to prioritize Targeted Section 3 Workers for employment and training opportunities to the greatest extent feasible. Should the availability of Target Section 3 Workers be insufficient to meet the need of contractors, contractors shall give priority to Section 3 Workers residing within Richland city limits.

IF THE EXPENDITURE OF COVERED FUNDING DOES NOT RESULT IN NEW EMPLOYMENT, CONTRACTING, OR TRAINING OPPORTUNITIES, THE REQUIREMENTS OF SECTION 3 HAVE NOT BEEN TRIGGERED.

REPORTING

Language shall be included in Section 3 project contracts requiring contractors to report the following data to the City:

- Total number of labor hours worked
- Total number of labor hours worked by Section 3 Workers and Targeted Section 3 Workers

APPENDICES

APPENDIX A INTERNAL CONTROL CHECKLIST

Internal Control Checklist for Subrecipient

Adm	ninistrative Systems		An Internal Controls Checklist – Policies and	
	Subrecipient Agreement	Pro	cedures Manual	
	IRS 501(c)3 Letter		Non-Discrimination (§570.602 & 45 CFR Part 618	
	Articles of Incorporation		Subpart C,D, and E)	
	Bylaws		Code of Ethics (Principle 1 Standards for Internal	
	Mission Statement		Control pgs. 22-24)	
	Board Roster		Conflict of Interest (§570.611)	
	Board Handbook		Procurement <u>(§200.318</u>)	
	Job Evaluation Tool		Grievance and Termination (Staff and Clients) 24	
	Organization Chart		<u>CFR Part 1 1.4(c);</u> and <u>1.8(b)</u>	
	Job Descriptions		Confidentiality (§200.303(e))	
	Monitoring Reports		Record Retention (§570.506)	
	Contingency Plan		Information Technology (Principle 11 -	
	Succession Plan		Standards for Internal Control pgs. 51-55)	
	Authorization to Request Funds		Whistleblower (Principle 14 - Standards for	
	Procedures Flow Charts		Internal Control pgs. 60-61)	
	Reports to City		Monitoring (§200.329)	
	Newsletters			
	Social Media Printouts	If H	lousing Activities Involved:	
	Monitoring Schedule		Fair Housing (\$570,601)	
	Performance Reports	_	Fair Housing (§570.601)	
	Financial Reports		Lead-Based Paint <u>(§570.608</u>)	
	Required Certifications (§200.415)			
	Certificates of Policy Compliance			

APPENDIX B PUBLIC SERVICE PARTICIPATION GUIDE AND FORMS

PUBLIC SERVICE PARTICIPATION GUIDE

- ❖ Public Service activities are based on total gross <u>family</u> annual income.
- Housing activities are based on total gross <u>household</u> annual income for all persons that occupy the housing unit.

DEFINITIONS

FAMILY

All persons living in the same household who are related by birth, marriage, or adoption.

HOUSEHOLD

All persons who occupy a housing unit whether related or not.

LOW- INCOME INDIVIDUAL / HOUSEHOLD

An individual / household that has an income equal to or less than 60% of the Area Median Income as established annually by HUD.

MODERATE- INCOME INDIVIDUAL / HOUSEHOLD

An individual / household that has an income 61% to 80% of the Area Median Income established annually by HUD.

ANNUAL INCOME

Annual income requirements are based on <u>24 CFR PART 5.</u>

- All income earned by all adults (18+) within the household (even if temporarily absent).
- Unearned income attributed to a minor under the age of 18 (e.g., child support, TANF payments, SSI payment, and other benefits paid on behalf of a minor).
- All earned and unearned income anticipated to be received during the next 12 months.

Documentation of income may include, but is not limited to:

- Current employment paystubs showing payment period and year to date gross earnings.
- Verification of employment signed and dated by the employer showing gross total earnings and paid through date.
- Most current year income tax return with W2s, 1099s, etc.
- Current profit / loss statement, if self-employed.
- Benefit award letters.
- Six months of bank statements.
- Unemployment or disability benefit statement.
- Court orders or decrees.
- Verification of full-time student status, if aged 18 or older.

GROSS INCOME

Amount of income earned before any deductions (such as taxes and health insurance premiums).

CURRENT INCOME

The income the family / household is currently receiving at the time of the application for CDBG assistance. Income recently terminated that is not anticipated to be received again during the next 12 months should **not** be included.

INCOME INCLUSIONS

The following is a list of types of income that need to be included when determining household, family, or individual income. Additional information can be found at: https://www.hud.gov/sites/documents/DOC 35699.PDF

- (1) The <u>full amount</u> (before any payroll deductions), of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services.
- (2) The <u>net income from operation of a business or profession</u>. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2) above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
- (4) The full amount of <u>periodic amounts</u> received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (e.g., Black Lung Sick benefits, Veterans Disability, Dependent Indemnity Compensation, payments to the widow of a serviceman killed in action). See paragraph (13) under Income Exclusions for an exception to this paragraph.
- (5) Payments in <u>lieu of earnings</u>, such as unemployment, disability compensation, worker's compensation, and severance pay, except as provided in paragraph (3) under Income Exclusions.
- (6) Welfare Assistance.
 - (a) Welfare assistance received by the family.
 - (b) If the welfare assistance pyment includes an amount specifically designated for

shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

- The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
- The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
- (7) <u>Periodic and determinable allowances</u>, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling; and;
- (8) <u>All regular pay, special pay, and allowances</u> of a member of the Armed Forces, except as provided in paragraph (7) under Income Exclusions.
- (9) For Section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph "financial assistance" does not include loan proceeds for the purpose of determining income.

(Note: This paragraph also does not apply to a student who is living with their parent(s) who are applying for or receiving Section 8 assistance.)

INCOME EXCLUSIONS

- 1. Income from employment of children (including foster children) under the age of 18 years.
- 2. Payments received for the care of foster children or foster adults (usually persons with disabilities unrelated to the tenant family, who are unable to live alone).
- 3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, except as provided in paragraph (5) under Income Inclusions.
- 4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- 5. Income of a live-in aide, as defined in 24 CFR 5.403.
- 6. The full amount of student financial assistance paid directly to the student or to the educational institution (see Income Inclusions (9), above, for students receiving Section 8 assistance).
- 7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire (e.g., in the past, special pay included Operation Desert Storm).
 - (a) Amounts received under training programs funded by HUD (e.g., training received under Section 3).
 - (b) Amounts received by a person with a disability that are disregarded for a limited time

- for purposes of supplemental security income eligibility and benefits because they are set-aside for use under a Plan to Attain Self-Sufficiency (PASS).
- (c) Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.
- (d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the project. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident- initiative coordination. No resident may receive more than one such stipend during the same period of time; or
- (e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as a resident management staff person. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program.
- 8. Temporary, nonrecurring, or sporadic income (including gifts).
- 9. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (Examples include payments by the German and Japanese governments for atrocities committed during the Nazi era).
- 10. Earnings in excess of \$480 for each full-time student 18 years or older (excluding the head of household and spouse).
- 11. Adoption assistance payments in excess of \$480 per adopted child.
- 12. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump-sum amount or in prospective monthly amounts.
- 13. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- 14. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- 15. Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

ANNUALIZING WAGES AND PERIODIC PAYMENTS

- Review two (2) months current source documentation and the most recent income tax return with supporting W2's, 1099's, etc. (self-employment may need to take an average of 3 years).
- Add the documented gross amount earned from the two most current source documents.
- Use the following calculations to convert the average wage into annual income:
 - Hourly wage multiply the hourly wage by the number of hours worked perweek multiplied by 52
 - Weekly wage multiply the weekly wage by 52
 - Bi-weekly wage (every other week) multiply the bi-weekly wage by 26

- Semi-monthly wage (twice a month) multiply the semi-monthly wage by 24
- Monthly wage multiply the monthly wage by 12

PERIODIC EMPLOYMENT

To annualize other than full-time income, multiply the wages by the actual number of hours or weeks the person is expected to work.

PUBLIC ASSISTANCE

For public assistance benefits (e.g., SSI, food stamps), a benefits statement received any time within the twelve months prior to the time of application and reflecting current benefits received by an applicant is allowed. A copy of a recent bank statement indicating direct deposit of benefit(s) is also acceptable.

ZERO INCOME

If there is an adult member listed on the application form who does not receive any income, the *Certification of Zero Income* form needs to be completed. This form can be accessed at: https://www.hudexchange.info/resource/786/technical-guide-for-determining-income-and-allowances-for-the-home-program/

DETERMINING FAMILY / HOUSEHOLD SIZE

The income limits are adjusted by family / household size. Some may include persons who are not considered as members of households for the purposes of determining size and income eligibility, including foster children, foster adults, live-in-aides, and children of live-in-aides. These persons should not be counted as household members when determining household size, and their income is not included when calculating annual income. A child who is subject to a shared-custody agreement in which the child resides with the household at least fifty-one percent (51%) of the time can be counted in the family / household. For a child who is subject to a shared-custody agreement in which the child resides with each family / household fifty percent (50%) of the time, determination of inclusion will be based on eligibility as a dependent for income tax purposes.

CALCULATION TO DETERMINE ELIGIBILITY

To determine eligibility, review the income limits table on the Public Service Participation and Income form with the household size. Is the family / individual income for the household size sixty percent (60%) or less than the Area Median Income? If so, the family / individual will qualify for the program based on income.

RACE AND ETHNICITY DEFINITIONS

The concept of race as used by the Census Bureau reflects self-identification by people according to the race or races with which they most closely identify. These categories are sociopolitical constructs and should not be interpreted as being scientific or anthropological in nature. Furthermore, the race categories include both racial and national-origin groups. The racial classifications used by the Census Bureau adhere to the October 30, 1997 Federal Register Notice entitled, "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity" issued by the Office of Management and Budget ("OMB").

WHITE

A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. It includes people who indicate their race as "White" or report entries such as Irish, German, Italian, Lebanese, Near Easterner, Arab, or Polish.

BLACK / AFRICAN AMERICAN

A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as "Black", African American, or provide written entries such as African American, Afro America, Kenyan, Nigerian, or Haitian.

ASIAN

A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes Asian Indian, Chinese, Filipino, Korean, Japanese, Vietnamese, and Other Asian.

AMERICAN INDIAN / ALASKAN NATIVE

A person having origins in any of the original peoples of North and South American (including Central America) and who maintain tribal affiliation or community attachment.

NATIVE HAWAIIAN / OTHER PACIFIC ISLANDER

A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. It includes people who indicate their race as Native Hawaiian, Guamanian, Chamorro, Samoan, and Other Pacific Islander.

AMERICAN INDIAN / ALASKA NATIVE AND WHITE

Meets the definition of American Indian / Alaska Native **AND** White.

