



GRANTS ADMINISTRATION HANDBOOK

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PREFACE AND ACKNOWLEDGEMENTS

Grant funding is an increasingly vital aspect of providing goods and services for organizations and the citizens they serve. Since researching, applying for, and managing a grant is a complicated undertaking, staff who work with grants must be educated on the basic policies and procedures related to all phases of the grant life cycle. This Grant Administration Handbook (Handbook) addresses the City of Lakeland's (City) policies, governing Federal and State laws, rules, regulations, policies, and other relevant information pertaining to grant administration processes for the City workforce engaged in grants administration in the City.

The integrity of the City's grants enterprise depends upon the knowledge and experience of its grant professionals, and these professionals must have a thorough understanding of their duties and responsibilities. We hope this Handbook will serve to assist staff in performing those duties effectively and efficiently.

DISCLAIMER

This Handbook is not intended to be an exhaustive listing of all rules, regulations, or laws relating to grant administration, but is a guide of standardized procedures to direct City personnel in the pursuit, application, and management of grant proposals and awards. All respective departments are responsible for creating and maintaining internal procedures that will be used in conjunction with these Citywide standards.

Additionally, each department is responsible for ensuring that City personnel administering grants are trained on applicable regulations governing their respective grant awards. Training may be provided by the grantor agency, an outside qualified vendor, or through internal resources. At a minimum, personnel administering Federal grants must be trained on the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The City Grant Coordinators and/or Special Project Managers will take the lead in establishing and tracking internal training on the components of 2 CFR Part 200 and other Federal and State guidelines for City personnel.

CHAPTER 1: PURPOSE, SCOPE, AND AUTHORITY

PURPOSE

This Handbook aims to establish uniform guidelines instructing City personnel in pursuing grant funding and managing grant awards. The Handbook describes the grants administration policy and procedures of the City associated with:

- Grant Identification, Application, and Tracking
- Grant Award Notification, Review, and Acceptance
- Grant Oversight and Monitoring
- Grant Accounting and Reporting
- Grant Subrecipient Monitoring
- Grant Close-out

SCOPE

It is the responsibility of the City's Office of Innovation & Strategy, under the direction of the City Manager, to implement the City grants administration policy and to provide procedures that detail the grant proposal seeking process and the proper execution, management, and close-out of the City's grant awards, and report on the submission and status of grants in a manner that assures transparency and accountability to the City Commission, grantors, and the public. These grant administration procedures apply to all grants pursued by City personnel and awarded to the City and define the roles and responsibilities of City employees pertaining to the management of external funding and compliance with prescribed grants and City requirements.

The City will maintain a Grants Administration Handbook that sets forth City procedures for administering all grant awards and grant pass-through awards in keeping with the requirements of the Uniform Guidance and other applicable statutes, rules, regulations, and guidance documents. The provisions contained in this manual apply to all City officers, employees, agents, contractors, and sub-grantees who perform functions associated with any grant award or pass-through award.

Definition of a Grant

For the City, a grant is a multi-defined instrument used by the government or private entities to subsidize programs and projects that fit within the funding criteria of each respective grantor. Due to their multi-defined characteristic, "grants" can be awarded in the form of loan contracts, loan guarantees, cooperative agreements, joint participation agreements, contracts for services, private contributions, interlocal agreements, and other types of contractual documents. Grants can be unrestricted or restricted, to be used by the recipient in any fashion within the parameter of the recipient organization's activities or for a specific purpose by the grantor. Typically, grants are intended to support a public

purpose. Procurement of goods or services for the direct benefit of the organization, and not for a broader public purpose, is generally awarded in the form of a contract.

For the City Commission, a grant is defined as financial assistance awarded to the City from an external entity to carry out a public purpose of support or stimulation, or when specifically identified by the awarding agency, as a “Grant” at the time of the award.

GOVERNING LAWS, RULES, REGULATIONS, AND POLICIES

Federal

- Federal Grant and Cooperative Agreement Act of 1977, as incorporated in Title 31 Section 6304 of the U.S. Code.
- 2 CFR Chapter 1, and Chapter II, Parts 200, 215, 220, 225, and 230 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (a.k.a. the “Omni Circular”).
- Single Audit Act of 1984 as amended in 1996.
- OMB Circular A-133 Audits of States, Local Governments, and Non-profit Organizations.
- 24 CFR Part 570
- Applicable Federal Register Notices
- Applicable CDBG-MIT Regulations and Guidelines
- 45 CFR Part 75
- 29 CFR Part 95
- 20 CFR Part 601,
- 24 CFR Part 570 subpart I
- SF424
- Americans with Disabilities Act, and Grievance Policy and Procedure
- Limited English Proficiency (LEP)

State

- Florida Statute, Chapter 125.
- Florida Administrative Code General Records Schedule GS1-SL for State and Local Government Agencies
- Rules of the Auditor General, Chapter 10.550, Local Governmental Entity Audits.
- Florida Single Audit Act, Florida Statute §215.97
- State’s Action Plan
- Government in the Sunshine Manual, 2022 Edition attached as **Appendix-C**

City

- City of Lakeland Employee Handbook (attached as City Employee Handbook **Appendix-M**) includes the following policies:
 - Equal Employment Opportunity Policy and Statement
 - Acceptable Use Policy Electronic Communication and Internet Use
 - Drug-Free Workplace Policy

UPDATES AND REVISIONS

This Handbook is a living document and contains Federal, State, and City policies that by its nature may be revised over time as regulations change, new tools emerge, new processes are designed, and risks change. The City's Office of Innovation & Strategy will annually review the procedures described herein and in continued collaboration with the personnel, it serves to update this document, as necessary, or as circumstances dictate.

CHAPTER 2: CITY OF LAKE LAND GRANTS ADMINISTRATION POLICY

Adherence to the policies and procedures found herein will promote efficiency, better transparency, greater accountability, and a strategic approach to funding opportunities, and generally place the City in a more competitive position for securing grant funds. Please contact the City's Office of Innovation & Strategy for assistance if specific directions relative to grants cannot be located in these procedures.

PURPOSE

Grants are an exceptional way to fund City projects; however, they come with the expectation that all work, including management of the grant award, will follow the highest standards of the regulatory and budgetary requirements of the grantor and the City. Failure to comply with such requirements can lead to a loss of goodwill and the return of funds. Inadequate review of grant proposals or grant awards may lead to the City spending General Revenue funds to support a grant project inconsistent with the overall strategic direction or may commit the City to General Revenue spending beyond the grant period. The purpose of this policy is to set forth guidance for the application of grant proposals and the administration of grants awarded to the City that ensure the efficiency and impact of grant-funded programs, services, and capital improvements; increase grant revenues; limit the City's exposure to grant related legal liability and assure grantors and the public that the City shall discharge its responsibilities with the highest of standards.

POLICY

It is the policy of the City of Lakeland that the City will seek grant funding for activities and assets that are determined to further core City functions; provide for activities and assets that are in the best interest of the City and its residents; consistent with the City's mission and strategic priorities. Unless exempted by City Commission action, all City departments and agencies shall participate in a uniform grants administration program, the Office of Innovation & Strategy, under the direction of the City Manager, will adequately assess grants before submission and ensure that grant award functions follow the highest standards of the grantor or the City. If the City is participating in the administration of a grant with other government entities or constitutional offices, then the other entities or constitutional officers shall provide reasonable assurance that the administration of their

grant is in full compliance with state and Federal laws, including 2 CFR Part 200. A subrecipient agreement may be required.

Funding Analysis: Grants that align with the strategic priorities of the City shall be analyzed by the City's Finance Department to examine the total impact and cost to the City due to matching requirements or new operating costs; allowance of indirect costs; whether General Fund revenues are necessary to cover the gap between cash expended and revenues received, and whether City General Fund revenues are necessary to support the project after the expiration of the grant if needed.

Provision of Administrative and Operational Support: In a manner specified by the City Manager, the City's Office of Innovation & Strategy shall continue to develop procedures that ensure a detailed understanding of the regulatory and financial requirements of grant awards and specify how grants will be implemented and monitored in a manner that assures transparency and accountability to the City, grantors, and the public.

PROCEDURE

The City's Office of Innovation & Strategy, under the direction of the City Manager, will maintain a Grants Administration Handbook that sets forth City procedures for administering State and Federal awards and pass-through awards in keeping with the requirements of State and Federal law. The provisions of this Handbook are applicable to all City employees under the control of the City Manager and City Commission, and to agents, contractors, and sub-grantees who perform functions associated with any State or Federal award or pass-through award.

The City Manager has designated the Office of Innovation & Strategy who will be responsible for organizational oversight of the City's Grant Management program consistent with this Policy and the Handbook, and for ensuring all specific grant-related compliance obligations are met. Grant Coordinators/Special Projects Coordinators in each Department are responsible for day-to-day compliance activities pertaining to grants that they oversee, under the oversight of Department Directors and Division Managers.

The City Manager may amend the Handbook from time to time, as may be necessary to ensure compliance with State and Federal law and with changing operational needs of the City.

CHAPTER 3: ROLES AND RESPONSIBILITIES

All City personnel who are engaged in preparing grant proposals and administering grant awards, including staff responsible for grant-funded assets, serve an important role in ensuring that all grant terms, conditions, and regulatory requirements are met.

Below are the “key team members” in the management and administration of grant-funded projects received by the City and a representational list of the responsibilities.

Mayor and City Commission

The City Commission must approve transactions in excess of \$50,000. This includes purchase requisitions, change order requests, check requests, task authorizations, and contracts. The Mayor, or his/her designee, will sign as the Authorized Representative on behalf of the City by Resolution or in accordance with the Grant Agreement.

City Manager

The City Manager or designee must approve all transactions in excess of \$25,000 and transactions up to \$50,000, which include purchase requisitions, change order requests, check requests, task authorizations, and contracts. * If allowed by the authorizing Resolution, the City Manager may execute some recurring grant agreements and related documents without formal approval by the Lakeland City Commission. *Pursuant to City Resolution No. 5136 dated July 7, 2014*

Further, pursuant to Ordinance No. 5850, dated November 16, 2020: “All sales and conditions of all contracts for the furnishing of work, labor and materials shall conform to such regulations as the City Manager or City Commission may prescribe, including those set forth in the City of Lakeland’s Purchasing Manual attached hereto as **Appendix I**, but in any case, if an amount in excess of Five Thousand Dollars (\$5,000.00) be involved, opportunity for competition shall be given.”

Office of Innovation & Strategy

It is the responsibility of the City’s Office of Innovation & Strategy, under the direction of the City Manager to:

- Implement and update this Grants Administration Handbook
- Oversight of the City’s Grants Management Software
- Provide a centralized point of contact for assistance with the identification of available grant opportunities
- Provide procedures that detail the grant proposal-seeking process
- Provide procedures that detail the proper approval and execution process
- Provide procedures that detail the grant management process, including grant close-out
- Provide reporting support on the submission and status of grants in a manner that assures transparency and accountability to the City, grantors, and the public

City Attorney

All grant documents going before the City Commission for approval and signature require legal review and approval as to form and correctness, including agreements, modifications, and extensions. The City Attorney reports to the City Commission.

Finance Department

The Finance Department has responsibility for Accounts Payable, Accounts Receivable, and General Ledger functions and is involved with all grants from the financial perspective. This department annually produces the Schedule of Expenditures of Federal Awards (SEFA) and provides internal and external auditors documentation necessary in the performance of the Single Audit. Finance validates that expenditures being sought for reimbursement are properly classified in the General Ledger and ensure completeness of all reimbursement requests for audit trail purposes. Finance Department personnel include the Director of Finance who reports to the City Manager, the Assistant Finance Director and Chief Accountants and Accountants I & II who report to the Director of Finance.

Department Directors

Department Directors provide programmatic and fiscal responsibility for their designated department. He or she ensures adequate resources are provided to staff for the appropriate conduct of project management duties and grant award management. In accordance with City Resolution 5136, approved by the City Commission on July 7, 2014, the City Manager or his/her designee is authorized to establish signing authority for each of the Department Directors up to \$25,000. Therefore, all Department Directors may approve budgeted transactions up to \$25,000, which include purchase requisitions, change order requests, check requests, task authorizations, and contracts, provided this level of authority has been granted by the City Manager or his/her designee. (See attached City Accounts Payable Policy and Procedures Manual - **Appendix A**) for more information and exceptions. The Director of Public Works will be responsible for overseeing the technical work completed by City staff working on this grant project.

Division Managers

Division Managers will enforce City policies and procedures; provide organizational oversight and accountability related to grant compliance; implement, execute, and manage grant-related scopes of work, coordinate schedules and activities, oversee subcontractors, and report the status of grants to their designated Department Director. This position will also ensure that division staff is properly trained and qualified to carry out the tasks related to the administration of grants; ensure the accuracy of programmatic reports; ensure critical timelines are met, and ensure grants comply with all applicable regulations. Division Managers will identify a Grant Coordinator/or Special Projects Coordinator for each grant and ensure familiarity with grant guidelines and parameters outlined in this handbook and grant agreements. Signing authority for each City employee organizationally beneath the level of Department Director is individually assigned. In most cases, Division Managers have City authorization levels up to \$15,000. (See attached City Accounts Payable Policy and Procedures Manual – **Appendix A**, Page 13 for more details.)

The following is a list of the Division Manager's responsibilities:

1. Coordinate and direct the activities of the Division and program/project staff to ensure budgeting, fiscal management and reporting, procurement, and contract management comply with Federal, State, and local policies, procedures, and regulations.
2. Prepare bid and procurement documents, and coordinate with the City's Purchasing and Finance Departments on bid procurement for vendors and subcontractors. Vet and select

- appropriate and qualified vendors and subcontractors, prepare contract documents, and coordinate with the City Attorney's Office for review and approval.
3. Review and approve grant compliance and financial documents prior to submittal.
 4. Create and implement project schedules and plans, assign, and review the work of skilled and semi-skilled staff, sub-contractors, and vendors in the execution of project assignments and tasks.
 5. Supervise, direct, and advise staff, subcontractors, and vendors in the execution of project tasks and program work to ensure compliance with approved work plan, State, Federal and local regulations, and requirements.
 6. Prepare and submit periodic detailed reports summarizing program and project activities.
 7. Coordinate and monitor subrecipients.
 8. Monitor the performance and outcomes of the programs associated with a grant.
 9. Participate in all required monitoring reviews and audits.

Division Grant Coordinators and/or Special Projects Coordinators

The Grant Coordinator and/or Special Projects Coordinator is the divisional designee who is responsible for the administration of each assigned grant and ensures that the processes and procedures outlined in this handbook and each grant agreement are followed. This position may be assigned as the Project Manager or other individual assigned to coordinate all grant-related activities within the division and act as the primary contact for grant-related activities.

The following is a list of the Grant Coordinator's/Special Projects Coordinators' responsibilities:

1. Research program requirements prior to submitting a grant application.
2. Arrange sign-in permissions for computer program access to grant project information and documentation.
3. Coordinate the preparation and submission of grant applications with the Division Manager.
4. Coordinate legal review of grant agreements through the City Attorney's Office.
5. Create agenda memorandums and coordinate placement of grant agreements on the City Commission Agenda for final approval.
6. Verify multi-departmental processes and procedures are properly followed, i.e., purchasing procedures, records retention, etc.
7. Coordinate and monitor subrecipients.
8. Establish a thorough tracking and reporting process.
9. Submit timely and accurate reports.
10. Monitor the performance and outcomes of the programs associated with a grant.
11. Monitor grant-related spending; grant lifecycle and document storage utilizing the City's eCivis grant management software that is integrated with City financials within Oracle.
12. Coordinate, prepare, and participate in all required monitoring reviews and audits.
13. Provide the proper closeout and coordinate the retention of required program records with Records Management at the conclusion of each grant.
14. Place program-related documents, including contracts, into the appropriate SharePoint or eCivis project data locations designated by the initiating department/division.

The Grant Coordinators and/or Special Projects Coordinators will be responsible for communicating program status and outcomes with various levels of staff and management and representatives at the local, state, and Federal agencies, as applicable.

City Internal Auditor

The City Internal Auditor examines and evaluates the internal control systems and procedures City departments use to carry out the assigned responsibilities of the organization when audited, including the implementation requirements of departments; reviews City programs and services to ensure completeness and transparency for audit trail purposes. The Internal Auditor coordinates with the external auditors by providing them with documentation to perform the Single Audit and reports directly to the Director of Finance.

External Auditor

External Auditors work with the City's Internal Auditor and Finance Staff to perform the Single Audit.

