EXHIBIT 4
2026-2027 COMMUNITY DEVELOPMENT BLOCK GRANT SERVICE AGREEMENT BETWEEN THE CITY OF DENTON, TEXAS AND SUBRECIPIENT

This 2026-2027 Grant Service Agreement ("Agreement") is made and entered into by and between the City of Denton, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as "CITY," and [SUBRECIPIENT NAME], a Texas nonprofit corporation with its principal place of business at [ADDRESS], hereinafter referred to as "SUBRECIPIENT."

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, as amended (the "ACT"); CDBG Program, CFDA Number 14-218; and

WHEREAS, CITY's Community Services Advisory Committee ("CSAC") has reviewed the SUBRECIPIENT's proposal for services and has determined that SUBRECIPIENT performs an important service for the residents of the City of Denton without regard to race, religion, color, age, or national origin, and the CSAC recommends SUBRECIPIENT's proposal for services; and

WHEREAS, CITY has determined that the SUBRECIPIENT's proposal for services can provide needed services to the residents of the City of Denton in accordance with the 2023-2027 City of Denton Consolidated Plan and will benefit low- and moderate-income persons in the City of Denton, and desires to enter into an agreement for such services; and

WHEREAS, CITY has adopted a budget and included therein an authorized budget for the expenditure of funds in accordance with its 2023-2027 City of Denton Consolidated Plan and 2026 Action Plan;

WHEREAS, CITY has designated the Community Development Division as the division responsible for the administration of this Agreement and all matters pertaining thereto; and

WHEREAS, CITY's City Council has approved the expenditure of up to $XX,XXX.XX in CDBG funds consistent with the terms of this Agreement;

NOW, THEREFORE, the parties hereto agree, and by the execution hereof are bound to the mutual obligations and to the performance and accomplishment of the conditions hereinafter described.

1. TERM

This Agreement shall commence on or as of <u>October 1, 2026</u>, and shall terminate on <u>September 30, 2027</u>, unless sooner terminated in accordance with Section 25 "Termination."

2. REPRESENTATIONS AND ACKNOWLEDGMENTS

A. SUBRECIPIENT assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.
B. The person or persons signing and executing this Agreement on behalf of SUBRECIPIENT, do hereby warrant and guarantee that he, she, or they have been fully authorized by SUBRECIPIENT to execute

this Agreement on behalf of SUBRECIPIENT and to validly and legally bind SUBRECIPIENT to all terms, performances, and provisions herein set forth.

C. CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either SUBRECIPIENT or the person signing the Agreement to enter into this Agreement. SUBRECIPIENT is liable to CITY for any money it has received from CITY for performance of the provisions of this Agreement if CITY has suspended or terminated this Agreement for the reasons enumerated in this Section.

D. The CITY's Director of Community Services will be CITY's representative responsible for the administration of this Agreement.

E. Both parties agree and acknowledge that the amount of funds provided hereunder is necessary and sufficient payment for full and satisfactory performance of the program in accordance with all terms, provisions, and requirements of this Agreement.

F. The parties expressly understand and agree that CITY's payment obligations under this Agreement are contingent upon CITY's receipt and appropriation of adequate CDBG funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify SUBRECIPIENT in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to SUBRECIPIENT under this Agreement.

G. It is expressly understood that this Agreement in no way obligates the General Fund or any other monies or credits of the City of Denton.

H. Funding not expended within the term of this Agreement will revert to the City of Denton's CDBG budget for use on alternative services or projects.

3. SUBRECIPIENT OBLIGATIONS

A. **Performance of Scope of Services.**

(1) SUBRECIPIENT shall perform all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein

(2) Subrecipient shall be eligible for reimbursement only for expenditures made in accordance with the Budget, set forth in Exhibit B, to complete those services described in the Scope of Services in Exhibit A. SUBRECIPIENT shall not utilize these funds for any other purpose. No modifications or alterations may be made to the Scope of Services or Budget without the prior written approval of the CITY's Director of Community Services.

(3) Beneficiaries of the activities to be provided hereunder must reside in the City of Denton and SUBRECIPIENT certifies that the activities carried out with these funds shall meet the Community Development Block Grant ("CDBG") program's National Objective of benefit to low and moderate-income persons. SUBRECIPIENT shall provide services to persons whose income is equal to or lower than 80% of the median income of the Dallas standard metropolitan statistical area. To accomplish this, the SUBRECIPIENT shall use the current applicable income limits published by HUD for lower income housing assistance under Section 8 of the United States Housing Act of 1937. Income eligibility shall be determined by the sum of the gross income of all individuals residing in the household. Services must be provided directly to or on behalf of specific identified eligible clients.

B. **<u>Administrative Requirements</u>**

(1) Income eligibility documentation must be included in each client's file and updated annually, or services must be provided to a clientele that is within a "presumed benefit" category as specified in 24 CFR 570.208.

(2) SUBRECIPIENT will reduce to writing all of its rules, regulations, and policies and file a copy with CITY's Community Development Division along with any amendments, additions, or revisions upon request.

(3) SUBRECIPIENT's executive officer will be available to meet with CITY officials when requested.

(4) SUBRECIPIENT will submit to CITY copies of year-end audited financial statements.

(5) SUBRECIPIENT will establish, operate, and maintain an account system for funds received pursuant to this Agreement that will allow for a tracing of funds and a review of the financial status of the program. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.

C. **<u>Compliance with Federal, State, and Local Laws.</u>**

(1) SUBRECIPIENT shall comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Denton.

(2) SUBRECIPIENT agrees to abide by the conditions of and comply with the requirements of the Office of Management and Budget's 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(3) SUBRECIPIENT shall give the CITY, HUD, the Comptroller General of the United States, the Auditor of the State of Texas, and any of their authorized representatives, access to and the right to reproduce all records belonging to or in use by SUBRECIPIENT pertaining to this Agreement. Such access shall continue as long as SUBRECIPIENT retains records. SUBRECIPIENT shall maintain such records in an accessible location for at least five (5) years after the end of the term.

(4) SUBRECIPIENT agrees to abide by the conditions of this Agreement and all other applicable Federal, state, and local laws and regulations such as the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of the Contract Work Hours Safety Standards Act, the Copeland "Anti-Kickback Act" (40 U.S.C. 276a-276a-5; 40 USC 327 and 40 USC 276c) pertaining to the performance of this Agreement.

(5) SUBRECIPIENT shall refrain from entering into any subcontract for services without prior approval in writing by CITY of the qualifications of the subcontractor to perform and meet the standards of this Agreement. All subcontracts entered into by the SUBRECIPIENT will be subject to the requirements of this Agreement. The SUBRECIPIENT agrees to be responsible to CITY for the performance of any subcontractor.

(6) SUBRECIPIENT shall not use funding under this Agreement to influence the outcome of elections or the passage or defeat of any legislative measures. SUBRECIPIENT understands that funds provided to it pursuant to this Agreement are funds which have been made available to CITY by the Federal Government (U.S. Department of Housing and Urban Development) under the ACT, in accordance with an approved Grant Application and specific assurances. Accordingly, SUBRECIPIENT assures and certifies that it will comply with the requirements of the ACT and with regulations promulgated thereunder, and codified at 24 CFR Part 570. The foregoing is in no way meant to constitute a complete compilation of all duties imposed

upon SUBRECIPIENT by law or administrative ruling, or to narrow the standards which SUBRECIPIENT must follow.

(7) SUBRECIPIENT further agrees and certifies that if the regulations and issuances promulgated pursuant to the ACT are amended or revised, it shall comply with them, or notify CITY, as provided in Section 23 of this Agreement.

(8) SUBRECIPIENT is required to comply with the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as described in 24 CFR §570.502 and 24 CFR Part 570 subpart K with the exceptions noted below:

1. SUBRECIPIENT does not assume CITY'S environmental responsibilities described at 24 CFR §570.604.
2. SUBRECIPIENT does not assume the CITY's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

(9) SUBRECIPIENT agrees to comply with 24 CFR Part 135 – Section 3 Regulations, and all applicable rules and orders issued thereunder prior to the execution of this Agreement. The SUBRECIPIENT certifies that no contractual or other disability exists which would prevent compliance with these requirements.

(10) The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

(11) SUBRECIPIENT has submitted herewith a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Parties understand and agree that, with the exception of information identifying the CITY and the contract identification number, if any, the CITY is not responsible for the information contained in the Form 1295; the information contained in the Form 1295 has been provided solely by the SUBRECIPIENT; and the City has not verified such information.

(12) SUBRECIPIENT acknowledges that in accordance with Chapter 2273 of the Texas Government Code, City is prohibited from entering into a taxpayer resource transaction with an abortion provider or an affiliate of an abortion provider. The terms "taxpayer resource transaction," "abortion provider," and "affiliate of an abortion provider" shall have those definitions provided in Texas Government Code § 2273.001. By signing this Agreement, SUBRECIPIENT certifies that is not an abortion provider or an affiliate of an abortion provider, and that it will not use the proceeds of this Agreement for the purpose of assisting a woman with procuring an abortion or the services of an abortion provider. Failure to meet or maintain the requirements under this provision will be considered a material breach.

(13) SUBRECIPIENT shall be prohibited from using grant funds to promote “gender ideology” as defined in Executive Order (E. O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

(14) SUBRECIPIENT agrees to comply with all applicable Federal anti-discrimination laws that are material to the U.S. Government’s payment decisions for purposes of section 3729(b)(4) of title 32, United States Code.

D. **Additional Obligations.**

(1) SUBRECIPIENT will not enter into any contracts that would encumber CITY funds for a period that would extend beyond the term of this Agreement.

(2) SUBRECIPIENT will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to CITY’s Community Development Division for further direction.

(3) SUBRECIPIENT’s executive officer shall be SUBRECIPIENT’s representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

4. CITY OBLIGATIONS

A. **Limit of Liability**. In consideration of full and satisfactory performance of the services and activities hereunder by SUBRECIPIENT, CITY will reimburse SUBRECIPIENT for expenses incurred pursuant to and in accordance with the Budget attached hereto as Exhibit B, and incorporated herein by reference, necessary for the performance of the Scope of Services herein attached as Exhibit A. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of Amount text– $xx,xxx.xx

B. **Payments by City**. Within twenty-one days after receipt from SUBRECIPIENT of a requisition for payment with appropriate documentation of expenditures, CITY shall make payments to SUBRECIPIENT based on the Budget in Exhibit B, subject to the limitations and provisions set forth in Exhibit B and in this Section and Section 5 of this Agreement. Payments may be made contingent upon certification of the SUBRECIPIENT’s financial management system in accordance with the standards specified in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(1) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of SUBRECIPIENT requiring prior written authorization from CITY, or after CITY has requested that SUBRECIPIENT furnish data concerning such action prior to proceeding further, unless and until CITY advises SUBRECIPIENT to proceed.

(2) CITY shall not be obligated or liable under this Agreement to any party other than SUBRECIPIENT for payment of any monies or provision of any goods or services.

5. PAYMENT CONDITIONS

A. SUBRECIPIENT’s reimbursement request for any one-month period must include reasonable, consistent, actual, and allowable costs as specified in Exhibit B.

B. CITY shall not be liable for, nor shall it reimburse SUBRECIPIENT for, any cost or portion thereof which:

(a) has been paid or reimbursed, or is subject to payment or reimbursement, from any other source;
(b) was incurred prior to the beginning date or after the ending date specified in Section 1;
(c) is not in strict accordance with the terms of this Agreement, including all exhibits attached hereto;
(d) has not been included in a request for reimbursement to CITY within 90 calendar days following billing to SUBRECIPIENT, or termination of the Agreement, whichever date is earlier; or
(e) is not an allowable cost as defined by this Agreement or in the Budget set forth in Exhibit B.

C. If, in CITY's sole judgment, SUBRECIPIENT's reimbursement request for any period does not provide sufficient documentation of allowable expenditures or if CITY requests inspection or verification of claimed expenditures after receipt of a reimbursement request, CITY may withhold reimbursement for those expenditures for an amount of time deemed reasonable by CITY pending such inspection, verification, or receipt of documentation.

D. Costs must comply with eligible CDBG Program Activities pursuant to guidance published by HUD and CDBG regulations located at 24 CFR Part 570.

E. Approval of SUBRECIPIENT's Budget, Exhibit B, does not constitute prior written approval, even though certain items may appear herein. CITY's prior written authorization is required in order for the following to be considered allowable costs:

1) Encumbrances or expenditures during any one-month period shall be calculated based on the Cost Allocation Plan. The methodology, such as total budget for the program, shall be consistently applied to all shared expenses.
2) CITY shall not be obligated to any third parties, including any subcontractors of SUBRECIPIENT, and CITY funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
3) Any alterations or relocation of the facilities on and in which the activities specified in Exhibit A are conducted.
4) Any alterations, deletions, or additions to the Budget detail incorporated in Exhibit B.
5) Costs or fees for temporary employees or services.
6) Any fees or payments for consultant services; and
7) Fees for attending out of town meetings, seminars, or conferences.

F. Written requests for prior approval are SUBRECIPIENT's responsibility and shall be made within sufficient time to permit a thorough review by CITY. SUBRECIPIENT must obtain written approval by CITY prior to the commencement of procedures to solicit or purchase services or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.

G. Expenditures will not be reimbursed to the SUBRECIPIENT for the purchase of real property or equipment. These are not allowable costs under this Agreement.

H. Overtime, bonuses, fringe benefits, and other miscellaneous non-salary personnel costs are not eligible for reimbursement under this Agreement.

6. EVENTS REQUIRING REVERSION OF FUNDS

A. **Excess Payment**. SUBRECIPIENT shall refund to CITY within ten working days of CITY's request, any sum of money which has been paid by CITY and which CITY at any time thereafter determines:
   (1) has resulted in overpayment to SUBRECIPIENT; or
   (2) has not been spent strictly in accordance with the terms of this Agreement; or
   (3) is not supported by adequate documentation to fully justify the expenditure.

B. **Disallowed Costs**. Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by CITY, HUD, or any other Federal agency, SUBRECIPIENT will refund such amount to CITY within ten working days of a written notice to SUBRECIPIENT, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through CITY.

C. **Reversion of Assets**.
   (1) SUBRECIPIENT, upon expiration of this Agreement, shall transfer to the CITY any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.
   (2) The reversion of these financial assets shall be in addition to any other remedy available to CITY either at law or in equity for breach of this Agreement.

D. **Obligation of Funds**.
   (1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in Exhibit A, CITY hereby reserves the right to reappropriate or recapture any such under expended funds.
   (2) If CITY finds that SUBRECIPIENT is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by SUBRECIPIENT, as well as any remaining unexpended funds which shall be refunded to CITY within ten working days of a written notice to SUBRECIPIENT to revert these financial assets.

E. **Contract Close Out**. SUBRECIPIENT shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 working days following the close of the Agreement period.

7. PROGRAM INCOME

A. For purposes of this Agreement, "Program Income" means earnings of SUBRECIPIENT realized from activities resulting from this Agreement or from SUBRECIPIENT's management of funding provided or received hereunder. Such earnings include, but are not limited to, income from interest, usage or rental or lease fees, income produced from contract-supported services of individuals or employees or from the use or sale of equipment or facilities of SUBRECIPIENT provided as a result of this Agreement, and payments from clients or third parties for services rendered by SUBRECIPIENT under this Agreement.

B. SUBRECIPIENT shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and reported to CITY in the format prescribed by CITY. CITY and SUBRECIPIENT agree that any fees collected for services performed by SUBRECIPIENT shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement and the regulations found at 24 CFR § 570.504.