ASIAN AND WHITE

Meets the definition of Asian AND White.

BLACK / AFRICAN AMERICAN AND WHITE

Meets the definition of Black / African American AND White.

AMERICAN INDIAN / ALASKAN NATIVE AND BLACK / AFRICAN AMERICAN

Meets the definition of American Indian / Alaskan Native AND Black / African American

OTHER MULTI RACIAL

Includes all other responses not included in the definitions listed above. Respondent providing write-in entries such as multiracial, missed, interracial, Wesort, or a Hispanic / Latino group (for example, Mexican, Puerto Rican, or Cuban) are included here.

ETHNICITY DEFINITION

The concept of Hispanic origin is separate from the concept of race. Under OMB 1997 standards, "Hispanic" is not a race category, but an ethnic category that cuts across all races. Those who are White, Black, Asian, Pacific Islander, American Indian, or a multi-race may also be counted as being of Hispanic ethnicity.

When asking the individual / family / household to select a race category, the individual / family / household must also check whether they are of Hispanic ethnicity. One of the 10 race categories must always be selected. **BOTH** the race and ethnicity sections of the form must be filled out.

Public Service Participation and Income Worksheet

	Person 1	Person 2	Person 3	Person 4
First Name				
Last Name				
Age				
Senior (62+)				
Disabled				
Race				
White				
Black / African American				
Asian				
American Indian / Alaskan Native				
Native Hawaiian / Other Pacific Islander				
American Indian / Alaskan Native AND White				
Asian AND White				
Black / African American AND White				
American Indian / Alaskan Native AND Black / African American				
Other multi-racial (list):				
Ethnicity				
Hispanic				
Not Hispanic				
	ler penalty of law that the informa I by me may subject me to penaltie willfully misrepresented any infor	s as provided in federal and Wash	nington State Law RCW 74.08.05	
	Client Signature			Date
	Agency Signature			Date

Public Service Participation and Income Worksheet

				T
	Person 5	Person 6	Person 7	Person 8
First Name				
Last Name				
Age				
Senior (62+)				
Disabled				
Race				
White				
Black / African American				
Asian				
American Indian / Alaskan Native				
Native Hawaiian / Other Pacific Islander				
American Indian / Alaskan Native AND White				
Asian AND White				
Black / African American AND White				
American Indian / Alaskan Native AND Black / African American				
Other multi-racial (list):				
Ethnicity				
Hispanic				
Not Hispanic				
	by me may subject me to penalti	ation given by me in this applicati es as provided in federal and Was rmation, I will be disqualified fror	hington State Law RCW 74.08.0.	
	Client Signature		_	Date
	Agency Signature			Date



Certification of Zero Income

	orm is to be completed by a household member aged 18 or older who claims no ne from any source.
Name	:
I here	by certify that:
(1) I d	o not receive income from any of the following sources:
b) c) d) e) f) g) h) i) k)	Wages from employment (including commissions, tips, or bonuses) Alimony, child support, or maintenance Income from operation of a business or farm Rental income from real estate or personal property Interest or dividends from financial assets Social Security payments or pension payments, including death benefits Payments from annuities, insurance policies, or retirement funds Unemployment, disability, workman's compensation, or severance payments Public assistance payments (excluding SNAP) Recurring gifts from organizations or persons outside my household Alaska PFD, other State, Native American Tribal, or Native Alaskan Village Corporation distributions or dividends
repre for sp fully o	There is no change expected in my income or employment status during the next 12 months*. I am looking for employment. I have been unemployed since I am currently a student or in an unpaid apprentice program and not receiving income. The information provided above is true, complete and accurate. I understand that providing false sentations herein may constitute an act of fraud. I acknowledge information provided is being used secific purpose of determining my household is eligible to receive the benefit of CDBG products. I will cooperate with the Program Administrator and Member to obtain or provide any necessary ments to confirm the information provided.
Signa	ature Date

^{*}If a person is expecting a change in their income or employment status during the next 12 months, income from those sources should be verified and included in calculation of income. For example, if the person has an offer of employment, or is on temporary leave of absence or laid off from their employer, income from those sources should be included in income calculation.

APPENDIX C PRESUMED ELGIBILITY GUIDE AND CERTIFICATION FORM

PRESUMED ELIGIBILITY CERTIFICATION GUIDE

Group	Income Level
Abused Children	Extremely low income
Elderly (over 62)	Moderate income (for center-based services such as a senior center) Low income (non-center-based services)
Battered Spouses	Low income
Homeless persons	Extremely low-income
Severely disabled adults	Low income (unless income is obtained placing them in a different category).
Illiterate adults	Low income
Persons with AIDS	Low income
Migrant farm workers	Low income

DEFINITIONS

ABUSED CHILDREN

Children under the age of 18 who have:

- Been sexually abused
- Been exploited
- Had a physical injury
- Experienced negligent treatment / maltreatment under circumstances, which cause harm to the child's health, welfare, or safety

Negligent treatment or maltreatment means an act, a failure to act, or the cumulative pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such a magnitude as to constitute a clear and present danger to a child's health, welfare, or safety.

Poverty, homelessness, or exposure to domestic violence as defined in <u>RCW 26.50.010</u> that is perpetrated against someone other than the child does not constitute negligent treatment or maltreatment in and of itself. Evidence of a parent's or caregiver's substance abuse as a contributing factor to negligence or maltreatment will be considered.

ELDERLY PERSONS

A person at least 62 years of age or older.

BATTERED SPOUSES

A person aged 18 or older who has:

- Been a victim of abusive, violent behavior
- Received threat of abuse or violence, by a partner in an intimate relationship such as marriage, dating, family, friends, or cohabitation.

HOMELESS PERSONS

Individual who lacks a fixed, regular, and adequate nighttime residence, and who has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill).
- An institution that provides a temporary residence for individuals intended to be institutionalized.
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

SEVERELY DISABLED ADULTS

Persons aged 18 or older and are classified as having a severe disability if they:

- Have used a wheelchair or another special aid for 6 months or longer;
- Were unable to perform one or more:
 - Functional activities (include seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs, and walking).
 - Activities of daily living (getting around inside the house, getting in and out of bed or a chair, bathing, dressing, eating, and toileting).
 - Instrumental activities of daily living (independently going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone).
- Prevented from working at a job or doing housework.
- Had a condition including Autism, Cerebral Palsy, Alzheimer's disease, senility, or intellectual disability.
- Persons who are under 65 years of age and who are covered by Medicare or receive SSI.

ILLITERATE ADULTS

Persons aged 18 or older who are not able to read, write, and communicate language clearly.

PERSON LIVING WITH THE DISEASE AIDS

The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).

MIGRANT FARM WORKERS

A U.S. Citizen or legal alien who moves from a permanent place of residence in order to be employed in agricultural work, and the transient nature of their work limits them from obtaining any permanent type of local residency and federal/state assistance. Seasonal farm workers perform similar work but do not move from their primary residence for the purpose of seeking farm employment and are not eligible under the presumed benefit category.

DOCUMENTATION TO MEET THE CDBG NATIONAL OBJECTIVE UNDER PRESUMED BENEFIT

Agencies serving a presumed benefit clientele must retain in the client file and provide upon request, substantiation of the client's eligibility presumption category.

- A signed and dated self-certification form stating that the assisted person qualifies based on a specific presumed benefit category.
- Documentation of presumed eligibility includes:
 - A current written letter from their doctor, case-manager, or other professional thirdparty entity, or
 - Proof of receiving federal or state benefits such as social security award letters, supplemental security award letters, placement as a foster child, etc.

RACE AND ETHNICITY DEFINITIONS

The concept of race as used by the Census Bureau reflects self-identification by people according to the race or races with which they most closely identify. These categories are sociopolitical constructs and should not be interpreted as being scientific or anthropological in nature. Furthermore, the race categories include both racial and national-origin groups. The racial classifications used by the Census Bureau adhere to the October 30, 1997, Federal Register Notice entitled, <u>"Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity"</u> issued by the Office of Management and Budget (OMB).

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BLACK/AFRICAN AMERICAN

A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as "Black", African American, or provide written entries such as African American, Afro America, Kenyan, Nigerian, or Haitian.

ASIAN

A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes "Asian Indian," "Chinese," "Filipino," "Korean," "Japanese," "Vietnamese," and "Other Asian."

AMERICAN INDIAN / ALASKAN NATIVE

A person having origins in any of the original peoples of North and South American (including Central America) and who maintain tribal affiliation or community attachment.

Native Hawaiian / Other Pacific Islander

A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. It includes people who indicate their race as "Native Hawaiian," "Guamanian or Chamorro, ""Samoan," and "Other Pacific Islander."

AMERICAN INDIAN / ALASKA NATIVE AND WHITE

Meets the definition of American Indian / Alaska Native **AND** White.

ASIAN AND WHITE

Meets the definition of Asian AND White.

BLACK / AFRICAN AMERICAN AND WHITE

Meets the definition of Black/African American AND White.

AMERICAN INDIAN / ALASKAN NATIVE AND BLACK / AFRICAN AMERICAN

Meets the definition of American Indian/Alaskan Native AND Black/African American

OTHER MULTI RACIAL

Includes all other responses not included in the described above. Respondent providing write-in entries such as multiracial, missed, interracial, Wesort, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) are included here.

ETHNICITY DEFINITION

The concept of Hispanic origin is separate from the concept of race. Under OMB 1997 standards, "Hispanic" is not a race category, but an ethnic category that cuts across all races. Those who are White, Black, Asian, Pacific Islander, American Indian, or a multi-race may also be counted as being of Hispanic ethnicity.

When asking the individual / household to select a race category, the individual / household must also check whether they are of Hispanic ethnicity. One of the 10 race categories must always be selected. A check mark cannot be entered under the Hispanic Column without the Race Category being checked.

Presumed Eligibility Self Certification Form

First Name	Last Na	me
Address		
Female Head	of Household (not applicable to 1 perso	n households) Yes No
Disabled	Yes No	
Ethnicity (select one)	Not Hispanic Hispanic	
Race (select one)	White Black / African American Asian American Indian / Alaskan Native Native Hawaiian / Other Pacific Islander Other multi-racial (list):	American Indian / Alaskan Native AND White Asian AND White Black / African American AND White American Indian / Alaskan Native AND Black / African American
Ak Ba Ho Se Illi	ant is eligible for presumed CDBG assistance per bused Children derly Person (62+) attered Spouse / Domestic Violence Victim omeless Person everely Disabled Adult (18+) per U.S. Census De iterate Adults eople with AIDS	
to the best of m Washington Sta	y knowledge. I realize that willful falsification by me	n given by me in this application is true, correct and complete may subject me to penalties as provided in federal and villfully misrepresented any information, I will be disqualified
	Client Signature	Date
	Agency Signature	 Date

APPENDIX D GUIDE TO COMPLETING CDBG FORMS

COMMUNITY DEVELOPMENT BLOCK GRANT

(CDBG)

- 1. INVOICE AND DISBURSEMENT REQUESTS
- 2. QUARTERLY REPORTING
 - April 15th
 - July 15th
 - October 15th
 - January 15th
- 3. ANNUAL REPORTING
 - January 31st
- 4. ELGIBILITY DOCUMENTATION

Invoice and Disbursement Request Form

HOW TO FILL OUT A

CDBG INVOICE AND DISBURSEMENT FORM

The Invoice and Disbursement Request can be submitted at any time. You do not need to wait until your quarterly reports are due.

