

RESOLUTION 2020-068

PASSED: JULY 13, 2020

AUTHORIZING A SUBRECIPIENT AGREEMENT WITH ELDER CARE SERVICES (ECS) FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS IN THE AMOUNT OF \$9,000 FOR FUNDING THE CHOICES FOR CARE PROGRAM.

WHEREAS, the City of DeKalb will receive Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD); and,

WHEREAS, the City Council approved, in the CDBG Action Plan and Proposed Use of Funds for Program Year 2020, a total of up to \$69,000 of CDBG funds to be used for public services; now,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: That the Mayor of the City of DeKalb be authorized and directed to enter into an Agreement with Elder Care Services (ECS) for \$9,000 of CDBG funds to support the Choices for Care Program to provide information on options and care coordination services for elderly residents and people with disabilities in DeKalb, a copy of which is attached hereto and made part hereto as Exhibit "A".

SECTION 2: That the City Clerk or Executive Assistant of the City of DeKalb, Illinois be authorized and directed to attest the Mayor's Signature and shall be effective thereupon.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 13th day of July 2020 and approved by me as Mayor on the same day. Passed by a 7-0-1 roll call vote. Aye: Morris, Finucane, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None. Abstain: Smith.

ATTEST:


RUTH A. SCOTT, Executive Assistant


JERRY SMITH, Mayor



**ELDER CARE SERVICES
(ECS)
1701 E. Lincoln Highway
DeKalb, IL 60115
(815) 758-6550**

The project described herein is being funded by a Grant from the City of DeKalb, Illinois as part of the City's **2020 Community Development Block Grant (CDBG)** program which is authorized under Title 1 of the Housing and Community Development Act of 1974, as amended.

**CITY OF DEKALB
COMMUNITY DEVELOPMENT BLOCK GRANT
SUBRECIPIENT AGREEMENT**

This Community Development Block Grant Sub-Recipient Agreement (the "AGREEMENT") is made on this 13th day of July 2020, by and between the **City of DeKalb**, an Illinois Municipal Corporation (hereinafter "CITY") and the **Elder Care Services (ECS)** (hereinafter "SUBRECIPIENT").

RECITALS

WHEREAS, Resolution 2020- 068 adopted on July 13, 2020 by the DeKalb City Council to approve the submission to the United States Department of Housing and Urban Development (hereinafter "HUD") of the 2020 One Year Action Plan, and the reallocation of unspent CDBG Funds from prior years, respectively, the City's application for Community Development Block Grant (hereinafter "CDBG") funds under Title 1 of the Housing and Community Development Act of 1974, as amended; and

WHEREAS, said application was approved by HUD on Date TBA; and

WHEREAS, approval of the application by HUD, along with Resolution 2020- 068 authorizes City Staff to enter into this Agreement in furtherance of the CITY's Community Development objectives; and

WHEREAS, SUBRECIPIENT has been awarded certain CDBG grant funds (the "Grant") to utilize in Subrecipient's programming that is outlined in the Agreement and Appendices and this Agreement shall govern Subrecipient's use of the Grant funds;

NOW, THEREFORE, the CITY and the SUBRECIPIENT, having first found the foregoing recitals as fact, and in consideration of the mutual covenants set forth below, hereby agree as follows:

AGREEMENT

- I. **APPENDICES TO AGREEMENT:** All Appendices (A through F) attached to this Agreement are incorporated and made a part of this Agreement as referenced herein. SUBRECIPIENT agrees to abide by and follow all terms and conditions as set forth in said Appendices.
- II. **WORK TO BE PERFORMED BY SUBRECIPIENT:** In exchange for receiving CDBG grant funds from the CITY to support the portion of salary of the Choices for Care Program screener when providing direct services and advocacy for City of DeKalb clients, the SUBRECIPIENT shall be responsible for administering the Program(s) as described in Appendix A (for each program) in a manner satisfactory to the CITY and substantially consistent with any standards and regulations that are specified in this Agreement and adherence to the same is a condition of providing these funds. SUBRECIPIENT commits to the Programs goals that are outlined in Appendix A, including (1) the number of people to be served, (2) the number of program participants who are expected to be DeKalb residents, and (3) the number of program participants who shall meet HUD's definition of low- or moderate-income persons, and outcome measures as outlined in Appendix A. SUBRECIPIENT agrees to expend the total amount of CDBG funds covered in this

Agreement, solely for the agreed upon activities and in accordance with the conditions outlined in this Agreement and the Program budget(s) in Appendix B.

- III. GENERAL COMPLIANCE WITH APPLICABLE LAWS:** SUBRECIPIENT agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (HUD regulations concerning CDBG). The SUBRECIPIENT also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this agreement.

SUBRECIPIENT additionally agrees to comply with any changes issued to the CITY's CDBG program by HUD. SUBRECIPIENT understands that changes issued to the CITY's CDBG program by HUD may materially alter the terms of this Agreement. The City will distribute any amendments to the CDBG program within thirty (30) days and SUBRECIPIENT must acknowledge the receipt.

SUBRECIPIENT acknowledges and affirms that the SUBRECIPIENT has the organizational capacity to adhere to collection and reporting requirements regarding performance measures, as required by Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule ("Omni Circular") Subpart D, Sections 200.300 – 200.303. Such performance measures shall be decided upon by the SUBRECIPIENT and the CITY'S CDBG Grant Administrator, based on the requirements outlined by HUD for the category of eligible activities that the SUBRECIPIENT'S program engages in. These categories have been described within HUD's "Community Development Block Grant Program: Guide to National Objectives & Eligible Activities for Entitlement Communities," and the Guide shall be incorporated hereto by reference, and is attached as Appendix C. Organizational capacity shall be demonstrated by various methods, including but not be limited to:

- Use of OMB-approved standard information collections when providing financial and performance information;
- Financial data is provided for performance accomplishments of the Grant award;
- Cost information shall be distributed to demonstrate cost effective practices;
- Subrecipient shall provide the City with the same information required by the Federal awarding agency under sections 200.301 and 200.210; and
- All expenditures shall be accounted for, in compliance with requirements under section 200.302, as interpreted by the CITY's CDBG Grant Administrator.