City Finance Chief Accountant or Accountant

The City Finance Chief Accountant or Accountant who resides within the City Finance Department shall be responsible for managing the financial requirements and maintaining the award record in the City's financial system. Although some tasks may be delegated, the Chief Accountant is the chief accountable person for the overall fiscal conduct of the grant awards, meeting the budgetary terms and conditions of the awards, and representing the accounting of the projects to the Internal Auditor and Grantors. Following is a list of responsibilities for the City's financial contact:

1. Utilizing the City's General Ledger software or eCivis Grants Management Software, prepare and coordinate the budget portion of grant requests with City Department Directors, Division Managers and Grant Coordinators, and/or Special Projects Coordinators.
2. Generate grant project numbers and set up new accounts.
3. Assign split funding cost accounting for payroll, benefits, project phases, etc. as specified by each grant.
4. Submit all required documents necessary to satisfy periodic reporting requirements on a timely basis.
5. Prepare and submit financial reports in accordance with grant requirements and deadlines.
6. Request grant reimbursements in accordance with grant requirements and this Grants Administration Handbook.
7. Provide financial information, statistical data, and analysis as needed and necessary.
8. Monitor the funding and expenses associated with the grant.
9. Coordinate, prepare and participate in all required monitoring reviews and audits.
10. Provide the proper closeout and retention of required fiscal records at the conclusion of each grant.
11. Place fiscal-related documents into the appropriate SharePoint folders or within eCivis grants management software.
12. Communicate the financial status of the grant with the Grant Coordinator and/ or Special Projects Coordinators, Department Director, and Division Manager.

Purchasing Manager

As set forth in the City's Purchasing Manual, the City's Purchasing Manager shall serve as the principal officer for the purchase of all goods and services for the City. The City Charter provides for the creation of the purchasing function and prescribes certain legal and administrative requirements. As such, the Purchasing Manager is delegated certain administrative responsibilities by the City Manager. Since it is not practical for the City Manager to become involved in all purchasing decisions, the Purchasing Manager must make every attempt to represent the management philosophies of the administration which he/she serves and to report in a timely fashion to his/her superior's key information regarding the purchasing functions.

CHAPTER 4: GRANTS IDENTIFICATION, APPLICATION, AND TRACKING GRANT IDENTIFICATION/RESEARCH

Departments can use the following sources to locate funding for City projects:

- City of Lakeland's eCivis Grants Management Software.
- Federal Funding Opportunities (www.cfda.gov): CFDA sites provide a full listing of all Federal programs available to state and local governments.
- State Funding Opportunities (<https://apps.fldfs.com/fsaa/catalog.aspx>) CSFA site is a statewide compendium of state projects that provide financial assistance to non-state entities.
- Regional and Local Funding Opportunities
- Foundations
- Legislative Appropriations (submitted through the legislative policy process)
- Agency Websites and Listservs
- Federal Register (<https://www.Federalregister.gov/>)
- Grants.gov (<http://www.grants.gov/>): Grants.gov is the clearinghouse for all Federal grant opportunities and allows organizations to electronically find, apply for, and manage Federal grant funds online through a common website.
- Grantsolutions.gov (<https://home.grantsolutions.gov/home/>): GrantSolutions.gov is a comprehensive grants management system that allows applicants to apply for, manage, and report on the use of U.S. government funds for multiple programs such as Federal Health & Safety funding and RESTORE Act.

The grant-seeking process consists of departmental grant strategy planning, a pre-application assessment, and a review.

- To maximize potential funding capacity, it is suggested that each department seeking grant funding for capital projects provide an annual prioritized list of needs to the Department Director that can potentially be met through grant funding. An interdepartmental committee may be established to review financial requirements; outside financial assistance and documentation needed for application preparation.

- The department initiating the grant application will need to review to assess whether:
 - The funding opportunity aligns with the department’s core mission and the City’s strategic priorities.
 - The department has the required match (cash/in-kind).
 - The program/project is sustainable without additional funding.
 - The department can fund potential long-term operations and maintenance costs without budgetary increases.

TYPES OF GRANT FUNDING

1. Block Grant (also referred to as a “formula” grant) – A broad intergovernmental transfer of funds or other assets by the U.S. Congress to state or local governments for specific activities such as justice initiatives, housing, health, and human services, but with assurances required. Block grants are distributed according to legal formulas defining broad functional areas such as health, income, security, education, or transportation.
2. Discretionary Grant – Non-formula grants that use competitive procurement methods to distribute funding. A competitive grant is an award of financial assistance in the form of money, or property instead of money, by the Federal or State Government to an eligible grantee, usually made based on a competitive review process.
3. Cooperative Agreement & Contract – Types of Federal or State assistance, essentially a variation of a discretionary grant, awarded by a Federal or State agency when it anticipates having substantial involvement with the grantee during the performance of a funded project.
4. Special Projects (also known as Earmarks, Appropriations, or Member Projects) – designate a certain source of revenue for specific projects made at the request of a legislator. Typically, the County submits requests for projects to State and Federal legislators who seek to obtain funds for those requests, usually, to be spent in the district the legislator represents. Special Projects bypass the normal competitive grant review procedure by which revenues are allocated into a general fund, then divided among various government programs. Most Special Project allocations are administered through State and Federal agencies that will require a Scope of Work and Contract after the legislation has been approved and before funds can be expended. Federal and State grant compliance regulations, 2 CFR Part 200, often apply to Special Projects.
5. Formula Grant – Formula Grants are usually Block Grant funds that a Federal or State agency is directed by Congress to make to grantees. The amount is established by a formula based on certain criteria that are written into the legislation and program regulation. This funding is directly awarded and administered in the Federal or State agency’s program offices, or maybe a pass-through grant to another unit of government.
6. Loan Agreement – The City may take advantage of loans offered by the State and Federal governments and offer reduced interest rates for capital projects. These loans may also follow grant compliance regulations.
7. Pass-Through Grant – Grant funds originate with one grantor but pass through to another grantor. Such as from one Federal Agency to a State Agency to a local government.

ELECTRONIC FILE STORAGE REQUIREMENTS

File management is an important aspect of grants management. Auditors will refer to the documentation as well as financial data when auditing a grant program. City Departments will utilize the City's eCivis Grant Management Software (or designated SharePoint platforms) to have one place where all information related to a grant can be found quickly and easily. To that end, all relevant correspondence associated with the grant will be stored using naming conventions that are effective in data mining processes. Files stored should consistently contain the project name, grant number, and the year the grant was approved. If named consistently, eCivis or SharePoint can be used as a search engine to access all documents associated with a grant project. For recurring grants, change only the year of the grant to distinguish it from the previous year, but otherwise retain the same grant name.

APPLICATION PREPARATION

Pre-application Preparation

City Employer Identification Number (EIN) a/k/a Federal Tax ID No.

59-6000354

City Dun & Bradstreet Number

02-099-7912

City Unique ID Number and Expiration Date (SAM.gov)

DFALLIBR39KN7 Cage Code: 1N0G1 Exp.: 5/31/2023

Preparation of Application

Preparing the application is primarily the responsibility of each respective department with support from the Finance Department. There are certain essential elements necessary for the successful submission of a grant application that must be attended to prior to filling out the grant application.

Electronic proposal preparation and submission are becoming the norm for grant administration. The Department Grant Coordinator and/or Special Projects Coordinator will assist in coordinating roles designated for all external web-based grant portals, as each portal defines roles differently, which may involve other City departments. The following are examples of the various web-based portals in which the City is registered:

- a. Grants.gov
- b. System for Award Management (SAM.gov)
- c. Automated Standard Application for Payments (ASAP)
- d. FEMA eGrants and PARS (Payment and Reporting System)
- e. Grant Solutions (for RESTORE Act)
- f. Department of Justice Grants Management System (GMS)
- g. Department of Justice Grant Payment Request System (GPRS)
- h. eGrants (Florida Department of Economic Opportunity)

- i. Federal Transit Administration Transit Award Management System (TrAMS)
- j. Federal Transit Administration Grantee Payment Request System (ECHO)
- k. Florida Department of Transportation Local Agency Program (GAP)
- l. Southwest Florida Water Management District (SWFWMD) Cooperative Funding Initiative
- m. Florida Department of Environmental Protection (FDEP)

Writing the Proposal

The initiating department is responsible for preparing and submitting the grant proposal application. However, the Grant Coordinators and/ or Special Projects Coordinators, and Finance Department staff are available for assistance and guidance to assist in the preparation of a successful proposal.

The initiating department will read and review the grant guidelines thoroughly. Grant application guidelines identify what to include in the respective grant proposal, and it is critical to understand the grantor's requirements and to follow grant application guidelines explicitly. Request a sample/template contract to budget for contract award compliance. Structure, attention to specifications, concise enthusiastic/persuasive writing, and a reasonable budget, with a justification narrative, are the critical elements to be considered during the writing stage.

Grant guidelines typically identify:

1. Submission deadlines
2. Grantee eligibility
3. Funding goals, priorities, and ceilings
4. Proposal format: forms to use, page limitations, page margins, line spacing, etc.
5. Budgets and budget justification narrative
6. Proposal evaluation process, criteria, and timetables
7. Point(s) of contact
8. Allowable supplemental materials, such as Letters of Support
9. Required certifications and assurances
10. All other submission requirements

All Letters of Support

The Department Director, Division Manager, Grant Coordinators, and/ or Special Projects Coordinators shall be responsible for obtaining any required or supplemental Letters of Support.

INTERNAL GRANT NOTIFICATION AND RISK ASSESSMENT

Internal Process for Grant Proposal Submission Notification

The grant process begins with the interested City department. A minimum of thirty (30) days prior to the grant application deadline, or as soon as the grant opportunity is available or brought to the attention of the department, the initiating City Department's Grants Coordinator or Special Projects Coordinator will establish the grant project in the City's grant management software. Grant lifecycle information input will include Budget Category, Budget Line-Item Title, Budget Line-Item Detail/Description, General Ledger Code (GL Code), and Item Type (Direct Cost, Indirect Cost, or Cost Share). Once completed, the Checklist should be forwarded to the City's Grant Writer in the Office of Innovation & Strategy for tracking.

Various types of risk are associated with the acceptance of grant funding. It is important to review the risks associated with each grant prior to accepting funding. The City's Office of Innovation & Strategy together with the Finance Department will be notified through eCivis to review the financial and programmatic considerations.

Items to consider when assessing risk include:

Financial Considerations

- a. Total anticipated grant costs
- b. Matching requirements. This includes types of matches and the source of the matching funds that are needed.
- c. Program income considerations
- d. Staff time spent on the grant application
- e. Staffing requirements for the grant itself. This includes both administrative staff time and program staff time. Consider the time frame for the grant, employee type (regular, part-time, or contract)
- f. A continuation plan of the grant funding if needed

Programmatic Considerations

- a. Alignment with the City's strategic goals
- b. Possibility of continuation of the program once the grant funding has ended (if needed)
- c. Staff's knowledge of the programmatic requirements of the grant
- d. Partnerships, community involvement, support letters, etc.
- e. Required Memorandums of Understanding (MOUs) with partner agencies.
- f. Possible duplicative services already in the community

CHAPTER 5: AWARD NOTIFICATION, REVIEW, AND ACCEPTANCE PROCEDURES

Grant agreements are legal contracts. It is the City's responsibility to carry out grant activities to accomplish its objectives while adhering to the regulatory and budgetary terms and conditions prescribed by the grantor in the grant agreement. Failure to do so may expose the City to legal liability and compromise current and future grant funding. The City carries a significant legal and ethical responsibility when accepting grant funding. As such, management of grant awards requires heightened awareness throughout the organization.

AWARD NOTIFICATION

Once the award scope and budget are agreed upon, an award will be presented by the grantor. The grant award or grant contract may be delivered to the City through a hardcopy letter or email to the identified City Grant Coordinator and/or Special Projects Coordinator listed in the application. Grantor agencies are also using electronic portals for grant applications, submissions, and award management. Usernames and passwords must be not shared with others and are only used by the authorized person.

LEGAL REVIEW

The City Attorney's Office shall conduct a legal review of the grant agreement to assess whether the terms and conditions of the agreement are legally enforceable and ensure the City's interests are protected.

1. If the legal review identifies no issues with the terms and conditions of the agreement, the grant agreement may then proceed to the City Manager's Office for consideration and placement on the City Commission Agenda for final approval.
2. If the legal review identifies any issues with the terms and conditions of the award, the initiating department will facilitate with the grantor to resolve the issue. If the City and grantor cannot arrive at a mutually agreeable position, the initiating department may choose not to accept the award. This will occur through written correspondence from the initiating department and will clearly specify the reason(s) the award is being declined.

CITY APPROVAL AND APPROPRIATION

1. The initiating department is responsible for ensuring approval to accept the award by the date required by the grantor for full execution.
2. The initiating department prepares and submits an Agenda Memo which must include specific information regarding the award under consideration. Key points to include in the request are:
 - a. Request City Commission approval of the grant award and agreement.
 - b. Amount of the award.
 - c. If required, request approval by Resolution for the Mayor or designee to sign all documents associated with the grant on behalf of the City.

- d. Provide a description of the project or program funded by the grant.
 - e. Provide expected outcomes of the project.
 - f. Request approval and appropriation of funds (Finance Department can provide appropriate language for the appropriation of funds).
 - g. The item is placed on the City Commission Agenda under the City Manager Section. A department representative shall attend both Agenda Study and the City Commission Meeting to answer any questions the Commission may have. An example of an Agenda Memo is attached as **Exhibit-1**. Three (3) originals of the grant agreement shall be delivered to the City Attorney's Office to circulate for authorized City signatures and return to the initiating department.
3. Following the City Commission execution and appropriation of the grant award and agreement, the initiating department is responsible for submitting the executed grant agreement and related documents to the grantor.
 4. The initiating department provides an original of the fully executed grant agreement to the City Clerk when the fully executed grant agreement is returned to the City by the grantor. Copies of the fully executed agreement shall be provided to the following:
 - a. Grant Writer in the Office of Innovation & Strategy
 - b. City Finance Chief Accountant or assigned Grants Accountant

PROJECT SETUP AND ACCOUNT CODES

Oracle is the financial software utilized for fund accounting.

1. Upon receipt of a fully executed grant agreement, the Grant Coordinator and/or Special Projects Coordinator shall coordinate with the City Finance Chief Accountant or assigned Grant Accountant:
 - a. To set up the grant project in a grant-specific cost center in Oracle. City project account codes should be set up to track project phases and applicable payroll and benefit requirements of the grant to provide a clear reimbursement and accounting trail.
 - b. For Public Works Department Grants, contact the Public Works Systems and Applications Manager (in the Public Works Director's Office) via email, to coordinate the setup of payroll accounts (reimbursable and non-reimbursable) in the Lucity work management system to provide a clear accounting trail of all project costs.
 - c. Ensure that the grant project is set up in SharePoint or Teams allowing documentation to reside and be retrieved from a singular location that is accessible across departments.
 - Standardized list of documentation that should be uploaded to the SharePoint grant folder or eCivis Grant Management Software is provided in **Exhibit-2**.

- d. For recurring grants that have been appropriated by the City Commission during the budget process, but the funds have not yet been transferred by the grantor (i.e., CDBG), the Finance Department may create projects in Oracle based on the approved budget to facilitate tracking allowable expenditures for the next grant cycle. Project accounting will be adjusted accordingly if any change is made to the awarded budget or allowable costs for the grant.

CHAPTER 6: MANAGING THE GRANT

Grant funds must be properly received and managed by the City. How departments can be notified of a grant can vary. Grant award notices can be sent to the department, or other designated grant staff via email, US postal service, or fax. Violations can result in a range of penalties including suspension of future funds from the grantor, return of all funds associated with the award including those already expended, and civil or criminal penalties.

MONITORING AND OVERSIGHT OF THE GRANT

Compliance Monitoring: The post-award activity of awarded City grants shall be overseen by the departmental Grant Coordinator and/or Special Projects Coordinator with the following responsibilities:

1. Monitoring activities under the grant scope of work to assure compliance with applicable requirements and to ensure that performance expectations and deliverables are being achieved. Monitoring of the grant must cover each program, function, or activity. The departmental Grant Coordinator and/or Special Projects Coordinator shall be responsible for ensuring that activities comply with the Terms and Conditions of the grant agreement/contract and ensure that the required deliverables and reports are submitted by or before the specified deadlines in the award agreement.
2. The Grant Coordinator and/or Special Projects Coordinator serves as the liaison with the grantor regarding program performance, operational requirements, monitoring, and supervision of all programmatic (operational) aspects of the grant in accordance with the terms and conditions of the grant. They shall be responsible for conducting or coordinating all internal program monitoring and ensuring the preparation and submission of all required program reports by or before the specified deadlines in the award agreement.
3. The assigned Chief Accountant or Accountant is responsible for ensuring that essential support and controls are provided to the recipient department so that the grant awarded ends successfully and in compliance with all budgetary policies and procedures.