C. SUBRECIPIENT shall include this Section in its entirety in all of its sub-contracts which involve other income-producing services or activities.
D. It is SUBRECIPIENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes Program Income. SUBRECIPIENT is responsible to CITY for the repayment of any and all amounts determined by CITY to be Program Income, unless otherwise approved in writing by CITY.

8. REPORTS AND INFORMATION

At such times and in such form as CITY may require, SUBRECIPIENT shall furnish such statements, records, data, and information as CITY may request and deem pertinent to matters covered by this Agreement. SUBRECIPIENT shall submit beneficiary and financial reports to CITY by the 15th of every month with reimbursement requests. If the SUBRECIPIENT expends all funds prior to the term date, SUBRECIPIENT remains responsible for completing monthly reports by the 15th. The beneficiary report shall detail client information, including race, ethnicity, income, head of household, and disabled and elderly households and other statistics required by CITY using the CITY Self-Certification form. The financial report shall include information and data related to all programmatic and financial reporting as of the commencement date specified in Section 1 of this Agreement. SUBRECIPIENT shall submit its annual budget and schedule of board meetings, along with the resolutions or minutes adopting the same, to CITY no later than October 1, 2026. Unless the CITY has granted a written exemption, SUBRECIPIENT shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the SUBRECIPIENT expends $1,000,000 or more in federal funding, the audit must be conducted in accordance with OMB audit requirements in 2 CFR Part 200, as applicable, within thirty days after receipt of the auditor's report(s) or within nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide.

9. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. CITY shall perform monitoring of the SUBRECIPIENT's performances under this Agreement.
A. SUBRECIPIENT agrees that CITY may carry out monitoring and evaluation activities to ensure adherence by SUBRECIPIENT to the Scope of Services, Program Goals, and Objectives, which are attached hereto as Exhibit A, as well as other provisions of this Agreement.
B. SUBRECIPIENT agrees to cooperate fully with CITY and provide data determined by CITY to be necessary for CITY to effectively fulfill its monitoring and evaluation responsibilities.
C. SUBRECIPIENT agrees to cooperate in such a way so as not to obstruct or delay CITY in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by CITY staff.
D. SUBRECIPIENT agrees to make available its financial records for review by CITY at CITY's discretion. In addition, SUBRECIPIENT agrees to provide CITY the following data and reports, or copies thereof:
   (1) All external or internal evaluation reports;
   (2) Performance/beneficiary reports to be submitted in the schedule published by the CITY's Community Development Division. Reports shall include such information as requested by the CITY's Community Development Division including but not limited to: number of persons or

households assisted, race, gender, disability status, and household income. Beneficiary reports shall be due to CITY within 15 working days after the completion of required reporting period. SUBRECIPIENT agrees to submit financial statements no less than once every three months. Each statement shall include current and year to date period accounting of all revenues, expenditures, outstanding obligations, and beginning and ending balances. Financial reports shall be due to CITY within 15 working days after the completion of required reporting period; and

(3) An explanation of any major changes in program services.

E. To comply with this section, SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the CITY. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services, provided under this Agreement.

F. After each official monitoring on-site visit, CITY shall provide SUBRECIPIENT with a written report of monitoring findings, documenting findings, and concerns that will require a written response to the CITY. An acceptable written response must be received by the CITY within 60 days from the SUBRECIPIENT's receipt of the monitoring report or audit review letter. Future payments under this Agreement can be withheld for the SUBRECIPIENT's failure to submit a written response within 60 days.

G. SUBRECIPIENT shall submit copies of any fiscal, management, or audit reports by any of the SUBRECIPIENT's funding or regulatory bodies to CITY within ten working days of receipt by the SUBRECIPIENT.

H. SUBRECIPIENT shall refer to Exhibit E for the Monitoring Checklist.

10. MAINTENANCE OF RECORDS

A. SUBRECIPIENT shall maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of Exhibit A and Exhibit B, and with any other applicable Federal and State regulations establishing standards for financial management. SUBRECIPIENT's expenditures of funds made under this Agreement will conform to 2 CFR §200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as they pertain to costs incurred, audits, program income, administration, and other activities and functions. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve SUBRECIPIENT of fiscal accountability and liability under any other provision of this Agreement or any applicable law. SUBRECIPIENT shall include the substance of this provision in all subcontracts.

B. SUBRECIPIENT shall retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this Agreement.

C. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this Agreement.
D. At any reasonable time and as often as CITY may deem necessary, the SUBRECIPIENT shall make available to CITY, HUD, or any of their authorized representatives, all of its records and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

11. DIRECTORS' MEETINGS

During the term of this Agreement, SUBRECIPIENT shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered to CITY in a timely manner to give adequate notice and shall include an agenda and a brief description of the matters to be discussed. SUBRECIPIENT understands and agrees that CITY representatives shall be afforded access to all of the Board of Directors' meetings. Minutes of all meetings of SUBRECIPIENT's governing body shall be available to CITY within ten days after Board approval.

12. WARRANTIES

SUBRECIPIENT represents and warrants that:
A. All information, reports, and data heretofore or hereafter requested by CITY and furnished to CITY, are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to CITY.
B. Any supporting financial statements heretofore requested by CITY and furnished to CITY, are complete, accurate, and fairly reflect the financial condition of SUBRECIPIENT on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of SUBRECIPIENT.
C. No litigation or legal proceedings are presently pending or threatened against the SUBRECIPIENT.
D. None of the provisions herein contravene or are in conflict with the authority under which SUBRECIPIENT is doing business or with the provisions of any existing indenture or agreement of SUBRECIPIENT.
E. SUBRECIPIENT has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.
F. None of the assets of SUBRECIPIENT is subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements furnished by SUBRECIPIENT to CITY.
G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.

13. COVENANTS

A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUBRECIPIENT shall not, without the prior written consent of the Director of Community Services or her authorized representative:

a. Mortgage, pledge, or otherwise encumber or suffer to be encumbered, any of the assets of SUBRECIPIENT now owned or hereafter acquired by it, or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of SUBRECIPIENT which are allocated to the performance of this Agreement and with respect to which CITY has ownership hereunder.
b. Sell, assign, pledge, transfer, or otherwise dispose of accounts receivable, notes, or claims for money due or to become due.
c. Sell, convey, or lease all or a substantial part of its assets.
d. Make any advance or loan to, or incur any liability for any other firm, person, entity, or corporation as guarantor, surety, or accommodation endorser.
e. Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to SUBRECIPIENT by CITY, unless CITY authorizes such transfer in writing.

B. SUBRECIPIENT agrees, upon written request by CITY, to require its employees to attend training sessions sponsored by the Community Development Division.

14. INSURANCE

A. SUBRECIPIENT shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for the services provided pursuant to this Agreement.
B. The premises on and in which the services and activities described in Exhibit A are conducted, and the employees conducting these services and activities, shall be covered by premise liability insurance, commonly referred to as "Owner/Tenant" coverage, with CITY named as an additional insured. Upon request of SUBRECIPIENT, CITY may, at its sole discretion, approve alternate insurance coverage arrangements. On or before October 1, 2025, SUBRECIPIENT shall provide a certificate of insurance naming the City as additional insured consistent with the requirements of this Section.
C. SUBRECIPIENT will comply with applicable workers' compensation statutes and will obtain employers' liability coverage where available and other appropriate liability coverage for program participants, if applicable.
D. SUBRECIPIENT will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by SUBRECIPIENT. All employees of SUBRECIPIENT who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver's license and automobile liability insurance. Evidence of the employee's current possession of a valid license and insurance must be maintained on a current basis in SUBRECIPIENT's files.
E. Actual losses not covered by insurance as required by this Section are not allowable or eligible costs under this Agreement and remain the sole responsibility of SUBRECIPIENT.
F. The policy or policies of insurance shall contain a clause which requires that CITY and SUBRECIPIENT be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

15. CIVIL RIGHTS / EQUAL OPPORTUNITY

A. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of the ACT, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 and Executive Order 11246 as amended by Executive Orders 11375 and 12086.

C. SUBRECIPIENT shall comply with all applicable fair housing, civil rights, and anti-discrimination laws in its selection of beneficiaries and its implementation of the program including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Age Discrimination Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.

D. SUBRECIPIENT will furnish all information and reports requested by the CITY, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.

E. In the event of SUBRECIPIENT's non-compliance with the non-discrimination requirements, CITY may cancel or terminate the Agreement in whole or in part, and SUBRECIPIENT may be barred from further contracts with CITY.

F. SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of these definitions, "minority group members" are Afro-Americans; Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans; Asian Americans; and American Indians. SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

16. PERSONNEL POLICIES

Personnel policies shall be established by SUBRECIPIENT and shall be available for examination. Such personnel policies shall:

A. include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; and

B. be in writing; and

C. be approved by the governing body of SUBRECIPIENT.

17. CONFLICT OF INTEREST

A. SUBRECIPIENT covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. SUBRECIPIENT further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.

B. SUBRECIPIENT further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.

C. No officer, member, or employee of CITY and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

18. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUBRECIPIENT, or is a member of SUBRECIPIENT's governing board. The term "member of immediate family" includes: wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

19. POLITICAL OR SECTARIAN ACTIVITY

A. Neither the funds provided pursuant to this Agreement, nor any personnel who may be employed by the SUBRECIPIENT with funds provided pursuant to this Agreement shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.

B. The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities, lobbying, political patronage, or nepotism activities.

C. The SUBRECIPIENT agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the SUBRECIPIENT connected with any activity that is funded in whole or in part by funds provided to SUBRECIPIENT under this Agreement may not during the term of this Agreement:
   (1) Use their official position or influence to affect the outcome of an election or nomination;
   (2) Solicit contributions for political purposes; or
   (3) Take an active part in political management or in political campaigns.

D. SUBRECIPIENT hereby agrees to sign a Certification Regarding Lobbying included herein as Exhibit C and if necessary, the Disclosure of Lobbying Activities provided by the CITY.

20. PUBLICITY

A. Where such action is appropriate, SUBRECIPIENT shall publicize the activities conducted by SUBRECIPIENT under this Agreement to state that the U.S. Department of Housing and Urban Development's Community Development Block Grant Program funding through the City of Denton has contributed to make the project possible.

B. All published material and written reports submitted under this project must be originally developed material unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.

C. All published material submitted under this project shall include the following reference on the front cover or title page:

This document is prepared in accordance with the City of Denton's Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development.

D. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

21. CHANGES AND AMENDMENTS

A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.

B. SUBRECIPIENT may not make transfers between or among approved line items within budget categories set forth in Exhibit B without prior written approval of CITY. SUBRECIPIENT shall request, in writing, the budget revision in a form prescribed by CITY, and such request for revision shall not increase the total monetary obligation of CITY under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.

C. The City Manager or designee may authorize minor amendments to the approved budget in Exhibit B as necessary to carry out the intent of this Agreement, in a manner consistent with the efficient use of public funds, and in accordance with federal law. Such minor amendments may not increase the not to exceed amount set forth in Exhibit B, extend the term, or otherwise alter the performance obligations of SUBRECIPIENT, without approval of the City Council. Minor amendment request must be submitted no later than September 15, 2027. Any request to change the use of funding, request additional funding, or request term extension will not be approved.

D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.

E. CITY may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of SUBRECIPIENT's compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.

F. Any alterations, deletions, or additions to the program Budget set forth in Exhibit B requested by SUBRECIPIENT shall require the prior written approval of CITY.

G. SUBRECIPIENT agrees to notify CITY of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.

H. SUBRECIPIENT shall notify CITY of any changes in personnel or governing board composition.

22. SUSPENSION OF FUNDING

Upon determination by CITY of SUBRECIPIENT's failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, CITY, without limiting any rights it may otherwise have, may, at its discretion, and upon ten business days written notice to SUBRECIPIENT, withhold further payments to SUBRECIPIENT. Such notice may be given by mail to the Executive Officer and the Board of Directors of SUBRECIPIENT. The notice shall set forth the default or failure alleged, and the action required for cure. The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if CITY determines the default or deficiency has been satisfied, SUBRECIPIENT may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If, however, CITY determines that SUBRECIPIENT has not come into compliance, the provisions of Section 25 may be effectuated.

23. TERMINATION

A. CITY may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this Section:
   (1) SUBRECIPIENT's failure to attain compliance during any prescribed period of suspension as provided in Section 24.
   (2) SUBRECIPIENT's failure to materially comply with any of the terms of this Agreement.
   (3) SUBRECIPIENT's violation of covenants, agreements, or guarantees of this Agreement.
   (4) Termination or reduction of funding by the CITY or HUD.
   (5) Finding by CITY that the SUBRECIPIENT:
      a. is in such unsatisfactory financial condition as to endanger performance under this Agreement; or
      b. has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
      c. is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
   (6) Appointment of a trustee, receiver, or liquidator for all or substantial part of SUBRECIPIENT's property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against SUBRECIPIENT.
   (7) SUBRECIPIENT's inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 4, and Section 2, of this Agreement.
   (8) The commission of an act of bankruptcy.
   (9) SUBRECIPIENT's violation of any law or regulation to which SUBRECIPIENT is bound or shall be bound under the terms of the Agreement.

B. CITY shall promptly notify SUBRECIPIENT in writing of the decision to terminate and the effective date of termination.

C. CITY may terminate this Agreement for convenience at any time. If CITY terminates this Agreement for convenience, SUBRECIPIENT will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination, subject to the requirements of Section 7 and Exhibit B. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of SUBRECIPIENT covered by the Agreement, less payments previously made.

D. SUBRECIPIENT may terminate this Agreement in whole or in part by written notice to CITY, if a termination of outside funding occurs upon which SUBRECIPIENT depends for performance hereunder. SUBRECIPIENT may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of CITY, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between SUBRECIPIENT and the funding source in question.
E. SUBRECIPIENT may terminate this Agreement upon the dissolution of SUBRECIPIENT's organization not occasioned by a breach of this Agreement.
F. Upon receipt of notice to terminate, SUBRECIPIENT shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. CITY shall not be liable to SUBRECIPIENT or SUBRECIPIENT's contractors, subcontractors or creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this Section.
G. Notwithstanding any exercise by CITY of its right of suspension or termination, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any breach of the Agreement by SUBRECIPIENT, and CITY may withhold any reimbursement to SUBRECIPIENT until such time as the exact amount of damages due to CITY from SUBRECIPIENT is agreed upon or otherwise determined.

24. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action or proceeding is made or brought by any person(s), firm, corporation, or other entity against SUBRECIPIENT, SUBRECIPIENT shall give written notice thereof to CITY within five working days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action or proceeding; the names and addresses of the person(s), firm, corporation, or other entity making such claim; or demand, or that instituted or threatened to institute any type of suit or other action or proceeding; the basis of such claim, demand, suit, or other action, or proceeding; and the name of any person(s) against whom such claim, demand, suit, or other action or proceeding is being made or threatened. Such written notice shall be delivered either personally or by mail postage paid in accordance with the provisions of Section 29.I.

25. INDEMNIFICATION

A. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BOTH PARTIES HERETO THAT CITY IS CONTRACTING WITH SUBRECIPIENT AS AN INDEPENDENT CONTRACTOR AND THAT AS SUCH, SUBRECIPIENT SHALL SAVE AND HOLD CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES AND CONTRACTORS HARMLESS FROM ALL LIABILITY OF ANY NATURE OR KIND, INCLUDING COSTS AND EXPENSES FOR, OR ON ACCOUNT OF, ANY CLAIMS, AUDIT EXCEPTIONS, DEMANDS, SUITS, OR DAMAGES OF ANY KIND OR CHARACTER WHATSOEVER RESULTING IN WHOLE OR IN PART FROM THE PERFORMANCE, ACT OR OMISSION OF ANY EMPLOYEE, AGENT, CONTRACTOR, SUBCONTRACTOR, OR REPRESENTATIVE OF SUBRECIPIENT.
B. SUBRECIPIENT AGREES TO PROVIDE THE DEFENSE FOR, AND TO INDEMNIFY AND HOLD HARMLESS CITY, ITS OFFICERS, ELECTED AND APPOINTED

OFFICIALS, AGENTS, EMPLOYEES, AND CONTRACTORS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, DEMANDS, DAMAGES, LOSSES, ATTORNEY FEES, EXPENSES, AND LIABILITY ARISING OUT OF THE USE OF THESE CONTRACTED FUNDS AND PROGRAM ADMINISTRATION AND IMPLEMENTATION EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL ACT OR OMISSION OF CITY, ITS AGENTS, EMPLOYEES, OR CONTRACTORS.