SUBRECIPIENT agrees to follow either the procurement guidelines set forth in Section 200.320 of the Omni Circular, or the procurement guidelines/standards which the SUBRECIPIENT uses during its normal course of business; whichever of the two guidelines is more restrictive. If the procurement methods that the SUBRECIPIENT uses during its normal course of business are more restrictive, those guidelines shall be used, and a copy of those guidelines shall be attached to this contract as Appendix D and shall be incorporated into this contract by reference. If the procurement guidelines set forth in Section 200.320 of the Omni Circular are more restrictive, then the program procurement methods shall be limited to either (1) procurement by small purchase procedures, (2) procurement by sealed bids, (3) procurement by competitive proposals, or (4) procurement by noncompetitive proposals, as directed by and outlined in Section 200.320.

The SUBRECIPIENT affirms that, per Federal regulations, SUBRECIPIENT has a Data Universal Numbering System (DUNS) number, assigned by Dun and Bradstreet, Inc., and will provide proof of this DUNS number to the CITY, prior to the approval of project funding.

- IV. LENGTH OF AGREEMENT:** The term of this Agreement shall begin no sooner than April 1, 2020 and end on March 31, 2021. Payment of CDBG grant funds by the CITY to the SUBRECIPIENT shall occur for eligible services and/or activities performed by the SUBRECIPIENT during the term of this Agreement as long as the SUBRECIPIENT is performing in accordance with the terms of the Agreement.

Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the SUBRECIPIENT has control over CDBG funds, including any program income.

- V. AMOUNT OF APPROPRIATION:** The appropriation of CDBG funds for the Program shall be for an amount not to exceed **Nine Thousand dollars (\$9,000.00)** to be distributed as funding for the following programs: Support of the salary of the Choices for Care Program screener for the portion of time she spends providing direct services and advocacy for clients who are residents of the City of DeKalb. The SUBRECIPIENT understands that the amount of these appropriations may be adjusted during the program year due to funding alterations made by the United States Congress, HUD, and/or the CITY. Any new local appropriations shall occur upon approval by the DeKalb City Council. SUBRECIPIENT understands that the awarding of the grant(s) under this Agreement in no way implies the continued financial support of the program(s) or services of the SUBRECIPIENT by the CITY beyond the specific period of this Agreement.

- VI. INELIGIBLE PROGRAM COSTS:** The SUBRECIPIENT agrees that certain direct program costs are ineligible for CDBG funds. Recording requirements prescribed by Congress, HUD or the CITY may require these costs be listed within the budget, but these costs will not be paid for using CDBG funds provided by the CITY. Ineligible direct program costs can be found in Appendix F, which is incorporated into this contract by reference.

- VII. PAYMENT OF CDBG FUNDS TO SUBRECIPIENT:** The CITY agrees to fund the Program(s) in the form of a grant in a total aggregate amount not to exceed Nine Thousand dollars (\$9,000.00). Such funds shall be paid to the SUBRECIPIENT according to the schedule in Appendix E. The CITY CANNOT disperse any grant funds until the Environmental Review is complete and this Agreement has been executed by both parties (24 CFR Sec. 570.503 (a)). The Environmental Review will be completed by the City and shall be executed in a timely manner.

- The SUBRECIPIENT understands that this Agreement is for Public Services Programs and that payments shall be made per the schedule in Appendix E.
- The SUBRECIPIENT understands that disbursement will be contingent upon the SUBRECIPIENT ensuring compliance with any applicable federal, state, and CITY requirements.
- No disbursement will be made by the CITY unless all required reports (including beneficiary, performance, financial and narrative reports, and source documents for CDBG-funded expenditures) have been submitted and approved by CITY staff. Payment may be withheld pending receipt and approval of all required documentation.

VII. SUSPENSION OR TERMINATION:

- **Suspension or Termination for Cause by CITY:** The SUBRECIPIENT understands and agrees that if SUBRECIPIENT materially fails to comply with any or all provisions of this Agreement, the CITY may in its sole discretion suspend or terminate this Agreement.
 1. Material non-compliance includes, but is not limited to, the following:
 - i. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
 - ii. Failure, for any reason, of the SUBRECIPIENT to fulfill in a timely and proper manner its obligations under this Agreement;
 - iii. Ineffective or improper use of funds provided under this Agreement; or
 - iv. Submission of reports by the SUBRECIPIENT to the CITY which are late, or incorrect or incomplete in any material respect.
 2. As a result of material non-compliance, the CITY may take one or more of the following actions:
 - i. Temporarily withhold cash payments pending correction of the deficiency by the SUBRECIPIENT. More severe enforcement action may be undertaken by the CITY if the deficiency is not corrected;
 - ii. Disallow (that is, deny both use of funds and matching credit for all or part of the cost of the activity or action not in compliance;
 - iii. Wholly or partially suspend or terminate the current award for the SUBRECIPIENT's program;
 - iv. Withhold further awards for the program; or Take other remedies that may be legally available including, but not limited to, seeking compensatory and/or liquidated damages for breach of this Agreement, or injunctive or equitable relief in any court of competent jurisdiction.
- **Termination for Convenience by CITY or SUBRECIPIENT:** Either the CITY or the SUBRECIPIENT may terminate the award of funds under this Agreement in whole or in part if either determines that the goals indicated in the SUBRECIPIENT's proposal cannot be met. Termination is effected by the initiating party upon receipt of written notification by the other party setting forth: (1) the reasons for termination; (2) the effective date of termination; and (3) the portion to be terminated, in the case of partial termination. In the case of partial award termination, if the CITY in its sole discretion determines that the remaining portion of the award will not accomplish the purposes for which the award was made, it may terminate the entire award.