FINANCIAL MANAGEMENT AND ACCOUNTABILITY

Financial Management System

As noted in the City Accounts Payable Policy and Procedures Manual (attached as **Appendix A**), Oracle has been the City's financial system provider since 1989. Installed in Oracle is a suite of software applications for different business purposes called e-Business Suite (EBS). Payables is one such application within EBS used by the City to store information about vendors and the invoices submitted to the City for payment. The City's Accounts Payable Policy and Procedures Manual lays out the procedures for documenting grant awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and program interest that meets or exceeds 2 CFR Part 200.302(b)(1) and (3).

Management of Federal Cash

In order to minimize the time elapsing between the transfer of funds per 2 CFR Part 200.305, the City of Lakeland will only request advance payments to cover expenses and invoices that are ready to be paid within three (3) business days after receiving funds. Payments must be deposited and maintained in interest-bearing accounts. Advances should not be requested for encumbrances in which services and invoices have not been received unless there is a certainty that invoices will be received and paid within these established guidelines. Payments to sub-recipients are limited to immediate cash needs.

Interest earned up to \$500 per year may be retained for administrative expenses. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either an Automated Clearing House (ACH) network or a Fedwire Funds Service Payment. Refer to 2 CFR Part 200.305(b)(9) for specific instructions.

Receipt and Use of Grant Funds

1. No grant funds shall be disbursed until a City Commission agenda item and appropriation request have been approved by the City Commission or delegated authority by Resolution, and a project has been created in Oracle, unless the funding is fully tracked within a grant-specific cost center in Oracle, and required documentation is complete.
2. Grant funds may only be used for grant-related expenses and expended within the period of performance identified in the grant agreement.
3. Departments receiving grant funds shall adhere to City policies and procedures regarding revenue collection, accounting, and reporting of grants received by the City.
4. Modifications or reallocations to the awarded budget that alters the grant amount or moves funds from one budget line to another must adhere to grantor and City policies and procedures.

5. Grant funds awarded to the City shall not be used to supplant an existing expense so that current funds can be diverted to another use unless such use of grant funds is explicitly identified as allowable in writing by the grantor of the grant award.
6. All income resulting from a grant-funded project or program shall adhere to the City of Lakeland Central Accounting Policy and Procedures Manual managed and maintained as established in the grant agreement attached as **Appendix B**.
7. All procurement activities associated with grant-funded projects or programs shall follow the grant agreement and the policies and procedures outlined in the City Purchasing Manual attached as **Appendix I**. It is the responsibility of the City Grant Coordinator and/or Special Projects Coordinator to notify the Purchasing Division of the existence of any and all grant conditions when requesting a procurement using grant funds.
8. All property and equipment acquired through grant funds shall follow the grantor and City policies and procedures for property or inventory control.
9. All grant and related matching revenues and expenditures shall be recorded in the Oracle accounting platform.

Determination of Allowable, Allocable, and Reasonable Costs

Grant funds must be spent in accordance with the terms and conditions of the grant award. Therefore, prior to expending grant funds, the Grant Coordinator and/or Special Projects Coordinator together with Chief Accountant or Accountant must be aware of what costs are allowable and disallowable under the grant as well as what costs are considered direct and indirect.

Allowable costs shall be adequately documented and fit the definition for an authorized expenditure as stated within the cost principles as follows:

- a. Allocable, reasonable, and necessary
- b. Treated consistently as a direct or indirect cost
- c. Determined in accordance with Generally Accepted Accounting Principles (GAAP)
- d. Net of all applicable credits
- e. Not included as a cost to meet a matching requirement of another Federally funded grant
- f. Conforms to limits or exclusion on types or amounts of costs as stated in cost principles, Federal laws, and terms and conditions of the grant award
- g. Consistent with policies and procedures that apply uniformly to Federal and non-Federally funded activities.

A cost is *allocable* to a grant if the goods and services purchased are related equitably to the benefits received by the funded program. A cost must also be incurred specifically for the award, benefit the award, and be *necessary* to the overall operation of the organization. A cost can be considered *reasonable* if, in both its nature and amount; does not exceed that by which a prudent person would incur at the time the decision was made to incur the cost.

Allowability and Authorization

It is the initiating department's responsibility to determine if a cost is allowable under the grant program. Typically, the determination would fall under the responsibility of the Grant Coordinator and/or Special Projects Coordinator, however, the Department Director may delegate the responsibility to other qualified staff.

1. The initiating Division Manager will establish the grant proposal budget in consultation with the Department Director and the Finance Director or Designee and submit it to the Granting Agency with application and/or acceptance of the grant agreement.
2. The Finance Director or Designee will prepare the budget amendment to recognize grant revenue and expenses in the general ledger; set up project accounting in the financial software utilizing unique identifiers for grant-funded goods and services. The Finance Designee will then communicate the project and general ledger account codes for the grant to the assigned Grant Coordinator and/or Special Projects Coordinator.
3. Prior to the preparation of bid documents, Request for Proposals (RFPs), purchase orders, or other purchasing methods, the Grant Coordinator and/or Special Projects Coordinator must notify the Purchasing Division whenever Federal or, state funding is used.
4. The Grant Coordinator and/or Special Projects Coordinator will review grant purchases, purchase orders, contracts, invoices, contractor pay applications, and salaries for allowable grant costs prior to payment authorization.
5. The Grant Coordinator and/or Special Projects Coordinator will coordinate with the designated Chief Accountant and/or Accountant on any proportional costs applied to a grant.
6. The designated Chief Accountant and/or Accountant will review grant transactions and confirm for completeness, timeliness, accuracy of expense, and allocable costs will determine the proportion of cost that can be applied to the grant.
7. The designated Chief Accountant and/or Accountant will perform routine reconciliation of grant program transactions in the general ledger and project accounting and will complete and enter journal entries and project adjustments as needed.
8. The Grant Coordinator and/or Special Projects Coordinator will notify the designated Chief Accountant and/or Accountant of any purchasing or contract changes during the grant cycle and will submit to the Granting Agency any requests for changes to the agreement.
9. The designated Chief Accountant and/or Accountant will perform cash flow and projections for the grant budgets and complete budget adjustments to the general ledger and project accounting as needed.
10. The designated Chief Accountant and/or Accountant will coordinate with the Grant Coordinator and/or Special Projects Coordinator to obtain supporting documentation as required by the Grantor used in the preparation of financial reporting including reimbursement requests, claims, and draws. The supporting

documentation will demonstrate whether a cost is reasonable, necessary, or allocable if it impacts a cost's allowability.

Equipment and Real Property Management Cost Sharing/Matching

1. Equipment purchased with grant funds shall be used exclusively during the life of the grant for the project or program for which it was acquired.
2. Equipment purchased with grant funds must be properly maintained and safeguarded, and equipment records must be maintained per City inventory policy and procedures. This includes identifying grant-funded acquisitions on fixed asset inventory under the column marked "restricted/grant funded". It is the Grant Coordinator's and/or Special Projects Coordinator's to notify the Purchasing Division and Finance Division when fixed assets are purchased with grant funds and must be identified as a grant-funded acquisition on the fixed asset inventory.
3. Recipient department must comply with the Granting Agency's requirements to report annually, or per designated time period, on the status of equipment and real property acquired with grant funds. All reporting requirements will be coordinated with the designated Chief Accountant and/or Accountant.
4. After the grant award is closed and equipment is no longer needed for its originally authorized purpose, the Grant Coordinator and/or Special Projects Coordinator at the recipient department shall request disposition instructions from the grantor and follow City policy and procedures for property and inventory control. All disposition requirements will be coordinated with the designated Chief Accountant and/or Accountant.
5. Grant purchased equipment and real property acquired with Federal funds must also comply with 2 CFR Parts 200.313, 200.314, and 200.329 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.

Expenditure Monitoring/Award Reconciliation

It is critical to the overall success of a project that grant funds are expended accurately. After initial setup, grant awards should be reconciled on a monthly basis to ensure:

1. Expenditures are allowable, allocable, necessary, and reasonable based on the terms and conditions of the grant award.
2. Expenditures are adequately supported by documentation.
3. Evaluation for a budget revision or amendment is assessed. Requests to granting agencies for budget revisions or amendments need to be made in writing with the grantor agency's approval also in writing.
4. Expenditures are recorded and charged to the correct project and/or general ledger account in Oracle.
5. Award spending is commensurate with the project timeframe. Reconciliation involves checking:
6. Expenditures/revenues recorded in project accounting to those recorded in the general ledger

7. Revenues billed during a reporting/billing period against expenditures charged to the project during the same period.

Cost Transfers

Incorrectly posted charges to grant-funded projects must be fixed within regulated time constraints, which is why routine account reconciliation is critical. Failure to transfer incorrectly posted charges in a timely manner may result in the expense being disallowed for grant reimbursement.

1. All cost transfers moving an expenditure from one grant-funded project to another grant-funded project should be made within ninety (90) days from the end of the calendar month in which the transaction appears.
2. Any cost transfer removing expenses from a grant-funded project to a non-grant-funded project may be made without regard to a time limit.

Cost Sharing/Matching

1. The source of cost share must be identified at award set up and tracked for reporting.
2. Cost sharing (a.k.a. matching) is provided either through cash or expenditures, in-kind services, or via a third-party commitment. For Federally funded grant awards, all cost sharing/match must be in accordance with 2 CFR Part 200.306. Revisions and updates to 2 CFR Part 200 can be found at www.ecfr.gov.

According to 2 CFR Part 200.306 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 City's cost sharing, or matching when such contributions meet all of the following criteria:

- a. Are verifiable from the City's records
- b. Are not included as match/contributions for any other Federal award (unless expressly authorized by the Federal agency)
- c. Are necessary and reasonable for accomplishment of project or program objectives
- d. Are allowable under the Cost Principles of 2 CFR Part 200
- e. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such programs can be applied to matching or cost-sharing requirements of other Federal programs
- f. Are provided for in the approved budget when required by the Federal awarding agency.

Earned Program Income

Some grant programs contain tasks or objectives that may result in program income. Program income must be anticipated and disclosed in the grant proposal budget, which should include a plan for utilization that identifies the method of use. The plan should also

include the use of income collected in excess of expenditures. If program income is not disclosed at the proposal stage, the grantor must be promptly notified that the project will generate income and determine how income is to be used.

Typically, program income could come from fees collected for services performed or registration fees for conferences or workshops. Such fees can also be generated through sub-awardees and must be accounted for in the same manner. Government revenue, such as taxes, special assessments, levies, fines, and other such revenues, raised by the City or sub-awardee, is not considered program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income.

Program income may be used for a project in several ways depending upon the grantor's agency requirements:

- Additive: Program income is added to funds committed to the project by the grantor and used to fulfill eligible project or program objectives.
- Cost Share: Program income is used to finance a share of the project or program.
- Deductive: Program income is deducted from the total project or program budget.

If the grantor agency does not specify in its regulations or the terms and conditions of the award or give prior approval for how program income is to be used, program income must be deducted from total allowable costs to determine the net allowable costs. Program income that the City did not anticipate at the time of the grantor award, must be used to reduce the grantor award and the City match (if applicable) rather than to increase the funds committed to the project.

All program income must be accounted for during the performance period of the award and be reported per the method of utilization approved by the grantor. Failure to disclose program income may require that all program-generated income be treated as deductive.

Use of program-generated income resulting from a Federal grant-funded project/program shall comply with 2 CFR Part 200.307.

Support of Salaries and Wages

Compensation for personnel services on Federal grants must be based on payrolls documented through standard City policy and procedures. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant. Federal grants require accounting for 100% of one's time even if all of one's time is not allocated to the grant project (2 CFR Part 200.430). The Project Accounting module is used to capture the costs of grants and capital projects.

Salaries and wages of employees used in meeting cost sharing or matching requirements of Federal awards must be supported in the same manner as those claimed as allowable

costs under Federal awards. The consequences of noncompliance with employee time and effort certification may be the disallowance of such charges to the grant.

Where an employee works on single or multiple awards (including Federal and non-Federal), a distribution of their salaries/wages and fringe benefits must be supported by a personnel activity report that:

- a. Reflects an after-the-fact distribution of the actual activity of the employee.
- b. Accounts for total compensation activities.
- c. Be prepared at least monthly and coincide with one or more pay periods.
- d. Must be signed by the employee or supervisor who has first-hand knowledge of the work performed by the employee, or
- e. Any other format accepted or deemed acceptable by the granting agency.

GRANT REPORTING

Every award has reporting requirements specified in the grant agreement. It is critical that all reports are complete, accurate, and submitted per the specified dates outlined in the agreement. Accurate and timely reporting is critical to maintaining a good relationship with the grantor. Requirements and procedures are established to ensure that grant funds are expended and accounted for in a method that provides accuracy, uniformity, and consistency. Late or inaccurate reports may negatively impact current or future funding and result in Single Audit findings.

Types of Reports

- **Performance/Progress/Narrative/Status:** The recipient department's Grant Coordinator or Special Projects Coordinator is required to regularly submit to the grantor and retain performance reports that reflect grant-funded operational progress as required by the grant agreement.
- **Financial:** The designated Chief Accountant or Accountant is required to regularly submit and retain financial reports that reflect a grant's fiscal health as required by the grant agreement and supporting documents.
- **Close-Out:** Dependent upon the conditions of the grant agreement, after the expiration or termination of the grant, the Grant Coordinator, or the Special Projects Coordinator, in collaboration with the designated Chief Accountant or Accountant, is required to submit all financial, performance, and other reports required in the grant agreement.

Frequency of Reports

The frequency of the reports is specified in the grant agreement. Occasionally, the funding agency requests an interim report. For Federal grants, 2 CFR Part 200.328 requires the submission of an interim report when significant developments have occurred. This is defined as problems, adverse conditions, or changes in timelines (either favorable or unfavorable).

It is ultimately the responsibility of the recipient department to be sure reports are submitted by the deadline. The Grant Coordinator or Special Projects Coordinator is responsible for completing reports in a timely manner and for report submission to the grantor. The Grant Coordinator/Special Projects Coordinator or the designated Chief Accountant/Accountant may submit the documents to the grantor, depending upon the level of service for the recipient department and the type of report involved. If the grant agreement does not specify the reporting period, the Grant Coordinator/Special Projects Coordinator must determine from the funding entity the timeframe for report submission.

GENERAL STANDARDS FOR SUPPORTING DOCUMENTATION

Costs claimed by the City under its grants must be allowed, allocable and reasonable, and must have adequate documentation to support charges to the grant. Expenditures under most cost reimbursement grants are governed by the cost principles established by Federal, state, and other grantors, and must conform to respective policies, grant special provisions, and City policies.

1. Typical grant transactions may include personnel costs, purchase of equipment and supplies, costs for contracted services, grant income or revenue, etc. Recipients of grant funding must submit documentation of eligible expenses and proof of payment for expenses incurred during the reporting period.
2. Documentation of eligible expenses may include copies of invoices, receipts, payroll or labor reports, or other proof that complies with Federal and state audit standards. Proof of payment of expenditures may include a copy of a credit card receipt, receipts showing cash payment, canceled checks, bank statements, or other proof that complies with Federal and state audit standards. A supplemental accounting record may accompany the receipts and canceled checks.

FILE MANAGEMENT, ACCESS, AND RETENTION

Grant Document Management and Storage

The City uses SharePoint and/or Microsoft Teams for document management and storage of all grant-related documents. Important documents that chronicle the application, receipt of the award and all management-related documents and correspondence through award to closeout should be stored on the City Grant Site within Department/Division SharePoint or Microsoft Teams.

- Refer to the Grant Coordinator/Special Projects Coordinator/Chief Accountant/Accountant roles in Chapter 3 of this Handbook for the list of responsibilities.

The City has purchased eCivis Grant Management System Software and staff is currently going through training and implementation with a planned "Go Live" date in December 2022.