26. NON-RELIGIOUS ACTIVITIES

A. As stated in 24 CFR §5.109, no organization will be prohibited from participating in activities supported by CITY funding including programs that make funds available through contracts, grants, or cooperative agreements. SUBRECIPIENT is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect CITY or Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those organizations' programs.

B. Faith based organizations that carry out programs or activities with direct Federal financial assistance from HUD are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:
   1. The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;
   2. The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary;
   3. The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance;
   4. If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection; and
   5. A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.
   6. Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstances that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.
   7. Faith-based organizations that carry out a program or activity with direct Federal financial assistance from HUD are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary objects to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

27. IMMIGRATION REQUIREMENTS; PROHIBITION ON TRAFFICKING IN PERSONS

A. SUBRECIPIENT shall administer the program in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended (8 U.S.C. §§ 1601-1646) ("PRWORA"), and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.
B. SUBRECIPIENT shall not engage in any of the activities prohibited by 2 C.F.R. Part 175.
C. SUBRECIPIENT shall not use funds that by design or effect facilitate the subsidization or promotion of illegal immigration or shield illegal aliens from deportation, including by maintaining policies and practices that materially impede enforcement of federal immigration statutes and regulations.

28. MISCELLANEOUS

A. SUBRECIPIENT shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of CITY.
B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.
C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.
D. Debarment: SUBRECIPIENT certifies that it is not listed on the System for Award Management (SAM), which list the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.
E. In no event shall any payment to SUBRECIPIENT hereunder, or any other act or failure of CITY to insist in any one or more instances upon the terms and conditions of this Agreement constitute or be construed in any way to be a waiver by CITY of any breach of covenant or default which may then or subsequently be committed by SUBRECIPIENT. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to CITY to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of CITY may waive the effect of this provision.
F. This Agreement, together with the referenced EXHIBITS, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion, statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.
G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY as the party ultimately responsible to U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) for matters of compliance, will have the final authority to render or to secure an interpretation.
H. If SUBRECIPIENT provides services to the homeless it is required to:

(1) Report homeless data to the Homeless Management Information System (HMIS). HMIS is a countywide data management tool designed to facilitate data collection in order to improve human service delivery throughout Denton County. Participation in the HMIS is a requirement per this Agreement. Data entered into HMIS will help our community improve services to individuals experiencing homelessness by providing accurate information on the extent and nature of homelessness in our community and by accounting for our success in helping people move out of homelessness. Participation is also critical to help CITY and Denton County successfully compete for grants for federal funding, such as HUD's homeless assistance funds.

(2) Participate in the Denton County Homeless Leadership Team meetings and any applicable workgroup(s). The Denton County Homeless Leadership Team is a collaborative, cross-sector team that convenes to improve the planning, coordination, oversight, and implementation required to create systems change for housing/homelessness initiatives in Denton County. Further, SUBRECIPIENT is encouraged to work in partnership with fellow service providers to improve efficiency and effectiveness.

I. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if delivered by courier or overnight mail service or if sent U.S. Mail postage paid, in each case to the parties and addresses set forth below:

TO CITY:	**TO SUBRECIPIENT**:
Director of Community Services	[ORGANIZATION]
City of Denton	Attn: [Executive Director/CEO/Commander]
601 E. Hickory Street, Suite 115	[Address]
Denton, Texas 76205	
w/ a copy to:	
City Attorney	
City of Denton	
215 E. McKinney Street	
Denton, TX 76201	

This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any litigation concerning this Agreement shall be in a court of competent jurisdiction sitting in Denton County, Texas.

IN WITNESS WHEREOF this Agreement has been executed as of the ________ day of _______________________, 2026.

CITY OF DENTON:	**SUBRECIPIENT:**
BY: ___________________________________	BY: ___________________________________
JESSE KENT, DIRECTOR OF COMMUNITY SERVICES	TITLE: ___________________________________

ATTEST:

BY: ______________________________

TITLE: ______________________________

APPROVED AS TO LEGAL FORM:

BY: ______________________________
MACK REINWAND,
CITY ATTORNEY

ATTEST:

BY: ______________________________

TITLE: ______________________________

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms

____
Signature

Director of Community Services
____
Title

Community Services
____
Department

Date Signed: ______________________

Exhibit A
Scope of Services

The Scope of Services under this Agreement shall be as follows:

SECTION I – SERVICE GOAL

SUBRECIPIENT assists the City of Denton to improve the availability and accessibility of services that promote strong, supportive relationships for families, neighborhoods, and communities and a suitable living environment, as outlined in the 2023-2027 City of Denton Consolidated Plan for the use of General Funds and supports a coordinated effort to maximize community resources.

SUBRECIPIENT shall provide: [Program] to [describe services]. The program will be operated at [address]. The program will operate [hours of operation].

SECTION II – OUTCOMES

SUBRECIPIENT shall provide benefits to the citizens of the City of Denton by achieving these outcomes:

Impact Area:
Common Outcome:
Total Number of City of Denton Clients Estimated to Achieve Outcome:

SECTION III – UNIT OF SERVICE

A unit of service will be the metric by which the CITY and the SUBRECIPIENT can measure services and performance under this Agreement. The SUBRECIPIENT shall provide at least the total number of units of service required herein to perform its obligations under this Agreement. A unit of service shall be defined as services provided to an eligible low to moderate-income person or other presumed benefit category as defined, who is a resident of the City of Denton, to help them achieve the above outcome(s), in the manner provided below.

Total Number of Unduplicated Clients:

Total Number of Unduplicated Clients City of Denton Only:

Service Unit:
Program Budget:
Unit of Service:
Service Units per Year:
Estimated cost per unit of service:

Exhibit B
Budget

SUBRECIPIENT shall provide the services listed in this Agreement within the monetary limits attached hereto and incorporated by reference herein. In no event shall compensation to the SUBRECIPIENT exceed the lesser of the SUBRECIPIENT's costs attributable to the work performed as stated herein, or sum of [amount] - $xx,xxx.xx

Allowable Expenditure	
[Allowable expenditure line items]	$xx,xxx.xx
Total	$xx,xxx.xx

SUBRECIPIENT will be reimbursed for services provided to income eligible clients residing in the City of Denton. SUBRECIPIENT will submit monthly reimbursement requests for financial assistance. Expenditures are made in connection with the Scope of Services described in Exhibit A to this Agreement and Cost Allocation Plan.

Reimbursement requests must include (list items/backup required with Request for Payment)
All Agencies:

1. Client List, with name OR numbered with unique identifier (monthly)
2. Other documentation may be requested to support any cost allocation reimbursements
3. Self-Certifications only for City of Denton clients

For Agencies Seeking Salary reimbursements:

1. Copy of HUD Timesheet signed by staff member AND supervisor
2. Copy of Paystub with payroll detail. Payroll register accepted if provided by third party vendor.
3. City of Denton Salary Ledger Sheet

For Agencies seeking cost reimbursement for purchase of Goods or Services:

1. Invoice AND/OR Receipt must be legible and full page, no cutoffs (client specific goods, must have client name or identifier on the receipt, list date of service if different than date of payment)
2. Proof of payment (copy of check with check number or bank statement)
3. If purchased with credit card, proof credit card was paid
4. Executed Lease Agreement, if applicable Sign-in sheets (applicable for classes such as life skills, employment training, etc.)

<u>Exhibit C</u>
<u>U.S. Department of Housing and Urban Development (HUD)</u>
<u>Income Limits</u>

Qualifying Income Limits for Federally Assisted Programs

FY 2026 Income Limits Summary
Dallas, TX HUD Metro FMR Area

[Current income limits to be published by HUD]

Exhibit D

Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-ILL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTs shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[ORGANIZATION]
____
Subrecipient

____
Signature Title

____
Date

____

Exhibit E
Monitoring Checklist

CITY OF DENTON

Monitoring Review Form

ITEMS TO MAKE AVAILABLE FOR SITE VISIT

(any that have not already been submitted)

For current funding year except where indicated.

- ☐ All Project/Case/Client Files with Application, Income Verification, etc.
- ☐ Time Sheets for Staff paid by City funds
- ☐ Budget for PREVIOUS and CURRENT fiscal year include w/Budget -v-Actual.
- ☐ PREVIOUS and CURRENT fiscal year Balance Sheet as reported to agency board.
- ☐ General Ledger/Journals showing YTD Expenses for City Funds
- ☐ Bank Statements with Reconciliations*
- ☐ Procurement Procedures*

*Only in Financial Management Expanded Section Reviews.

Policies and Procedures Guide(s)/Manual(s):	**Current Revision Date:**
☐ Board	
☐ Financial (Separation of Duties/Internal Controls, Procurement, etc.)	
☐ Personnel (Equal Opportunity & Non-Discrimination, Nepotism, etc)	
☐ Program Guidelines	
Governing Documents	**Current Revision Date:**
☐ 501 (c) tax-exempt status IRS letter	
☐ Articles of Incorporation with any amendments	
☐ Bylaws	
Reporting Documents w/Service Agreement	**Current Revision Date:**
☐ Most Recent Audit	
☐ Cost Allocation Form	
☐ Agency Update	
☐ Bond/Liability Insurance	
Reporting Documents - Monthly	**Current Revision Date:**
☐ Board Agendas, & Minutes (with Attendance)	
☐ Monthly Budget report	
☐ Back-up Documentation Performance/Outcome Measures	
☐ Back-up Documentation for Beneficiary (Client List)	
☐ Proof of Payroll Tax Payments	

Monitoring Review Form

ENTRANCE CONFERENCE OUTLINE

☐ Introductions

Monitor 1: ______________________

Monitor 2: ______________________

☐ Purpose of the Monitoring Review.

- To gather information
- Focus on performance
- Provide information that will be useful for improvement planning and improved performance
- To address any issues of non-compliance that arise
- Follow up to any other previous Desk, Informal or Formal Monitoring

Why this agency was selected (City looks at a number of factors):

- Funding Source (Community Development Block Grant vs General Fund)
- Risk Analysis Scoring
- Substantial agency changes - leadership, budget variances, loss of funding source etc.

☐ What to expect during and after the on-site Interview

- Interviews with key staff
- File review
- Program observation
- Exit Conference - Preliminary Findings
- Final report - Written report of observations and/or findings by critical element

☐ Review any Questions and discussion points of any concern or information pertinent to the review before the process begins.

Monitoring Review Form

EXIT CONFERENCE OUTLINE

We understand your time is valuable but to limit exposure during federal grant audits, The City of Denton needs to ensure compliance with rules and regulations. The city wishes to thank you for your time and patience in participating in any review process.

☐ Purpose of the Exit Conference.

- To present and discuss the preliminary findings as a result of interviews, file reviews and observations conducted during the review
- As stated in entrance conference, the purpose of the review is to provide information that will be useful for improvement planning and improved performance

FINDINGS: *Summary of findings by critical element (On-site Monitoring Report Form), including technical assistance available.*

☐ As Findings are presented, any questions or comments are welcome.

☐ For the review, the critical elements looked at were:

☐ Program: ______________________________

☐ Individuals interviewed:

1: ______________________________

2: ______________________________

3: ______________________________

4: ______________________________

5: ______________________________

☐ Files (Client File Review Form Attachment)

☐ Documents (Items to Make Available) and others requested during the review:

1: ______________________________

2: ______________________________

3: ______________________________

4: ______________________________

5: ______________________________

☐ Closing

- Written reports returned: ______________________________

CITY OF DENTON

Monitoring Review Form

MONITORING INFORMATION

Review Period:	Review Date:
Subrecipient Organization:	
Project Name:	
Executive Director:	

I. FUNDING INFORMATION

Contract Amount	$
Funding Source(s) – (i.e. ESG, General Fund, CDGB, etc.):	
	$
	$
	$

II. PERSONS INTERVIEWED

Name	Title	Entrance/Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit

III. MONITORING FROM SECTIONS COMPLETED

Section Reviewed		Date
Monitoring Notification	☐	
HUD National Objectives	☐	
Program Review	☐	
Record Keeping/Reporting Practices	☐	
Board Policies/Practices	☐	
Financial Management Condensed	☐	
Financial Management Expanded*	☐	
Monitoring Results Report	☐	

*Agencies will be notified if Financial Management Expanded section will be completed.

Monitoring Review Form

ELIGIBLE HUD NATIONAL OBJECTIVE

I. National Objective Compliance

The National Objective of this contract is to benefit low and moderate-income persons. This project complies with the contract on the following basis and/or activity:

☐ L/M Income Area Benefit: The public service is available to all the residents in a particular primarily residential area, and at least 51% of those residents are L/M income persons.

☐ L/M Limited Clientele: The public service is limited to a specific group of people, at least 51% of who are L/M income persons. Services serve a specific clientele, rather than providing service to all the persons in a geographic area.

II. Limited Clientele Designation

☐ Presumed Benefit: exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. Check the applicable designation. (all clients must meet 100%)

☐ Abused children ☐ Homeless persons ☐ Elderly Persons ☐ Illiterate adults

☐ Severely disabled ☐ Persons with AIDS ☐ Battered spouses ☐ Migrant Farm Workers

☐ Income Eligible: require information on family size and income so that it is evident that at least 51 percent of the clientele are LMI.

☐ Nature & Location: be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low and moderate income persons. "Must be approved by HUD" as meeting the low/mod eligibility under this category.

III. Eligible Activity

☐ Public Service(s): employment services, crime prevention & public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, services for seniors, services for homeless persons, welfare services (excluding income payments), recreational services, and etc.

1. Funds may be used to operate the facility in which the public service is located.
2. The service must be new or pass the quantifiable increase test.
3. Certain income payments are eligible if they meet certain criteria.