Wages & Salary Reimbursement

Submit the following:



CDBG Invoice and Disbursement Request Form



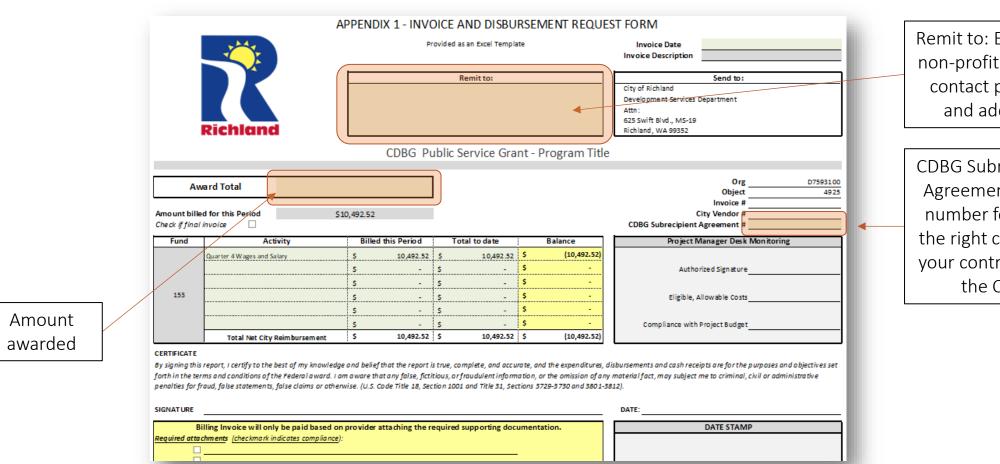
Agency Invoice



Back-up documents such as expense reports, payroll summaries, time sheets etc.

The Invoice will be Provided as an Excel Document

Fill out the Remit To, Award Total, and CDBG Subrecipient Agreement #. Your invoice may have these prefilled

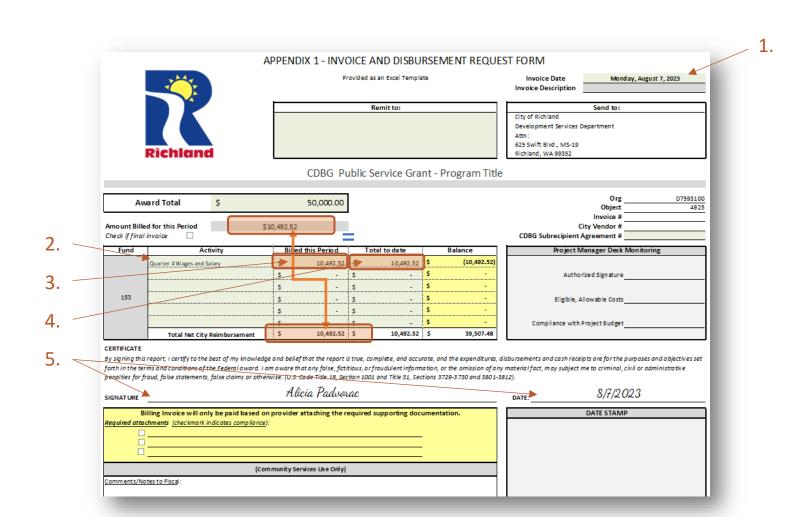


Remit to: Enter the non-profit's name, contact person, and address

CDBG Subrecipient Agreement is the number found in the right corner of your contract with the City

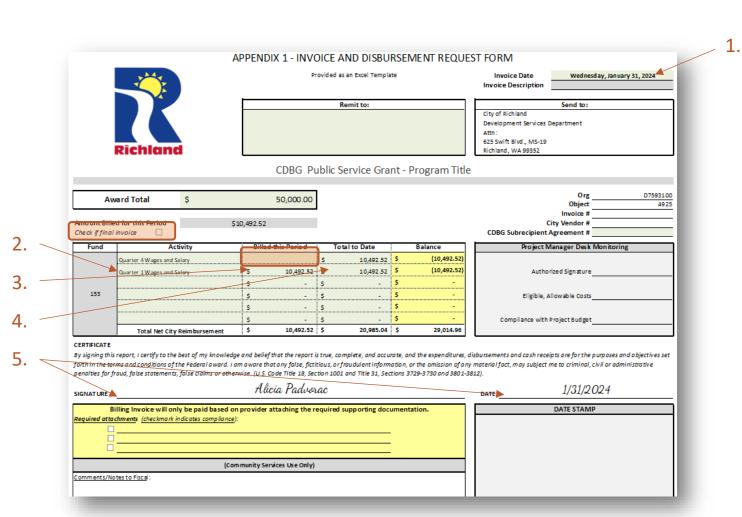
How To Fill out **Initial** Invoice for: Wages & Salary Reimbursement

- Invoice Date
- 2. The activity that occurred
- 3. Amount you are requesting for this invoice
- 4. The first invoice, **Total to date** should match **Billed this Period**.
- 5. Sign and Date
- •Amount Billed for this Period and Total Net City Reimbursement should match.



How To Fill out Subsequent / Final Invoices for: Wages & Salary Reimbursement

- Start with last invoice submitted.
- Delete **Billed this Period** values (*do not delete* **Activity** or **Total to Date** values).
 - 1. Update the Invoice Date
 - 2. Add new Activity/Activities
 - 3. Add your **Billed this Period** amounts
 - Add Total to Date amount(s) with the new
 Billed this Period amounts
 - 5. Sign and Date
- •Amount Billed for this Period and Total Net City Reimbursement should match.
- Make sure Check if Final Invoice box is checked if this is your final invoice. By checking this box your project will be closed out.



Client Specific Reimbursement

Submit the following documents:



CDBG Invoice and Disbursement Request Form



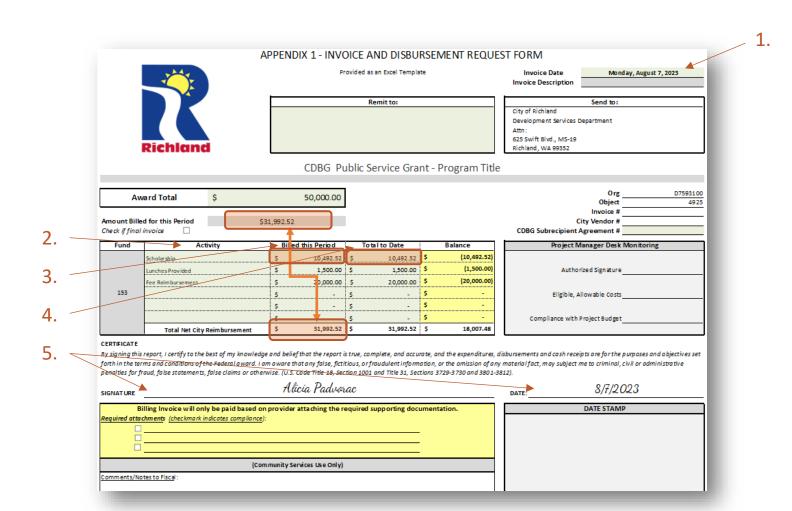
Agency Invoice



Back-up documentation

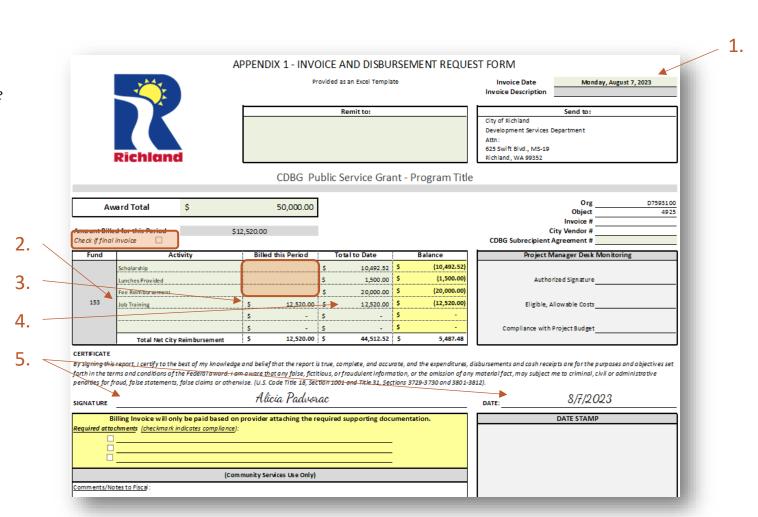
How To Fill out **Initial** Invoice for: **Client Specific Reimbursement**

- Fill in the green cells.
 - 1. Invoice Date
 - 2. The activity/activities that occurred
 - 3. Amount you are requesting for this invoice
 - 4. The first invoice, **Total to date** should match **Billed this**Period.
 - 5. Sign and Date
- Amount Billed for this Period and Total Net City Reimbursement should match.



How To Fill out Subsequent / Final Invoices for: Client Specific Reimbursement

- Start with last invoice submitted.
- Delete **Billed this Period** values (*do not delete* **Activity** or **Total to Date** values).
- Fill in the green cells.
 - 1. Update the Invoice Date
 - 2. Add new items to **Activity**
 - 3. Add Billed this Period amount(s)
 - Add Total to Date amount(s) to new Activity item(s)
 - 5. Sign and Date
- •Amount Billed for this Period and Total Net City Reimbursement should match.
- Make sure *Check if Final Invoice* box is checked if this is your final invoice. If marked your project will be closed out.