File Structure

The following sections should be looked at as a tool for departments indicating the types of related documents to keep and a recommended file structure that captures the essential elements of your proposals and awards unless otherwise directed by the grantor/grant agreement (A more extensive list is attached as **Exhibit-2**):

1. Proposal Submission
 - Proposal guidelines and supporting legislation
 - Application approval or designated authority document
 - Signed grant application or submitted copy for web-based applications
 - Information used in the preparation and support of the grant proposal
 - Correspondence related to the grant proposal
2. Award
 - Grant award letter
 - Document grant title and number, Federal award identification number, year of the award, and name of granting agency throughout the life of the grant
 - Contract or Agreement with a budget and special conditions
 - City Commission approval for acceptance, or designated authority document
 - Grant amendments, modifications, extensions, cancellations, and terminations
 - Correspondence with the grantor
3. Financial
 - Purchase Orders
 - Invoices
 - Grantor approvals for items such as budget reallocation, changes to scope, procurement, and contractor/vendor selection
 - Personnel time and effort worksheets
 - Reconciliation of allowable expenditures, including reports or adjustments made in project accounting
4. Reports
 - All reports to grantor including performance, progress, status, financial, quarterly, annual, final, etc.
 - Evaluation forms and data
 - Project Closeout documents
 - Monitoring and Audit reports
5. Subrecipient (Consultants – Construction Contractors) Documents (if applicable)
 - Subrecipient contract
 - All site visits and/or monitoring activity documentation
 - All subrecipient correspondence
 - Risk assessments

6. All other pertinent or necessary information to show compliance with the award terms and conditions

Record Retention

The City of Lakeland follows state guidelines for record retention which is five (5) fiscal years. See attached **Appendix E** - City of Lakeland Records Management Program and Procedures Administrative Policy (in compliance with the provisions of Florida Statute Chapter 119 – The Public Records Law)

1. Grantors may require retention periods in excess of five (5) years. Recipient departments must ensure they comply with retention requirements specified by each grantor.
2. If any litigation, claim, negotiation, audit, or other action involving grant records has been started before the expiration of the 5-year period, the records must be retained until completion of the action and resolution of all issues which arise from it.
3. Records pertinent to a grant award relate to those retained in hard copy and/or electronic formats.
4. Retention requirements extend to source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel, and payroll records, canceled checks, and related documents and records.
5. Source documents include copies of all awards, applications, and required recipient financial and narrative reports, personal activity reports, or equivalent documentation for all individuals reimbursed under the award.
6. Once the mandatory retention period has lapsed, the City's Records Division will notify the recipient department director that the grant record will be properly destroyed unless notified differently.

Personally, Identifiable Information

Federally funded grant records must also comply with 2 CFR Part 220.82 which requires safeguarding data records against unauthorized alterations including Personally Identifiable Information (PII). PII is defined to include a person's name in combination with information such as a social security number, passport number, credit card number, bank number, health records, and similar information. PII required to be disclosed by law is excluded.

GRANT CLOSEOUT

The grant closeout process is a critical piece in the life cycle of a grant. It is the process by which the City performs all necessary administrative and financial actions to satisfactorily complete all requirements set forth in the grant agreement. Preparation for closeout usually begins sixty (60) to ninety (90) days prior to the end date of the grant to accurately forecast expenses and make any necessary adjustments to accounting entries. Generally, the closeout process addresses the physical completion of the work and the administrative

and financial closeout requirements stated in the grant agreement and City policies and procedures.

Funding Advances from Grantor

Grants are primarily processed as reimbursement by the City unless the funding entity requires funds to be advanced. For grant funding that has been advanced, at the end of the qualified grant period(s) any unexpended investment income, unexpended advances, and/or grant revenue in excess of qualified grant expenditures shall be returned to the granting entity or used per written approval from the granting agency. For Federal grants, refer to 2 CFR Part 200.345 to determine how to calculate the amount due to the Federal agency. In all circumstances, direct communication with the granting entity is recommended to mutually agree upon the calculation for the return of funds.

GRANT MODIFICATIONS, EXTENSIONS, OR CANCELLATIONS

During the course of a grant's lifetime, there are times when changes are necessary to either the budget or the project scope of work. Most of these changes, typically called grant amendments, are allowable, but it is important to follow the procedures written in the grant agreement or the guides provided by the grantor. These changes must be pre-approved by the grantor agency before they are considered eligible. Documentation on all requests and amendment approvals should be stored on the designated SharePoint Grant Site or department Teams.

Grant Modifications

1. Initiating department shall obtain written approval from the grantor before initiating any grant modifications.
2. Budget amendments or similar documentation affecting the grant budget shall be documented in written form (i.e., grant amendment/modification, change order, etc.) and approved by the grantor and the appropriate City staff and officials. If additional funding is provided by the grantor agency, a budget appropriation must be approved by the City Commission.
3. Any modifications to the Grant Agreement must be reviewed and approved by the City Attorney's Office prior to seeking approval from the City Commission.

Time Extensions

1. Some grants allow for at least one no-cost time extension to complete a project, if necessary. These requests must be documented in accordance with City policy, and written approval received from the grantor, usually in the form of a grant amendment/modification.
2. Subrecipient contract extensions shall be documented in written form (i.e., consultant task authorization change order and/or construction contractor agreement amendment/modification) by the recipient department and approved in advance by the grantor and the appropriate City staff and officials pursuant to City policy approval levels.

3. Copies of all-time extensions and approvals shall be kept by the Grant Coordinator or Special Projects Coordinator in the grant file.

Cancellations

1. In the event a grant must be terminated before its original completion date or returned to the grantor prior to project initiation, the initiating department shall notify the City Attorney's Office for guidance.

CHAPTER 7: GRANT SUBCONTRACTING AND SUB-RECIPIENT MONITORING PROCEDURES

The City will regularly encounter situations where it does not have the workforce capacity to adequately fulfill all of the grant objectives and must seek out other entities to perform certain functions. These activities will be obligated in the form of a subcontract or sub-award. As well, during the course of the grant award, certain materials, supplies, and equipment may be purchased through various vendors.

It is important that sub-recipients and vendors be defined accurately, as there are specific requirements the City must comply with based on the designation. Accurate classification of sub-recipients and vendors is critical to a program's success and integrity.

VENDOR

A vendor is defined as "A dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of the grant-funded program. These goods or services may be for an organization's own use or the use of beneficiaries of the project."

A vendor agreement is issued for obtaining routine commercial services, supplies, and equipment that require no special handling or prior approvals and are issued as standard purchase orders.

Characteristics of a vendor:

- Provides the goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Operates in a competitive environment
- Provides goods and services that are ancillary to the operation of the program
- Is not subject to the compliance requirements of the program

SUBRECIPIENT

A subrecipient is a non-Federal entity that expends Federal funds received from a pass-through entity to carry out a Federal program but does not include an individual that is a beneficiary of such a program. A subrecipient is an external entity with special expertise

or resources that the City does not possess but is necessary to fulfill the overall objectives of the project.

A subaward is issued for financial or other support from a qualified organization known as a subrecipient for the performance of a substantive portion of the programmatic effort under the prime award.

Characteristics of a subrecipient:

- Receiving entity determines who is eligible to receive financial assistance
- Has its performance measured against whether the objectives of the program are met?
- Has responsibility for programmatic decision making
- Has responsibility for adherence to applicable program compliance requirements
- Uses the funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity

SUBRECIPIENT MONITORING – EXTERNAL AGENCIES

All grant requirements placed upon the City will flow down to any subrecipient and it is the prime grantees or contractor's responsibility to ensure subaward compliance with the prime grant provisions. All sub-awards issued under Federal grants must contain language requiring subrecipients to fulfill the prime grantees or contractor agreement requirements.

1. The prime grantee/contractor project manager along with the City's Construction Engineering Inspector (CEI) will advise subrecipients (i.e., subcontractors) of requirements (including, but not limited to, financial and non-financial reporting) imposed on them by Federal laws, regulations of the flow-down provisions of the prime contractor's agreement, and any supplemental City requirements imposed depending on a level of risk determined by the City.
2. The prime grantee/contractor project manager along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will monitor the subrecipients' use of grant funds and issue a written report summarizing the results and any corrective actions needed.
3. The prime grantee/contractor project manager along with the City's CEI, Grant Coordinator, or Special Projects Coordinator, will ensure that the City receives annual audit reports from subrecipients required to have an audit in accordance with OMB Circular A-133.
4. Upon receipt of an unfavorable audit report from a subrecipient, the City's CEI, Grant Coordinator, or Special Projects Coordinator will confirm that the subrecipient has taken appropriate and timely corrective action. If a material weakness or other reportable conditions exist, monitoring of the subrecipient will be more frequent and management actions will be taken as appropriate.
5. All subawards for which monitoring is mandated shall be reviewed regularly throughout the project and at a minimum must include:

- Advising subrecipients of all applicable Federal laws and regulations, and all appropriate flow-down provisions from the prime contractor’s agreement
- Routine receipt and review of technical performance/progress reports
- Routine review of expenses-to budget
- Periodic on-site visits, or regular contact, if necessary
- The option to perform “audits” if necessary
- Review of A-133 audit reports filed by subrecipients and any audit findings
- Review of corrective actions cited by subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

SUBRECIPIENT MONITORING – INTERNAL AGENCIES

All grant requirements placed upon the City will flow down to any subrecipient, and it is the prime grantee’s responsibility to ensure subaward compliance with the prime grant provisions. All sub-awards issued under Federal grants must contain language requiring subrecipients to fulfill the prime contractor’s agreement.

1. The prime grantee/contractor project manager will advise subrecipients of requirements (including but not limited to financial and non-financial reporting) imposed on them by Federal laws, regulations of the flow-down provisions of the prime contractor’s grant agreement, and any supplemental City requirements imposed depending on a level of risk determined by the City.
2. The prime grantee/contractor project manager, along with the City’s CEI, Grant Coordinator, or Special Projects Coordinator, will monitor all subrecipients’ use of grant funds and issue a written report summarizing the results and any corrective actions needed.
3. The prime grantee/contractor project manager along with the City’s CEI, Grant Coordinator, or Special Projects Coordinator, will ensure that the City receives annual audit reports from subrecipients required to have an audit in accordance with OMB Circular A-133.
4. Upon receipt of an unfavorable audit report from a subrecipient, the City’s CEI, Grant Coordinator, or Special Projects Coordinator will confirm that the subrecipient has taken appropriate and timely corrective action. If a material weakness or other reportable conditions exist, monitoring of the subrecipient will be more frequent and management actions will be taken as appropriate.
5. All subawards for which monitoring is mandated shall be reviewed regularly throughout the project and at a minimum must include:
 - a. Advising subrecipients of all applicable Federal laws and regulations, and all appropriate flow-down provisions from the prime contractor’s agreement
 - b. Routine receipt and review of technical performance/progress reports
 - c. Routine review of expenses-to budget
 - d. Periodic on-site visits, or regular contact, if necessary
 - e. The option to perform “audits” if necessary
 - f. Review of A-133 audit reports filed by subrecipients and any audit findings

- g. Review of corrective actions cited by subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

PROCUREMENT

Contracting under Federal Awards

As outlined in the City of Lakeland’s Purchasing Manual on pages 48-54 of attached **Appendix I** titled “Contracting Under Federal Awards”, those commodities and services procured by the City using federal funds, including the Community Development Block Grant Program, are obtained efficiently and effectively in free and open competition and through the use of sound procurement practices. City staff and any grant administrators (sub-grantees or contractors) with designated responsibility for the administration of federally funded grant contracts are responsible for ensuring compliance with all applicable federal and state laws and regulations. These include but are not limited to OMB Circular A-102, Attachment O; 2 CFR §200.318 – 200.327; s. 255.0550525 and 287.055, Florida Statutes, Chapter 73C-23 Florida Administrative Code.

Purchasing Responsibilities and Functions

All other City Purchasing Manual requirements attached as **Appendix I** are fully applicable to federally funded projects. It is the intent of the City to promote competitive bidding by way of the following sourcing: Invitation to Bid, Request for Proposals, or Request for Qualifications.

The City’s Purchasing Manager shall serve as the principal officer for the purchase of all goods and services for the City. (See City Purchasing Manual – attached as **Appendix I**, Page 2-5).

Government in the Sunshine Law

Florida’s Government in the Sunshine Law, Florida Statute §286.011, commonly referred to as the “Sunshine Law”, provides a right of access to governmental proceedings of public boards or commissions at both the state and local levels. The law is equally applicable to elected and appointed boards and applies to any gathering of two or more members of the same board to discuss some matter which will foreseeably come before that board for action. Members-elect to such boards or commissions are also subject to the Sunshine Law, even though they have not yet taken office. There are three basic requirements of Florida Statute §286.011:

1. meetings of public boards or commissions must be open to the public; and
2. reasonable notice of such meetings must be given; and
3. minutes of the meetings must be taken and promptly recorded.

The complete text of the Government in the Sunshine Law and related statutes may be found in Appendix B of the Government in the Sunshine Law Manual attached as **Appendix-C**.

Use of Federal Excess and Surplus Property

In compliance with 2 CFR Part §200.318(f), the City encourages the use of Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

SUSPENSION, AND DEBARMENT

The City of Lakeland and its sub-recipients shall not award grant assistance to applicants that are debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.

It is the responsibility of the recipient department to ensure that any vendor or subcontractor that will be funded through a grant award is not prohibited from receiving Federal or State funds due to suspension or debarment. A person or entity debarred or suspended is excluded from Federal financial and non-financial assistance and benefits under Federal programs and activities. Debarment or suspension of a participant in a program by one agency has a government-wide, reciprocal effect.

1. The Grant Coordinator or Special Projects Coordinator will ensure that the Federal Excluded Parties List System (EPLS) site and the state Convicted/Suspended/Discriminatory/Complaints Vendor Lists are checked prior to entering into any contractual relationship or use of services.
 - a. EPLS: The System for Award Management (SAM) is now the official Federal system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. It is accessed at: <https://www.sam.gov/portal/public/SAM/#1>. Contact the City's Office of Innovation & Strategy for assistance in accessing SAM.
 - b. Convicted/Suspended/Discrimination/Complaints Vendor Lists are accessed at: http://www.dms.myflorida.com/business_operations/stat_purchasing/vendor_information/convicted_suspended_discriminatory_complaints_vendor_lists.

SUBAWARD CLOSEOUT

An integral part of subrecipient/subcontract monitoring is the close-out of the subcontract at the end of the project period. In general, a subcontract is closed when all deliverables have been met and the final payment has been made.

CHAPTER 8: OTHER IMPORTANT FEDERAL GUIDELINES AND NATIONAL POLICY GUIDANCE

OFFICE OF MANAGEMENT AND BUDGET (OMB) UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

1. **2 CFR Part 200** (also referred to as the Super Circular or Uniform Guidance) contains the most significant changes to occur to federal grants administration in recent history. Effective December 26, 2014, the regulation establishes uniform guidance for all entities receiving and administering Federal awards as well as auditors responsible for auditing Federal award programs. It combines several grant-related Federal guides into a single-source document. Specifically, it replaces guidance from the following documents. (2 CFR Part 200 is attached as **Appendix J**).
 - a. Administrative Guidance. The Super Circular replaces previous guidance found in Circulars A-102 (the common rule), Circular A-110, and Circular A-89.
 - b. Cost Principles. Replaces guidance found in Circulars A-21, A-87, and A-122.
 - c. Audit Requirements. Replaces guidance found in Circulars A-133 and A-50.
2. All Grant Coordinators and Fiscal Contacts must follow the guidelines established in 2 CFR Part 200 when administering federal grants. To reference the most recent version, go to www.ecfr.gov and search under Title 2.

DUNS NUMBER TO UEI

**Effective April 4, 2022, the Federal government is transitioning from using the Date Universal Numbering System or “DUNS” number to the UEI assigned by SAM.gov for all Federal awards. This number is required by 2 CFR Part 200.332 for reporting Federal awards per the [Federal Funding Accountability and Transparency Act](#).*

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The FFATA Sub-award Reporting System (FSRS) found at <https://www.fsr.gov/index?&> collects data from Federal Prime Awardees on sub-awards they make. A Prime Grant Awardee (City) will be required to report on its sub-grants and a Prime Contract Awardee will be required to report on its subcontracts. In compliance with 2 CFR Part 25, Subrecipients must maintain an active registration in the System for Award Management (S.A.M.) <https://www.sam.gov/SAM/> to receive Federal funding.

Contracts

In accordance with **Federal Acquisition Regulation clause 52.204-10 (Reporting Executive Compensation and First-Tier Subcontract Awards)**, Prime Contractors awarded a Federal contract or order are required to file an FFATA sub-award report by the end of the month following the month in which the prime contractor awards any sub-contract greater than \$30,000.