☐ Ineligible Service(s)

1. Political activities;
2. Acquisition, construction, or reconstruction of buildings for conduct of govt.;
3. Construction of new housing by units of general local government;
4. Certain income payments; and
5. Assistance supplants funding for pre-existing activities

Monitoring Review Form

PROGRAM REVIEW

I. Back-up documentation supporting the data reported in most recent beneficiary report and performance report.

1. Does the back-up support the data reported to the Community Development? ☐ Yes ☐ No

II. Contract Performance Targets (as listed in current contract)

1. Persons: ____________ Units: ____________

III. Review Period Performance (Oct 1 through current report month)

1. Persons: ____________ Units: ____________
2. % of Target Persons served: ________________________
3. % of Target Units provided: ________________________
4. Is the subrecipient agency significantly behind in the provision of units? ☐ Yes ☐ No
5. % of Contract Amount reimbursed: ________________________
6. Are expenditures proportional to the number of units provided? ☐ Yes ☐ No
7. Is the subrecipient agency providing services as described in the Scope of Services in the Service Agreement? ☐ Yes ☐ No
8. Is the subrecipient agency meeting the outcome measures described in the Service Agreement? ☐ Yes ☐ No

GOVERNING DOCUMENT

I. Has the appropriate legal incorporation and other documents been filed with the federal and state government?

1. Certificate of Formation (IRS Determination Letter) ☐ Yes ☐ No
2. Articles of Incorporation with all amendments ☐ Yes ☐ No
3. By-Laws with all amendments ☐ Yes ☐ No
4. Other Governing Documents

a. Board	☐ approved within the last 3 years	☐ Yes ☐ No
b. Personnel	☐ approved within the last 3 years	☐ Yes ☐ No
c. Financial	☐ approved within the last 3 years	☐ Yes ☐ No
d. Program Guidelines	☐ approved within the last 2 years	☐ Yes ☐ No

Monitoring Review Form

RECORD KEEPING/REPORTING PRACTICES

1. Is the filing system orderly, comprehensive, and up-to-date? ☐ Yes ☐ No
2. Are the records safe and secured for confidentiality? ☐ Yes ☐ No
    a. Are passwords/keys promptly cancelled for terminated employees? ☐ Yes ☐ No
    b. Are there appropriate procedures for back-up and storage of program and data files? ☐ Yes ☐ No
3. Are the records accessible for review by the City or HUD? ☐ Yes ☐ No
4. Does the subrecipient maintain records for (5) years after the termination or expiration of the contract? ☐ Yes ☐ No
    a. If so, where do you store any prior-year files, if applicable? ☐ Yes ☐ No

5. Has the subrecipient submitted to the City a current Agency Update form? ☐ Yes ☐ No
6. Has the subrecipient submitted to the City a current Cost Allocation Plan? ☐ Yes ☐ No
7. Is a current fidelity bond/liability insurance policy on file? ☐ Yes ☐ No
    a. Is the City of Denton named as additional insured on the policy? ☐ Yes ☐ No
    b. Is there a provision that policy may not be canceled or lapse without 30-days prior written notice to the City of Denton? ☐ Yes ☐ No
8. Has the subrecipient submitted reports, requests, and etc timely? ☐ Yes ☐ No
9. Does the subrecipient have the appropriate government or oversight-entity standard of being safe, sanitary, or compliant? ☐ Yes ☐ No
   List entity & certifications.

10. Does the organization generate monthly financial reports reviewed by the Executive Director and the Board of Directors? ☐ Yes ☐ No

    Describe Communication method:

Monitoring Review Form

BOARD POLICIES & PRACTICES

1. Has the subrecipient submitted to the City a list of its most current board of directors with their appropriate titles? ☐ Yes ☐ No
2. When the Board of Directors makes decisions, a quorum is present & minutes are maintained? ☐ Yes ☐ No
3. What actions are taken to ensure the board is professionally and culturally diverse? ☐ Yes ☐ No

4. Does the board and staff work together to develop and adopt a strategic plan for the organization? ☐ Yes ☐ No

   Describe Process/Frequency:

ANTI-DISCRIMINATION COMPLIANCE

1. How does your organization ensure equal opportunity and non-discrimination in soliciting for and hiring staff?

2. Is the Equal Employment Opportunity (EEO) placard or poster in an area accessible to employees and applicants for employment? ☐ Yes ☐ No
3. Is the office location accessible by ramp and have an accessible restroom? ☐ Yes ☐ No
4. Are there any religious services, proselytizing, instructions, or any other religious preference, influence, or discrimination in connection with providing the services stated in the Program Scope. ☐ Yes ☐ No
5. Are there provisions in the personnel policies to prohibit the following:

   a. conflict of interest? ☐ Yes ☐ No p:
   b. sectarian activities? ☐ Yes ☐ No p:
   c. nepotism? ☐ Yes ☐ No p:
   d. political activity and lobbying? ☐ Yes ☐ No p:

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

I. Audit

1. Is the subrecipient subject to OMB Circular A-133, which requires a single audit if the subrecipient has expended federal funds in excess of $500,000? ☐ Yes ☐ No

2. Has the subrecipient made arrangements to have an audit conducted? ☐ Yes ☐ No

3. Did subrecipient use competitive bid process in the last four years to procure audit services? ☐ Yes ☐ No

   a. Name of audit firm: ____________________

4. Has the subrecipient submitted the most recent audit report? ☐ Yes ☐ No

5. Are there any unresolved audit issues? If yes, list status below? ☐ Yes ☐ No

____

____

II. Agency Controls

1. What is the subrecipient's fiscal year? __________ to __________

2. What system(s) does the agency use to perform its accounting function?

   ❒ Cash ❒ Accrual Accounting Software: ____________________

3. Is the system ❒ manual, ❒ automated, or a ❒ combination?

4. Has the organization been able to operate within its approved budget during the last two fiscal years? ☐ Yes ☐ No

5. Is an appropriate cash reserve/contingency fund available? ☐ Yes ☐ No

   a. What $/% is available in cash reserve/contingency funds? ____________________

6. Does subrecipient pay TWC taxes (state unemployment), State Workers' Comp., insurance companies, payroll taxes when they are due? ☐ Yes ☐ No

   a. Can payroll tax payments be verified? ☐ Yes ☐ No

   b. Can Worker's Comp. payments be verified? ☐ Yes ☐ No

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

III. Program Controls

1. If the subrecipient is requesting to pay salaries, do the salaries match with the percentages and positions they request monthly? ☐ Yes ☐ No

2. Does employees work on both CDBG and Non-CDBG related activities? ☐ Yes ☐ No

3. Are timesheets signed by appropriate supervisor or designated authority? ☐ Yes ☐ No

   b. Does the subrecipient use hourly distribution time sheets for employees paid from multiple funding sources? ☐ Yes ☐ No

   c. Do the time sheets reflect:
   ☐ actual time worked or ☐ budgeted percentages?

4. Review the months selected for expenditures, cash disbursement journals, and support documentation.

   Months Reviewed: ______________________________

   a. Are the expenditures allowable? ☐ Yes ☐ No

   b. Are there procedures to ensure items of cost are equitably charged? (ie. Cost Allocation Plan) ☐ Yes ☐ No

   c. Is the support documentation adequate? ☐ Yes ☐ No

5. Review Client Files (Attached Completed Client File Review Form(s)

Sample:

CLIENT FILE REVIEW FORM

Agency: ______________________ Reviewed By: ______________________

Period Reviewed: ______________________ Date: ______________________

Client Name/Number:				
Income Documentation Type:		**Eligible**		**Dates of Assistance:**
☐ Self Certification Form ☐ Pay Stub ☐ Bank Statement(s) ☐ Other:	Notes/Comments:	Yes	No	
		COD Resident		**Zip:**
		Yes	No	
		Income Eligible		**Amount:**
		Yes	No	$

Monitoring Review Form

FINANCIAL MANAGEMENT EXPANDED

1. Have all financial corrective action requirements from the previous monitoring report been corrected? ☐ Yes ☐ No

2. Who signs checks? Do names on the bank signature cards match the signature on checks? ☐ Yes ☐ No
   a. How many signatures are required? ______________

3. Is there separation of duties to ensure effective control over preparation, authorization/certification, and distribution of checks? ☐ Yes ☐ No
   a. Review the procedure of check processing within the agency's financial procedures. ☐ Yes ☐ No
   b. Are bank statements and canceled checks received and reconciled by a person independent of the authorization and check signing function? ☐ Yes ☐ No

4. Are bank statements reconciled monthly to the General Ledger? ☐ Yes ☐ No
   a. Does the organization reconcile all cash accounts monthly? ☐ Yes ☐ No

5. Does the subrecipient have a current list of assets and values? ☐ Yes ☐ No

6. Does the organization currently have any checks, outstanding debts, or bills more than 90 days delinquent? ☐ Yes ☐ No

7. Does the subrecipient have any interest or other income generated by City of Denton funds? If yes, document explanation given by Fiscal Officer and ask for proof of documentation ☐ Yes ☐ No
   a. Does interest or income generated by City funds go back into the program? ☐ Yes ☐ No

☐ PROCUREMENT

1. Has subrecipient established efficient and effective procurement procedures in accordance with applicable laws and regulations? ☐ Yes ☐ No
   a. Do the procurement methods assure maximum open & free competition? ☐ Yes ☐ No
   b. Do the procurement procedures provide for review of proposed purchase by the appropriate officials to avoid the purchase of unnecessary or duplicate items? ☐ Yes ☐ No
   c. Did subrecipient establish written selection criteria?

EXHIBIT 4
2026-2027 COMMUNITY DEVELOPMENT BLOCK GRANT AND GENERAL FUNDS SERVICE AGREEMENTBETWEEN THE CITY OF DENTON, TEXAS AND [SUBRECIPIENT]

This 2026-2027 Grant Service Agreement ("Agreement") is made and entered into by and between the City of Denton, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as "CITY," and [Subrecipient Name], a Texas nonprofit corporation with its principal place of business at [Address], hereinafter referred to as "SUBRECIPIENT."

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, as amended (the "ACT"); CDBG Program, CFDA Number 14-218; and

WHEREAS, CITY's Community Services Advisory Committee ("CSAC") has reviewed the SUBRECIPIENT's proposal for services and has determined that SUBRECIPIENT performs an important service for the residents of the City of Denton without regard to race, religion, color, age, or national origin, and the CSAC recommends SUBRECIPIENT's proposal for services; and

WHEREAS, CITY has determined that the SUBRECIPIENT's proposal for services can provide needed services to the residents of the City of Denton in accordance with the 2023-2027 City of Denton Consolidated Plan and will benefit low- and moderate-income persons in the City of Denton, and desires to enter into an agreement for such services; and

WHEREAS, CITY has adopted a budget and included therein an authorized budget for the expenditure of funds in accordance with its 2023-2027 City of Denton Consolidated Plan and 2026 Action Plan;

WHEREAS, CITY has designated the Community Development Division as the division responsible for the administration of this Agreement and all matters pertaining thereto; and

WHEREAS, CITY's City Council has approved the expenditure of up to $xx,xxx.xx in CDBG and General funds consistent with the terms of this Agreement;

NOW, THEREFORE, the parties hereto agree, and by the execution hereof are bound to the mutual obligations and to the performance and accomplishment of the conditions hereinafter described.

1. TERM

This Agreement shall commence on or as of October 1, 2026, and shall terminate on September 30, 2027, unless sooner terminated in accordance with Section 25 "Termination."

2. REPRESENTATIONS AND ACKNOWLEDGEMENTS

A. SUBRECIPIENT assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.
B. The person or persons signing and executing this Agreement on behalf of SUBRECIPIENT, do hereby warrant and guarantee that he, she, or they have been fully authorized by SUBRECIPIENT to execute

this Agreement on behalf of SUBRECIPIENT and to validly and legally bind SUBRECIPIENT to all terms, performances, and provisions herein set forth.

C. CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either SUBRECIPIENT or the person signing the Agreement to enter into this Agreement. SUBRECIPIENT is liable to CITY for any money it has received from CITY for performance of the provisions of this Agreement if CITY has suspended or terminated this Agreement for the reasons enumerated in this Section.

D. SUBRECIPIENT agrees that the funds and resources provided SUBRECIPIENT under the terms of this Agreement will in no way be substituted for funds and resources from other sources, nor in any way serve to reduce the resources, services, or other benefits which would have been available to, or provided through, SUBRECIPIENT had this Agreement not been executed.

E. The CITY's Director of Community Services will be CITY's representative responsible for the administration of this Agreement.

F. Both parties agree and acknowledge that the amount of funds provided hereunder is necessary and sufficient payment for full and satisfactory performance of the program in accordance with all terms, provisions, and requirements of this Agreement.

G. The parties expressly understand and agree that CITY's payment obligations under this Agreement are contingent upon CITY's receipt and appropriation of adequate CDBG funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify SUBRECIPIENT in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to SUBRECIPIENT under this Agreement.

H. CDBG funding not expended within the term of this Agreement will revert to the City of Denton's CDBG budget for use on alternative services or projects.

3. SUBRECIPIENT OBLIGATIONS

A. **Performance of Scope of Services.**

(1) SUBRECIPIENT shall perform all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein

(2) SUBRECIPIENT shall be eligible for reimbursement only for expenditures made in accordance with the Budget, set forth in Exhibit B, to complete those services described in the Scope of Services in Exhibit A. SUBRECIPIENT shall not utilize these funds for any other purpose. No modifications or alterations may be made to the Scope of Services or Budget without the prior written approval of the CITY's Director of Community Services.

(3) Beneficiaries of the activities to be provided hereunder must reside in the City of Denton and SUBRECIPIENT certifies that the activities carried out with these funds shall meet the Community Development Block Grant ("CDBG") program's National Objective of benefit to low and moderate-income persons. SUBRECIPIENT shall provide services to persons whose income is equal to or lower than 80% of the median income of the Dallas standard metropolitan statistical area. To accomplish this, the SUBRECIPIENT shall use the current applicable income limits published by HUD for lower income housing assistance under Section 8 of the United States Housing Act of 1937. Income eligibility shall be determined by the sum of the

gross income of all individuals residing in the household. Services must be provided directly to or on behalf of specific identified eligible clients.

B. <u>Administrative Requirements</u>

(1) Income eligibility documentation must be included in each client's file and updated annually, or services must be provided to a clientele that is within a "presumed benefit" category as specified in 24 CFR 570.208.

(2) SUBRECIPIENT will reduce to writing all of its rules, regulations, and policies and file a copy with CITY's Community Development Division along with any amendments, additions, or revisions upon request.

(3) SUBRECIPIENT's executive officer will be available to meet with CITY officials when requested.

(4) SUBRECIPIENT will submit to CITY copies of year-end audited financial statements.

(5) SUBRECIPIENT will establish, operate, and maintain an account system for funds received pursuant to this Agreement that will allow for a tracing of funds and a review of the financial status of the program. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.

C. **<u>Compliance with Federal, State, and Local Laws.</u>**

(1) SUBRECIPIENT shall comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Denton.

(2) SUBRECIPIENT agrees to abide by the conditions of and comply with the requirements of the Office of Management and Budget's 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(3) SUBRECIPIENT shall give the CITY, HUD, the Comptroller General of the United States, the Auditor of the State of Texas, and any of their authorized representatives, access to and the right to reproduce all records belonging to or in use by SUBRECIPIENT pertaining to this Agreement. Such access shall continue as long as SUBRECIPIENT retains records. SUBRECIPIENT shall maintain such records in an accessible location for at least five (5) years after the end of the term.

(4) SUBRECIPIENT agrees to abide by the conditions of this Agreement and all other applicable Federal, state, and local laws and regulations such as the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of the Contract Work Hours Safety Standards Act, the Copeland "Anti-Kickback Act" (40 U.S.C. 276a-276a-5; 40 USC 327 and 40 USC 276c) pertaining to the performance of this Agreement.

(5) SUBRECIPIENT shall refrain from entering into any subcontract for services without prior approval in writing by CITY of the qualifications of the subcontractor to perform and meet the standards of this Agreement. All subcontracts entered into by the SUBRECIPIENT will be subject to the requirements of this Agreement. The SUBRECIPIENT agrees to be responsible to CITY for the performance of any subcontractor.

(6) SUBRECIPIENT shall not use funding under this Agreement to influence the outcome of elections or the passage or defeat of any legislative measures.

(7) SUBRECIPIENT understands that funds provided to it pursuant to this Agreement are funds which have been made available to CITY by the Federal Government (U.S. Department of Housing and Urban Development) under the ACT, in accordance with an approved Grant Application and specific assurances. Accordingly, SUBRECIPIENT assures and certifies that

it will comply with the requirements of the ACT and with regulations promulgated thereunder, and codified at 24 CFR Part 570. The foregoing is in no way meant to constitute a complete compilation of all duties imposed upon SUBRECIPIENT by law or administrative ruling, or to narrow the standards which SUBRECIPIENT must follow.