IX. REGULAR MEETING REQUIREMENT: SUBRECIPIENT agrees to meet on a regular or as-needed basis with the designated staff member of the CITY's Community Development Department to discuss general and/or specific issues of this Agreement and to review the required reports. Furthermore, SUBRECIPIENT agrees to cooperate fully in any monitoring program, including on-site monitoring, developed, implemented or conducted by the CITY or by HUD.

X. RECORD REQUIREMENTS: SUBRECIPIENT shall provide the CITY, HUD, the Inspector General of the United States or any of their duly authorized representatives, access to any books,

documents, papers and records of the SUBRECIPIENT which pertain to the CDBG-funded program for the purpose of monitoring, making audits, examinations, excerpts, transcripts and photocopying.

- SUBRECIPIENT shall be required to maintain all required records for five (5) years after the SUBRECIPIENT's final audit and program close out by the CITY. SUBRECIPIENT shall establish and maintain a project file that contains the following sections:
 1. General project correspondence and related items.
 2. Financial source documentation and associated transactional documentation.
 3. Procurement procedures and associated documents.
 4. Compliance with applicable State and Federal regulations.
 5. Program reports.
 6. Documentation of persons benefiting from grant activities, including race/ethnicity and income to substantiate achievement of the CDBG National Objective of benefiting primarily persons of low and moderate income.
 7. Personnel actions.
 8. Acquisition and disposition of property.

- The records which, at a minimum, must be maintained are as follows:
 1. Financial Records: The SUBRECIPIENT shall, at a minimum, maintain the following records for each grant received under separate agreement from the CITY:
 - i. Cash Receipts Register: For recording of funds received in connection with the grant program.
 - ii. Cash Disbursements Register: For recording disbursement of funds from the agency's CDBG account(s). All disbursements must be supported by appropriate documentation (e.g.: payroll records, invoices, contracts, etc.) demonstrating the nature and use of each payment and showing approval of the program director or other authorized official. In addition, the SUBRECIPIENT agrees to provide to the CITY such financial reports and additional source documentation as the CITY may reasonably require and to comply with such reasonable additional financial control procedures as may be required to be retained in files maintained by the SUBRECIPIENT.
Payroll Records: A basic time and activity tracking system shall be maintained to substantiate the services and staff time charged to the project. This should include time sheets documenting each person's total time and time charged against the grant; time sheets must be signed by both the employee and authorized supervisor of the employee.
 2. Equipment Records: A record shall be maintained for each item of equipment acquired for the Program. Equipment is defined as tangible personal property (including information technology systems) which has a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$500. The records shall include: (1) a description (including model and serial number) of the property; (2) the date of acquisition; and (3) the acquisition cost (showing the percentage of the total costs paid for out of this Grant.) Such equipment records are necessary for HUD recording requirements. However, SUBRECIPIENT acknowledges that this recording requirement does not indicate that the CITY will

pay for equipment. The CITY does not provide funds for equipment purchases, including information technology systems.

3. Indirect Costs Records: A record shall be kept of all indirect costs, per HUD requirements. Indirect costs are costs incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. However, SUBRECIPIENT acknowledges that indirect costs shall not be covered by funds provided by the CITY.

XI. REPORTING REQUIREMENTS: The SUBRECIPIENT agrees to provide the CITY's Community Development Department with regular reports described below per the schedule in Appendix E, and any other reports which may be required by the CITY's CDBG Program for compliance under this Agreement. This includes reporting on performance measures, as outlined in §200.301 of the Omni Circular. Such performance measures shall be decided upon by the SUBRECIPIENT and the CITY'S CDBG Grant Administrator, based on the requirements outlined by HUD for the category of eligible activities that the SUBRECIPIENT'S program engages in. These categories have been described within HUD's "Community Development Block Grant Program: Guide to National Objectives & Eligible Activities for Entitlement Communities," and the Guide shall be incorporated hereto by reference, and is attached as Appendix C.

SUBRECIPIENT shall use OMB-approved information collection standards, when providing financial and performance information. The SUBRECIPIENT shall provide financial data and its relation to performance accomplishments of the Federal award.

SUBRECIPIENT agrees to provide the CITY with documents pertaining to: (1) procedures; (2) copies of all contracts and subcontracts for work financed in whole or in part with assistance provided under this Agreement; and (3) (if applicable) regularly updated schedule of program activities.

- **REPORTING:** Reports shall be submitted to staff via email by the SUBRECIPIENT throughout the term of the Program. **See Appendix E for report due dates.** All reports and required attachments may be viewed by members of the Community Development Department.
 1. The CITY reserves the right to withhold any of the SUBRECIPIENT's scheduled payments until such time as the CITY receives the SUBRECIPIENT's financial progress and performance reports.
 2. Improperly prepared reports will not be accepted. Subsequent Grant payments may be held pending receipt of accurate information together with any required source documentation. Upon receipt of improperly prepared or erroneous reports, field audit procedures may be initiated to evaluate the financial management, control and record keeping procedures utilized by the SUBRECIPIENT. In addition, the CITY may require a meeting with the Executive Board of the SUBRECIPIENT to correct the situation.
 3. SUBRECIPIENT understands that a pattern of late, improper, or erroneous reporting could be grounds for termination of this Agreement at the CITY's sole discretion.