COMPLETING AN INVOICE FOR MULTIPLE ACTIVITIES

You can submit a single invoice for multiple Activity types

- You can combine Wages and Salary, Client Specific, and/or Contractor Reimbursements into one invoice.
- Under <u>Activity</u> list all eligible expenses.
 - 1. Invoice Date
 - 2. The activity/activities that occurred
 - 3. Amount you are requesting for this invoice
 - 4. The total amount to date that has been requested for this line item.
 - 5. Sign and Date

5

APPENDIX 1 - INVOICE AND DISBURSEMENT REQUEST FORM

Richland

Provided as an Excel Template Invoice Date Invoice Description

Send to:

City of Richland

Development Services Department

Attn:
625 Swift Blvd., MS-19

Richland, WA 99352

Monday, August 7, 2023

CDBG Public Service Grant - Program Title

Award Total 50,000.00 4925 Invoice : \$39,490.28 City Vendor # heck if final invoice CDBG Subrecipient Agreement # Activity Billed this Period Total to Date Balance Project Manager Desk Monitoring 10,492.52 \$ (10,492.52) Quarter 2 Wages and Salary 10,492.52 10.492.52 \$ (10,492.52) Authorized Signature cholarships (1,750.00) 1.750.00 1.750.00 \$ 8,312.22 \$ 8,312.22 \$ (8,312.22) ane Doe Electrical Eligible, Allowable Costs (18,935.54) 18,935.54 \$ 18,935.54 \$ Compliance with Project Budget Total Net City Reimbursement \$ 39,490.28 \$ 49,982.80 \$ 17.20

EDTICIOATE -

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

SIGNATURE Alicia Padivorac	DATE:	8/t/2023
Billing Invoice will only be paid based on provider attaching the required supporting documentation. Required attachments (checkmark indicates compliance):		DATE STAMP
CHECKNOK MUKOLES COMPRONES.		
(Community Services Use Only)		
Comments/Notes to Fiscal:		
Coff Sinch Standard (Sinch)		
Sufficient Funds Budgeted (fiscal):		City Use only

1

QUARTERLY REPORTS
FOR PUBLIC SERVICE
CONTRACTS AND
REQUIRED
DOCUMENTATION

Fill in green sections based on which quarter you are reporting for (Do not delete the information from the previous quarters):

This section should be prefilled for you. If not, enter the information in the green sections

1. THE TOTAL NUMBER OF UNDUPLICATED PERSONS ASSISTED: (# of persons you provided services for)

OF THE TOTAL NUMBER OF PERSONS ASSISTED: What type of service did they receive? (must total # of unduplicated persons assisted)

If the unduplicated person is a Single Female, Head of Household, Elderly or Disabled list here

2. BENEFICIARY INCOME DATA:

Which income level does the unduplicated person fall under? (total must be the same as # 1 unduplicated personas assisted)



QUARTERLY BENEFICIARY REPORT

CDBG PUBLIC SERVICE

Reporting Period:	
1st Quarter (January-March)-Due on April 15th	3rd Quarter (July-September)-Due on October 15th
2nd Quarter (April-June)-Due on July 15th	4th Quarter (October-December)-Due on January 15th

Subrecipient Name:	
Address:	
CDBG Project Name:	

	1st	2nd	3rd	4th	
1. THE TOTAL NUMBER OF:	Quarter	Quarter	Quarter	Quarter	Cumulative
UNDUPLICATED PERSONS ASSISTED					0
OF THE TOTAL NUMBER OF PERSONS ASSIST	ED, THE NUI	MBER OF PE	RSONS:		
RECEIVED MEALS					0
PREVENTED FROM BECOMING HOMELESS					0
PARTICIPATE IN					
RECREATIONAL/EDUCATIONAL ACTIVITIES					0
RECEIVED LIFE SKILLS & DRUG/ALCOHOL					
RECOVERY ASSISTANCE					0
OF THE TOTAL NUMBER OF PERSONS ASSISTED, THE NUMBER OF PERSONS:					
SINGLE FEMALE HEAD OF HOUSEHOLD					0
ELDERLY					0
DISABLED					0

2. BENEFICIARY INCOME DATA							
	1st	2nd	3rd	4th			
% OF AREA MEDIAN INCOME	Quarter	Quarter	Quarter	Quarter	Cumulative		
At or Below 30% (EXTREMELY LOW)					0		
Above 30% and at or Below 50% (LOW)					0		
Above 50% and at or Below 80% (MODERATE)					0		
Above 80% (NON LOW/MODERATE)					0		
TOTALS	0	0	0	0	0		

3 RACE DATA OF BENEFICIARIES:

Document race data of each unduplicated person (total must be the same as # 1 unduplicated personas assisted)

4 EXPENDITURE OF FUNDS:

Funds spent during the quarter for the # of unduplicated persons.

Sign, date, name, title and phone #, then scan and email to me

	1st	Quarter	2nd	Quarter	3rd	Quarter	4th	Quarter	Cun	nulative
		# of								
3. RACE DATA OF BENEFICIARIES	#	Hispanic								
WHITE									0	0
BLACK/AFRICAN AMERICAN									0	0
ASIAN									0	0
AMERICAN INDIAN/ALASKAN NATIVE									0	0
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER									0	0
AMERICAN INDIAN ALASKAN NATIVE AND WHITE									0	0
ASIAN AND WHITE									0	0
BLACK/AFRICAN AMERICAN AND WHITE									0	0
AMERICAN INDIAN/ALASKAN NATIVE AND										
BLACK/AFRICAN AMERICAN									0	0
OTHER MULTI RACIAL									0	0
TOTALS	0	0	0	0	0	0	0	0	0	0

HISPANIC*= HUD Has designated Hispanic as an ethnic group. A person can be identified as both a member of a racial group and an ethnic group, but cannot be designated only as an ethic group

4. EXPENDITURE OF FUNDS					
SOURCES	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Cumulative
CDBG					\$0.00
OTHER (LIST BELOW)					
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
TOTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity. I further certify that no duplication of benefit has occurred.

Signature	Date of Signature		
	Phone #		

Print Name and Title Above

EXAMPLES OF PUBLIC SERVICE QUARTERLY REPORTS

Reporting Period:					
1st Quarter (January-March)-Due on April 15th	3rd Quarter (July-September)-Due on October 15th				
2nd Quarter (April-June)-Due on July 15th		4th Quarter (0	October-Dece	ember)-Due o	n January 15th
Subrecipient Name:	The Best No	on-Profit in th	ne Tri-Cities		
Address:	123 Best La	ne Richland, \	NA 99352		
CDBG Project Name:	Life Skills P	rogram			
	1st	2nd	3rd	4th	
1. THE TOTAL NUMBER OF:	Quarter	Quarter	Quarter	Quarter	Cumulative
UNDUPLICATED PERSONS ASSISTED	18				18
OF THE TOTAL NUMBER OF PERSONS ASSIST	ED, THE NU	MBER OF PE	RSONS:		
RECEIVED MEALS					0
PREVENTED FROM BECOMING HOMELESS					0
PARTICIPATE IN					
RECREATIONAL/EDUCATIONAL ACTIVITIES					0
RECEIVED LIFE SKILLS & DRUG/ALCOHOL					
RECOVERY ASSISTANCE	18				18
OF THE TOTAL NUMBER OF PERSONS ASSIST	ED, THE NU	MBER OF PE	RSONS:		
SINGLE FEMALE HEAD OF HOUSEHOLD	2				2
ELDERLY	1				1
DISABLED	3				3
2. BENEFICIARY INCOME DATA					
	1st	2nd	3rd	4th	
% OF AREA MEDIAN INCOME	Quarter	Quarter	Quarter	Quarter	Cumulative
At or Below 30% (EXTREMELY LOW)	7				7
Above 30% and at or Below 50% (VERY LOW)	9				9
Above 50% and at or Below 80% (LOW)	2				2
Above 80% (NON LOW)					C
TOTALS	18	0	0	0	18

QUARTERLY BENEFICIARY REPORT

CDBG PUBLIC SERVICE

	1st	Quarter	2nd	Quarter	3rd	Quarter	4th	Quarter	Cur	nulative
3. RACE DATA OF BENEFICIARIES	#	# of Hispanic	#	# of Hispanic	#	# of Hispanic	#	# of Hispanic	#	# of Hispanic
WHITE	7	4			48	02/02/03/03	HEE		7	4
BLACK/AFRICAN AMERICAN	2				PERMIT		A PERM		2	C
ASIAN	945 KB	3 1 1 1 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-		# 30 W		Marie B		0	C
AMERICAN INDIAN/ALASKAN NATIVE	-								0	C
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER			NE	OPA	ΛΛ	TIO	V	DNLY	0	C
AMERICAN INDIAN ALASKAN NATIVE AND WHITE	3		IVI	UNA		1101	AC	IVLI	3	C
ASIAN AND WHITE	2		10000000		- English				2	C
BLACK/AFRICAN AMERICAN AND WHITE	100		Hiller			11012	-135-1		0	C
AMERICAN INDIAN/ALASKAN NATIVE AND BLACK/AFRICAN AMERICAN	3								3	C
OTHER MULTI RACIAL	1				DE ALE				1	0
TOTALS	18	4	0	0	0	0	0	0	18	4

HISPANIC*= HUD Has designated Hispanic as an ethnic group. A person can be identified as both a member of a racial group and an ethnic group, but cannot be designated only as an ethic group

4. EXPENDITURE OF FUNDS					
SOURCES	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Cumulative
CDBG	\$2,465.00				\$2,465.00
OTHER (LIST BELOW)					
General Fund	\$415.00				\$415.00
					\$0.00
	IEODAA	ATION	ONIV		\$0.00
		AIIUN	UNLI		\$0.00
					\$0.00
					\$0.00
					\$0.00
TOTALS	\$2,880.00	\$0.00	\$0.00	\$0.00	\$2,880.00

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity. I further certify that no duplication of benefit has occurred.

Signature //	Date of Signature	12.11.73
	Phone #	509, 942. 7580
Print Name and Title Above		

DOCUMENTATION TO ATTACH WITH QUARTERLY REPORT



Documentation to Attach to Quarterly Reports for PRESUMED ELGIBILITY

Group	Income Level
Abused Children	Extremely low income
Elderly (over 62)	Moderate income (for center-based services such as a senior center) Low income (non-center-based services)
Battered Spouses	Low income
Homeless persons	Extremely low-income
Severely disabled adults	Low income (unless income is obtained placing them in a different category).
Illiterate adults	Low income
Persons with AIDS	Low income
Migrant farm workers	Low income

Abused Children

- Children under the age of 18 who have:
- Been sexually abused
- Been exploited
- Had a physical injury
- Experienced negligent treatment / maltreatment under circumstances, which cause harm to the child's health, welfare, or safety
- Negligent treatment or maltreatment means an act, a failure to act, or the cumulative pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such a magnitude as to constitute a clear and present danger to a child's health, welfare, or safety.
- Poverty, homelessness, or exposure to domestic violence as defined in RCW 26.50.010 that is perpetrated against someone other than the child does not constitute negligent treatment or maltreatment in and of itself. Evidence of a parent's or caregiver's substance abuse as a contributing factor to negligence or maltreatment will be considered.