(8) SUBRECIPIENT further agrees and certifies that if the regulations and issuances promulgated pursuant to the ACT are amended or revised, it shall comply with them, or notify CITY, as provided in Section 23 of this Agreement.

(9) SUBRECIPIENT is required to comply with the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as described in 24 CFR §570.502 and 24 CFR Part 570 subpart K with the exceptions noted below:

1. SUBRECIPIENT does not assume CITY'S environmental responsibilities described at 24 CFR §570.604.
2. SUBRECIPIENT does not assume the CITY's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

(10) SUBRECIPIENT agrees to comply with 24 CFR Part 135 – Section 3 Regulations, and all applicable rules and orders issued thereunder prior to the execution of this Agreement. The SUBRECIPIENT certifies that no contractual or other disability exists which would prevent compliance with these requirements.

(11) The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

(12) SUBRECIPIENT has submitted herewith a completed Form 1295 generated by the Texas Ethics Commission's (the ''TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Parties understand and agree that, with the exception of information identifying the CITY and the contract identification number, if any, the CITY is not responsible for the information contained in the Form 1295; the information contained in the Form 1295 has been provided solely by the SUBRECIPIENT; and the City has not verified such information.

(13) SUBRECIPIENT acknowledges that in accordance with Chapter 2273 of the Texas Government Code, City is prohibited from entering into a taxpayer resource transaction with an abortion provider or an affiliate of an abortion provider. The terms "taxpayer resource transaction," "abortion provider," and "affiliate of an abortion provider" shall have those definitions provided in Texas Government Code § 2273.001. By signing this Agreement, SUBRECIPIENT certifies that is not an abortion provider or an affiliate of an abortion provider, and that it will not use the proceeds of this Agreement for the purpose of assisting a woman with procuring an abortion or

the services of an abortion provider. Failure to meet or maintain the requirements under this provision will be considered a material breach.

(14) SUBRECIPIENT shall be prohibited from using grant funds to promote "gender ideology" as defined in Executive Order (E. O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

(15) SUBRECIPIENT agrees to comply with all applicable Federal anti-discrimination laws that are material to the U.S. Government's payment decisions for purposes of section 3729(b)(4) of title 32, United States Code.

D. Additional Obligations.

(1) SUBRECIPIENT will not enter into any contracts that would encumber CITY funds for a period that would extend beyond the term of this Agreement.

(2) SUBRECIPIENT will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to CITY's Community Development Division for further direction.

(3) SUBRECIPIENT's executive officer shall be SUBRECIPIENT's representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

4. CITY OBLIGATIONS

E. **Limit of Liability**. In consideration of full and satisfactory performance of the services and activities hereunder by SUBRECIPIENT, CITY will reimburse SUBRECIPIENT for expenses incurred pursuant to and in accordance with the Budget attached hereto as Exhibit B, and incorporated herein by reference, necessary for the performance of the Scope of Services herein attached as Exhibit A. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of Amount text- $xx,xxx.xx.

F. **Payments by City**. Within twenty-one days after receipt from SUBCREIPIENT of a requisition for payment with appropriate documentation of expenditures, CITY shall make payments to SUBRECIPIENT based on the Budget in Exhibit B, subject to the limitations and provisions set forth in Exhibit B and in this Section and Section 5 of this Agreement. Payments may be made contingent upon certification of the SUBRECIPIENT's financial management system in accordance with the standards specified in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(1) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of SUBRECIPIENT requiring prior written authorization from CITY, or after CITY has requested that SUBRECIPIENT furnish data concerning such action prior to proceeding further, unless and until CITY advises SUBRECIPIENT to proceed.

(2) CITY shall not be obligated or liable under this Agreement to any party other than SUBRECIPIENT for payment of any monies or provision of any goods or services.

5. PAYMENT CONDITIONS

A. SUBRECIPIENT's reimbursement request for any one-month period must include reasonable, consistent, actual, and allowable costs as specified in Exhibit B.

B. CITY shall not be liable for, nor shall it reimburse SUBRECIPIENT for, any cost or portion thereof which:

(a) has been paid or reimbursed, or is subject to payment or reimbursement, from any other source;
(b) was incurred prior to the beginning date or after the ending date specified in Section 1;
(c) is not in strict accordance with the terms of this Agreement, including all exhibits attached hereto;
(d) has not been included in a request for reimbursement to CITY within 90 calendar days following billing to SUBRECIPIENT, or termination of the Agreement, whichever date is earlier; or
(e) is not an allowable cost as defined by this Agreement or in the Budget set forth in Exhibit B.

C. If, in CITY's sole judgment, SUBRECIPIENT's reimbursement request for any period does not provide sufficient documentation of allowable expenditures or if CITY requests inspection or verification of claimed expenditures after receipt of a reimbursement request, CITY may withhold reimbursement for those expenditures for an amount of time deemed reasonable by CITY pending such inspection, verification, or receipt of documentation.

D. Costs must comply with eligible CDBG Program Activities pursuant to guidance published by HUD and CDBG regulations located at 24 CFR Part 570.

E. Approval of SUBRECIPIENT's Budget, Exhibit B, does not constitute prior written approval, even though certain items may appear herein. CITY's prior written authorization is required in order for the following to be considered allowable costs:
1) Encumbrances or expenditures during any one-month period shall be calculated based on the Cost Allocation Plan. The methodology, such as total budget for the program, shall be consistently applied to all shared expenses.
2) CITY shall not be obligated to any third parties, including any subcontractors of SUBRECIPIENT, and CITY funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
3) Any alterations or relocation of the facilities on and in which the activities specified in Exhibit A are conducted.
4) Any alterations, deletions, or additions to the Budget detail incorporated in Exhibit B.
5) Costs or fees for temporary employees or services.
6) Any fees or payments for consultant services; and
7) Fees for attending out of town meetings, seminars, or conferences.

F. Written requests for prior approval are SUBRECIPIENT's responsibility and shall be made within sufficient time to permit a thorough review by CITY. SUBRECIPIENT must obtain written approval by CITY prior to the commencement of procedures to solicit or purchase services or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.

G. Expenditures will not be reimbursed to the SUBRECIPIENT for the purchase of real property or equipment. These are not allowable costs under this Agreement.

H. Overtime, bonuses, fringe benefits, and other miscellaneous non-salary personnel costs are not eligible for reimbursement under this Agreement.

6. EVENTS REQUIRING REVERSION OF FUNDS

A. **Excess Payment**. SUBRECIPIENT shall refund to CITY within ten working days of CITY's request, any sum of money which has been paid by CITY and which CITY at any time thereafter determines:
   (1) has resulted in overpayment to SUBRECIPIENT; or
   (2) has not been spent strictly in accordance with the terms of this Agreement; or
   (3) is not supported by adequate documentation to fully justify the expenditure.

B. **Disallowed Costs**. Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by CITY, HUD, or any other Federal agency, SUBRECIPIENT will refund such amount to CITY within ten working days of a written notice to SUBRECIPIENT, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through CITY.

C. **Reversion of Assets**.
   (1) SUBRECIPIENT, upon expiration of this Agreement, shall transfer to the CITY any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.
   (2) The reversion of these financial assets shall be in addition to any other remedy available to CITY either at law or in equity for breach of this Agreement.

D. **Obligation of Funds**.
   (1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in Exhibit A, CITY hereby reserves the right to reappropriate or recapture any such under expended funds.
   (2) If CITY finds that SUBRECIPIENT is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by SUBRECIPIENT, as well as any remaining unexpended funds which shall be refunded to CITY within ten working days of a written notice to SUBRECIPIENT to revert these financial assets.

E. **Contract Close Out**. SUBRECIPIENT shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 working days following the close of the Agreement period.

7. PROGRAM INCOME

A. For purposes of this Agreement, "Program Income" means earnings of SUBRECIPIENT realized from activities resulting from this Agreement or from SUBRECIPIENT's management of funding provided or received hereunder. Such earnings include, but are not limited to, income from interest, usage or rental or lease fees, income produced from contract-supported services of individuals or employees or from the use or sale of equipment or facilities of SUBRECIPIENT provided as a result of this Agreement, and payments from clients or third parties for services rendered by SUBRECIPIENT under this Agreement.

B. SUBRECIPIENT shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and reported to CITY in the format prescribed by CITY. CITY and SUBRECIPIENT agree that any fees collected for services performed by SUBRECIPIENT shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement and the regulations found at 24 CFR § 570.504.

C. SUBRECIPIENT shall include this Section in its entirety in all of its sub-contracts which involve other income-producing services or activities.
D. It is SUBRECIPIENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes Program Income. SUBRECIPIENT is responsible to CITY for the repayment of any and all amounts determined by CITY to be Program Income, unless otherwise approved in writing by CITY.

8. REPORTS AND INFORMATION

At such times and in such form as CITY may require, SUBRECIPIENT shall furnish such statements, records, data, and information as CITY may request and deem pertinent to matters covered by this Agreement. SUBRECIPIENT shall submit beneficiary and financial reports to CITY by the 15th of every month with each reimbursement request. If the SUBRECIPIENT expends all its funds prior to the term date, SUBRECIPIENT remains responsible for completing monthly reports by the 15th . The beneficiary report shall detail client information, including race, ethnicity, income, head of household, disabled and elderly households and other statistics required by CITY using the CITY's Self-Certification form. The financial report shall include information and data relative to all programmatic and financial reporting as of the commencement date specified in Section 1 of this Agreement. SUBRECIPIENT shall submit its annual budget and schedule of board meetings, along with the resolutions or minutes adopting the same, to CITY no later than October 1, 2026.Unless the CITY has granted a written exemption, SUBRECIPIENT shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the SUBRECIPIENT expends $1,000,000 or more in federal funding, the audit must be conducted in accordance with OMB audit requirements in 2 CFR Part 200, as applicable, within thirty days after receipt of the auditor's report(s) or within nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide.

9. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. CITY shall perform monitoring of the SUBRECIPIENT's performances under this Agreement.
A. SUBRECIPIENT agrees that CITY may carry out monitoring and evaluation activities to ensure adherence by SUBRECIPIENT to the Scope of Services, Program Goals, and Objectives, which are attached hereto as Exhibit A, as well as other provisions of this Agreement.
B. SUBRECIPIENT agrees to cooperate fully with CITY and provide data determined by CITY to be necessary for CITY to effectively fulfill its monitoring and evaluation responsibilities.
C. SUBRECIPIENT agrees to cooperate in such a way so as not to obstruct or delay CITY in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by CITY staff.
D. SUBRECIPIENT agrees to make available its financial records for review by CITY at CITY's discretion. In addition, SUBRECIPIENT agrees to provide CITY the following data and reports, or copies thereof:
   (1) All external or internal evaluation reports;
   (2) Performance/beneficiary reports to be submitted in the schedule published by the CITY's Community Development Division. Reports shall include such information as requested by the CITY's Community Development Division including but not limited to: number of persons or

households assisted, race, gender, disability status, and household income. Beneficiary reports shall be due to CITY within 15 working days after the completion of required reporting period. SUBRECIPIENT agrees to submit financial statements no less than once every three months. Each statement shall include current and year to date period accounting of all revenues, expenditures, outstanding obligations, and beginning and ending balances. Financial reports shall be due to CITY within 15 working days after the completion of required reporting period; and

(3) An explanation of any major changes in program services.

E. To comply with this section, SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the CITY. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services, provided under this Agreement.

F. After each official monitoring on-site visit, CITY shall provide SUBRECIPIENT with a written report of monitoring findings, documenting findings, and concerns that will require a written response to the CITY. An acceptable written response must be received by the CITY within 60 days from the SUBRECIPIENT's receipt of the monitoring report or audit review letter. Future payments under this Agreement can be withheld for the SUBRECIPIENT's failure to submit a written response within 60 days.

G. SUBRECIPIENT shall submit copies of any fiscal, management, or audit reports by any of the SUBRECIPIENT's funding or regulatory bodies to CITY within ten working days of receipt by the SUBRECIPIENT.

H. SUBRECIPIENT shall refer to Exhibit E for the Monitoring Checklist.

10. MAINTENANCE OF RECORDS

A. SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of Exhibit A and Exhibit B, and with any other applicable Federal and State regulations establishing standards for financial management. SUBRECIPIENT's expenditures of funds made under this Agreement will conform to 2 CFR §200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as they pertain to costs incurred, audits, program income, administration, and other activities and functions. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve SUBRECIPIENT of fiscal accountability and liability under any other provision of this Agreement or any applicable law. SUBRECIPIENT shall include the substance of this provision in all subcontracts.

B. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this Agreement.

C. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this Agreement.

D. At any reasonable time and as often as CITY may deem necessary, the SUBRECIPIENT shall make available to CITY, HUD, or any of their authorized representatives, all of its records and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

11. DIRECTORS' MEETINGS

During the term of this Agreement, SUBRECIPIENT shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered to CITY in a timely manner to give adequate notice, and shall include an agenda and a brief description of the matters to be discussed. SUBRECIPIENT understands and agrees that CITY representatives shall be afforded access to all of the Board of Directors' meetings. Minutes of all meetings of SUBRECIPIENT's governing body shall be available to CITY within ten days after Board approval.

12. WARRANTIES

SUBRECIPIENT represents and warrants that:

A. All information, reports, and data heretofore or hereafter requested by CITY and furnished to CITY, are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to CITY.

B. Any supporting financial statements heretofore requested by CITY and furnished to CITY, are complete, accurate, and fairly reflect the financial condition of SUBRECIPIENT on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of SUBRECIPIENT.

C. No litigation or legal proceedings are presently pending or threatened against the SUBRECIPIENT.

D. None of the provisions herein contravene or are in conflict with the authority under which SUBRECIPIENT is doing business or with the provisions of any existing indenture or agreement of SUBRECIPIENT.

E. SUBRECIPIENT has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.

F. None of the assets of SUBRECIPIENT is subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements furnished by SUBRECIPIENT to CITY.

G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.

13. COVENANTS

A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUBRECIPIENT shall not, without the prior written consent of the Director of Community Services or her authorized representative:

a. Mortgage, pledge, or otherwise encumber or suffer to be encumbered, any of the assets of SUBRECIPIENT now owned or hereafter acquired by it, or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of SUBRECIPIENT which are allocated to the performance of this Agreement and with respect to which CITY has ownership hereunder.
b. Sell, assign, pledge, transfer, or otherwise dispose of accounts receivables, notes, or claims for money due or to become due.
c. Sell, convey, or lease all or a substantial part of its assets.
d. Make any advance or loan to, or incur any liability for any other firm, person, entity, or corporation as guarantor, surety, or accommodation endorser.
e. Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to SUBRECIPIENT by CITY, unless CITY authorizes such transfer in writing.

B. SUBRECIPIENT agrees, upon written request by CITY, to require its employees to attend training sessions sponsored by the Community Development Division.

14. INSURANCE

A. SUBRECIPIENT shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for the services provided pursuant to this Agreement.

B. The premises on and in which the services and activities described in Exhibit A are conducted, and the employees conducting these services and activities, shall be covered by premise liability insurance, commonly referred to as “Owner/Tenant” coverage, with CITY named as an additional insured. Upon request of SUBRECIPIENT, CITY may, at its sole discretion, approve alternate insurance coverage arrangements. On or before October 1, 2025, SUBRECIPIENT shall provide a certificate of insurance naming the City as additional insured consistent with the requirements of this Section.

C. SUBRECIPIENT will comply with applicable workers’ compensation statutes and will obtain employers’ liability coverage where available and other appropriate liability coverage for program participants, if applicable.

D. SUBRECIPIENT will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by SUBRECIPIENT. All employees of SUBRECIPIENT who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver’s license and automobile liability insurance. Evidence of the employee’s current possession of a valid license and insurance must be maintained on a current basis in SUBRECIPIENT’s files.