4. The CITY reserves the right to make appropriate adjustments for any funds previously paid out by the CITY but unexpended by the SUBRECIPIENT.
5. **Reports will be submitted via email and shall consist of the following:**
 - i. Beneficiary Demographic data: Client statistics (i.e., number of DeKalb residents served, beneficiary race/ethnicity and incomes) for the report period.
 - ii. Program Accomplishments and Narrative: Indicating progress against program goals as outlined in Appendix A, and additional information in narrative format that elucidates program accomplishments and outlines any unanticipated results.
 - iii. Financial Report: Indicating the budgeted expenses and revenues consistent with the 2020 appropriation for the grant Program as shown in Appendix B and the actual revenues and expenditures for the period covered by the report.
 - iv. Supporting documentation: **All Program expenditures charged to the CDBG Grant shall be supported with source documentation.** Documentation may include copies of paid invoices, receipts, and time sheets signed by each employee and supervisor paid with CDBG funds. Other documentation may be required by the CITY to document the amount expended in the report period.

XII. ANNUAL AUDIT: The CITY requires that all SUBRECIPIENTS prepare and submit to the CITY an audit of the financial records of the SUBRECIPIENT pertaining to the receipt and use of CDBG funds as required by the Omni Circular. If the SUBRECIPIENT receives federal funds from sources other than the CITY's CDBG program, a combined single audit is permissible, provided said audit clearly identifies the amount of CITY CDBG funds received, the amount expended and encumbered, and the purposes of the expenditures. The CITY shall have the right to review and modify the scope of said audit. Said audit of CDBG funds shall encompass and be limited to the term of this Agreement. SUBRECIPIENT is responsible for clearly identifying and accounting for funds received and expended during separate program years; that is, an individual audit must distinguish expenditures and encumbrances made against funds received under separate Grant Agreements, particularly if the SUBRECIPIENT and the CITY operate under different fiscal years.

XIII. ALTERNATIVE FUNDING REPORTING REQUIREMENT: SUBRECIPIENT shall promptly notify the CITY if the SUBRECIPIENT receives funding (full or partial) that is incremental to the Program budget as shown in Appendix B from any and all sources for the performance of activities outlined under this Agreement. The SUBRECIPIENT further understands that the amount granted by the CITY may be reduced by the amount of such alternative funding.

XIV. REVISION OF BUDGET AND PROGRAM PLANS: The SUBRECIPIENT shall obtain written permission from the CITY CDBG Program Administrator prior to any change in the approved budget or program plans following Omni Circular §200.308(C) (increase or decrease) of ten percent (10%) of the line item's budget or \$500, whichever is less, to any account under the SUBRECIPIENT's line item budget which is attached hereto and identified as Appendix B. In order for the CITY to approve such a request, SUBRECIPIENT's written request shall contain, at a minimum: (1) the reason and justification for the change; (2) the amounts to be changed; and (3) a description of which line items are affected. Changes made without the CITY's prior approval may result in non-reimbursement of expenditures from those affected line items.

- XV. NON-DISCRIMINATION:** SUBRECIPIENT agrees that no person shall, on the grounds of race, color, religion, national origin, sex, sexual orientation, gender identity, marital status, age, source of income or physical or mental disabilities, be excluded from participation in, be denied the benefits of or be otherwise subjected to discrimination under any program or activity for which the SUBRECIPIENT receives financial assistance from or through the CITY.

SUBRECIPIENT agrees to comply with: Title VI of the Civil Rights Act of 1964 (P.L. 88-352); Title VII of the Civil Rights Act of 1968 (P.L. 90-284); Section 104(b) and Section 109 of the Housing and Community Development Act of 1974, as amended; Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, as amended, the Age Discrimination Act of 1975, as amended; Executive Order 11246, as amended and Executive Order 11063 as amended.

SUBRECIPIENT agrees to include a statement of its non-discrimination policy in any printed or electronic information released to the public regarding Program activities.

- XVI. EQUAL OPPORTUNITY POLICY/AFFIRMATIVE ACTION PLAN/CURRENT POLICY SETTING BODY INFORMATION:** The SUBRECIPIENT shall ensure the following documents have been provided to CITY staff:

- A copy of its policy on equal opportunity employment and a copy of its most current Affirmative Action Plan.
- The names, addresses, and professional affiliations of the current members of the Board of Directors or policy-setting body.

- XVII. WORKERS' COMPENSATION:** The SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

- XVIII. INDEMNITY:** SUBRECIPIENT hereby assumes liability for and agrees to protect, hold harmless and indemnify the CITY and its assigns, officers, directors, employees, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, judgments, settlements, claims, actions, suits, proceedings, costs, expenses and disbursements, including legal fees and expenses, of whatever kind and nature, imposed on, incurred by or asserted against the CITY, its successors, assigns, officers, directors, employees, agents and servants, in any way relating to or arising out of any of the following or allegations, claims or charges of any of the following:

- The use or application of the Grant proceeds.
- The violation by the SUBRECIPIENT of any of its covenants or agreements under the Agreement.
- Any tort or other action or failure to act done in connection with the performance or operation of the Program.
- Any act or failure to act of any officer, employee, agent or servant of the SUBRECIPIENT.
- Any injury to any person, loss of life, or loss or destruction of property in any way arising out of or relating to the performance or operation of the Program.