• A person at least 62 years of age or older.



- A person aged 18 or older who has:
- Been a victim of abusive, violent behavior
- Received threat of abuse or violence, by a partner in an intimate relationship such as marriage, dating, family, friends, or cohabitation.

Homeless Persons

Individual who lacks a fixed, regular, and adequate nighttime residence, and who has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill).
- An institution that provides a temporary residence for individuals intended to be institutionalized.
- A public or private place not designed for, ordinarily used as, a regular sleeping accommodation for human beings.

Severely Disabled Adults

Persons aged 18 or older and are classified as having a severe disability if they:

- Have used a wheelchair or another special aid for 6 months or longer;
- Were unable to perform one or more:
 - o Functional activities (include seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs, and walking).
 - Activities of daily living (getting around inside the house, getting in and out of bed or a chair, bathing, dressing, eating, and toileting).
 - o Instrumental activities of daily living (independently going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone).
- Prevented from working at a job or doing housework.
- Had a condition including Autism, Cerebral Palsy, Alzheimer's disease, senility, or intellectual disability.
- Persons who are under 65 years of age and who are covered by Medicare or receive SSI.



 Persons aged 18 or older who are not able to read, write, and communicate language clearly. Person Living
With The
Disease Aids

The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV).



A U.S. Citizen or legal alien who moves from a permanent place of residence in order to be employed in agricultural work, and the transient nature of their work limits them from obtaining any permanent type of local residency and federal/state assistance. Seasonal farm workers perform similar work but do not move from their primary residence for the purpose of seeking farm employment and are not eligible under the presumed benefit category.

DOCUMENTATION TO MEET THE CDBG NATIONAL OBJECTIVE UNDER PRESUMED BENEFIT

- Agencies serving a presumed benefit clientele must retain in the client file and provide with quarterly report, substantiation of the client's eligibility presumption category.
- A signed and dated self-certification form stating that the assisted person qualifies based on a specific presumed benefit category.
- Documentation of presumed eligibility includes:
 - A current written letter from their doctor, case-manager, or other professional third-party entity, or
 - Proof of receiving federal or state benefits such as social security award letters, supplemental security award letters, placement as a foster child, etc.

Exhibit D Presumed Eligibility Self Certification Form

First Name	Last Nam	ne
Address		
Female Head	of Household (not applicable to 1 person	households) Yes No
Disabled	Yes No	
Ethnicity (select one)	Not Hispanic Hispanic	
	White	American Indian / Alaskan Native AND White
	Black / African American	Asian AND White
Race	Asian	Black / African American AND White
(select one)	American Indian / Alaskan Native	American Indian / Alaskan Native AND
	Native Hawaiian / Other Pacific Islander	Black / African American
	Other multi-racial (list):	
EI Ba Ho	bused Children derly Person (62+) attered Spouse / Domestic Violence Victim omeless Person everely Disabled Adult (18+) per U.S. Census Definiterate Adults eople with AIDS ligrant Farm Workers	nition
to the best of m Washington Sta	y knowledge. I realize that willful falsification by me n	iiven by me in this application is true, correct and complete nay subject me to penalties as provided in federal and ifully misrepresented any information, I will be disqualified
	Client Signature	Date
	Agency Signature	Date

To be Submitted with Quarterly Report



Public Service activities are based on total <u>GROSS</u> family annual income not to exceed 60% of AMI.

2024 INCOME LIMITS CDBG - May 1, 2024 / HOME - June 1, 2024

		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
EXTREMELY LOW-INCOME	(30% AMI)	\$21,000	\$24,000	\$27,000	\$29,950	\$32,350	\$34,750	\$37,150	\$39,550
VERY LOW-INCOME	(50% AMI)	\$35,000	\$40,000	\$45,000	\$49,950	\$53,950	\$57,950	\$61,950	\$65,950
PROJECT SPECIFIC	(60% AMI)	\$42,000	\$48,000	\$54,000	\$59,940	\$64,740	\$69,540	\$74,340	\$79,140
LOW-INCOME	(80% AMI)	\$55,950	\$63,950	\$71,950	\$79,900	\$86,300	\$92,700	\$99,100	\$105,500

[^] Calculate AMI for a more than 9-person household by adding 8% for each member over 4-person AMI (e.g., 9 person is 140% of 4-person AMI).

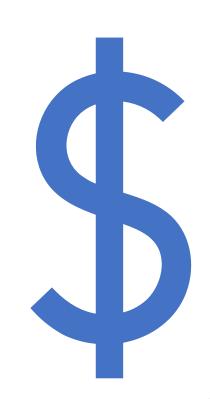
Family Definition: All persons living in the same household who are related by birth, marriage, or adoption.

FAMILY DEFINITION

A child who is subject to a shared-custody agreement in which the child resides with the household at least fifty-one percent (51%) of the time can be counted in the family size. For a child who is subject to a shared-custody agreement in which the child resides with each family / household fifty percent (50%) of the time, determination of inclusion will be based on eligibility as a dependent for income tax purposes.

Annual income requirements are based on 24 CFR PART 5.

- All income earned by all adults (18+) within the household (even if temporarily absent).
- Unearned income attributed to a minor under the age of 18 (e.g., child support, TANF payments, SSI payment, and other benefits paid on behalf of a minor).
- All earned and unearned income anticipated to be received during the next 12 months.



Income to Include:

Current income (before any payroll deductions), of wages and salaries, overtime pay

Commissions, fees, tips, bonuses, and other compensation for personal services

The net income from operation of a business or profession.

Interest, dividends, and other net income.

Full amount of period payments (retirements, death benefits etc.)

Payment in lieu of earnings (unemployment, disability, worker's comp)

Welfare assistance

Periodic and determinable allowances (alimony, child support)

Regular and special pay for Armed Forces

Income to exclude:

- Income from employment of children under 18 years old (including foster care)
- Lump sum to assets such as inheritance, insure payments
- Amounts received specifically for medical costs for any family member
- Income of a live-in aide
- Student financial aid
- Special pay to a family member in Armed Forces who is exposed to hostile fire
- Amount received by other publicly funded program specifically for reimbursement of out-of-pocket expenses
- Incremental earnings resulting from participating in qualifying state or local employment training program
- Earnings in excess of \$480.00 per month for each full-time student 18 years and older
- Adoption assistance in excess of \$480.00 per month per adopted child
- Income recently terminated that is not anticipated to be received again during the next 12 months

For specific circumstances refer to the guide and / or call me

Documentation of income may include, but is not limited to:

- Current employment paystubs showing payment period and year to date gross earnings.
- Verification of employment signed and dated by the employer showing gross total earnings and
- paid through date.
- Most current year income tax return with W2s, 1099s, etc.
- Current profit / loss statement, if self-employed.
- Benefit award letters.
- Six months of bank statements.
- Unemployment or disability benefit statement.
- Court orders or decrees.
- Verification of full-time student status, if aged 18 or older.

Annualizing Wages and Periodic Payments

- Review two (2) months current source documentation and the most recent income tax
 return with supporting W2's, 1099's, etc. (self-employment may need to take an average
 of 3 years).
- Add the documented gross amount earned from the two most current source documents.
- Use the following calculations to convert the average wage into annual income:
 - Hourly wage multiply the hourly wage by the number of hours worked per week multiplied by 52
 - Weekly wage multiply the weekly wage by 52
 - Bi-weekly wage (every other week) multiply the bi-weekly wage by 26
 - Semi-monthly wage (twice a month) multiply the semi-monthly wage by 24
 - Monthly wage multiply the monthly wage by 12

PERIODIC EMPLOYMENT

• To annualize other than full-time income, multiply the wages by the actual number of hours or weeks the person is expected to work.

PUBLIC ASSISTANCE

• For public assistance benefits (e.g., SSI, food stamps), a benefits statement received any time within the twelve months prior to the time of application and reflecting current benefits received by an applicant is allowed. A copy of a recent bank statement indicating direct deposit of benefit(s) is also acceptable.

ZERO INCOME

• If there is an adult member listed on the application form who does not receive any income, the *Certification of Zero Income* form needs to be completed.

Calculation to Determine Eligibility

To determine eligibility, review the income limits table on the Public Service Participation and Income form with the family size. Is the family income for the household size sixty percent(60%) or less than the Area Median Income?

If so, the family / individual will qualify for the program based on income.

Worksheet to include with Quarterly Report

Public Service Participation and Income Worksheet

Name	of Participant								
Addres	55								
Head	of Household					F	emale Head o	of Household	Yes / No
Numbe	er of People in Family	Ho	usehold type	1-Single,	Non-Elderly 2	-Elderly 3-Sin	gle Parent 4-	Two Parents	5-Other
		Person 1	Per	son 2	Person 3	P	erson 4	Perso	n 5
_	s / Salary* e payroll deductions)								
Net In									
(from	operation of a business)								
Intere	st / Dividends								
Social	Security								
Retire	ment Funds								
Pensio	ons								
Disabi	lity or Death Benefits								
Annui	ties								
Insura	nce Policies								
TOTAL	L (Add all items above)								
*Includ	des overtime, commissions, fees,	tips, and bonuses.	•	'		'			
Tabel 6		10							
TOLAT	Gross Income (of everyone over								
				2	024 INCOMI	ELIMITS			
				DBG - May	1, 2024 / H	OME - June	1, 2024		
			1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON
1	EXTREMELY LOW-INCOME	(30% AMI)	\$21,000	\$24,000	\$27,000	\$29,950	\$32,350	\$34,750	\$37,150
1	VERY LOW-INCOME	(50% AMI)	\$35,000	\$40,000	\$45,000	\$49,950	\$53,950	\$57,950	\$61,950
-	PROJECT SPECIFIC	(60% AMI)	\$42,000	\$48,000	\$54,000	\$59,940	\$64,740	\$69,540	\$74,340
	LOW-INCOME	(80% AMI)	\$55,950	\$63,950	\$71,950	\$79,900	\$86,300	\$92,700	\$99,100
	Calculate AMI for a more tha	in 9-person nousen	iold by adding	6% for each n	nember over 4	-person Alvii (e	.g., 9 person i	s 140% or 4-pe	rson AMII).
Perce	ntage Area Median Income			30% 5	50% 60%	80%			
Use yo	ur household gross income and t	the table above to d	etermine Perce	intage Area Me	edian Income.				
		falsification by me ma	y subject me to p	enalties as provi	ded in federal and	d Washington Sto	te Law RCW 74.0	08.055.	je.
	I understand t	hat if I have willfully m	isrepresented an	y Information, 1 i	will be disqualified	1 from participati	on in the Program	п.	
		Client Signature					Date		

Page 2

Public Service Participation and Income Worksheet

	Person 1	Person 2	Person 3	Person 4
First Name				
Last Name				
Age				
Senior (62+)				
Disabled				
Race				
White				
Black / African American				
Asian				
American Indian / Alaskan Native				
Native Hawaiian / Other Pacific Islander				
American Indian / Alaskan Native AND White				
Asian AND White				
Black / African American AND White				
American Indian / Alaskan Native AND Black / African American				
Other multi-racial (list):				
Ethnicity				
Hispania				
Not Hispanic				

By signing below, I declare under penalty of law that the information given by me in this application is true, correct and complete to the best of my knowledge. I realize that willful fabrification by me may subject me to penalties as provided in federal and Washington State Law RCW 74.08.055. I understand that if I have willfully interpresented any information, I will be disqualified from participation in the Program.