E. Actual losses not covered by insurance as required by this Section are not allowable or eligible costs under this Agreement, and remain the sole responsibility of SUBRECIPIENT.

F. The policy or policies of insurance shall contain a clause which requires that CITY and SUBRECIPIENT be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

15. CIVIL RIGHTS / EQUAL OPPORTUNITY

A. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of the ACT, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 and Executive Order 11246 as amended by Executive Orders 11375 and 12086.

C. SUBRECIPIENT shall comply with all applicable fair housing, civil rights, and anti-discrimination laws in its selection of beneficiaries and its implementation of the program including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Age Discrimination Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.

D. SUBRECIPIENT will furnish all information and reports requested by the CITY, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.

E. In the event of SUBRECIPIENT's non-compliance with the non-discrimination requirements, CITY may cancel or terminate the Agreement in whole or in part, and SUBRECIPIENT may be barred from further contracts with CITY.

F. SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of these definitions, "minority group members" are Afro-Americans; Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans; Asian Americans; and American Indians. SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

16. PERSONNEL POLICIES

Personnel policies shall be established by SUBRECIPIENT and shall be available for examination. Such personnel policies shall:

A. include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; and

B. be in writing; and

C. be approved by the governing body of SUBRECIPIENT.

17. CONFLICT OF INTEREST

A. SUBRECIPIENT covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. SUBRECIPIENT further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.

B. SUBRECIPIENT further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.

C. No officer, member, or employee of CITY and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

18. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUBRECIPIENT, or is a member of SUBRECIPIENT's governing board. The term “member of immediate family” includes: wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

19. POLITICAL OR SECTARIAN ACTIVITY

A. Neither the funds provided pursuant to this Agreement, nor any personnel who may be employed by the SUBRECIPIENT with funds provided pursuant to this Agreement shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.

B. The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities, lobbying, political patronage, or nepotism activities.

C. The SUBRECIPIENT agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the SUBRECIPIENT connected with any activity that is funded in whole or in part by funds provided to SUBRECIPIENT under this Agreement may not during the term of this Agreement:
   (1) Use their official position or influence to affect the outcome of an election or nomination;
   (2) Solicit contributions for political purposes; or
   (3) Take an active part in political management or in political campaigns.

D. SUBRECIPIENT hereby agrees to sign a Certification Regarding Lobbying included herein as Exhibit C and if necessary, the Disclosure of Lobbying Activities provided by the CITY.

20. PUBLICITY

A. Where such action is appropriate, SUBRECIPIENT shall publicize the activities conducted by SUBRECIPIENT under this Agreement to state that the U.S. Department of Housing and Urban Development’s Community Development Block Grant Program funding through the City of Denton has contributed to make the project possible.

B. All published material and written reports submitted under this project must be originally developed material unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.
C. All published material submitted under this project shall include the following reference on the front cover or title page:

   This document is prepared in accordance with the City of Denton's Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development.
D. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

21. CHANGES AND AMENDMENTS

A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.
B. SUBRECIPIENT may not make transfers between or among approved line items within budget categories set forth in Exhibit B without prior written approval of CITY. SUBRECIPIENT shall request, in writing, the budget revision in a form prescribed by CITY, and such request for revision shall not increase the total monetary obligation of CITY under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.
C. The City Manager or designee may authorize minor amendments to the approved budget in Exhibit B as necessary to carry out the intent of this Agreement, in a manner consistent with the efficient use of public funds, and in accordance with federal law. Such minor amendments may not increase the not to exceed amount set forth in Exhibit B, extend the term, or otherwise alter the performance obligations of SUBRECIPIENT, without approval of the City Council. Minor amendment requests must be submitted no later than September 15, 2027. Any request to change the use of funding, request additional funding, or request term extension will not be approved.
D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.
E. CITY may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of SUBRECIPIENT's compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.
F. Any alterations, deletions, or additions to the program Budget set forth in Exhibit B requested by SUBRECIPIENT shall require the prior written approval of CITY.
G. SUBRECIPIENT agrees to notify CITY of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.
H. SUBRECIPIENT shall notify CITY of any changes in personnel or governing board composition.

22. SUSPENSION OF FUNDING

Upon determination by CITY of SUBRECIPIENT's failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, CITY, without limiting any rights it may otherwise have, may, at its discretion, and upon ten working days written notice to SUBRECIPIENT, withhold further payments to SUBRECIPIENT. Such notice may be given by mail to the Executive Officer and the Board of Directors of SUBRECIPIENT. The notice shall set forth the default or failure alleged, and the action required for cure. The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if CITY determines the default or deficiency has been satisfied, SUBRECIPIENT may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If, however, CITY determines that SUBRECIPIENT has not come into compliance, the provisions of Section 25 may be effectuated.

23. TERMINATION

A. CITY may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this Section:
   (1) SUBRECIPIENT's failure to attain compliance during any prescribed period of suspension as provided in Section 24.
   (2) SUBRECIPIENT's failure to materially comply with any of the terms of this Agreement.
   (3) SUBRECIPIENT's violation of covenants, agreements, or guarantees of this Agreement.
   (4) Termination or reduction of funding by the CITY or HUD.
   (5) Finding by CITY that the SUBRECIPIENT:
      a. is in such unsatisfactory financial condition as to endanger performance under this Agreement; or
      b. has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
      c. is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
   (6) Appointment of a trustee, receiver, or liquidator for all or substantial part of SUBRECIPIENT's property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against SUBRECIPIENT.
   (7) SUBRECIPIENT's inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 4, and Section 2, of this Agreement.
   (8) The commission of an act of bankruptcy.
   (9) SUBRECIPIENT's violation of any law or regulation to which SUBRECIPIENT is bound or shall be bound under the terms of the Agreement.

B. CITY shall promptly notify SUBRECIPIENT in writing of the decision to terminate and the effective date of termination.

C. CITY may terminate this Agreement for convenience at any time. If CITY terminates this Agreement for convenience, SUBRECIPIENT will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination, subject to the requirements of Section 7 and Exhibit B. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of SUBRECIPIENT covered by the Agreement, less payments previously made.

D. SUBRECIPIENT may terminate this Agreement in whole or in part by written notice to CITY, if a termination of outside funding occurs upon which SUBRECIPIENT depends for performance hereunder. SUBRECIPIENT may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of CITY, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between SUBRECIPIENT and the funding source in question.
E. SUBRECIPIENT may terminate this Agreement upon the dissolution of SUBRECIPIENT's organization not occasioned by a breach of this Agreement.
F. Upon receipt of notice to terminate, SUBRECIPIENT shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. CITY shall not be liable to SUBRECIPIENT or SUBRECIPIENT's contractors, subcontractors or creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this Section.
G. Notwithstanding any exercise by CITY of its right of suspension or termination, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any breach of the Agreement by SUBRECIPIENT, and CITY may withhold any reimbursement to SUBRECIPIENT until such time as the exact amount of damages due to CITY from SUBRECIPIENT is agreed upon or otherwise determined.

24. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action or proceeding is made or brought by any person(s), firm, corporation, or other entity against SUBRECIPIENT, SUBRECIPIENT shall give written notice thereof to CITY within five working days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action or proceeding; the names and addresses of the person(s), firm, corporation, or other entity making such claim; or demand, or that instituted or threatened to institute any type of suit or other action or proceeding; the basis of such claim, demand, suit, or other action, or proceeding; and the name of any person(s) against whom such claim, demand, suit, or other action or proceeding is being made or threatened. Such written notice shall be delivered either personally or by mail postage paid in accordance with the provisions of Section 29.I.

25. INDEMNIFICATION

A. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BOTH PARTIES HERETO THAT CITY IS CONTRACTING WITH SUBRECIPIENT AS AN INDEPENDENT CONTRACTOR AND THAT AS SUCH, SUBRECIPIENT SHALL SAVE AND HOLD CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES AND CONTRACTORS HARMLESS FROM ALL LIABILITY OF ANY NATURE OR KIND, INCLUDING COSTS AND EXPENSES FOR, OR ON ACCOUNT OF, ANY CLAIMS, AUDIT EXCEPTIONS, DEMANDS, SUITS, OR DAMAGES OF ANY KIND OR CHARACTER WHATSOEVER RESULTING IN WHOLE OR IN PART FROM THE PERFORMANCE, ACT OR OMISSION OF ANY EMPLOYEE, AGENT, CONTRACTOR, SUBCONTRACTOR, OR REPRESENTATIVE OF SUBRECIPIENT.
B. SUBRECIPIENT AGREES TO PROVIDE THE DEFENSE FOR, AND TO INDEMNIFY AND HOLD HARMLESS CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS,

AGENTS, EMPLOYEES, AND CONTRACTORS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, DEMANDS, DAMAGES, LOSSES, ATTORNEY FEES, EXPENSES, AND LIABILITY ARISING OUT OF THE USE OF THESE CONTRACTED FUNDS AND PROGRAM ADMINISTRATION AND IMPLEMENTATION EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL ACT OR OMISSION OF CITY, ITS AGENTS, EMPLOYEES, OR CONTRACTORS.

26. NON-RELIGIOUS ACTIVITIES

A. As stated in 24 CFR §5.109, no organization will be prohibited from participating in activities supported by CITY funding including programs that make funds available through contracts, grants, or cooperative agreements. SUBRECIPIENT is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect CITY or Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those organizations' programs.

B. Faith based organizations that carry out programs or activities with direct Federal financial assistance from HUD are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:
   1. The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;
   2. The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary;
   3. The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance;
   4. If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection; and
   5. A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.
   6. Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstances that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.
   7. Faith-based organizations that carry out a program or activity with direct Federal financial assistance from HUD are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary objects to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

27. IMMIGRATION REQUIREMENTS; PROHIBITION ON TRAFFICKING IN PERSONS

A. SUBRECIPIENT shall administer the program in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended (8 U.S.C. §§ 1601-1646) ("PRWORA"), and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.

B. SUBRECIPIENT shall not engage in any of the activities prohibited by 2 C.F.R. Part 175.

C. SUBRECEIPIENT shall not use funds that by design or effect facilitate the subsidization or promotion of illegal immigration or shield illegal aliens from deportation, including by maintaining policies and practices that materially impede enforcement of federal immigration statutes and regulations.

28. MISCELLANEOUS

A. SUBRECIPIENT shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of CITY.

B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.

C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

D. Debarment: SUBRECIPIENT certifies that it is not listed on the System for Award Management (SAM), which list the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.

E. In no event shall any payment to SUBRECIPIENT hereunder, or any other act or failure of CITY to insist in any one or more instances upon the terms and conditions of this Agreement constitute or be construed in any way to be a waiver by CITY of any breach of covenant or default which may then or subsequently be committed by SUBRECIPIENT. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to CITY to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of CITY may waive the effect of this provision.

F. This Agreement, together with the referenced EXHIBITS, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion, statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.

G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY as the party ultimately responsible to U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) for matters of compliance, will have the final authority to render or to secure an interpretation.

H. If SUBRECIPIENT provides services to the homeless it is required to:

(1) Report homeless data to the Homeless Management Information System (HMIS). HMIS is a countywide data management tool designed to facilitate data collection in order to improve human service delivery throughout Denton County. Participation in the HMIS is a requirement per this Agreement. Data entered into HMIS will help our community improve services to individuals experiencing homelessness by providing accurate information on the extent and nature of homelessness in our community and by accounting for our success in helping people move out of homelessness. Participation is also critical to help CITY and Denton County successfully compete for grants for federal funding, such as HUD's homeless assistance funds.

(2) Participate in the Denton County Homeless Leadership Team meetings and any applicable workgroup(s). The Denton County Homeless Leadership Team is a collaborative, cross-sector team that convenes to improve the planning, coordination, oversight, and implementation required to create systems change for housing/homelessness initiatives in Denton County. Further, SUBRECIPIENT is encouraged to work in partnership with fellow service providers to improve efficiency and effectiveness.

I. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if delivered by courier or overnight mail service or if sent U.S. Mail postage paid, in each case to the parties and addresses set forth below:

TO CITY:
Director of Community Services
City of Denton
601 E. Hickory Street, Suite 115
Denton, Texas 76205

TO SUBRECIPIENT:
[Name of Agency]
Attn: Executive Director/CEO/Commander
[Address]
City, State, [Zip Code]

w/ a copy to:
City Attorney
City of Denton
215 E. McKinney Street
Denton, TX 76201

This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any litigation concerning this Agreement shall be in a court of competent jurisdiction sitting in Denton County, Texas.

IN WITNESS WHEREOF this Agreement has been executed as of the ________ day of ______________________, 2026.

CITY OF DENTON:	**[SUBRECIPIENT]**
BY: ______________________________ JESSE KENT, DIRECTOR OF COMMUNITY SERVICES	BY: ______________________________ TITLE: ______________________________
ATTEST:	**ATTEST:**
BY: ______________________________ ______________________________	BY: ______________________________ TITLE: ______________________________
APPROVED AS TO LEGAL FORM:	
BY: ______________________________ MACK REINWAND, CITY ATTORNEY	

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms

____
Signature

Director of Community Services
____
Title

Community Services
____
Department

Date Signed: ______________________

Exhibit A
Scope of Services

The Scope of Services under this Agreement shall be as follows:

SECTION I – SERVICE GOAL

RECIPIENT assists the City of Denton to improve the availability and accessibility of services that promote strong, supportive relationships for families, neighborhoods, and communities and a suitable living environment, as outlined in the 2023-2027 City of Denton Consolidated Plan for the use of General Funds and supports a coordinated effort to maximize community resources.

SUBRECIPIENT shall provide: [Program] to [describe services]. The program will be operated at [address]. The program will operate [hours of operation].

SECTION II – OUTCOMES

SUBRECIPIENT shall provide benefits to the citizens of the City of Denton by achieving these outcomes:

Impact Area:
Common Outcome:
Total Number of City of Denton Clients Estimated to Achieve Outcome:

SECTION III – UNIT OF SERVICE

A unit of service will be the metric by which the CITY and the RECIPIENT can measure services and performance under this Agreement. The SUBRECIPIENT shall provide at least the total number of units of service required herein to perform its obligations under this Agreement. A unit of service shall be defined as services provided to an eligible low to moderate-income person or other presumed benefit category as defined, who is a resident of the City of Denton, to help them achieve the above outcome(s), in the manner provided below.

Total Number of Unduplicated Clients

Total Number of Unduplicated Clients City of Denton Only:

Service Unit:
Program Budget:
Unit of Service:
Service Units per Year:
Estimated cost per Client:

Exhibit B
Budget

RECIPIENT shall provide the services listed in this Agreement within the monetary limits attached hereto and incorporated by reference herein. In no event shall compensation to the SUBRECIPIENT exceed the lesser of the RECIPIENT's costs attributable to the work performed as stated herein, or sum of $xx,xxx.xx.

Allowable Expenditure	
[Allowable expenditure line items]	$xx,xxx.xx
Total	

SUBRECIPIENT will be reimbursed in accordance with Section 4 of this Agreement for eligible expenditures made in connection with the Scope of Services described in Exhibit A to this Agreement. SUBRECIPIENT will submit monthly reimbursement requests as provided in this Exhibit B and in this Agreement. Expenditures are made in connection with the Scope of Services described in Exhibit A to this Agreement and Cost Allocation Plan.