The CITY agrees to notify the SUBRECIPIENT in writing of any claim or liability which the CITY believes to be covered under this paragraph. The CITY shall tender, and SUBRECIPIENT shall promptly accept tender of, defense in connection with any claim or liability in respect of which

SUBRECIPIENT has agreed in writing that based on the claim or liability the CITY is entitled to indemnification under this paragraph; provided, however, that the counsel retained by SUBRECIPIENT to defend the CITY shall be satisfactory to the CITY; and that the CITY shall be kept fully informed of the status of the proceeding. In the event that the SUBRECIPIENT, within ten (10) days after receipt of notice from the CITY of a claim or liability which the CITY believes to be covered under this paragraph, fails to advise the CITY in writing that the SUBRECIPIENT agrees that the CITY is entitled to indemnification under this paragraph based on the claim or liability, the CITY, without waiving or prejudicing any claim or right it may have to indemnification, under this paragraph (including the recovery of legal fees and expenses), may retain its own counsel and present its own defense in connection with such claim or liability.

The CITY shall not settle or compromise any claim, suit, action or proceeding in respect of which the SUBRECIPIENT has agreed in writing that the CITY is entitled to indemnification under this paragraph. Notwithstanding anything in the Agreement to the contrary, the indemnities contained in this paragraph shall survive the termination of the Agreement.

XX. INSURANCE AND BONDING: SUBRECIPIENT shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to any CDBG cash advances. SUBRECIPIENT shall comply with the bonding and insurance requirements of the Omni circular 200.310 and 200.325, Insurance and Bonding requirements.

XX. NON-PARTICIPATION BY CERTAIN PERSONS: SUBRECIPIENT agrees to exclude the following persons from participation in any aspect of this Agreement:

- SUBRECIPIENT agrees to not allow any member of, or delegate to, the United States Congress any share or part of this Agreement or to allow any benefit to arise from same.
- SUBRECIPIENT agrees that no officer, employee, designee, agent or consultant of the CITY or the SUBRECIPIENT or member of the governing body of the CITY who exercises any functions or responsibilities with respect to the CITY's CDBG Program during his tenure or for one (1) year thereafter, will have any direct or indirect interest in any contract or subcontract, or the proceeds thereof, for the work to be performed in connection with the Project assisted under this Agreement. The SUBRECIPIENT shall incorporate or cause to be incorporated in all such contracts or subcontracts a provision prohibiting such interest in conformance with the provisions of and pursuant to the purposes of this section. The provisions of 24 CFR § 570.611, "Conflict of Interest" shall apply to the SUBRECIPIENT.
- SUBRECIPIENT further agrees to maintain written standards of conduct covering conflicts of interest, as outlined in the Omni Circular § 200.318(c)(1) & (2). These standards of conduct will include language stating that no employee, officer, or agent will participate in the selection, award or administration of a contract supported by CDBG funds, if that employee, officer or agent has a real or apparent conflict of interest. Conflicts of interest arise if the employee, officer, agent, the immediate family member of such a person, the partner of such a person, or an organization which employs such a person or is about to employ such a person, has any financial or other interest in or may gain a tangible personal benefit from a firm considered for a contract. Such officers, employees or agents of the SUBRECIPIENT may not solicit nor accept anything of monetary value from contractors or subcontractors, unless it is an unsolicited gift of nominal value which

would in no way influence the recipient to engage in conduct which would amount to a conflict of interests. The written standards shall also include standards of conduct covering organizational conflicts of interest, in which the SUBRECIPIENT may be unable or appears to be unable to be impartial in conducting procurement actions due to relationships between the SUBRECIPIENT and relationships with a parent company, affiliate, or subsidiary organization. The written standards provided by the SUBRECIPIENT will include disciplinary actions to be applied for violations of such standards.

- Copeland "Anti-kickback" Act. – Any SUBRECIPIENT paid in full or part with CDBG funds will comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3) that states whoever, by force, intimidation, or threat of procuring dismissal from employment, or by any other manner whatsoever induces any person employed in the construction, prosecution, completion or repair of any public building, public work, or building or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which he is entitled under his contract of employment, shall be fined under this title or imprisoned not more than five years, or both. Though CDBG funds shall not be used to pay for the construction, prosecution, completion or repair of buildings, the SUBRECIPIENT affirms that by accepting CDBG funds, the SUBRECIPIENT will comply with the Copeland "Anti-kickback" Act.

XXI. PROGRAM INCOME: Program income shall herein be defined as gross income received by the SUBRECIPIENT directly derived or generated from the use of CDBG funds. Program income includes, but is not limited to:

- Fees for services performed,
- Use or rental of real or personal property acquired under Federal awards,
- The sale of commodities or items fabricated under a Federal award,
- License fees and royalties on patents and copyrights,
- And principal and interest on loans made with Federal award money.

SUBRECIPIENT agrees that, unless otherwise stated in this section, the SUBRECIPIENT shall follow the program income requirements as outlined in § 200.307 of the Omni Circular.

SUBRECIPIENT understands and agrees that all program income shall be the property of the CITY, which shall have the exclusive right to determine the use and disposition of said income, except for fees for services which are used as part of the operating budget. However, such exempt fees must be small so as not to prevent the participation of Low and Middle-Income participants. SUBRECIPIENT will remit all other said income to the CITY. Said remittance shall be submitted annually and accompany the Final Report.

SUBRECIPIENT acknowledges that interest earned on advances of Federal funds, rebates, credits and discounts do not count as program income.

Program income is to be: (check one)

_____ 1) returned to the CITY at times determined by the CITY; or

 X 2) retained by SUBRECIPIENT to undertake the following activities:

Support of the salary of the Choices for Care Program screener for that portion of her time when he/she is providing direct services and advocacy for City of DeKalb residents.

If retained by SUBRECIPIENT, all activities undertaken with the use of said income will be governed by all provisions of this Agreement. All program income, regardless of source, shall be substantially disbursed for any or all eligible CDBG activities undertaken by the SUBRECIPIENT before additional cash payments are made to the SUBRECIPIENT from the CITY (pursuant to CDBG regulations at 24 CFR Sec. 570.504 (c)). Any income on hand when this Agreement expires or received after such expiration shall be paid to the CITY upon request.