1. The City Chief Accountant or designated Accountant has access to internal controls and will submit the FFATA sub-award obligations.
2. The City’s recipient department Grant Coordinator or Special Projects Coordinator shall complete an FFATA Sub-award Reporting Form for all applicable sub-award obligations in the amount of \$30,000, or more and forward the completed form to the Chief Accountant or designated Accountant, no later than twenty (20) days following the month in which the Prime Awardee awards any sub-grant equal to or greater than \$30,000.

Grants

As outlined in the Office of Management and Budgets guidance issued on August 27, 2010, Prime Grant Recipients (City) awarded a new Federal grant greater than or equal to \$30,000 are required to file an FFATA sub-award report by the end of the month following the month in which the Prime Grant Recipient awards any sub-grant equal to or greater than \$30,000.

1. The City Chief Accountant or designated Accountant has access to internal controls and will submit the FFATA sub-award obligations.
2. The City's recipient department Grant Coordinator or Special Projects Coordinator shall complete an FFATA Sub-award Reporting Form for all applicable sub-award obligations in the amount of \$30,000, or more and forward the completed form to the Chief Accountant or designated Accountant, no later than twenty (20) days following the month in which the Prime Awardee awards any sub-grant equal to or greater than \$30,000.

FEDERAL REQUIREMENTS FOR CONSTRUCTION PROJECTS

It is the responsibility of the recipient department to ensure compliance with the following Federal requirements involving construction-related projects. Departments should plan accordingly to ensure that adequate time, funding, and staffing are available to carry out these additional responsibilities. To be an eligible recipient of Federal-aid funds, the Subrecipient (City), contractors, and subcontractors must accept the following statement as their operating policy:

"It is the policy of this Company to ensure that applicants are employed and that employees are treated during employment, without regard to their race, religion, sex, color, age, disability, or national origin. Such action shall include employment upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

Additionally, Grantor may require designated compliance attachments and/or assurances to be attached to every Federally funded contract. (i.e., Title VI Assurance, Appendices, Attachments, etc.)

Davis-Bacon Act

Required Contract Clause: *The City adopts the Davis-Bacon Act, as amended, (40 U.S.C 3141-3148) is a Federal law that established the requirement for paying prevailing wages on public works projects. All Federal government construction contracts, and most contracts for Federally assisted construction over \$2,000, must include provisions for paying on-site workers no less than the locally prevailing wages and benefits paid on similar projects. The initiating City department's Grant Coordinator or Special Projects Coordinator must include a copy of the current prevailing wage determination issued by the Department of Labor to be included in the solicitation. The designated Grant Coordinator or Special Projects Coordinator will also be accountable for compliance oversight of the City's Consultant responsible for receiving and reviewing weekly certified payrolls from contractors and subcontractors; conduct on-site interviews of workers who are paid under*

contracts with Davis-Bacon requirements to ensure compliance with the current wage determination.

Uniform Relocation Act and Real Property Acquisition

Required Contract Clause: *The City adopts the Uniform Relocation Assistance Act (a.k.a. Uniform Act) of 1970, as amended. It is a Federal law that establishes minimum standards for Federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for Federally funded projects.*

When conducting a program or project under the Uniform Act there are very specific legal responsibilities to affected property owners and displaced persons that must be addressed. The following must be considered prior to property acquisition:

For Real Property Acquisition

- *Appraise property before negotiations.*
- *Invite the property owner to accompany the appraiser during the property inspection.*
- *Provide the owner with a written offer of just compensation and a summary of what is being acquired.*
- *Payment for the property before possession.*
- *Reimburse expenses resulting from the transfer of titles such as recording fees, prepaid real estate taxes, or other expenses.*

For Residential Displacements

- *Provide relocation advisory services to displaced tenants and owner-occupants.*
- *Provide a minimum ninety (90) days written Notice to Vacate before requiring possession.*
- *Reimburse residents for moving expenses.*
- *Provide payments for the added cost of renting or purchasing comparable replacement housing.*

For Non-residential Displacements (businesses, farms, and nonprofits)

- *Provide relocation advisory services.*
- *Provide a minimum ninety (90) days written Notice to Vacate before requiring possession.*
- *Reimburse for moving and re-establishment expenses.*

Copeland Act “Anti-Kickback” Act

(applicable to all contracts and subgrants for construction or repair; 2 CFR pt.200 app. II (D))

Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in whole or in part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Required Contract Clause: *Contractor agrees to comply with the Copeland “Anti-Kickback” Act (18 U.S.C. 874;40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR Part 3).*

Contract Work Hours and Safety Standards Act

(applicable to all contracts awarded by grantees and subgrantees in excess of \$100,000 that involve the employment of mechanics or laborers; 2 CFR pt.200 app. II(E))

Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$1,000,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by the Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of forty (40) hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Required Contract Clause: *Contractor agrees that it shall comply with Sections of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3702 and 3704) as supplemented by Department of Labor regulations (29 CFR Part 5), which are incorporated herein.*

Rights to Inventions Made Under a Contract or Agreement

(applicable to contracts for experimental, research, or development projects financed by FEMA; 2 CFR pt.200 app. II(F))

Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with small business firms or nonprofit organizations regarding the substitution of parties, assignment or performance of

experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Required Contract Clause:

1. *General. If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under this Agreement, and that invention, improvement, or discovery is patentable under the laws of the United States of America or any foreign country, the City and Contractor agree to take actions necessary to provide immediate notice and a detailed report to Grantor.*
2. *Unless the Government later makes a contrary determination in writing, irrespective of Contractor’s status (a large business, small business, state government or state instrumentality, local government, nonprofit organization, institution of higher education or individual), the City and Contractor agree to take the necessary actions to provide, through Grantor, those rights in that intervention due the Federal Government as described in U.S. Department of Commerce regulations, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” 37 CFR, Part 401.*
3. *The Contractor agrees to include paragraphs A and B above in each third-party subcontract for experimental, developmental, or research work financed in whole or in Part with Federal assistance provided by the Grantor.*

Clean Air Act

(applicable to all contracts and subcontracts in excess of \$150,000, including indefinite quantities where the amount is expected to exceed \$150,000 in any year; 2 CFR pt.200 app. II (G))

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended – Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Required Contract Clause:

- A. *Contractor agrees to comply with all applicable standards, orders, or regulations issued under section 306 of the Clean Air Act (42 U.S.C. 7401-7671q), the Federal Water Pollution Control Act (33 U.S.C. 1251-1387).*
- B. *Contractor agrees to report each violation of these requirements to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Grantor and the appropriate EPA regional office.*

- C. *The Contractor agrees to include Paragraph A and B above in each third-party subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Grantor.*

HUD-Assisted Contracts: Section 3 – Economic Opportunities for Low- and Very Low-Income Persons

The City shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on CDBG-MIT-funded projects in the community. The City and its contractors shall keep records to document the number of low- and moderate-income people who are hired to work on CDBG-MIT funded projects. The number of low- and moderate-income residents who are hired to work on the project shall be reported in the comment section of the quarterly report.

The following Section 3 clause is required to be included in any contracts and subcontracts funded by CDBG-MIT:

- A. *The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are Subrecipients of HUD assistance for housing.*
- B. *The Parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.*
- C. *The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers’ representative of the contractor’s commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice.*
- D. *The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.*
- E. *The contractor will certify that any vacant employee positions, including training positions, that are filled (1). After the contractor is selected but before the contract is executed, and (2). With persons other than those to whom the regulations of 24 CFR*

Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

- F. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.*
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination, and Education Assistance Act (25 U.S.C. §- 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).*

Debarment and Suspension or Good Standing Requirement

Debarment and Suspension (Executive Orders 125549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Required Contract Clause: *Contractor represents that it is not subject to a System for Award Management (SAM) exclusion and has not been debarred, suspended or otherwise excluded as a party declared eligible under statutory or regulatory authority to receive Federal grant funds.*

Solid Waste Disposal Act or Procurement of Recovered Materials (2 CFR Parts 200 app. II (J) and Regulations §200.323)

Procuring only items designated in the EPA guidelines that contain the highest percentage of recovered materials and solid waste management services in a manner that maximizes energy and resource recovery.

Required Contract Clause: *Contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of*

the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Byrd Anti-Lobbying Amendment

Required Contract Clause: *Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) – Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of an agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C., 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.*

Buy American Act 2022 (Regulations §200.322)

Required Contract Clause: *The Build America, Buy American Act created a national preference for the U.S. Government to procure only domestic materials intended for public use within the U.S by May 14, 2022, and (2) the items or materials to be procured for Federally assisted public infrastructure projects must be manufactured in the United States unless a waiver has been granted. It does not necessarily mean a product has to be purchased in the U.S. but does give preference to domestic construction material.*

On March 7, 2022, changes were made to the Act (87 FR 12780) “to increase the share of American-made content in a domestic end product or construction material.” See full Act for more details.

Access to Records

The City, Grantor, Comptroller General shall have access to all books, records, accounts, and reports required under the Contractor’s Agreement.

Required Contract Clause:

- 1. The Contractor agrees to provide the City, Grantor, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. 44 CFR §13.36(i)(10).*
- 2. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.*
- 3. The Contractor agrees to maintain all books, records, accounts, and reports required under this Agreement for a period of not less than three years after the later of: (a) the date of termination or expiration of this Agreement or (b) the date City makes final payment under this Agreement, except in the event of litigation or settlement of claims*

arising from the performance of this Agreement, in which case, Contractor agrees to maintain same until the City, Grantor, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. (44 CFR §13.36(i)(11).

Women/Minority Business Enterprise (W/MBE) Program

Required Contract Clause: It is the policy of the City of Lakeland that Women/Minority Business Enterprises shall have an excellent opportunity to participate in the City's procurement process. The City Purchasing Division shall provide for:

1. Maximum utilization of W/MBEs in all aspects of the City's procurement activity
2. Elimination of any institutional and procedural barriers which would prohibit active participation in the City's procurement opportunities
3. Training, education, and technical assistance opportunities to enhance W/MBEs chances for successful participation in the City purchasing program.
4. Public Information on the opportunities available for doing business with the City
5. Collaboration and access with other local governmental agencies to receive and provide additional listings of W/MBE firms to ensure greater coverage

Socioeconomic Engagement (Regulations: §200.321)

Required Contract Clause: Contractor will take the following affirmative steps to engage small and minority firms, women's business enterprises, and labor surplus area firms.

1. Place qualified small and minority business and women's business enterprises on sub-contractor solicitation lists.
2. Assure that such firms are solicited whenever they are potential sources.
3. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms.
4. Establish delivery schedules, where the requirement permits, which encourage participation by such firms.
5. Use the assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

National Environmental Policy Act (NEPA)

Required Contract Clause: Contractor will follow the federal National Environmental Policy Act (NEPA) that mandates the assessment of the impacts on the environment of all construction funded with federal dollars.

American Iron and Steel Act (AIS)

Required Contract Clause: Contractor will follow the American Iron and Steel Act (AIS) that requires recipients of certain federal funds, including State Revolving Fund (SRF) loans, to use iron and steel products that are produced in the United States for the construction, alteration, maintenance, or repair of a public water system or treatment works.

Prompt Payment Act

Required Contract Clause: *The City complies with the Local Government Prompt Payment Act found in Florida Statute Chapter 218. This law provides requirements for calculating the payment due date of an invoice or payment request and provides procedures for determining the timeliness of vendor payments. The City's Prompt Payment Policy and Flow Chart are attached as **Appendix G and Appendix H, respectively.***

CONFLICT OF INTEREST

As a part of the grant application process, the grant preparer must positively state on any grant form that there is an absence of financial, or other interest or affiliation, held by them or a member of their immediate family in the funding agency or in companies from which goods and services will be obtained under the supported activity. For Federally funded grants, conflict of interest language must be included in the application and, if a potential conflict of interest is identified during grant administration, the City Grant Coordinator or Special Projects Coordinator must disclose the potential conflict in a timely manner in writing to the applicable Federal agency or pass-through entity.

In general, two types of conflict of interest must be considered:

1. Employee Conflict of Interest. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. Monetary, administrative, and/or loss of grant funds are disciplinary actions that may be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.
2. Organizational Conflict of Interest. Organizational conflict of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable, or appears to be unable, to be impartial in conducting a procurement action involving the related organization.

Should there be an employee or organizational conflict of interest within the City, the initiating department shall disclose, in writing, to the Federal awarding agency or pass-through entity in accordance with applicable federal awarding policy.

LOBBYING

The cost of certain influencing activities associated with obtaining grants, contracts, cooperative agreements, or loans is an unallowable cost. Departments seeking federal funds for projects must

disclose the lobbying activities. Use Federal form SF-LLL Disclosure of Lobbying Activities when applying for Federal funding attached as **Exhibit-3**. Lobbying Restrictions Policy and Lobbyist Disclosure Procedures follow the SF-LLL form.

GRANT FRAUD, WASTE, AND ABUSE

1. City staff should contact the City Attorney's Office at (863) 834-6010 or x46060 to report any form of suspected grant fraud, waste, abuse, misconduct, or any other serious deviation from acceptable grant practices.
2. Upon contact, the City Attorney's Office will take a report and work with staff to insure all proper investigative and notification procedures are followed.
3. All suspected cases of fraud, waste, and abuse should be reported to the Florida Office of the Inspector General at Email: OIG@DOS.MyFlorida.com, Telephone: (850) 245-6469, Mailing Address: Office of Inspector General, Florida Department of State, R.A. Gray Building, 500 S. Bronough Street, Tallahassee, Florida 32399-0250.
4. City grant staff shall attend all designated fraud, waste, and abuse training every three (3) years, or as required by individual grantor agreements.
5. The City of Lakeland's Internal Financial Controls Pertinent to Public Law 115-123 is attached as **Attachment-N**.

Verification of the Accuracy of Information Provided by Applicants, Subawards, Consultants, and Contractors

Required Contract Clause: *The City will conduct Consultant and Contractor verification as part of its process for the ongoing management of contracted companies, their contractor staff and subcontractors they engage. It typically involves verification of their compliance, safety history, performance and capability, procedures and policies, important engagement and safety materials they need to prove as part of being engaged to perform work at a grantee job site funded by local, state and federal funds.*

Evaluation of the Capacity of Potential Subawards (Consultants and Contractors)

Required Contract Clause: *The City adopts the following compliance requirements for grant subawards. Key compliance requirements include the following:*

For grant recipients with procurement contracts, key compliance requirements include the following:

- *The recipient must comply with the Procurement Standards of 2 CFR Part 200 (see attached **Appendix J**) and provide for full and open competition.*
- *A procurement contract must include all applicable contract provisions set out in Appendix II of 2 CFR Part 200.*
- *All noncompetitive (sole source) procurements must comply with the requirements outlined in 2 CFR 200.*
 - *Sole source procurements that do not exceed the Simplified Acquisition Threshold (currently \$250,000) must have written justification for the noncompetitive*

procurement action maintained in the procurement file. If a procurement file does not have the documentation that meets the criteria outlined in 2 CFR 200, the procurement expenditures may not be allowable.

- *Sole source procurement over the \$250,000 Simplified Acquisition Threshold must have **prior** approval from OJP using a Sole Source Grant Adjustment Notice (GAN). Written documentation justifying the noncompetitive procurement must be submitted with the GAN and maintained in the procurement file.*

Internal Auditor Responsibilities

The City has established an Internal Audit Department as an integral part of its overall internal control system. The scope of the Internal Audit Department includes, but is not limited to:

1. Evaluating the reliability and integrity of financial data and information.
2. Evaluate systems established to ensure compliance with laws and regulations, policies and procedures which could have a significant effect on the City.
3. Evaluating the reliability and integrity of financial data and information.
4. Evaluate systems established to ensure compliance with laws and regulations, policies and procedures which could have a significant effect on the City.
5. Evaluate the controls and procedures to safeguard the City's assets.
6. Verify the existence of the City's assets.
7. Review City expenditures for propriety, including consideration of potential fraud, waste and/or abuse.
8. Attend/participate in the City's annual strategic planning process.
9. Evaluate specific operations at the request of the City Manager's Office or City Commission.
10. Perform in consulting and advisory services regarding City related operations or processes as requested

The Internal Audit Manager is a Certified Public Accountant and a Certified Fraud Examiner and accordingly maintains necessary CPE, including those required under Government Auditing Standards issued by the Comptroller General of the United States of America.