Reimbursement requests must include (list items/backup required with Request for Payment)
All Agencies:
1. Cost Allocation Plan due by October 1, 2026
2. Client List, with name or numbered with unique identifier (at least monthly)
3. Other documentation may be requested to support any cost allocation reimbursements
4. Self-Certifications only for City of Denton clients

For Agencies Seeking Salary reimbursements:
1. Copy of HUD Timesheet signed by staff member AND supervisor
2. Copy of Paystub with payroll detail. Payroll register accepted if provided by third party vendor.
3. City of Denton Salary Ledger Sheet

For Agencies seeking cost reimbursement for purchase of Goods or Services:
1. Invoice AND/OR Receipt must be legible and full page, no cutoffs (client specific goods, must have client name or identifier on the receipt, list date of service if different than date of payment)
2. Proof of payment (copy of check with check number, bank statement, or credit card statement)
3. If purchased with credit card, proof credit card was paid
4. Executed lease agreement, if applicable
5. Sign-in sheets (applicable for classes such as life skills, employment training, etc.)

<u>Exhibit C</u>
<u>U.S. Department of Housing and Urban Development (HUD)</u>
<u>Income Limits</u>

Qualifying Income Limits for Federally Assisted Programs

FY 2026 Income Limits Summary
Dallas, TX HUD Metro FMR Area

[Current income limits to be published by HUD]

Exhibit D
Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-ILL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTs shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[ORGANIZATION]
____
Subrecipient

____
Signature   Title

____
Date

____

<u>Exhibit E</u>
<u>Monitoring Checklist</u>

CITY OF DENTON

Monitoring Review Form

ITEMS TO MAKE AVAILABLE FOR SITE VISIT

(any that have not already been submitted)

For current funding year except where indicated.

- ☐ All Project/Case/Client Files with Application, Income Verification, etc.
- ☐ Time Sheets for Staff paid by City funds
- ☐ Budget for PREVIOUS and CURRENT fiscal year include w/Budget -v-Actual.
- ☐ PREVIOUS and CURRENT fiscal year Balance Sheet as reported to agency board.
- ☐ General Ledger/Journals showing YTD Expenses for City Funds
- ☐ Bank Statements with Reconciliations*
- ☐ Procurement Procedures*

*Only in Financial Management Expanded Section Reviews.

Policies and Procedures Guide(s)/Manual(s):	**Current Revision Date:**
☐ Board	
☐ Financial (Separation of Duties/Internal Controls, Procurement, etc.)	
☐ Personnel (Equal Opportunity & Non-Discrimination, Nepotism, etc)	
☐ Program Guidelines	
Governing Documents	**Current Revision Date:**
☐ 501 (c) tax-exempt status IRS letter	
☐ Articles of Incorporation with any amendments	
☐ Bylaws	
Reporting Documents w/Service Agreement	**Current Revision Date:**
☐ Most Recent Audit	
☐ Cost Allocation Form	
☐ Agency Update	
☐ Bond/Liability Insurance	
Reporting Documents - Monthly	**Current Revision Date:**
☐ Board Agendas, & Minutes (with Attendance)	
☐ Monthly Budget report	
☐ Back-up Documentation Performance/Outcome Measures	
☐ Back-up Documentation for Beneficiary (Client List)	
☐ Proof of Payroll Tax Payments	

Monitoring Review Form

ENTRANCE CONFERENCE OUTLINE

☐ Introductions

Monitor 1: ______________________________

Monitor 2: ______________________________

☐ Purpose of the Monitoring Review.

- To gather information
- Focus on performance
- Provide information that will be useful for improvement planning and improved performance
- To address any issues of non-compliance that arise
- Follow up to any other previous Desk, Informal or Formal Monitoring

Why this agency was selected (City looks at a number of factors):

- Funding Source (Community Development Block Grant vs General Fund)
- Risk Analysis Scoring
- Substantial agency changes - leadership, budget variances, loss of funding source etc.

☐ What to expect during and after the on-site Interview

- Interviews with key staff
- File review
- Program observation
- Exit Conference - Preliminary Findings
- Final report - Written report of observations and/or findings by critical element

☐ Review any Questions and discussion points of any concern or information pertinent to the review before the process begins.

Monitoring Review Form

EXIT CONFERENCE OUTLINE

We understand your time is valuable but to limit exposure during federal grant audits, The City of Denton needs to ensure compliance with rules and regulations. The city wishes to thank you for your time and patience in participating in any review process.

☐ Purpose of the Exit Conference.

- To present and discuss the preliminary findings as a result of interviews, file reviews and observations conducted during the review
- As stated in entrance conference, the purpose of the review is to provide information that will be useful for improvement planning and improved performance

FINDINGS: *Summary of findings by critical element (On-site Monitoring Report Form), including technical assistance available.*

☐ As Findings are presented, any questions or comments are welcome.

☐ For the review, the critical elements looked at were:

☐ Program: ____________________

☐ Individuals interviewed:

1: ____________________

2: ____________________

3: ____________________

4: ____________________

5: ____________________

☐ Files (Client File Review Form Attachment)

☐ Documents (Items to Make Available) and others requested during the review:

1: ____________________

2: ____________________

3: ____________________

4: ____________________

5: ____________________

☐ Closing

- Written reports returned: ____________________

Monitoring Review Form

MONITORING INFORMATION

Review Period:	Review Date:
Subrecipient Organization:	
Project Name:	
Executive Director:	

I. FUNDING INFORMATION

Contract Amount	$
Funding Source(s) – (i.e. ESG, General Fund, CDGB, etc.):	
	$
	$
	$

II. PERSONS INTERVIEWED

Name	Title	Entrance/Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit

III. MONITORING FROM SECTIONS COMPLETED

Section Reviewed		Date
Monitoring Notification	☐	
HUD National Objectives	☐	
Program Review	☐	
Record Keeping/Reporting Practices	☐	
Board Policies/Practices	☐	
Financial Management Condensed	☐	
Financial Management Expanded*	☐	
Monitoring Results Report	☐	

*Agencies will be notified if Financial Management Expanded section will be completed.

Monitoring Review Form

ELIGIBLE HUD NATIONAL OBJECTIVE

I. National Objective Compliance

The National Objective of this contract is to benefit low and moderate-income persons. This project complies with the contract on the following basis and/or activity:

☐ L/M Income Area Benefit: The public service is available to all the residents in a particular primarily residential area, and at least 51% of those residents are L/M income persons.

☐ L/M Limited Clientele: The public service is limited to a specific group of people, at least 51% of who are L/M income persons. Services serve a specific clientele, rather than providing service to all the persons in a geographic area.

II. Limited Clientele Designation

☐ Presumed Benefit: exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. Check the applicable designation. (all clients must meet 100%)

☐ Abused children ☐ Homeless persons ☐ Elderly Persons ☐ Illiterate adults

☐ Severely disabled ☐ Persons with AIDS ☐ Battered spouses ☐ Migrant Farm Workers

☐ Income Eligible: require information on family size and income so that it is evident that at least 51 percent of the clientele are LMI.

☐ Nature & Location: be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low and moderate income persons. "Must be approved by HUD" as meeting the low/mod eligibility under this category.

III. Eligible Activity

☐ Public Service(s): employment services, crime prevention & public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, services for seniors, services for homeless persons, welfare services (excluding income payments), recreational services, and etc.

1. Funds may be used to operate the facility in which the public service is located.
2. The service must be new or pass the quantifiable increase test.
3. Certain income payments are eligible if they meet certain criteria.

☐ Ineligible Service(s)

1. Political activities;
2. Acquisition, construction, or reconstruction of buildings for conduct of govt.;
3. Construction of new housing by units of general local government;
4. Certain income payments; and
5. Assistance supplants funding for pre-existing activities

Monitoring Review Form

PROGRAM REVIEW

I. Back-up documentation supporting the data reported in most recent beneficiary report and performance report.

1. Does the back-up support the data reported to the Community Development? ☐ Yes ☐ No

II. **Contract Performance Targets** (as listed in current contract)

1. Persons: ____________ Units: ____________

III. **Review Period Performance** (Oct 1 through current report month)

1. Persons: ____________ Units: ____________
2. % of Target Persons served: ____________________
3. % of Target Units provided: ____________________
4. Is the subrecipient agency significantly behind in the provision of units? ☐ Yes ☐ No
5. % of Contract Amount reimbursed: ____________________
6. Are expenditures proportional to the number of units provided? ☐ Yes ☐ No
7. Is the subrecipient agency providing services as described in the Scope of Services in the Service Agreement? ☐ Yes ☐ No
8. Is the subrecipient agency meeting the outcome measures described in the Service Agreement? ☐ Yes ☐ No

GOVERNING DOCUMENT

I. Has the appropriate legal incorporation and other documents been filed with the federal and state government?

1. Certificate of Formation (IRS Determination Letter) ☐ Yes ☐ No
2. Articles of Incorporation with all amendments ☐ Yes ☐ No
3. By-Laws with all amendments ☐ Yes ☐ No
4. Other Governing Documents

a. Board	☐ approved within the last 3 years	☐ Yes ☐ No
b. Personnel	☐ approved within the last 3 years	☐ Yes ☐ No
c. Financial	☐ approved within the last 3 years	☐ Yes ☐ No
d. Program Guidelines	☐ approved within the last 2 years	☐ Yes ☐ No

Monitoring Review Form

RECORD KEEPING/REPORTING PRACTICES

1. Is the filing system orderly, comprehensive, and up-to-date? ☐ Yes ☐ No
2. Are the records safe and secured for confidentiality? ☐ Yes ☐ No
   a. Are passwords/keys promptly cancelled for terminated employees? ☐ Yes ☐ No
   b. Are there appropriate procedures for back-up and storage of program and data files? ☐ Yes ☐ No
3. Are the records accessible for review by the City or HUD? ☐ Yes ☐ No
4. Does the subrecipient maintain records for (5) years after the termination or expiration of the contract? ☐ Yes ☐ No
   a. If so, where do you store any prior-year files, if applicable? ☐ Yes ☐ No

---

5. Has the subrecipient submitted to the City a current Agency Update form? ☐ Yes ☐ No
6. Has the subrecipient submitted to the City a current Cost Allocation Plan? ☐ Yes ☐ No
7. Is a current fidelity bond/liability insurance policy on file? ☐ Yes ☐ No
   a. Is the City of Denton named as additional insured on the policy? ☐ Yes ☐ No
   b. Is there a provision that policy may not be canceled or lapse without 30-days prior written notice to the City of Denton? ☐ Yes ☐ No
8. Has the subrecipient submitted reports, requests, and etc timely? ☐ Yes ☐ No
9. Does the subrecipient have the appropriate government or oversight-entity standard of being safe, sanitary, or compliant? ☐ Yes ☐ No
   List entity & certifications.

---

10. Does the organization generate monthly financial reports reviewed by the Executive Director and the Board of Directors? ☐ Yes ☐ No

---

Describe Communication method:

Monitoring Review Form

BOARD POLICIES & PRACTICES

1. Has the subrecipient submitted to the City a list of its most current board of directors with their appropriate titles? ☐ Yes ☐ No
2. When the Board of Directors makes decisions, a quorum is present & minutes are maintained? ☐ Yes ☐ No
3. What actions are taken to ensure the board is professionally and culturally diverse? ☐ Yes ☐ No

____

4. Does the board and staff work together to develop and adopt a strategic plan for the organization? ☐ Yes ☐ No

   Describe Process/Frequency:

____

____

ANTI-DISCRIMINATION COMPLIANCE

1. How does your organization ensure equal opportunity and non-discrimination in soliciting for and hiring staff?

____

____

2. Is the Equal Employment Opportunity (EEO) placard or poster in an area accessible to employees and applicants for employment? ☐ Yes ☐ No
3. Is the office location accessible by ramp and have an accessible restroom? ☐ Yes ☐ No
4. Are there any religious services, proselytizing, instructions, or any other religious preference, influence, or discrimination in connection with providing the services stated in the Program Scope. ☐ Yes ☐ No
5. Are there provisions in the personnel policies to prohibit the following:

   a. conflict of interest? ☐ Yes ☐ No p: ________
   b. sectarian activities? ☐ Yes ☐ No p: ________
   c. nepotism? ☐ Yes ☐ No p: ________
   d. political activity and lobbying? ☐ Yes ☐ No p: ________

CITY OF DENTON

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

I. Audit

1. Is the subrecipient subject to OMB Circular A-133, which requires a single audit if the subrecipient has expended federal funds in excess of $500,000? ☐ Yes ☐ No

2. Has the subrecipient made arrangements to have an audit conducted? ☐ Yes ☐ No

3. Did subrecipient use competitive bid process in the last four years to procure audit services? ☐ Yes ☐ No

   a. Name of audit firm: ____________________

4. Has the subrecipient submitted the most recent audit report? ☐ Yes ☐ No

5. Are there any unresolved audit issues? If yes, list status below? ☐ Yes ☐ No

____

____

II. Agency Controls

1. What is the subrecipient's fiscal year? __________ to __________

2. What system(s) does the agency use to perform its accounting function?

   ❒ Cash ❒ Accrual Accounting Software: ____________________

3. Is the system ❒ manual, ❒ automated, or a ❒ combination?

4. Has the organization been able to operate within its approved budget during the last two fiscal years? ☐ Yes ☐ No

5. Is an appropriate cash reserve/contingency fund available? ☐ Yes ☐ No

   a. What $/% is available in cash reserve/contingency funds? ____________________

6. Does subrecipient pay TWC taxes (state unemployment), State Workers' Comp., insurance companies, payroll taxes when they are due? ☐ Yes ☐ No

   a. Can payroll tax payments be verified? ☐ Yes ☐ No

   b. Can Worker's Comp. payments be verified? ☐ Yes ☐ No

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

III. Program Controls

1. If the subrecipient is requesting to pay salaries, do the salaries match with the percentages and positions they request monthly? ☐ Yes ☐ No

2. Does employees work on both CDBG and Non-CDBG related activities? ☐ Yes ☐ No

3. Are timesheets signed by appropriate supervisor or designated authority? ☐ Yes ☐ No

   b. Does the subrecipient use hourly distribution time sheets for employees paid from multiple funding sources? ☐ Yes ☐ No

   c. Do the time sheets reflect:
   ☐ actual time worked or ☐ budgeted percentages?

4. Review the months selected for expenditures, cash disbursement journals, and support documentation.

   Months Reviewed: ______________________________

   a. Are the expenditures allowable? ☐ Yes ☐ No

   b. Are there procedures to ensure items of cost are equitably charged? (ie. Cost Allocation Plan) ☐ Yes ☐ No

   c. Is the support documentation adequate? ☐ Yes ☐ No

5. Review Client Files (Attached Completed Client File Review Form(s)

Sample:

CLIENT FILE REVIEW FORM

Agency: ______________________ Reviewed By: ______________________

Period Reviewed: ______________________ Date: ______________________

Client Name/Number:				
Income Documentation Type:		**Eligible**		**Dates of Assistance:**
☐ Self Certification Form ☐ Pay Stub ☐ Bank Statement(s) ☐ Other:	Notes/Comments:	Yes	No	
		COD Resident		**Zip:**
		Yes	No	
		Income Eligible		**Amount:**
		Yes	No	$

Monitoring Review Form

FINANCIAL MANAGEMENT EXPANDED

1. Have all financial corrective action requirements from the previous monitoring report been corrected? ☐ Yes ☐ No

2. Who signs checks? Do names on the bank signature cards match the signature on checks? ☐ Yes ☐ No

   a. How many signatures are required? ______________

3. Is there separation of duties to ensure effective control over preparation, authorization/certification, and distribution of checks? ☐ Yes ☐ No

   a. Review the procedure of check processing within the agency's financial procedures. ☐ Yes ☐ No

   b. Are bank statements and canceled checks received and reconciled by a person independent of the authorization and check signing function? ☐ Yes ☐ No

4. Are bank statements reconciled monthly to the General Ledger? ☐ Yes ☐ No

   a. Does the organization reconcile all cash accounts monthly? ☐ Yes ☐ No

5. Does the subrecipient have a current list of assets and values? ☐ Yes ☐ No

6. Does the organization currently have any checks, outstanding debts, or bills more than 90 days delinquent? ☐ Yes ☐ No

7. Does the subrecipient have any interest or other income generated by City of Denton funds? If yes, document explanation given by Fiscal Officer and ask for proof of documentation ☐ Yes ☐ No

   a. Does interest or income generated by City funds go back into the program? ☐ Yes ☐ No

☐ PROCUREMENT

1. Has subrecipient established efficient and effective procurement procedures in accordance with applicable laws and regulations? ☐ Yes ☐ No

   a. Do the procurement methods assure maximum open & free competition? ☐ Yes ☐ No

   b. Do the procurement procedures provide for review of proposed purchase by the appropriate officials to avoid the purchase of unnecessary or duplicate items? ☐ Yes ☐ No

   c. Did subrecipient establish written selection criteria?