XXII. RETURN OF UNEXPENDED FUNDS: SUBRECIPIENT agrees to return to the CITY any and all unexpended and/or unencumbered grant funds upon the completion or termination of the Program:

- If the work of the program cannot be completed, or if SUBRECIPIENT ceases to function as an operating entity, SUBRECIPIENT agrees to return to the CITY any and all unexpended and/or unencumbered grant funds.
- Within thirty (30) days after the closing date of this Agreement, the SUBRECIPIENT shall submit to the CITY expenditure reports and documentation of all expenses or encumbrances during the time period covered by this Agreement. The CITY will then compare these expenditures with the amount of disbursements issued to the SUBRECIPIENT by the CITY. Disbursement of any final payment, if any, under the Agreement shall not be made until such a comparison has been completed to the CITY's satisfaction.
 1. If said expenditures and encumbrances are greater than the disbursements made to the SUBRECIPIENT, the CITY will issue a check to the SUBRECIPIENT for an amount equal to this difference, up to the amount of the authorized grant set forth in this Agreement.
 2. If said expenditures and encumbrances are less than the disbursements, the CITY shall withhold the difference from any final payment to the SUBRECIPIENT. If after withholding any such difference, the expenditures and encumbrances are still less than the disbursements, the SUBRECIPIENT shall promptly pay to the CITY a check for the difference of these sums.
 3. Funds paid to SUBRECIPIENT in excess of the amount to which the SUBRECIPIENT is finally determined to be entitled constitute a debt to the CITY. If not paid as stipulated in the preceding paragraphs, the CITY may take other action permitted by law.
- A final adjustment will be made to reconcile with the completed audit or Final Grant Report of CDBG expenditures within thirty (30) days of the submission of audit to the CITY. Subsequent grant payments or awards will be withheld until audit or grant report is completed for the current year. Only the City Manager can release funds if audit or grant report is not reconciled.

XXIII. INDEPENDENT CONTRACTOR: SUBRECIPIENT shall be and act as an independent contractor and not as a partner, joint venturer, or agent of the CITY and shall not bind nor attempt to bind CITY to any contract. SUBRECIPIENT is an independent contractor and is solely responsible for all

taxes, withholdings, and other statutory or contractual obligations of any sort, including, but not limited to, Worker's Compensation Insurance. SUBRECIPIENT agrees to defend, indemnify and hold the CITY harmless from any and all claims, damages, liability, attorney's fees and expenses on account of: (1) a failure or an alleged failure by SUBRECIPIENT to satisfy any such obligations; or (2) any other action or inaction of SUBRECIPIENT.

ADDITIONAL REGULATIONS: As a non-governmental entity, SUBRECIPIENT shall comply with the regulations, policies, guidelines, requirements and standards of federal OMB 2 CFR Chapter I, Chapter II, Part 200, et al, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards; Final Rule" (Omni Circular Omni Circular, as specified in this paragraph:

- Subpart B – "General";
- Subpart C – "Pre-Federal Award Requirements and contents of Federal Awards," except for §§ 200.203 Notices of funding opportunities, 200.204 Federal awarding agency review of merit of proposals, 200.205 Federal awarding agency review of risk posed by applicants, and 200.207 Specific conditions, which are required only for competitive Federal awards,
- Subpart D – "Post Federal Award Requirements Standards for Financial and Program Management," except for:
 1. Section 200.305 "Payment." The CITY shall follow the standards of paragraph 85.20(b)(7) and 85.21 in making payments to SUBRECIPIENT.
 2. Section 200.306, "Cost Sharing and Matching".
 3. Section 200.307, "Program Income." In lieu of paragraph 200.307, SUBRECIPIENT shall follow CDBG program regulations at 570.504 regarding Program Income.
 4. Section 200.308, "Revision of Budget and Program Plans".
 5. Section 200.311, "Real Property." In lieu of 200.311, CDBG SUBRECIPIENT shall follow CDBG program regulations at 570.505, Use of Real Property.
 6. Section 84.34(g) "Equipment." In lieu of the disposition provisions of paragraph 84.34(g), the following applies:
 - i. In all cases in which equipment is sold, the proceeds shall be program income (prorated to reflect the extent to which CDBG funds were used to acquire the equipment); and
 - ii. Equipment not needed by the SUBRECIPIENT for CDBG activities shall be transferred to the CITY for the CDBG program or shall be retained after compensating the recipient.
 7. Section 84.51(b), (c), (d), (e), (f), (g), and (h), "Monitoring the Reporting Program Performance".
 8. Section 84.52, "Financial Reporting".
 9. Section 84.53(b), "Retention and Access Requirements for Records," applies with the following exceptions:
 - i. The retention period referenced in paragraph 84.53(b) pertaining to individual CDBG activities shall be five years following grant close out; and
 - ii. The retention period starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR 91.520 in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award.
 10. Section 84.61 "Termination". In lieu of the provision of 84.61, SUBRECIPIENT shall comply with 570.503(b)(7) Suspension and Termination; and

- Subpart D - "After-the Award Requirements", except for paragraph 84.71, "Closeout Procedures."