Client Signature	Date
Agency Signature	Date

Zero Income Certification



Certification of Zero Income

This form is to be completed by a household member aged 18 or older who claims no income from any source.
Name:
I hereby certify that:
(1) I do not receive income from any of the following sources:
 a) Wages from employment (including commissions, tips, or bonuses) b) Alimony, child support, or maintenance c) Income from operation of a business or farm d) Rental income from real estate or personal property e) Interest or dividends from financial assets f) Social Security payments or pension payments, including death benefits g) Payments from annuities, insurance policies, or retirement funds h) Unemployment, disability, workman's compensation, or severance payments i) Public assistance payments (excluding SNAP) j) Recurring gifts from organizations or persons outside my household k) Alaska PFD, other State, Native American Tribal, or Native Alaskan Village Corporation
distributions or dividends (2) Choose all that apply:
□ There is no change expected in my income or employment status during the next 12 months*. □ I am looking for employment. I have been unemployed since □ I am currently a student or in an unpaid apprentice program and not receiving income. (3) The information provided above is true, complete and accurate. I understand that providing fals representations herein may constitute an act of fraud. I acknowledge information provided is being used for specific purpose of determining my household is eligible to receive the benefit of CDBG products. It fully cooperate with the Program Administrator and Member to obtain or provide any necessary
Signature Date

*If a person is expecting a change in their income or employment status during the next 12 months, income from those sources should be verified and included in calculation of income. For example, if the person has an offer of employment, or is on temporary leave of absence or laid off from their employer, income from those sources should be included in income calculation.

ANNUAL REPORTS FOR PUBLIC SERVICE CONTRACTS

The first page of the Annual Report (all gray sections) prefills from your quarterly reports. After your fourth quarter report is completed, ensure the numbers match the quarterly report numbers.



ANNUAL BENEFICIARY REPORT - Exhibit B

FOR CDBG PUBLIC SERVICE JANUARY 1 - DECEMBER 31 (DUE ANNUALLY BY JANUARY 15)

Subrecipient Name:	The Best Non-Profit in the Tri-Cities
Address:	123 Best Lane Richland, WA 99352
CDBG Project Name:	Life Skills Program

THE TOTAL NUMBER OF:	CONTRACTOR OF THE PARTY OF THE
UNDUPLICATED PERSONS ASSISTED	60
OF THE TOTAL NUMBER OF PERSONS ASSISTED, THE NUMBER OF PERSONS:	
RECEIVED MEALS	1 0
PREVENTED FROM BECOMING HOMELESS	0
PARTICIPATE IN RECREATIONAL/EDUCATIONAL ACTIVITIES	0
RECEIVED LIFE SKILLS & DRUG/ALCOHOL RECOVERY ASSISTANCE	60
OF THE TOTAL NUMBER OF PERSONS ASSISTED, THE NUMBER OF PERSONS:	
SINGLE FEMALE HEAD OF HOUSEHOLD	3
ELDERLY	6
DISABLED	3

	YEAR END			
RACE DATA OF BENEFICIARIES	#	# of Hispanic		
WHITE	29	11		
BLACK/AFRICAN AMERICAN	2	0		
ASIAN	5	0		
AMERICAN INDIAN/ALASKAN NATIVE	5	0		
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER	0	0		
AMERICAN INDIAN ALASKAN NATIVE AND WHIT	3	0		
ASIAN AND WHITE	11	3		
BLACK/AFRICAN AMERICAN AND WHITE	0	0		
AMERICAN INDIAN/ALASKAN NATIVE AND BLACK/AFRICAN AMERICAN	4	1		
OTHER MULTI RACIAL	1	0		
TOTALS	60	15		

NCOME DATA	YEAR END BENEFICIARY IN
INCOME	% OF AREA MEDIAN IN
MELY LOW)	At or Below 30% (EXTREME
VERY LOW)	Above 30% and at or Below 50% (VE
80% (LOW)	Above 50% and at or Below 8
(NON LOW)	Above 80% (N
TOTALS	

This section in gray is prefilled from your quarterly reports – please ensure the numbers match.

Describe your outcomes and accomplishments for the project associated with CDBG funds.

Changes made to the project from the initial project outlined in the application.

Did you complete all your outcomes? If not, what occurred and when do you anticipate it being completed?

Signature, date, name, title and phone number, sign, scan and email to me.

\$9,739.00
\$830.00
\$400.00
\$0.00
\$0.00
\$0.00
\$0.00
\$0.00
\$10,969.00

1. Describe project Outcomes and Accomplishments for program year:

2. Describe any changes to the project the program year:

3. Is the project complete? If not describe setbacks and delays. When will the project be complete?

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity.

Signature Date of Signature
Phone #

Print Name and Title Above

EXAMPLE OF COMPLETED ANNUAL REPORT



ANNUAL BENEFICIARY REPORT - Exhibit B

FOR CDBG PUBLIC SERVICE JANUARY 1 - DECEMBER 31 (DUE ANNUALLY BY JANUARY 15)

Subrecipient Name:	The Best Non-Profit in the Tri-Cities
Address:	123 Best Lane Richland, WA 99352
CDBG Project Name:	Life Skills Program

THE TOTAL NUMBER OF:	
UNDUPLICATED PERSONS ASSISTED	60

OF THE TOTAL NUMBER OF PERSONS ASSISTED, THE NUMBER OF PERSONS:	
RECEIVED MEALS	0
PREVENTED FROM BECOMING HOMELESS	0
PARTICIPATE IN RECREATIONAL/EDUCATIONAL ACTIVITIES	0
RECEIVED LIFE SKILLS & DRUG/ALCOHOL RECOVERY ASSISTANCE	60
OF THE TOTAL NUMBER OF PERSONS ASSISTED, THE NUMBER OF PERSONS:	
SINGLE FEMALE HEAD OF HOUSEHOLD	3
ELDERLY	6
DISABLED	3

	YEAR END			
RACE DATA OF BENEFICIARIES	#	# of Hispanic		
WHITE	29	11		
BLACK/AFRICAN AMERICAN	2	0		
ASIAN	5	0		
AMERICAN INDIAN/ALASKAN NATIVE	5	0		
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER	0	0		
AMERICAN INDIAN ALASKAN NATIVE AND WHIT	3	0		
ASIAN AND WHITE	11	3		
BLACK/AFRICAN AMERICAN AND WHITE	0	0		
AMERICAN INDIAN/ALASKAN NATIVE AND BLACK/AFRICAN AMERICAN	4	1		
OTHER MULTI RACIAL	1	0		
TOTALS	60	15		

YEAR END BENEFICIARY INCOME DATA	
% OF AREA MEDIAN INCOME	TO SEE MAN
At or Below 30% (EXTREMELY LOW)	26
Above 30% and at or Below 50% (VERY LOW)	22
Above 50% and at or Below 80% (LOW)	22 12
Above 80% (NON LOW)	0
TOTALS	60



ANNUAL BENEFICIARY REPORT - Exhibit B

FOR CDBG PUBLIC SERVICE JANUARY 1 - DECEMBER 31 (DUE ANNUALLY BY JANUARY 15)

Subrecipient Name:	The BestNon-Profit in the Tri-Cities
Address:	123 Best Lane Richland, WA 99352
CDBG Project Name:	Life Skills Program

EXPENDITURE OF FUNDS	
SOURCES	AND THE PERSON NAMED IN
CDBG FUNDS	\$9,739.00
OTHER (LIST BELOW)	
General Fund	\$830.00
Private Donor	\$400.00
0	\$0.00
0	\$0.00
0	\$0.00
0	\$0.00
0	\$0.00
TOTALS	\$10,969.00

1. Describe project Outcomes and Accomplishments for program year:

In the initial CDBG application our goal was to provide 50 people with life skills training. The Life Skills program was able to serve 60.

Describe any changes to the project the program year:

The Best Non-Profit hired a part-time person to specifically focus on life skills training. This allowed for additional mentorship and being able to serve an additional 10 people.

3. Is the project complete? If not describe setbacks and delays. When will the project be complete?

The quarter 4 participants are yet to complete the final portion of the training due to staff illness and weather conditions. They are set to finish the final portion by 1-31-23.

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity.

Signature \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Date of Sign	ature (.(2.50)
Toni Lehman, Director	Phone #	509-942-7580

Print Name and Title Above

QUARTERLY REPORTING
FOR CDBG
PUBLIC FACILITY
SUBRECIPIENTS

This section should be prefilled for you. If not, enter the information in the green sections

1. THE TOTAL NUMBER OF UNDUPLICATED PERSONS ASSISTED: (# of persons you provided services for) If this section doesn't apply leave blank.

2. RACE DATA OF BENEFICIARIES:

Document race data of each unduplicated person (total must be the same as # 1 unduplicated personas assisted)

If this position doesn't apply leave blank.

PROGRESS MADE DURING THIS QUARTER:

What has been completed this quarter on the Scope or Work.

Changes that need to be made from the original application.



Exhibit A - Pg. 1

QUARTERLY BENEFICIARY REPORT

Public Facilities

Reporting Period:					1					
1st Quarter (January March) Due on April 15th 3rd Quarter (July September) Due on October 15th										
2nd Quarter (April-June) Due on July 15th		4th Quarter (Octobe	r-December)-Due (on January 15th						
Subrecipient Name:										
Address:										
CDBG Project Name:										
		lst	2r		3rc			th	Cumu	ative
1. THE TOTAL NUMBER OF:	Qua	arter	Qua	rter	Quar	ter	Qua	arter		
UNDUPLICATED PERSONS ASSISTED									0	
	4-40	uarter	2-4.0		3rd Qu		44.0		Cumu	
	1810	#of	Zna Q	2 nd Quarter # of		#of	4th G	Quarter # of	Cumu	# of
2. RACE DATA OF BENEFICIARIES	#	Hispanic	#	Hispanic	#	Hispanic	#	Hispanic	#	Hispanic
WHITE						_	_		0	
BLACK/AFRICAN AMERICAN									0	0
ASIAN									0	0
AMERICAN INDIAN/ALASKAN NATIVE									0	0
NATIVE HAWAIIAN OTHER PACIFIC ISLANDER									0	0
AMERICAN INDIAN ALASKAN NATIVE AND WHITE									0	0
ASIAN AND WHITE BLACK/AFRICAN AMERICAN AND WHITE									0	0
AMERICAN INDIAN/ALASKAN NATIVE AND									U	
BLACK/AFRICAN AMERICAN									0	0
OTHER MULTI RACIAL									0	0
TOTALS	0	0	0	0	0	0	0	0	0	0
Progress Made During This Quarter:										
-										
Changes to Project from Original Application:										

EXPENDITURE OF FUNDS:

Funds spent during the quarter on the CDBG project.