NATIONAL POLICY REQUIREMENTS

City staff shall adhere to National Policy Requirements. An overview of these policies is stated below. It is the responsibility of the City grant staff to ensure that subgrantees adhere to these applicable policies.

Civil Rights

Pursuant to Title VI of the Civil Rights Act of 1964, and other Federal and state authorities, the City of Lakeland will not exclude participation in, deny the benefits of, or subject to discrimination against anyone on the grounds of race, color, national origin, sex, age, disability, religion, income, or family status. In most cases, when a recipient receives Federal financial assistance for a particular program or activity, all operations of the recipient are covered by Title VI, not just the part of the program that uses the Federal

assistance. The City's Title VI/Nondiscrimination Policy and Plan is located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

Equal Employment Opportunity Compliance

(applicable to all construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees; 2 CFR Part 200 app. II(C))

Contractors agree to comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Part 60).

Limited English Proficiency (LEP) Policy and Plan

Title VI of the Civil Rights Act of 1964, Executive Order 13166, and various directives from the US Department of Justice (DOJ) and US Department of Transportation (DOT) require Federal aid recipients to take responsible steps to ensure meaningful access to programs, services, and activities to those who do not speak English proficiently. City's LEP Plan is located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

Americans with Disabilities Act (ADA) – Section 504 of the Rehabilitation Act

The Americans with Disabilities Act (ADA) became law in 1990. The ADA is a civil rights law that prohibits discrimination against individuals with disabilities in all areas of public life, including jobs, schools, transportation, and all public and private places that are open to the public. The purpose of the law is to make sure that people with disabilities have the same rights and opportunities as everyone else.

Section 504 of the Rehabilitation Act of 1973 forbids discrimination against those with disabilities. Furthermore, these laws require Federal aid recipients and other government entities to take affirmative steps to reasonably accommodate persons with disabilities and ensure that their needs are equitably represented in its programs, services, and activities. The City is committed to facilitating the accessibility and usability of its facilities and programs, for all people with disabilities. Users who need accessibility assistance can also contact Jenny Sykes, City ADA Specialist at 863-834-8444 or email: Jennifer.sykes@lakelandgov.net. The City's ADA policy, accessible facilities, grievance procedure, and information are located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>

OTHER POLICIES, PROGRAMS AND SPECIAL CONDITIONS

CDBG Federal Laws, Rules & Guideline Requirements

Subrecipient will apply the provisions of 2 CFR part 200 to satisfy the financial and accounting procedures in accordance with 24 CFR 570.489(d).

Audits-Part I Federally Funded

This part is applicable if the Sub-Recipient is a State or local government or nonprofit organization as defined in 2 CFR §200.90, §200.64, and §200.70.

1. A Sub-Recipient that expends \$750,000 or more in federal awards in its fiscal year must have a single or program specific audit conducted in accordance with the provisions of 2 CFR 200, Subpart F - Audit Requirements. EXHIBIT 1 to this form lists the federal resources awarded through DEO by this agreement. In determining the federal awards expended in its fiscal year, the Sub-Recipient shall consider all sources of federal awards, including federal resources received from DEO. The determination of amounts of federal awards expended should be in accordance with the guidelines established in 2 CFR §§200.502-503. An audit of the Sub-Recipient conducted by the Auditor General in accordance with the provisions of 2 CFR §200.514 will meet the requirements of this Part.

2. For the audit requirements addressed in Part I, paragraph 1, the Sub-Recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR §§200.508-512.

3. A Sub-Recipient that expends less than \$750,000 in federal awards in its fiscal year is not required to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F - Audit Requirements. If the Sub-Recipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F - Audit Requirements, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from Sub-Recipient resources obtained from other than federal entities).

Resources: 2 CFR § 200.90; 2 CFR § 200.64; 2 CFR § 200.70; 2 CFR Part 200, Subpart F - Audit Requirements; 2 CFR §§ 200.502 - 503; 2 CFR § 200.514; and 2 CFR §§ 200.508-512

Auditing Part IV Report Submission

1. Copies of reporting packages for audits conducted in accordance with 2 CFR 200, Subpart F - Audit Requirements, and required by Part I of this form shall be submitted, when required by 2 CFR § 200.512, by or on behalf of the Sub-Recipient directly to the Federal Audit Clearinghouse (FAC) as provided in 2 CFR § 200.36 and §200.512.

2. Copies of financial reporting packages required by Auditing - Part II (State Funded) shall be submitted by or on behalf of the Sub-Recipient directly to each of the following:

a. DEO at each of the following addresses:

Electronic copies (preferred):
Audit@deo.myflorida.com

or

Paper (hard copy):
Department of Economic Opportunity
MSC # 75, Caldwell Building
107 East Madison Street
Tallahassee, FL 32399-4126

b. The Auditor General's Office at the following address:

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

The Auditor General's website, <https://flauditor.gov/> provides instructions for filing package. Updates to the location of the FAC and data entry system may be found at the OMB website.

3. Copies of reports or the management letter required by Part III of this form shall be submitted by or on behalf of the Sub-Recipient directly to:

Electronic copies (preferred):	or	Paper (hard copy):
Audit@deo.myflorida.com		Department Economic Opportunity MSC # 75, Caldwell Building 107 East Madison Street Tallahassee, FL. 32399-4126

4. Any reports, management letters, or other information required to be submitted DEO pursuant to this agreement shall be submitted timely in accordance with 2 CFR §200.512, section 215.97, F.S., and Chapters 10.550 (local governmental entities) and 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

5. Sub-Recipients, when submitting financial reporting packages to DEO for audits done in accordance with 2 CFR 200, Subpart F - Audit Requirements, or Chapters 10.550 (local governmental entities) and 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Sub-Recipient in correspondence accompanying the reporting package.

Resources: 2 CFR 200, Subpart F - Audit Requirements; 2 CFR § 200.512; 2 CFR § 200.36; Section 215.97, F.S.; and Chapters 10.550 (local governmental entities) and 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

Auditing – Part V Record Retention

The Sub-Recipient shall retain sufficient records demonstrating its compliance with the terms of the Agreement for **a period of five (5) years** from the date the audit report is issued, or six (6) state fiscal years after all reporting requirements are satisfied and final payments have been received, whichever period is longer, and shall allow DEO, or its designee, CFO, or Auditor General access to such records upon request. The Sub-Recipient shall ensure that audit working papers are made available to DEO, or its designee, CFO, or Auditor General upon request for **a period of six (6) years** from the date the audit report is issued, unless extended in writing by DEO. In addition, if any litigation, claim, negotiation, audit, or other action involving the records has been started prior to the expiration of the controlling period as identified above, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the controlling period as identified above, whichever is longer.

Monitoring

In addition to reviews of audits conducted in accordance with 2 CFR 200 Subpart F - Audit Requirements, and section 215.97, F.S., as revised (see “AUDITS” below), monitoring procedures may include, but not be limited to, on-site visits by DEO staff, limited scope audits as defined by 2 CFR §200.425, or other procedures. By entering into this Agreement, the Sub-Recipient agrees to comply and cooperate with any monitoring procedures or processes deemed appropriate by DEO. In the event DEO determines that a limited scope audit of the Sub-Recipient is appropriate, the Sub-Recipient agrees to comply with any additional instructions provided by DEO staff to the Sub-Recipient regarding such audit. The Sub-Recipient further agrees to comply and cooperate with any inspections, reviews, investigations or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

Resources: 2 CFR 200 Subpart F; and 2 CFR §200.425

Audits, Inspections, and Monitoring

The Sub-Recipient must be audited as required by 2 CFR part 200, subpart F when it is expected that the Sub-Recipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements. The Sub-Recipient shall permit DEO and auditors to have access to the Sub-Recipient's records and financial statements as necessary for DEO to meet the requirements of 2 CFR part 200.

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

This review must include:

1. Reviewing financial and performance reports required by DEO;
2. Following up and ensuring that the Sub-Recipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Sub-Recipient from DEO detected through audits, on-site reviews, and other means; and
3. Issuing a management decision for audit findings pertaining to this Federal award provided to the Sub-Recipient from DEO as required by 2 CFR §200.521.

Resources: 2 CFR §200.501; and 2 CFR §200.521

Auditing Requirements

The Sub-Recipient's timely submittal of one completed Audit Compliance Certification for each applicable fiscal year will fulfill this requirement within all agreements (e.g., contracts, grants, memorandums of understanding, memorandums of agreement, economic incentive award agreements, etc.) between DEO and the Sub-Recipient.

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

Auditing Corrective Actions

The Sub-Recipient shall be subject to reviews and audits by DEO, including onsite reviews of the Sub-Recipient as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2). DEO may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. DEO may require the Sub-Recipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Sub-Recipient from the pass-through entity detected through audits, on-site. DEO may impose additional conditions on the use of the CDBG-MIT funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

Resources: Attachment E(2)(c); and 42 U.S.C. 5304(e)(2)

Environmental Conditions & Form HUD-7015.15 – Request for Release of Funds and Certifications

Prohibition on Choice Limiting Activities Prior to Environmental Review:

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

Conditions:

Once the Sub-Recipient has fully carried out their responsibilities for environmental review, decision-making, and action pertaining to their CDBG-MIT Project and has assumed responsibility for and complied with, the National Environmental Policy Act (NEPA) of 1969, as amended, and the environmental procedures, permit requirements, and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws they will submit for review and approval Form HUD-7015.15. The Sub-Recipient will advise DEO of any special environmental conditions that must be adhered to in carrying out this project.

Upon completion of the Environmental Review, the Sub-Recipient must submit a Request for Release of Funds and Certification (Form HUD-7015.15) for DEO review and approval. DEO will issue an Authority to Use Grant Funds (form HUD-7015.16) when this condition has been fulfilled to the satisfaction of DEO. If DEO has not issued an Authority to Use Grant Funds (AUGF) within 15-days of Sub-Recipient's submission of the required documentation, DEO will provide the Sub-Recipient a written update regarding the status of the review process.

Green Building Standard:

Each construction contract or agreement for new or replacement housing must contain

language that requires the contractor to meet the Green Building Standard for Replacement and New Construction of Residential Housing, as defined in the Allocation Notice published in the Federal Register (FR) Volume 81, Number 224 on Monday, November 21, 2016.

Resources: 24 CFR Part 52; 24 CFR § 58.22; 24 CFR §§ 58.5-58.6; 40 CFR §§ 1500-1508 of the National Environmental Policy Act (NEPA); Section 104(g) of the HCD Act for Environmental Review; and Federal Register (FR) Volume 81, Number 224 on Monday, November 21, 2016; Federal Register (FR) Volume 81, Number 224 on Monday, November 21, 2016

Duplication of Benefits

The Sub-Recipient will not carry out any of the activities under the Sub-Recipient Grant Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 and described in Appropriations Acts. The Sub-Recipient must comply with HUD's requirements for duplication of benefits (DOB), as described in the Federal Register and HUD guidance. Sub-Recipient must carry out activities under their Grant Agreement in compliance with DEO's procedures to prevent DOB.

Resources: Section 312 of 42 U.S.C. 5155 et seq.; Sub-Recipient Agreement Attachment M - Federally Funded CDBG-MIT Subrogation Agreement

Procurement & Contractor Oversight

The Sub-Recipient will comply with the procurement standards in 2 CFR §§ 200.318-200.327 when procuring property and services under their Sub-Recipient Agreement. The Sub-Recipient shall impose the Sub-Recipient's obligations under their Agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

The Sub-Recipient will comply with CDBG regulations regarding debarred or suspended entities, specifically including, 24 CFR 570.609 or 24 CFR 570.489, as applicable. CDBG funds may not be provided to excluded or disqualified persons.

The Sub-Recipient shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement. To check for debarred or suspended entities, please visit <https://www.sam.gov/SAM/>

Resources: 2 CFR §§ 200.318-200.327; 24 CFR 570.609; and 24 CFR 570.489

To check for debarred or suspended entities, go to <https://www.sam.gov/SAM/>

Procurement - Pre-Solicitation

The Sub-Recipient shall request DEO's approval for all professional services contracts and/or agreements that will be reimbursed with CDBG-MIT funds. Copies of the following solicitation response documents that must be provided to DEO for review:

- a. When publication of a Request for Proposal (RFP) is used as a means of solicitation, a

copy of the advertisement, including an affidavit of publication;

- b. A list of entities to whom a notification of the RFP was provided by mail or fax (if applicable);
- c. For engineering contracts, a list of firms that submitted a proposal;
- d. Completed and signed final evaluation/ranking forms;
- e. For administrative services contracts, one copy of each proposal submitted in response to the RFP;
- f. Meeting minutes approving contract award (if applicable);
- g. Cost breakout from the selected firm used for completion of the cost analysis (if pricing information was not submitted with proposals);
- h. The proposed contract/agreement;
- i. Truth-in-Negotiation certification (if not in the contract) for engineering contracts over \$150,000;
- j. If a protest was filed, a copy of the protest and documentation of resolution;
- k. The Sub-Recipient shall request DEO's approval of a single source procurement if only one firm was considered, and the contract exceeds \$35,000. Failure to secure PRIOR written approval shall relieve DEO of any obligation to fund the said procurement contract or agreement. DEO shall disallow any payments to the Sub-Recipient to fund any contract or agreement based on sole source or single proposal procurement for which the Sub-Recipient has not obtained prior written approval from DEO. NOTE: Best practice for instances where less than two (2) responsive bids, proposals, or replies for commodity or contractual services purchases are received, the Sub-Recipient may negotiate on the best terms and conditions. The Sub-Recipient shall the reasons that such action is in the best interest of the Sub-Recipient in lieu of resoliciting competitive sealed bids, proposals, or replies. The Sub-Recipient shall report all such actions to their DEO GM immediately as the situation occurs.

Should the submitted contract require necessary additions and/or changes, DEO's GM will contact the Sub-Recipient regarding changes. The Sub-Recipient IS REQUIRED TO SUBMIT the updated contract within thirty (30) days. Should the contract not be submitted in a timely manner, the Sub-Recipient will be required to complete the selection process once more.

Prior to the obligation or disbursement of any funds, except for administrative expenses and not to exceed \$5000, the Sub-Recipient shall complete the following:

- a. The Sub-Recipient proceeds at its own risk if more than the specified amount is incurred before DEO approves the procurement. If DEO does not approve the procurement of a professional services contract, the local government will not be able to use CDBG-MIT funds for that contract beyond \$5,000.

Resources: CDBG-DR Grant Agreement - Attachment D (3) (a-c) (e-l)

Procurement

For each procured construction contract or agreement for which CDBG-MIT funding will be requested the Sub-Recipient shall submit the following procurement documents:

- 1. A copy of the bid advertisement, including an affidavit of publication;

2. Documentation of the Sub-Recipient's efforts made to inform minority-owned and woman-owned businesses (MBE-Minority Business Enterprise) of the opportunity to bid on the construction contract;
3. A copy of the bid tabulation/evaluation sheet;
4. A copy of the engineer's recommendation to award;
5. A letter requesting sole source approval (or if less than two (s) responses were received), if applicable;
6. A copy of the bid bond (5% of the bid price) for the prime contractor(s) selected to do the work, and;
7. Completed copies of the following forms:
 - I. DEO Form SC-51 Bidding Information and Contractor Eligibility;
 - ii. DEO Form SC-37 Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Primary Covered Transactions);
 - iii. DEO Form SC-52 Section 3 Participation Report (Construction Prime Contractor);
 - iv. DEO Form SC-38 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (Sub-Contractor) (if applicable);
 - v. DEO Form SC-53 Section 3 Participation Report (Construction Sub-Contractor) (if applicable); and
 - vi. DEO Form SC-54 Documentation for Business Claiming Section 3 Status (if applicable).

Procurement Completion

Complete procurement of all applicants for internal grants management and compliance and direct program and production, including:

1. Selection of applicants, Sub-Recipients, and/or staff that will be responsible for managing applicant intake and related operations, compliance, finance, and administration.
2. Selection of applicants, Sub-Recipients, and/or staff that will be responsible for appraisal, environmental review, title services, and legal services.
3. Copies of all contracts that will be executed by the Sub-Recipient. Contracts that will be executed by Sub-Recipients must be provided to DEO PRIOR TO execution as detailed in Attachment D. Should the submitted contract require necessary additions and/or changes by DEO, DEO's GM will contact the Sub-Recipient regarding changes. The Sub-Recipient is required to submit the updated contract within thirty (30) days. Should the contract not be submitted in a timely manner, the Sub-Recipient will be required to complete the selection process once more.