XXIV. COMPLIANCE WITH FIRST AMENDMENT CHURCH/STATE PRINCIPLES: SUBRECIPIENT agrees to comply with the First Amendment Church/State Principles which state that CDBG funds may not be used for religious activities or provided to primarily religious entities for any activities, including secular activities. The following restrictions and limitations apply to the use of CDBG funds:

- As a general rule, CDBG funds may be used for eligible public services to be provided through a primarily religious entity, where the religious entity enters into an agreement with the CITY that, in connection with the provision of such services:
 1. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.
 2. It will not discriminate against any person applying for such public services on the basis of religion and will not limit such services or give preference to persons on the basis of religion.
 3. It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such public services.
- Where the public services provided under paragraph a of this section are carried out on property owned by the primarily religious entity, CDBG funds may also be used for minor repairs to such property which are directly related to carrying out the public services where the cost constitutes in dollar terms only an incidental portion of the CDBG expenditure for the public services.

XXV. CERTIFICATION: To the best of its knowledge or belief, the SUBRECIPIENT certifies that:

- No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement;
- If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub-grants, agreements) and that all sub awardees shall certify and disclose; accordingly, and
- This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering this Agreement pursuant to Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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

XXVII. SECTION HEADINGS AND SUBHEADINGS: The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XXVIII. WAIVER: The CITY's failure to act with respect to a breach by the SUBRECIPIENT does not waive the CITY's right to act with respect to subsequent or similar breaches. The failure of the CITY to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XXIX. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the CITY and the SUBRECIPIENT for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the CITY and the SUBRECIPIENT with respect to this Agreement.

XXX. NOTICES: All notices, requests, demands and other communications which are required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given upon delivery, if delivered personally, or on the fifth (5th) day after mailing if sent by registered or certified mail, return receipt requested, first-class postage prepaid, as set forth below. Faxed or emailed communications are a convenience to the parties, and not a substitute for personal or mailed delivery.

- if the CITY, to: Bill Nicklas
City Manager
City of DeKalb
164 East Lincoln Highway
DeKalb, Illinois 60115
Phone: (815) 748-2371
Email: bill.nicklas@cityofdekalb.com
- if the SUBRECIPIENT, to: Tara Russo
Executive Director
Elder Care Services of DeKalb County
1701 E. Lincoln Highway
DeKalb, IL 60115
Email: trusso@ecsdekalb.org

XXXX. CHANGES TO AGREEMENT: The CITY and the SUBRECIPIENT agree that any and all alterations, variations, modifications, or waivers of provisions of this Agreement shall be valid only when they have been reduced to writing, duly signed by both parties and attached to the original of this Agreement.

IN WITNESS, WHEREOF, the parties have executed this Agreement in duplicate and the Effective Date is the date that the City signs the document.

CITY OF DEKALB

SUBRECIPIENT (DUNS Number: 802436105)

BY: 
Signature

BY: 
Signature

NAME: Jerry Smith

NAME: Tara Russo

TITLE: Mayor

TITLE: Executive Director

DATE: 7-13-2020

DATE: 7-17-2020

Appendix A

SUBRECIPIENT Program Description and Outcome Measures Program Description

The City of DeKalb shall provide funding as contemplated by the attached Appendix B, Program Budget, in the amount of \$9,000.00 for Program Year 2020 ("PY20"), for the Choices for Care Program of Elder Care Services (ECS) described below, subject to ECS's compliance with the terms of this Agreement and its appendices.

ECS shall be responsible for providing services (as described below) over the period constituting PY20. ECS will administer all tasks in the provision of the aforementioned public services in compliance with all applicable Federal, state and local rules and regulations, and in a matter satisfactory to the City.

- 1) 100% of persons served through the program funded by the City shall be Low-Moderate Income ("LMI") clientele based upon compliance with one of the two following standards:
 - a. Participants may be LMI based upon financial data utilizing the most recent available LMI standards available from the Department of Housing and Urban Development ("HUD"). ECS shall utilize the financial verification form attached hereto as Exhibit 1 (or a replacement to this form that is approved by the City), to verify LMI status of program participants. ECS shall review financial information for the program participants to establish the IRS definition of income and obtain the necessary documentation for participants to verify compliance with LMI thresholds described above. The verification and the documentation provided for participants to certify LMI status shall be subject to review by the City at any time upon request. Additionally, ECS shall provide a written affidavit certifying compliance with this standard.
- 2) The facility at which services are provided (as funded under this Agreement) shall be a facility for providing services to the elderly. ECS shall provide a written affidavit certifying compliance with this requirement.
- 3) The services provided by ECS, as funded under this Agreement, shall constitute the subrecipient providing public services that constitute \$9,000.00 of the cost of Choices for Care Program screener's salary, with such funding being utilized to cover a portion of the cost of the screener working directly with the elderly residents of the City of DeKalb. ECS shall provide the City with payroll documentation including time and activity records evidencing the total cost of such screener's salary, and work assignment documentation evidencing the percentage of such cost allocated to the provision of direct services to ECS clients. The costs funded by the City shall be not more than the amount of such screener's salary as are attributable to direct services to clients. ECS shall also provide the City with an affidavit evidencing compliance with this requirement. Detailed financial information is provided on Appendix B hereto.
- 4) ECS shall provide the City with an annual budget and financial statements evidencing the total agency budget and the payment of incurred expenses consistent therewith. In the event that the incurred expenses are less than the projected budget, funding shall not be reduced under this Agreement, provided that ECS provides services in compliance with the minimum requirements contained herein. ECS shall also provide the City with an affidavit evidencing compliance with this requirement.

- 5) ECS shall annually provide services to not less than 85 individuals. The ECS screener shall be utilized to provide direct services to the elderly (certified as outlined above). Not less than 21% of such individuals shall be residents of the City of DeKalb. ECS shall provide information on each resident of the City who is served including demographic information and family income level as defined by 30%, 50% or 80% of Area Median Income. ECS shall provide the City with an affidavit evidencing compliance with this requirement.
- 6) The parties acknowledge that ECS is a larger organization providing services across a broad geographic area. The references contained herein to "ECS" shall constitute references to the applicant, Elder Care Services of DeKalb County.