Anticipation date when the entire CDBG funded project will be completed.

Signature, date, name, title and phone number. Sign, scan and email to me.

EXPENDITURE OF FUNDS					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Cumulative
CDBG Allocation					
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
TOTALS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	******	******	*****	V	*****

Anticipated Project Completion Date:	

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity. I further certify that no duplication of benefit has occurred.

Signature	Date of Signature	
	Phone #	

Print Name and Title Above

EXAMPLE OF COMPLETED PUBLIC FACILITY QUARTERLY REPORT

tichtand

QUARTERLY BENEFICIARY REPORT Public Facilities

Reporting Period:	
1st Quarter (January-March)-Due on April 15th	3rd Quarter (July-September)-Due on October 15th
2nd Quarter (April-June)-Due on July 15th	4th Quarter (October-December)-Due on January 15th

Subrecipient Name;	Best Public Shelter
Address:	8675309 Best Street Richland, WA 99352
CDBG Project Name:	remodel of common area
CDBG Floject Name,	tendue of common area

1. THE TOTAL NUMBER OF:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Cumulative
UNDUPLICATED PERSONS ASSISTED	14	15			29

	1st Qu	arter	2nd Qu	arter	3rd C	luarter	4th Q	uarter	Cumula	tive
3. RACE DATA OF BENEFICIARIES	#	# of Hispanic	#	# of Hispanic	#	# of Hispanic		# of Hispanic		# of Hispanic
WHITE	8	3	7	2	AND DESCRIPTION OF THE PERSON NAMED IN			Street, Square, or other party of the last	15	5
BLACK/AFRICAN AMERICAN	A STATE OF THE REAL PROPERTY.		The state of the s	STATE OF THE PERSON NAMED IN					0	C
ASIAN	ALC: UNKNOWN	Control of the last of the las					Section 19 Section 19		0	0
AMERICAN INDIAN/ALASKAN NATIVE		THE RESERVE TO SHARE THE					Name and Address of the Owner, where the Owner, which is the Owner, which is the Owner, where the Owner, which is the Owner,		0	0
NATIVE HAWAIIAN/OTHER PACIFIC ISLANDER	4	The second second second	4						8	#VALUE!
AMERICAN INDIAN ALASKAN NATIVE AND WHITE			THE PERSON NAMED IN				THE RESIDENCE OF		0	0
ASIAN AND WHITE							THE RESERVE		0	0
BLACK/AFRICAN AMERICAN AND WHITE			3				THE PERSON NAMED IN		3	0
AMERICAN INDIAN/ALASKAN NATIVE AND BLACK/AFRICAN AMERICAN							THE REAL PROPERTY.		0	0
OTHER MULTI RACIAL	2	A STATE OF THE PARTY OF THE PAR		CONTRACTOR OF THE PARTY OF THE		CONTRACTOR OF STREET			2	0
TOTALS	14	3	1	2	0	0	0	0	15	5

Progress N	lade Dunin	g This	Quarter:
------------	------------	--------	----------

This quarter we have received three bids for the painting and flooring. Two of the three bids received for flooring are registered with SAM.gov. All three bids for the painting are registered with SAM.gov. The bids will be submitted by the end of this week.

The only bids still needed are for the windows.

Changes to Project from Original Application:

Due to the price of the bids received we have decided to only consider painting the interior and will wait for exterior painting,



QUARTERLY BENEFICIARY REPORT CDBG PUBLIC FACILITIES

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Cumulative
CDBG Allocation	\$1,400.00	\$16,520.00			\$17,920.00
Dept of Commerce Grant	\$1,200.00				\$1,200.00
Genreral Fund		\$1,400.00			\$1,400.00
					\$0.00
			THE RESIDENCE OF		\$0.00
	The second second				\$0.00
					\$0.00
TOTALS	\$2,600.00	\$17,920.00	\$0.00	\$0.00	\$20,520.00

Anticipated Project Completion Date:	

The entire project is expected to be completed by December 31, 2024. An extension may be required if flooring is backordered.

By signing, I certify that all Beneficiary information is correct and that the CDBG funds expended are directly attributed to the eligible CDBG activity. I further certify that no duplication of benefit has occurred.

Signature RULL	Date of Signature	5-14-24
Toni Lehman, Director	Phone #	509-942-7580

Print Name and Title Above

Questions?

Website www.ci.richland.wa.us

APPENDIX E SUBRECIPIENT MONITORING

CDBG MONITORING FORM - FOR USE WHEN MONITORING SUBRECIPIENT

DATE OF MONITORING VISIT:
GENERAL ACTIVITY INFORMATION:
HUD Activity Number:
Subrecipient Name:
Subrecipient Representative(s) in attendance:
Specify Type of Activity:
Facades Public Works (COR) Homeownership Public Service (Specify) New Construction Other (Specify)
Specify Type of Assistance: Grant Loan (Specify Loan Terms)
Activities - Description: 1.
2.
3.
Are quarterly reports being submitted by Subrecipients properly and in a timely fashion? (Due April 15, July 15, October 15, January 15 —each for the preceding three months) Yes No If no, explain
Activity Goals and Objectives as stated in statement of work:

Is the agency behind in progress towards the goals identified in the Statement of Work? Yes No If yes, please describe
How many people projected to be served in statement of work and how many actually served to date? If different, explain:
Contract Period: Contract Amount:
Have there been any changes in key management positions at the agency/organization?
If yes, explain
CLIENT FILES:
Who is intended clientele of activity?
Is clientele being served? Yes No
If no, explain
Do clientele applications identify names, address, gender, race, nationality, and income levels [e.g., IRS 1040 or other documentation that client participates in program with stricter income guidelines)? [Yes
Subrecipient is using current HUD Income Limits dated:
Did monitor view at least two actual applications for services?
Did monitor examine records on income eligibility for at least two clients and compare to HUDincome limits based on household size? Yes No

Identify the types of income documentation examined (e.g., 1040s, W-2s, current paystubs for a three-month, etc.) examined:
Did income documentation evidence income eligibility based on HUD income limits?
If no, explain:
Is there a system for identifying "New" unduplicated clients as compared to duplicated clients? Yes No
If no, explain steps Subrecipient will take to establish such a system:
Is the agency behind in meeting goals identified in its Statement of Work? Yes No If no, how will the issue be rectified by Subrecipient?
The flow will the issue be rectified by subrecipient.
CONTRACTUAL COMPLIANCE: Grantor Recognition: Is Subrecipient "prominently labeling" activities, facilities, and items utilized pursuant to contract with funding source plus in all publications made possible through such funding? Yes No
Is the organization correctly maintaining Section 3 Information? (12 USC 1701, Housing and Urban Development Act, and 24 CFR 135 requiring that to the greatest extent feasible opportunities for training and employment will be given to lower income residents of the activity area and contracts for work in connection with the activity will be awarded to businesses located in or owned in substantial part by persons residing in the areas of the activity." (Other related requirements – see Contractincluding sending labor organizations or worker representatives with which the Subrecipient has a collective bargaining agreement or contract a notice advising such organization or worker rep of its commitment under Section 3.)
Is a fair housing logo displayed?
Are equal opportunity posters displayed?
Policies and Procedures (ask whether followed):

Does the organization have property management policies and procedures? Yes No
Does the organization have personnel, drug, and affirmative action policies?
Does the organization have policies/procedures to address personnel complaints? Yes No <u>RECORDKEEPING AND DOCUMENTATION:</u>
The contract signed between the City and the Subrecipient specifies that records and documents be maintained including:
Description of activities to be taken; Information indicating that a National Objectives is being met by the activities conducted; Eligibility information demonstrating eligibility of activities; Documents on use of CDBG funds for acquisition/improvement/use/disposition of real property; Documents showing compliance with fair housing, affirmative action; equal opportunity requirements; Financial records; Other records (per Subpart K; 24 CFR 570): labor, environmental standards; National Flood Insurance; displacement/relocation/acquisition/replacement of housing; employment/contracting opportunities; lead-based paint; debarred contractors; cost principles, conflict of interest.
Are applicable records kept? Tyes No
Identify records/documents not being maintained as required, and why not:
Will records be maintained for five years after termination of activities funded under this agreement, as specified in the agreement? Yes No
as specified in the agreement? Yes No FINANCIAL INFORMATION:
as specified in the agreement? Yes No
as specified in the agreement? Yes No FINANCIAL INFORMATION: Has Subrecipient submitted current audit (FY) to City of Richland? If not, when will this
as specified in the agreement? Yes No FINANCIAL INFORMATION: Has Subrecipient submitted current audit (FY) to City of Richland? If not, when will this document be submitted?
as specified in the agreement?

Consistent with Subrecipient records? Yes No (If not, why not)
Are the claims submitted to the City of Richland supported by adequate documentation? (examine samples and determine if same as has been submitted)
Does the activity have program income?
Is it reported to the City? Yes No
Is there any evidence of cash flow problems? Yes No
Have any disallowable costs been incurred? Entertainment
Are there any obvious instances of unnecessary or unreasonable expenditures? Salaries Administrative Services or Cost Travel Entertainment Yes No Yes No
Has the agency purchased any personal property with CDBG funds (over \$250)? Yes No
Does a review of the personnel roster of staff being paid from program resources reveal any obvious instances of personnel being paid for, but not working on, program activities? Yes No
LABOR STANDARDS COMPLIANCE:
Is this activity subject to Davis-Bacon or State regulations? Yes No
Was a wage determination requested? Yes No
Is determination on file?
Date of pre-construction meeting?
Were payroll reports reviewed and checked against employee interviews as required? ☐ Yes ☐ No
Is activity in compliance with Davis-Bacon/State requirements? Yes No

If not in compliance, state deficiencies and measures needed to correct:		
AFFIRMATIVE MARKETING COMPLIANCE:		
Is activity subject to Affirmative marketing efforts? Yes No		
Was Affirmative Marketing Plan followed?		
Is activity in compliance with Affirmative marketing requirements?		
If not in compliance, state deficiencies and measures needed to correct:		
RECERTIFICATION COMPLIANCE:		
Is this activity subject to annual re-certification requirements? Yes No		
Were re-certification reports filed as required? Yes No		
Is activity in compliance with re-certification requirements?		
If not in compliance, state deficiencies and measures needed to correct:		
LOAN COMPLIANCE:		
For properties receiving loans, are payments current? Yes No		
For loans, which are delinquent, what steps are being taken to update/recover accounts?		
If loans are forgivable, are all conditions being met? Yes No		
If conditions are not being met, what steps have been taken to collect balance of funds?		