NOTE: For each contract, the Sub-Recipient will report to DEO as to whether that contractor or any subcontractors hired by the contractor, is a minority vendor, as defined in Section 288.703 F.S.

Resources: Sub-Recipient Agreement Paragraph (18) Contracts; 2 CFR § 200.318 - § 200.327; 2 CFR § 200.330; and Section 288.703 F.S.

Equipment

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Sub-Recipient assures that the program or activities described in this Agreement will be conducted and the housing, accommodations, facilities, services, financial aid or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to this part 1. If the Federal financial assistance under this agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Sub-Recipient's assurance herein shall obligate the Sub-Recipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases, the assurance shall obligate the Sub-Recipient for the period during which Federal financial assistance is extended pursuant to the contract or

application. This assurance gives DEO and the United States a right to seek judicial enforcement of the assurance and the requirements on real property. In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-MIT funds and provided to the Sub-Recipient under this Agreement, the instrument effecting any disposition by the Sub-Recipient of such real

property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If the Sub-Recipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

Resources: 24 CFR 570.489(j); 24 CFR 570.200(j); 2 CFR 200.310-200.316 except when inconsistent with 24 CFR 570.200(j) and 24 CFR 570.489(j), in which case Sub-Recipient shall comply with 24 CFR 570.200(j) and 24 CFR 570.489(j); 2 CFR 200.313 Equipment; and Proceeds from the sale of equipment are program income and subject to the program income requirements under this agreement, pursuant to 24 CFR 570.489(e)(1)(ii).

The Sub-Recipient will also comply with 2 CFR 200.313 Equipment, except that when equipment is sold, the proceeds are program income and equipment not needed by the Sub-Recipient for activities under their Agreement and must be transferred to DEO for the CDBG-MIT Program or shall be retained AFTER compensating DEO.

*NOTE - The Sub-Recipient shall keep an up-to-date Equipment Inventory Tracking Log on each Sub-Recipient for monitoring purposes. It is recommended that Sub-Recipients submit a copy of the Equipment Log in their QPR.

For any equipment transfer/disposal make sure the Sub-Recipient completes and submits

the Equipment Transfer/Disposal Form for monitoring purposes.

Resources: 2 CFR 200.313; Sub-Recipient Equipment Inventory Tracking Log; and Equipment Transfer/Disposal Form

Property Standards

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Sub-Recipient assures that the program or activities described in this Agreement will be conducted and the housing, accommodations, facilities, services, financial aid or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to this part 1. If the Federal financial assistance under this agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Sub-Recipient's assurance herein shall obligate the Sub-Recipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases, the assurance shall obligate the Sub-Recipient for the period during which Federal financial assistance is extended pursuant to the contract or application. This assurance gives DEO and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-MIT funds and provided to the Sub-Recipient under this Agreement, the instrument effecting any disposition by the Sub-Recipient of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If the Sub-Recipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

Close-Out

The Sub-Recipient shall Close-Out its use of the CDBG-MIT funds and its obligations under this Agreement by complying with the Close-Out procedures in 2 CFR § 200.343. Notwithstanding the terms of 2 CFR 200.343, upon the expiration of this Agreement, the Sub-Recipient shall transfer to the recipient any CDBG-MIT funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-MIT funds. Further, any real property under the Sub-Recipient's control that was acquired or improved in whole or in part with CDBG-MIT funds (including CDBG-MIT funds provided to the Sub-

Recipient in the form of a loan) shall be treated in accordance with 24 CFR 570.503(b)(7).
Resources: 2 CFR § 200.343; and 24 CFR 570.503(b)(7)

Unobligated (Unspent) Funds/Repayments

Upon expiration or termination of the Sub-Recipient Agreement, the Sub-Recipient will transfer to DEO any CDBG-MIT unspent funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG-MIT funds. Any Real Property under the Sub-Recipient's control that was acquired or improved in whole or in part with CDBG-MIT funds (including CDBG-MIT funds provided to the Sub-Recipient in the form of a loan) in excess of \$25,000 must either:

1. Be used to meet a National Objective until five (5) yrs. after expiration or termination of their Agreement, unless otherwise agreed upon by the Parties.
2. If not used to meet a National Objective, the Sub-Recipient will pay to DEO an amount equal to the current market value of the property less any portion of the value attributable to expenditures on non-CDBG-MIT funds for the acquisition or improvement of the property for five (5) yrs. after expiration or termination of the Agreement.

- (1) In accordance with Section 215.971, F.S., the Sub-Recipient will refund to DEO any unobligated (unspent) funds which have been advanced or paid. (2) The Sub-Recipient will refund to DEO any funds paid in excess of the amount to which the Sub-Recipient or their contractors or consultants are entitled under the terms and condition of their Grant Agreement. (3) Sub-Recipient will refund to DEO any funds received for an activity if the activity does not meet 1 of 3 National Objectives listed in 24 CFR § 570.483(b)(c, and (d), provided, however, the Sub-Recipient is not required to repay funds for Grant Project Administration unless, DEO, in its sole discretion, determines the Sub-Recipient is at fault for the ineligibility of the activity in question. (4) The Sub-Recipient will refund to DEO any funds not spent in accordance with the conditions of their Grant Agreement or applicable law. Such reimbursement will be sent to DEO, by the Sub-Recipient, within thirty (30) calendar days from Sub-Recipient's receipt of notification of such non-compliance.

Resources: Section 215.971, F.S.; and 24 CFR § 570.483(b) (c, and (d)

Uniform Relocation Standards (URA)

The Sub-Recipient agrees to comply with the Uniform Relocation Assistance (URA) and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606. In addition to other URA requirements, these regulations (49 CFR § 24.403(d)) implement Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC § 5181, which provides that "Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the URA shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.

The Sub-Recipient agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), 42 U.S.C. §§ 4601-4655, implementing regulations at 24 CFR part 42, 49 CFR part 24, and 24 CFR § 570.606(b), the requirements of 24 CFR §§ 42.325-42.350 governing the Residential Anti-displacement and Relocation Assistance Plan under § 104(d) of the Housing and Community Development Act of 1974 (HCDA) (42 U.S.C. § 5304(d), and the requirements in 24 CFR § 570.606(d), governing optional relocation assistance policies.

The Sub-Recipient shall provide relocation assistance to displaced persons as defined by 24 CFR §570.606(b)(2), that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-MIT-assisted project.

Resources: 42 U.S.C. §§ 4601-4655 - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA); 49 CFR part 24; 24 CFR part 42; 24 CFR 570.606(d); 24 CFR §§ 42.325-42.350; 49 CFR § 24.403(d); 42 U.S.C. § 5304(d), § 104(d) of the HCDA of 1974; and 42 USC § 5181 Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act

Citizen Complaints

The goal of DEO is to provide an opportunity to resolve complaints in a timely manner, usually within fifteen (15) business days of the receipt of the complaint as expected by HUD, if practicable, and to provide the right to participate in the process and appeal a decision when there is reason for an applicant to believe its application was not handled in the process and appeal decision. Applicants are allowed to appeal program decisions related to one of the following activities:

1. A program eligibility determination
2. A program assistance award calculation
3. A program decision concerning housing unit damage and the resulting program outcome.

The Sub-Recipient will handle Citizen Complaints by conducting:

- a. Investigation as necessary
- b. Resolution
- c. Follow-up actions

If the complainant is not satisfied by Sub-Recipient's determination, then the complainant may file a written appeal by following the instructions issued in the letter of response. If, at the conclusion of the appeals process, the complainant has not been satisfied with the response, a formal complaint may then be addressed directly to DEO at:

Department of Economic Opportunity
Caldwell Building, MSC-400
107 E Madison Street
Tallahassee, FL 32399"

Resources: The Florida Office of Long-Term Resiliency operates in Accordance with the Federal Fair Housing Law (The Fair Housing Amendments Act of 1988).

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-669-9777 (Toll Free), 1-800-927-9275 (TTY) or www.hud.gov/fairhousing.

24 CFR Part 6

The Sub-Recipient will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion or sex, be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance. The Sub-Recipient will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CDBG-MIT funds. Thus, the Sub-Recipient shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

Resources: 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); Age Discrimination Act of 1975 (42 U.S.C. 6101-6107); and 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs

Architectural Barriers Act and the Americans with Disabilities Act

The Sub-Recipient shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed or altered with funds allocated or reallocated under this part after December 11, 1995 and meets the definition of “residential structure” as defined in 24 CFR 40.2 or the definition of “building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings). The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further,

the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

Resources: 42 U.S.C. 4151-4157 of the Architectural Barriers Act of 1968; 24 CFR 40.2; 41 CFR 101-19.602(a); Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings); and 42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225 (ADA) the Americans with Disabilities Act

State and Local Nondiscrimination Provisions

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

Resources: Florida Small and Minority Business Assistance Act (§§ 288.703-288.706, F.S.); and Title VI of the Civil Rights Act of 1964 (24 CFR part 1) (P.L. 88-352)

HUD Form-2516 Contract & Sub-Contract Activity Form

A Contract and Subcontract Activity form, Form HUD-2516, currently available at https://www.hud.gov/sites/documents/DOC_36660; which is incorporated herein by reference, must be submitted by April 15 and October 15 each year through the DEO's SERA reporting system. The form must reflect all contractual activity for the period, including Minority Business Enterprise and Woman Business Enterprise participation. If no activity has taken place during the reporting period, the form must indicate "no activity".

Affirmative Action Plan

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

Women- and Minority-Owned Business Enterprise(s) (W/MBE)

2 CFR § 200.321 - Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

1. The Non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

2. Affirmative steps must include:

a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

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

Resources: 2 CFR § 200.321

Labor Union Notification

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

Labor and Employment Labor Standards

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

Ensure the Sub-Recipient follows Labor Standards guidelines throughout the life cycle of the grant. The Sub-Recipient shall maintain documentation that demonstrates compliance

with applicable hour and wage requirements. Such documentation will be made available to DEO for review upon request.

It is recommended the DEO GM request a copy of the Sub-Recipient's documentation to maintain in the Sub-Recipient's monitoring file for monitoring purposes.

Resources: Section 110 of the HCDA of 1974; 40 U.S.C. 3141, et seq., the Davis-Bacon Act, as amended; 29 CFR part 1, 3, 5, 6, and 7; 18 U.S.C. 874, the Copeland Anti-Kick Back Act; and 29 CFR part 3 and part 5

Fair Housing

As a condition for receipt of CDBG-MIT funds, each Sub-Recipient must certify that they will "affirmatively further fair housing" in its community.

A Sub-Recipient shall demonstrate its commitment to affirmatively further fair housing by implementing the actions listed below.

Each Sub-Recipient is required to do the following:

1. Have in place a fair housing resolution or ordinance that covers all Federally protected classes (race, color, familial status, handicap, national origin, religion, and sex);
2. Designate an employee as the Fair Housing Coordinator who is available during regular business hours to receive fair housing calls;
3. Publish the Fair Housing Coordinator's contact information quarterly in a newspaper of general circulation in the Sub-Recipient's jurisdiction so that people know who to call to ask fair housing questions or register a complaint. Alternatively, the Sub-Recipient can post the coordinator's contact information throughout the quarter on the home page of their website;
4. Establish a system to record the following for each fair housing calls:
 - i. The nature of the call.
 - ii. The actions taken in response to the call.
 - iii. The results of the actions taken; and
 - iv. If the caller was referred to another agency, the results obtained by the referral agency.
5. Conduct at least one fair housing activity each quarter. Identical activities (see examples below) shall not be conducted in consecutive quarters; and
6. Display a fair housing poster in the CDBG-MIT Office. (This does not count as a fair housing activity).

NOTE: Printing a fair housing notice on a utility bill is no longer accepted as a fair housing activity; however, mailing a DEO approved fair housing brochure as an insert with utility bills will be accepted as an activity. Placing posters in public buildings does not meet the requirement for a fair housing activity.

Fair Housing Coordinator Responsibilities

The Sub-Recipient shall ensure that the fair housing contact person has received training so that they can handle fair housing phone inquiries or refer the inquiries to the

appropriate people/agencies.

Records maintained by the Fair Housing Coordinator will help the community do the following:

1. Define where discriminatory practices are occurring.
2. Help the community measure the effectiveness of its outreach efforts, and
3. Provide the community with a means to gain information that can be used to design and implement strategies that will eliminate fair housing impediments.

Fair Housing Activities – Examples

1. Making fair housing presentations at schools, civic clubs, and neighborhood association meetings;
2. Conducting a fair housing poster contest or an essay contest;
3. Manning a booth and distributing fair housing materials at libraries, health fairs, community events, yard sales, and church festivals; and
4. Conducting fair housing workshops for city/county employees, realtors, bank and mortgage company employees, insurance agents, and apartment complex owners.

*Note - Printing a fair housing notice on a utility bill is no longer accepted as a fair housing activity; however, mailing a DEO-approved fair housing brochure as an insert with utility bills will be accepted as an activity. Placing posters in public buildings does not meet the requirement for a fair housing activity.

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

As a condition for the receipt of CDBG-MIT funds, each Sub-Recipient must certify that they and their contractors, subcontractors, and consultants that they hire with CDBG-MIT funds will abide by the Equal Employment Opportunity Laws of the U.S.

Each Sub-Recipient will do the following:

1. Have in place equal employment opportunity resolution or ordinance that protects its applicants and employees and the applicants and employees of its contractors, subcontractors, and consultants from discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex, national origin, disability, age or genetics;
2. Designate an employee as the EEO Coordinator who is available during regular business hours to receive EEO calls;
3. Publish the EEO Coordinator's contact information quarterly in a newspaper of general circulation in the Sub-Recipient's jurisdiction so that people know who to call to ask EEO questions or register a complaint. Alternatively, the Sub-Recipient can post the coordinator's contact information throughout the quarter on the home page of their website; and
4. Establish a system to record the following for each EEO call:
 - a. The nature of the call.
 - b. The actions taken in response to the call.
 - c. The results of the actions taken; and
5. Each Sub-Recipient shall maintain a list of certified minority-owned business

enterprises (MBE) and women-owned business enterprises (WBE) that operate in its region. The Sub-Recipient shall use this list to solicit companies to bid on CDBG-MIT funded construction activities and shall provide a copy of the list to the prime contractor(s) to use when it hires subcontractors and consultants. The Department of Management Services maintains a list of certified minority and women-owned businesses that can be used to develop a local MBE/WBE list at the following website: <https://osd.dms.myflorida.com/directories>.

6. Incorporate the EEO clause set forth in 41 CFR part 60-1.4(b) into any contracts or subcontracts that meet the definition of "Federally assisted construction contract" in 41 CFR 60-1.3. The Sub-Recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-Recipient, state that they are an Equal Opportunity or Affirmative Action employer.

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

Resources: 41 CFR part 60-1.4(b); and 41 CFR 60-1.3

Section 504 & the ADA

Section 504 prohibitions against discrimination (45 CFR part 84) apply to service availability, accessibility, delivery, employment, and administrative activities and responsibilities of organizations receiving Federal financial assistance.

A Sub-Recipient of Federal financial assistance may not, on the basis of disability:

1. Deny qualified individuals the opportunity to participate in or benefit from Federally funded programs, services, or other benefits.
2. Deny access to programs, services, benefits, or opportunities to participate as a result of physical barriers; or
3. Deny employment opportunities, including hiring, promotion, training and fringe benefits, for which they are otherwise entitled or qualified.

The ADA regulations (Title II, 28 CFR part 35, and Title III, 28 CFR part 36) prohibit discrimination on the basis of disability in employment, State and local government, public accommodations, commercial facilities, transportation, and telecommunications. To be protected by the ADA, one must have a disability or have a relationship or associate with an individual with a disability.

Title II covers all activities of State and local governments regardless of the government entity's size or receipt of Federal funding. Title II requires that State and local governments give people with disabilities an equal opportunity to benefit from all their programs, services and activities. State and local governments are required to follow specific architectural standards in new construction and alteration of their buildings. They also must relocate programs or otherwise provide access in inaccessible older buildings, and communicate effectively with people having hearing, vision, or speech disabilities.

Title III covers businesses and nonprofit service providers that are public accommodations,

privately operated entities offering certain types of courses and examinations, privately operated transportation and commercial facilities. Public accommodations are private entities who own, lease to or operate facilities such as restaurants, retail stores, hotels, movie theaters, private schools, convention centers, doctors' offices, homeless shelters, transportation depots, zoos, funeral homes, day care centers, and recreation facilities including sports stadiums and fitness clubs. Transportation services provided by private entities are also covered by Title III.