Appendix B

Program Budget

The total budget for services provided by ECS for the Choices for Care Program (as relating to the services funded hereunder) is \$128,000. The budget for the salary for the Care Coordinator is \$43,620. The portion of such costs funded by the City under this agreement shall be \$9,000, which constitutes 20.6% of the total cost of this specific service. Direct client services provided by the Choices for Care screener to the residents of the City of DeKalb shall constitute not less than 20.6% of the total salary expense for such individual. The portion of total project costs funded by the City under this agreement shall be \$9,000, which constitutes 7.03% of total project costs.

Appendix C

Community Development Block Grant Program: Guide to National Objectives & Eligible Activities for Entitlement Communities

Appendix D

SUBRECIPIENT Procurement Guidelines

Procurement Guidelines: Elder Care Services of DeKalb Co.

Audit Area(s): Accounts payable and expenditures

Transaction Class (es): Cash disbursements

General Ledger Account(s): Accounts payable and various expense accounts

For the financial close and reporting process, describe the manual and automated procedures used to close the books and prepare the financial statements and related disclosures. For significant transaction classes, describe how transactions are processed from initiation through inclusion in the general ledger. Focus on key controls in each process that prevent, or detect and correct, misstatements in the financial statements, including how the relevant control objectives are achieved and the controls, if any, the entity has implemented to prevent, or detect and correct, material misstatements related to fraud risks or other significant risks, or risks for which substantive procedures alone do not provide sufficient evidence. Your understanding should include the process used to reconcile material account balances to the underlying detail records.

1.) INITIATING & AUTHORIZING

1A) Administrative assistant, case workers, or other staff request supplies to be ordered. No purchase orders or formal request documents are used. Staff communicate needs verbally or using a plain sheet of paper to Janice (AA) who then compiles this information on the summary sheet, which is reviewed by Tara before anything is actually ordered. All supplies are ordered by Janice using the summary sheet after it is approved by Tara.

1B) Mail is opened by Janice(AA). Tiffany cancels the invoice with a "Paid" stamp and puts general ledger code, check number and amount paid.

1C) Employees fill out time sheets and give them to Tara for approval.

2.) RECORDING & PROCESSING

2A) Supplies are received by Janice who checks the accuracy of the order. Janice gives out supplies to case workers.

2B) Tiffany(billing) writes the check and enters the date, name, amount and general ledger code on the check stub and gives to Tara for her signature. Tara gives a check register to Scott Chilton for recording into the general ledger.

2C) Approved time sheets are given to Tara to summarize on a worksheet. Worksheet is given to Scott Chilton for processing. All payroll checks are direct deposit. Scott Chilton prints out payroll check copies and they are returned to Tara to hands out to employees.

3.) RECONCILING & REPORTING

3A) Bank reconciliation is performed by Scott Chilton.

3B) Bank reconciliation is done by Scott Chilton. On a quarterly basis, an ECS Board member verifies checks that have been written were in the checkbook and check stock is packaged and locked in a drawer. The Board member also randomly samples checks to verify proper documentation for issuance of checks is on file. The Board documents and signs Statement of Review.

3C) Payroll reports are done by Scott Chilton. Bank reconciliation is done by Scott Chilton.

4.) BIDS & CONTRACTS

Elder Care Services will gather at least 3 separate bids for equipment or services to be purchased and with the discretion of the Board of Directors and cost factor, a decision will be made. Elder Care Services will not favor one particular business over another based on relationship, but will adhere strictly to purchasing and/or contracting based on cost and Board approval.

Appendix E

City of DeKalb 2020 CDBG Program Schedule for Reporting and Disbursement of Funds

Programs that run throughout the 2020 program year will submit program and financial reports on a quarterly schedule. Grant reports and payments are generally on a quarterly schedule and are subject to change based on HUD date of release of grant funds. Reporting and payment schedules may be modified for SUBRECIPIENTS whose programs are completed in less than six months. Payments are contingent upon completion of the environmental review, execution of the SUBRECIPIENT AGREEMENT, and receipt of program and financial reports, as well as source documents that substantiate CDBG-funded expenditures.

Report Due Date	Period Covered	Funds Disbursed
July 10, 2020	April 1 – June 30, 2020	July 2020
October 10, 2020	July 1 – September 30, 2020	October 2020
January 10, 2021	October 1 – December 31, 2020	January 2021
April 10, 2021	January 1 – March 31, 2021	April 2021

Appendix F

City of DeKalb Community Development Block Grant – Public Services Program Costs Ineligible for CDBG Funds

The City of DeKalb uses Community Development Block Grant (CDBG) funds to support programs and services that provide for the needs of low- and moderate-income residents as identified in the City's 2020-2024 Consolidated Plan. Direct program costs are generally eligible for CDBG funds based on the federal Omni Circular. Some costs, though allowable under federal regulations, are ineligible for reimbursement with City of DeKalb CDBG funds. Please note that some costs may be included in the program budget but will not be paid with CDBG. This list is not all inclusive.

Ineligible Costs include:

- Entertainment costs.
- Alcoholic beverages.
- Fines, penalties, damages and other settlements.
- Compensation to trustees, board members and their immediate family members.
- Staff time and other costs related to applying for CDBG funding.
- Advertising and public relations costs (this does not include informational materials such as program flyers used for program outreach/recruitment of eligible participants).
- Fund raising costs.
- Equipment and capital expenditures.

Eligible costs that will not be paid with CDBG include:

- Costs relating to the federal Single Audit.
- Indirect cost allocations, whether approved by a federal cognizant agency or the 10% de minimus indirect cost allocation.
- Computers and other electronic devices.