PROCUREMENT INFORMATION:	
Has any of the work done under this program been contracted out?	□No
What are agency procurement procedures? (Documentation: written policies are purchase orders and petty cash receipts).	nd procedures,
Are price/rate quotations obtained from an adequate number of qualified source	ces? Yes No
List Sources:	
If over \$100,000 or construction activity, was item put out for sealed bid? Ye	s No
Was procurement process completed correctly? Yes No	
ORGANIZATION INFORMATION:	
Employees and Board Member Records:	
Identify employees working on this activity, verifying that time logs are maintain with the hours claimed if paid by federal funds.	ned and correspond Yes No
Are employees', activity time logs current?	☐ Yes ☐ No
Are there any staffing issues? Are there staff turnover concerns? Are employees' taxes paid? Is there any evidence of nepotism or conflicts of interest? Were any board members / employees assisted under this program? If so, list members assisted: If yes, was a public notice filed? If not, was an exception from HUD granted? GENERAL COMMENTS: Issues encountered:	Yes No Yes No Yes No Yes No Yes No Yes No Yes No

Will a findings memorandum be issued?		∐ Yes	∐ No
Deadline for corrective action:			
Monitor Signature:	Date:		
Subrecipient Signature:	Date:		

APPENDIX E PROCUREMENT POLICY

Richland Washington

PROCUREMENTS USING FEDERAL GRANT AWARDS

Policy No. 2270 December 22, 2017

POLICY

Standard

1. Authority

RMC 2.04.060 authorizes the City Manager to issue rules or administrative regulations not inconsistent with general law, the Charter or ordinances of the City, outlining the general procedure for the administration of City activities under the City Manager's jurisdiction.

2. Policy

The City of Richland will follow the Uniform Guidance, the Local Agency Guidelines (LAG) distributed by the Washington State Department of Transportation (WSDOT) and Government Accountability Office Standards for Internal Control in the Federal Government (Green Book).

3. Purpose

The purpose of this policy is to establish and maintain internal controls that provide reasonable assurance that Federal awards are being procured and managed in compliance with all Federal regulations and with the terms and conditions of the award.

4. Application

This policy applies to all departments and becomes effective for new and continuation grant awards issued on or after December 26, 2017.

Practice

1. Internal Controls

The City of Richland will maintain effective internal control over the Federal award providing reasonable assurance that the City of Richland is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. The City shall:

- Take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings.
- b. Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive.

2. Certification

To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

3. Advance Payments and Reimbursements

Payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the City of Richland, whether the payment is made by electronic funds transfer or issuance or redemption of checks, warrants, or payment by other means.

- a. Advanced payments must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the City of Richland to carry out the purpose of the approved program or project. Any advanced payments must be consolidated to cover anticipated cash needs.
- The City of Richland shall minimize the time elapsed between receipt of Federal aid funds and subsequent payment of incurred costs.

4. Cost Sharing or Matching

- a. For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all the criteria outlined in 2 CFR § 200.306 (b), as now enacted or hereafter amended.
- b. If the purpose of the Federal award is to assist the non-Federal entity in the acquisition of equipment, buildings or land, the aggregate value of the donated property may be claimed as cost sharing or matching.

Allowable Costs

Federal awards will meet the following general criteria in order to be allowable, except where otherwise authorized by statute:

Be necessary and reasonable for the performance of the Federal award; and

- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items; and
- Be consistent with policies and procedures that apply uniformly to both Federallyfinanced and other activities of the City of Richland; and
- d. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost; and
- e. Be determined in accordance with generally accepted accounting principles (GAAP); and
- Not be included as cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period; and
- g. Be adequately documented.

6. Procurement

- a. Departments will be responsible for maintaining all documentation related to informal solicitation procurements. This documentation shall be used during audits to comply with the procurement process.
- b. When soliciting procurements under a Federal award, the City of Richland will take all necessary affirmative steps to assure minority businesses, women's business enterprises and labor surplus area firms are used when possible pursuant to 2 CFR §200.321 as now enacted or hereafter amended.
- c. Contracts for more than the simplified acquisition threshold currently set at \$150,000 must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- d. Contracts and sub-grants of amounts in excess of \$150,000 require the City of Richland to comply with all applicable standards, orders or regulations issued pursuant to the Federal Clean Air Act and the Federal Water Pollution Control Act.
- e. The City of Richland will monitor procurements to avoid duplicative purchases. When possible, the City will also continue to enter into inter-entity agreements to realize cost savings for shared goods and services.
- The City of Richland will verify and document that vendors are not suspended or debarred from doing business with the Federal government.
- g. When procuring property and services under a Federal award, the City of Richland will follow either 2 CFR § 200.318 - General Procurement Standards through 2 CFR § 200.326 - Contract Provisions, as now enacted or hereafter amended, or

City of Richland purchasing policies and procedures, whichever is more restrictive. The following table outlines procurement requirements when using Federal funds.

Procurement Method	Goods	Services (Non-A&E)
Micro-Purchase – 2 CFR §200.67	Must use more restrictive Federal threshold/process	Must use more restrictive Federal threshold/process
\$3,500 or less	If the department considers the costs to be reasonable, may be awarded without obtaining quotes	If the department considers the costs to be reasonable, may be awarded without obtaining quotes
	Department must, to the extent practical, distribute equitably among suppliers.	Department must, to the extent practical, distribute equitably among suppliers.
Simplified Acquisition / Small	\$3,501 - \$50,000	\$3,501 - \$50,000
Purchase Procedures (Informal) \$3,501 - \$150,000	Must obtain at least 3 written quotes (Federal)	Must obtain at least 3 written quotes (Federal)
	Department must, to the extent practical, distribute equitably among suppliers.	 Department must, to the extent practical, distribute equitably among suppliers.
	\$50,001 - \$150,000	<u>\$50,000 - \$150,000</u>
	Must use more restrictive City process; formal sealed bid required	Must use more restrictive City process; formal sealed proposals required
	National and State cooperative contracts, may be used.	National and State cooperative contracts may be used.
	Note: Not all cooperative contracts meet the new Federal procurement standards. Check cooperative contract and check with granting agency. Must also meet Richland's requirements.	Note: Not all cooperative contracts meet the new Federal procurement standards. Check cooperative contract and check with granting agency. Must also meet Richland's requirements.
Sealed Bids / Competitive Proposal Bids (Formal)	Must use a formal sealed bid process (Federal and City)	Must use a formal sealed proposal process (Federal
\$150,001 and greater	Must perform a cost or price analysis, including amendments and change orders (Federal). Sample cost and price analysis forms are found at the end of this.	Must perform a cost or price analysis, including amendments and change orders (Federal). Sample cost and price analysis
	document.	forms are found at the end of this document.

Procurement Method	A & E Services (\$50,000 or less)	A & E Services (\$50,001 and greater)
Must follow both Federal and City processes	Department must document evaluation criteria used (City and Federal) Must obtain minimum of 3 statements of qualifications from City's A&E Roster (Federal and City) Department must follow RCW 39.80 to determine most qualified and enter into negotiations (City) Must perform a cost or price analysis, including amendments and change orders (Federal)	Must use formal sealed request for qualifications process (City) Department must document evaluation criteria used (City and Federal) Department must follow RCW 39.80 to determine most qualified and enter into negotiations (City) \$150,001 and greater Department must negotiate profit as separate element of the price (Federal)
Procurement Method	Small Works (\$	300,000 or less)
Micro-Purchase – \$2,000 or less Must follow both Federal and City processes Procurement Method Simplified Acquisition / Small Purchase Procedures (Informal)	Department must obtain mini City's Small Works Roster. (Fe Davis Bacon wage requirement Small Works (\$ Must use more restrictive City and Federal threshold / process	aderal) ints apply. (Federal) 300,000 or less) Greater than \$45,000/\$90,000 up
\$3,501 - \$150,000	up to \$45,000 / \$90,000	to \$150,000 Must use more restrictive City
\$3,501 - \$150,000	up to \$45,000 / \$90,000 threshold • Department must obtain minimum of 3 written quotes from City's Small Works Roster. (City and Federal) • Davis Bacon wage requirements apply. (Federal)	

Procurement Method	Single Source / Sole Source
Non-competitive proposals	Appropriate only when:
	Available only from a single source
	 Public emergency for the requirement will not permit a delay resulting from competitive solicitation
	 Expressly authorized by Federal awarding (or pass-through agency) in response to written request from the City of Richland
	 After soliciting a number of sources, competition is deemed inadequate.

7. Single Audit Act

The City of Richland, as a recipient of Federal funds, shall adhere to the Federal regulations outlined in 2 CFR § 200.501, as well as all applicable Federal and State statutes and regulations, as now enacted or hereafter amended.

8. Closure

A project agreement end date will be established in accordance with 2 CFR § 200.309, as now enacted or hereafter amended. Any costs incurred after the project agreement end date that are outside of the project agreement or approved change orders are not eligible for Federal reimbursement.

9. Ethical Considerations

- a. Consistent with Chapter 2.26 RMC, Chapter 42.23 RCW, 2 CFR § 200.112, 2 CFR § 200.318, and other applicable Federal and State standards, regulations and laws currently enacted or as hereafter amended, no elected official, employee or agent of the City of Richland shall participate in the selection, award or administration of a contract supported by Federal grant funds if a conflict of interest, real or apparent, would be involved.
- b. A real or apparent conflict of interest would arise when the involved employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
- c. Elected officials, employees and agents of the City of Richland shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors or subcontractors.

12-22-17 Date

- d. Any potential conflict of interest will be disclosed in writing to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.
- A violation of the ethical considerations described herein may result in penalties, sanctions or other disciplinary action consistent with local, State and Federal law.

Responsibilities

The City Manager, in coordination and cooperation with the Purchasing Manager and the Administrative Services Director, is responsible for overall compliance with this policy.

Guide

Consistent with the City's core values of teamwork, integrity and excellence, this policy is intended to ensure compliance with Federal requirements related to procurements using Federal grant awards.

Approval

Responsible Administrator: Administrative Services Director

Revision History:

December 22, 2017 (created)