As a condition for receipt of CDBG-MIT funds, each Sub-Recipient must certify that they provide access to all Federally funded activities to all individuals, regardless of handicap.

Resources: Title II, 28 CFR part 35, and Title III, 28 CFR part 36

Section 504 & ADA Compliance

The Sub-Recipient will do the following:

1. Have in place a resolution or ordinance that is designed to eliminate discrimination against any person who:
 - a. Has a physical or mental impairment which substantially limits one or more major life activities.
 - b. Has a record of such an impairment; or
 - c. Is regarded as having such an impairment.
2. Designate an employee as the Section 504/ADA Coordinator who is available during regular business hours to receive Section 504/ADA calls;
3. Publish the Section 504/ADA Coordinator's contact information quarterly in a newspaper of general circulation in the Sub-Recipient's jurisdiction so that people know who to call to ask Section 504/ADA questions or register a complaint. Alternatively, the Sub-Recipient can post the coordinator's contact information throughout the quarter on the home page of their website; and
4. Establish a system to record the following for each Section 504/ADA calls:
 - a. The nature of the call.
 - b. The actions taken in response to the call.
 - c. The results of the actions taken.

Resources: Title II, 28 CFR part 35, and Title III, 28 CFR part 36

Section 3 Safe Harbor Provision

- * If you meet the numeric goals, HUD will consider you in compliance.
 - * You may also achieve safe harbor through qualitative efforts toward compliance such as outreach, training and procurement.
 - * If you do not meet the numeric goals, HUD will evaluate your qualitative efforts to determine if safe harbor is achieved.
- A. Qualitative efforts include the following options:
1. Outreach efforts to generate job applicants who are Public Housing Targeted Workers.
 2. Outreach efforts to generate job applicants who are Other Funding Targeted Workers.
 3. Direct, on-the-job training (including apprenticeships).
 4. Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.

5. Technical training such as arranging for, contracting for, or paying tuition for, off-site training.
6. Outreach efforts to identify and secure bids from Section 3 business concerns.
7. Technical assistance to help Section 3 business concerns understand and bid on contracts.
8. Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.
9. Provided or connected residents with assistance in seeking employment, including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.
10. Held one or more job fairs.
11. Provided or connected residents with supportive services that can provide direct services or referrals.
12. Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.
13. Assisted residents with finding childcare.
14. Assisted residents to apply for/or attend community college or a four-year educational institution.
15. Assisted residents to apply for or attend vocational/technical training.
16. Assisted residents to obtain financial literacy training and/or coaching.
17. Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
18. Provided or connected residents with training on computer use or online technologies.
19. Other. Specify:
 - B. Sub-Recipient must keep records demonstrating compliance with Section 3 requirements on a project-level basis.
 - C. Sub-Recipient must establish and maintain (or ensure that a contractor, or subcontractor maintains) documentation to demonstrate that workers on Section 3 projects meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period. This includes requiring written reports from developers or contractors summarizing the totals for labor hours, including Section 3 worker and Targeted Section 3 worker labor hours, and documentation from employees or employers certifying that the employee met the requirements to receive Section 3 worker status.
 - D. Any information that a provides must have supporting documentation demonstrating the accuracy of the data.
 - E. Sub-Recipient must retain documentation that ensures that workers meet the definition of a Section 3 worker or Targeted Section 3 worker, at the time of hire or the first reporting period.
 - F. Sub-Recipient must maintain documentation in accordance with applicable program requirements for recordkeeping and record retention.

Section 3 – New Rules & Requirements

The new Regulation(s) introduces several new concepts and definitions to align the regulations more closely with the statutory priorities for hiring and contracting and with grantee current practices. The most significant change is the switch from tracking and reporting new hires and contracts to tracking and reporting labor hours. “Labor hours” means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance (24 CFR 75.5). The Final Rule’s focus on labor hours seeks to measure total actual employment and the proportion of the total employment performed by low- and very low-income workers. In addition, the change to tracking labor hours captures continued and long-term employment. The focus on labor hours creates an incentive for employers to invest in and retain their newly hired workers.

24 CFR 75.25 requires Grantees/Sub-Recipients to report the total labor hours for:

1. All workers;
2. Section 3 Workers - 25% total hours worked on project; and
3. Targeted Section 3 Workers - 5%* of total hours worked on project. *The 5% is included within the overall 25% total numeric goal per project.

1. Section 3 Worker defined:

A. Any employee who meets one of the following categories within the past five* years or at time of project:

- i. The worker's income for the previous or annualized calendar year is below 80% of the area median income for the area in which the worker resides. Use the worker’s annual gross income based on AMI for a single-person household;
- ii. The worker is employed by a Section 3 business concern; or
- iii. The worker is a YouthBuild participant.

A Targeted Section 3 worker is a subset of Section 3 workers. Contractors must track hours worked by both Section 3 workers AND targeted Section 3 workers in order to meet numeric goals.

2. Targeted Section 3 worker means a Section 3 worker who:

- A. Is employed by a Section 3 business concern;
- B. Currently fits, or when hired fit, at least one of the following categories as documented within the past five years:
 - i. Living within the service area or the neighborhood of the project
 - ii. A YouthBuild participant - YouthBuild is a community-based pre-apprenticeship program administered by the U.S. Department of Labor that provides job training and educational opportunities for at-risk youth ages 16-24 who have previously dropped out of high school.

Sub-Recipients must document one of the following:

1. Employer’s confirmation that a worker’s residence is within the Section 3 service area;
2. Employer’s certification that the worker is employed by a Section 3 business concern;
3. Worker’s self-certification of YouthBuild participation.

* Current Section 3 workers who were certified under 24 CFR 135 must be re-certified under 24 CFR 75.

A worker's hours may be counted for up to five years toward the Section 3 numeric goal. The five-year period begins at the time of hire, or when the worker is first certified as meeting the definition of a Section 3 worker.

Section 3 Numeric Goals

Numeric Goals for Section 3 Projects:

1. 25% or more of the total hours worked on a project performed by Section 3 workers
2. 5% or more of the total hours on a project performed by Targeted Section 3 workers
3. The 5% numeric goal is included within the 25% goal (i.e. the total is 25%, not 30%)

Includes hours worked on a project by nonprofit developer Sub-Recipients, contractors and subcontractors

- * If numeric goals not achieved, must document "qualitative efforts".
- * There is no longer a numeric goal that 10% of construction costs and 3% of non-construction costs must benefit Section 3 business concerns.
- * States, Sub-Recipients, and developers must still make best efforts to contract with Section 3 businesses.
- * These Benchmarks are updated every 3 years by FRN (<https://www.federalregister.gov>)

Right to Report Crime and Emergencies from One's Home

The City adopts the Violence Against Women Act (VAWA) Reauthorization Act of 2022, which goes into effect on October 1, 2022, and requires HUD grantees and their subrecipient(s) to support a victim's right to report a crime or emergencies from their home.

The following clause is required to be included in any contracts and subcontracts funded by CDBG-MIT:

The work performed under this contract is subject to the requirements of the Violence Against Women Act (VAWA) Reauthorization Act of 2022 that requires HUD grantees and their subrecipient(s) to support a victim's right to report a crime or emergency from their home.

FEMA

Notice of Reporting Requirements

Required Contract Clause:

1. Contractor acknowledges that it has read and understands the reporting requirements of FEMA stated in 44 CFR§ 13.40 et seq., 13.50-13.52 and Part III of Chapter 11 of the United States Department of Justice's Office of Justice Programs Financial Guide and agrees to comply with any such applicable requirements.
2. The Contractor agrees to include the above clause 1. in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

Notice of Requirements Pertaining to Copyrights

Required Contract Clause:

1. Contractor agrees that FEMA shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for government purposes:
 - a. The copyright in any work developed with the assistance of funds provided under this Agreement.
 - b. Any rights of copyright to which Contractor purchases ownership with the assistance of funds provided under this Agreement. (44 CFR §§13.34, 13.36(i)(8)-(9).
2. The Contractor agrees to include the above clause 1. a. and b. in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

Energy Conservation Requirements

Required Contract Clause:

1. The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act. (44 CFR §13.36(i)(13).
2. The Contractor agrees to include the above clause 1. in each third-party subcontract financed in whole or in part with Federal assistance provided by FEMA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

REQUIRED CONTRACT CLAUSES

Default

Required Contract Clause

Each of the following shall constitute a default under this Agreement: (a) Contractor is adjudged to be bankrupt; (b) Contractor makes a general assignment for the benefit of its creditors; or (c) Contractor fails to comply with any of the terms, conditions, or provisions of this Agreement. If during the term of this Agreement, Contractor shall be in default of this Agreement, City may suspend its performance hereunder until such delinquency or default has been corrected; provided, however, that no suspension shall be effective unless and until City gives written notice of default to Contractor with at least ten (10) days to cure such default. If the Contractor fails to correct such delinquency or default, City may terminate this Agreement and pursue such remedies as may be available at law or in equity. The Contractor shall be paid compensation for services satisfactorily performed and completed as of the date of termination. The City shall not be liable for partially completed work. In addition to the remedies available hereunder, the City shall have the right of offset from sums or payments otherwise due the Contractor or, any sums or amounts which the Contractor may owe to the City pursuant to the provisions of this Agreement, or otherwise.

Termination for Cause and Convenience

Required Contract Clause -The following required contract clause shall be included in City contracts in excess of \$10,000; 2 CFR Part 200 app. II (B)):

The City may, by giving thirty (30) days prior to written notice to the other, terminate this Agreement in whole or in part, at any time, with or without cause. Upon receipt of such notice, the Contractor shall immediately discontinue all services affected (unless the notice directs otherwise).

Upon termination of this Agreement for convenience, the Contractor shall be paid its compensation for services satisfactorily performed as the date of termination based on the percentage of work satisfactorily completed plus reasonable termination expenses. The City shall not be obligated to pay for any services performed by the Contractor after notice of termination has been given. In addition to other remedies available under this Agreement, the otherwise due the Contractor any sums or amounts which the Contractor may owe to the City pursuant to provisions of this Agreement, or otherwise.

The City may terminate this contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of either this Agreement or any Work Authorization provided for herein, provided that the City shall give the Contractor written notice specifying the Contractor's failure. If within fifteen (15) days after receipt of such notice, the Contractor shall not have either corrected such failure and thereafter proceeded diligently to complete such correction, then the City may, at its option, place the Contractor in default, and this Agreement and any Work Authorizations assigned to the Contractor shall terminate on the date specified in such notice and no fees for any work shall be due thereafter.

OCCURRENCES THAT REQUIRE IMMEDIATE NOTIFICATION

Key Personnel Changes

Promptly notify the grantor agency, Chief Accountant, or designated Accountant, Grant Coordinator, or Special Projects Manager upon the resignation, termination, or retirement of any Grant Coordinator or Special Projects Manager (or other key grant program staff) to ensure that proper retention of information and continuous grants management occurs during the transition period. Grantor approval is required to modify key grant personnel.

Notice of Audit, Monitoring Visit, or Review

The recipient department's Grant Coordinator, or Special Projects Manager, upon receipt of a notice for a site or monitoring visit to be performed by the grantor, shall promptly notify the Chief Accountant, or designated Accountant to assist in the preparation of the grantor site visit, review, or audit.

EXTERNAL AND INTERNAL AUDITS, REVIEWS, AND MONITORING

External Audits

The City engages independent auditor(s) to review the City's financial reports and grant reports for compliance and deficiencies. These auditors are managed by the City's Finance Department and annually review the Comprehensive Annual Financial Report (CAFR) and Schedule of Expenditure of Federal Awards (SEFA). See City Procedures for Preparing the Schedule of Expenditures of Federal Awards (SEFA) and State Financial Assistance attached as **Appendix-F**.

Federal Single Audit Act (OMB A-133)

Federal audit and annual reporting requirements are contained in 2 CFR Part 200 Subpart F (200.5 Compliance and Audit Requirements). Non-federal entities expending \$75,000 or more in a year in Federal awards are required to have a single or program-specific audit conducted for that year, performed by an outside auditor. It is important that all grant activity and any changes to the grant are well documented to facilitate any audit. Audit findings made during the audit are provided to the grantor, which could prompt an audit by the grantor.

The following activities are the fourteen types of compliance requirements considered in every audit conducted under 2 CFR Part 200 Subpart F, and are found highlighted throughout this handbook:

1. Activities: Allowed or Unallowable
2. Allowable Costs/Cost Principles
3. Cash Management
4. Compliance with Terms & Conditions (e.g., Davis-Bacon Act)
5. Eligibility
6. Equipment and Real Property Management
7. Matching, Level of Effort, Earmarking
8. Period of Availability of Federal Funds
9. Procurement, Suspension, and Debarment
10. Program Income
11. Real Property Acquisition and Relocation Assistance
12. Reporting
13. Subrecipient Monitoring
14. Special Tests and Provisions

Florida Single Audit Act

The Florida Single Audit Act establishes uniform audit requirements for state financial assistance and follows the same cost principles and requirements established in the Federal Single Audit Act but at a \$75,000 threshold.

Granting Agency or Pass-Through Agency Audits (Regulations §200.325)

Each grantor and/or pass-through agency may have different terms they use when conducting reviews of programs, they fund. However, no matter the term used, the grantor agency is

reviewing documentation that substantiates whether the City is in compliance with the terms and agreements associated with the specific grant or subaward. These reviews are usually more programmatic in nature although the associated fiscal monitoring can be more detailed. Fiscal monitoring is usually more specific than the single audit in that the reviewing agency requests a number of individual client files and all related programmatic and fiscal documentation to determine allowable services as well as costs.

INTERNAL AUDITS

City Internal Audit

Internal auditing is an independent appraisal activity that evaluates whether management has effectively and efficiently carried out its responsibilities. The Internal Auditor provides independent, objective, and unbiased assessments of City government practices. The Internal Auditor applies a systematic and disciplined approach to evaluating the City government operational, compliance, and fiscal risks; examines management control practices, and assesses strategic business governance activities. Through this evaluation activity, recommendations are made to improve operations in a written report.

The scope of the Internal Auditor includes any operation under the direction of the City Manager or the City Commission. It also includes other functions for which the City Commission provides financial support as separate entities in its budget or of which the City Commission is the ex-officio governing body. The City Internal Auditor reports directly to the Finance Director, thereby giving the Division the independence to objectively appraise the operations of the City Manager and the City Commission.

CODE OF FEDERAL REGULATIONS AND OFFICE OF MANAGEMENT AND BUDGET CIRCULARS

OMB Circular A-102 Uniform Administrative Requirements

2 CFR Part 215

2 CFR Part 225

OMB Circular A-133

2 CFR 220.82 Personally Identifiable Information

Executive Order 12549

APPENDICES *(Provided upon Request for Outside Parties)*

A [City of Lakeland Accounts Payable Policy and Procedures Manual](#)

B [City of Lakeland Central Accounting Policy and Procedures Manual](#)

C [Government-In-The-Sunshine Manual – 2022 Edition](#)

D [State of Florida General Records Schedule GS1-SL for State and Local Government Agencies \(Effective August 2020\)](#)

E [City of Lakeland Records Management Program and Procedures Administrative Policy \(in compliance with the provisions of Chapter 119, F.S. – The Public Records Law\)](#)

- F [City of Lakeland Schedule of Expenditures of Federal Awards \(SEFA\) and State Financial Assistance Instructions](#)
- G [City of Lakeland Prompt Payment Act \(Construction\)](#)
- H [City of Lakeland Prompt Payment Act Flow Chart \(Construction\)](#)
- I [City of Lakeland Purchasing Manual](#)
- J [2 CFR Part 200 Federal Procurement Standards](#)
- K City of Lakeland Americans with Disabilities Act and Grievance Policy and Procedure located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>
- L City of Lakeland Limited English Proficiency Policy and Plan located at: <https://www.lakelandgov.net/departments/public-works/ada-accessibility/>
- M [City of Lakeland Employee Handbook](#)
- N City of Lakeland Internal Financial Controls Pertinent to Public Law 115-123

EXHIBITS *(Provided upon Request for Outside Parties)*

- 1 [City Commission Agenda Memo Example requesting approval of Grant Award and Appropriation of Funding](#)
- 2 [City Grant File Structure List](#)
- 3 [Federal form SF-LLL Disclosure of Lobbying Activities \(when applying for Federal funding\) and Lobbying Restrictions Policy and Lobbyist Disclosure Procedures](#)