EXHIBIT 4
2026-2027 GENERAL FUNDS SERVICE AGREEMENT
BETWEEN THE CITY OF DENTON, TEXAS AND
[SUBRECIPIENT].

This 2026-2027 Grant Service Agreement ("Agreement") is made and entered into by and between the City of Denton, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as "CITY," and [SUBRECIPIENT NAME], a Texas nonprofit corporation with its principal place of business at [ADDRESS], hereinafter referred to as "SUBRECIPIENT."

WHEREAS, CITY has determined that the SUBRECIPIENT's proposal for services can provide needed services to the residents of the City of Denton in accordance with the 2023-2027 City of Denton Consolidated Plan, and desires to enter into an agreement for such services; and

WHEREAS, funding is contingent on CITY's adoption of the FY 2026-27 Operating Budget and appropriation of funds; and

WHEREAS, CITY has designated the Community Development Division as the division responsible for the administration of this Agreement and all matters pertaining thereto;

NOW, THEREFORE, the parties hereto agree, and by the execution hereof are bound, to the mutual obligations and to the performance and accomplishment of the conditions hereinafter described.

1. TERM

This Agreement shall commence on or as of October 1, 2026, and shall terminate on September 30, 2027, unless sooner terminated in accordance with Section 25 "Termination."

2. RESPONSIBILITIES

SUBRECIPIENT hereby accepts responsibility for the performance of all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein. CITY will consider SUBRECIPIENT's executive officer to be SUBRECIPIENT's representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

Eligibility documentation must be included in each client's file and updated at least once during the contract period

2. REPRESENTATIONS AND ACKNOWLEDGEMENTS

A. SUBRECIPIENT assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.

B. The person or persons signing and executing this Agreement on behalf of SUBRECIPIENT, do hereby warrant and guarantee that he, she, or they have been fully authorized by SUBRECIPIENT to execute this Agreement on behalf of SUBRECIPIENT and to validly and legally bind SUBRECIPIENT to all terms, performances, and provisions herein set forth.

C. CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either SUBRECIPIENT or the person signing the Agreement to enter into this Agreement. SUBRECIPIENT is liable to CITY for any money it has received from CITY for performance of the provisions of this Agreement if CITY has suspended or terminated this Agreement for the reasons enumerated in this Section.

D. SUBRECIPIENT agrees that the funds and resources provided SUBRECIPIENT under the terms of this Agreement will in no way be substituted for funds and resources from other sources, nor in any way serve to reduce the resources, services, or other benefits which would have been available to, or provided through, SUBRECIPIENT had this Agreement not been executed.

E. The CITY's Director of Community Services will be CITY's representative responsible for the administration of this Agreement.

F. Both parties agree and acknowledge that the amount of funds provided hereunder is necessary and sufficient payment for full and satisfactory performance of the program in accordance with all terms, provisions, and requirements of this Agreement.

G. The parties expressly understand and agree that CITY's obligations under this Section are contingent upon CITY's receipt and appropriation of adequate funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify SUBRECIPIENT in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to SUBRECIPIENT under this Agreement.

3. SUBRECIPIENT OBLIGATIONS

A. **<u>Performance of Scope of Services</u>.**

(1) SUBRECIPIENT shall perform all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein.

(2) SUBRECIPIENT shall be eligible for reimbursement only for expenditures made in accordance with the Budget, set forth in Exhibit B, to complete those services described in the Scope of Services in Exhibit A. SUBRECIPIENT shall not utilize these funds for any other purpose. No modifications or alterations may be made to the Scope of Services or Budget without the prior written approval of the CITY's Director of Community Services.

(3) Beneficiaries of the activities to be provided hereunder must reside in the City of Denton and SUBRECIPIENT certifies that the activities carried out with these funds shall meet the objective of benefitting low and moderate-income persons.

(4) SUBRECIPIENT shall provide services to persons whose income is equal to or lower than 80% of the median income of the Dallas standard metropolitan statistical area. To accomplish this, the SUBRECIPIENT shall use the current applicable income limits published by the U.S. Department of Housing and Urban Development ("HUD") for lower-income housing assistance under Section 8 of the United States Housing Act of 1937. Income eligibility shall be determined by the sum of the gross income of all individuals residing in the household. Services must be provided directly to or on behalf of specific identified eligible clients.

B. Administrative Requirements

(1) SUBRECIPIENT will reduce to writing all of its rules, regulations, and policies and file a copy with CITY's Community Development Division along with any amendments, additions, or revisions upon request.

(2) SUBRECIPIENT’s executive officer will be available to meet with CITY officials when requested.

(3) SUBRECIPIENT will submit to CITY copies of year-end audited financial statements.

(4) SUBRECIPIENT will establish, operate, and maintain an account system for funds received pursuant to this Agreement that will allow for a tracing of funds and a review of the financial status of the program. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.

C. **Compliance with Federal, State, and Local Laws.**

(1) SUBRECIPIENT assures and certifies that it will comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Denton.

(2) SUBRECIPIENT shall give the CITY, and any of CITY’s authorized representatives, access to and the right to reproduce all records belonging to or in use by SUBRECIPIENT pertaining to this Agreement. Such access shall continue as long as SUBRECIPIENT retains the records. SUBRECIPIENT shall maintain such records in an accessible location.

(3) SUBRECIPIENT shall refrain from entering into any subcontract for services without prior approval in writing by CITY of the qualifications of the subcontractor to perform and meet the standards of this Agreement. All subcontracts entered into by the SUBRECIPIENT will be subject to the requirements of this Agreement. The SUBRECIPIENT agrees to be responsible to CITY for the performance of any subcontractor.

(4) SUBRECIPIENT has submitted herewith a completed Form 1295 generated by the Texas Ethics Commission’s (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Parties understand and agree that, with the exception of information identifying the CITY and the contract identification number, if any, the CITY is not responsible for the information contained in the Form 1295; the information contained in the Form 1295 has been provided solely by the SUBRECIPIENT; and the City has not verified such information. SUBRECIPIENT acknowledges that in accordance with Chapter 2273 of the Texas Government Code, City is prohibited from entering into a taxpayer resource transaction with an abortion provider or an affiliate of an abortion provider. The terms “taxpayer resource transaction,” “abortion provider,” and “affiliate of an abortion provider” shall have those definitions provided in Texas Government Code § 2273.001. By signing this Agreement, SUBRECIPIENT certifies that is not an abortion provider or an affiliate of an abortion provider, and that it will not use the proceeds of this Agreement for the purpose of assisting a woman with procuring an abortion or the services of an abortion provider. Failure to meet or maintain the requirements under this provision will be considered a material breach.

D. Additional Obligations.

(1) SUBRECIPIENT will not enter into any contracts that would encumber CITY funds for a period that would extend beyond the term of this Agreement.

(2) SUBRECIPIENT will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to CITY’s Community Development Division for further direction.

(3) SUBRECIPIENT's executive officer shall be SUBRECIPIENT's representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

4. CITY OBLIGATIONS

A. **Limit of Liability**. In consideration of full and satisfactory performance of the services and activities hereunder by SUBRECIPIENT, CITY will reimburse SUBRECIPIENT for expenses incurred pursuant to and in accordance with the Budget attached hereto as Exhibit B, and incorporated herein by reference, necessary for the performance of the Scope of Services herein attached as Exhibit A. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of [amount text- $xx,xxx.xx.]

B. **Payments by City**. Within twenty-one days after receipt from SUBRECIPIENT of a requisition for payment with appropriate documentation of expenditures, CITY shall make payments to SUBRECIPIENT based on the Budget in Exhibit B, subject to the limitations and provisions set forth in Exhibit B and in this Section and Section 5 of this Agreement.

(1) It is expressly understood that this Agreement in no way obligates the CITY to provide more funds than the amount shown in subsection A above.

(2) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of SUBRECIPIENT requiring prior written authorization from CITY, or after CITY has requested that SUBRECIPIENT furnish data concerning such action prior to proceeding further, unless and until CITY advises SUBRECIPIENT to proceed.

(3) CITY shall not be obligated or liable under this Agreement to any party other than SUBRECIPIENT for payment of any monies or provision of any goods or services.

(4) Funding not expended within the term of this Agreement will revert to the City of Denton budget for use on alternative services or projects.

5. PAYMENT CONDITIONS

A. SUBRECIPIENT's reimbursement request for any one-month period must include reasonable, consistent, actual, and allowable costs as specified in Exhibit B.

B. CITY shall not be liable for any cost or portion thereof which:

(a) has been paid or reimbursed, or is subject to payment or reimbursement, from any other source;

(b) was incurred prior to the beginning date or after the ending date specified in Section 1;

(c) is not in strict accordance with the terms of this Agreement, including all exhibits attached hereto;

(d) has not been billed to CITY within 90 calendar days following billing to SUBRECIPIENT, or termination of the Agreement, whichever date is earlier; or

(e) is not an allowable cost as defined by Section 10 of this Agreement or in the Budget set forth in Exhibit B.

C. If, in CITY's sole judgment, SUBRECIPIENT's reimbursement request for any period does not provide sufficient documentation of allowable expenditures or if CITY requests inspection or verification of claimed expenditures after receipt of a reimbursement request, CITY may withhold reimbursement for those expenditures for an amount of time deemed reasonable by CITY pending such inspection, verification, or receipt of documentation.

6. EVENTS REQUIRING REVERSION OF FUNDS

A. **Excess Payment**. SUBRECIPIENT shall refund to CITY within ten working days of CITY's request, any sum of money which has been paid by CITY, and which CITY at any time thereafter determines:

(1) has resulted in overpayment to SUBRECIPIENT; or

(2) has not been spent strictly in accordance with the terms of this Agreement; or
(3) is not supported by adequate documentation to fully justify the expenditure.

B. **Disallowed Costs**. Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved by CITY as a result of any auditing or monitoring by CITY, SUBRECIPIENT will refund such amount to CITY within ten working days of a written notice to SUBRECIPIENT, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through CITY.

C. **Reversion of Assets**.
(1) SUBRECIPIENT, upon expiration of this Agreement shall transfer to the CITY any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.
(2) The reversion of these financial assets shall be in addition to any other remedy available to CITY either at law or in equity for breach of this Agreement.

D. **Obligation of Funds**.
(1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in Exhibit A, CITY hereby reserves the right to reappropriate or recapture any such under expended funds.
(2) If CITY finds that SUBRECIPIENT is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by SUBRECIPIENT, as well as any remaining unexpended funds which shall be refunded to CITY within ten working days of a written notice to SUBRECIPIENT to revert these financial assets.

E. **Contract Close Out**. SUBRECIPIENT shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 working days following the close of the Agreement period.

7. ALLOWABLE COSTS

A. Costs shall be considered allowable only if incurred directly and specifically in the performance of and in compliance with this Agreement and in conformance with the standards and provisions of Exhibits A and B.

B. Prior written authorization is required in order for the following to be considered allowable costs:
   1) Encumbrances or expenditures during any one-month period shall be calculated based on the Cost Allocation Plan submitted by agency. The methodology, such as total budget for the program, shall be consistently applied to all shared expenses.
   2) CITY shall not be obligated to any third parties, including any subcontractors of SUBRECIPIENT, and CITY funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
   3) Any alterations or relocation of the facilities on and in which the activities specified in Exhibit A are conducted.
   4) Any alterations, deletions, or additions to the Budget detail incorporated in Exhibit B.
   5) Costs or fees for temporary employees or services.
   6) Any fees or payments for consultant services.
   7) Fees for attending out of town meetings, seminars, or conferences.

C. Written requests for prior approval are SUBRECIPIENT's responsibility and shall be made within sufficient time to permit a thorough review by CITY. SUBRECIPIENT must obtain written approval by CITY prior to the commencement of procedures to solicit or purchase services or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.

D. Expenditures will not be reimbursed to the SUBRECIPIENT for the purchase of real property or equipment. These are not allowable costs under this Agreement.

E. Overtime, bonuses, fringe benefits, and other miscellaneous non-salary personnel costs are not eligible for reimbursement under this Agreement.

8. PROGRAM INCOME

A. For purposes of this Agreement, "Program Income" means earnings of SUBRECIPIENT realized from activities resulting from this Agreement or from SUBRECIPIENT's management of funding provided or received hereunder. Such earnings include, but are not limited to, income from interest, usage or rental or lease fees, income produced from contract-supported services of individuals or employees or from the use or sale of equipment or facilities of SUBRECIPIENT provided as a result of this Agreement, and payments from clients or third parties for services rendered by SUBRECIPIENT under this Agreement.

B. SUBRECIPIENT shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and report Program Income to CITY in the format prescribed by CITY. CITY and SUBRECIPIENT agree that any fees collected for services performed by SUBRECIPIENT shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement.

C. SUBRECIPIENT shall include this Section in its entirety in all of its sub-contracts which involve other income-producing services or activities.

D. It is SUBRECIPIENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes Program Income. SUBRECIPIENT is responsible to CITY for the repayment of any and all amounts determined by CITY to be Program Income, unless otherwise approved in writing by CITY.

9. REPORTS AND INFORMATION

At such times and in such form as CITY may require, SUBRECIPIENT shall furnish such statements, records, data and information as CITY may request and deem pertinent to matters covered by this Agreement. SUBRECIPIENT shall submit beneficiary and financial reports to CITY by the 15th of every month with reimbursement request. If the SUBRECIPIENT expends all Agreement funds prior to the term date, SUBRECIPIENT remains responsible for completing monthly reports by the 15th. The beneficiary report shall detail client information, including race, ethnicity, income, head of household, disabled and elderly households and other statistics required by CITY using the CITY's Self-Certification form. The financial report shall include information and data relative to all programmatic and financial reporting as of the commencement date specified in Section 1 of this Agreement. SUBRECIPIENT shall submit its annual budget and schedule of board meetings, along with the resolutions or minutes adopting the same, to CITY no later than October 1, 2026. Unless the CITY has granted a written exemption, SUBRECIPIENT shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the SUBRECIPIENT expends $1,000,000 or more in federal funding, the audit must be conducted in accordance with OMB audit requirements in 2 CFR Part 200, as applicable, within thirty days after receipt of the auditor's report(s) or within nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide.

10. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. CITY shall perform monitoring of the SUBRECIPIENT's performance under this Agreement.

A. SUBRECIPIENT agrees that CITY may carry out monitoring and evaluation activities to ensure adherence by SUBRECIPIENT to the Scope of Services, Program Goals, and Objectives in Exhibit A, as well as other provisions of this Agreement.
B. SUBRECIPIENT agrees to cooperate fully with CITY and provide data determined by CITY to be necessary for CITY to effectively fulfill its monitoring and evaluation responsibilities.
C. SUBRECIPIENT agrees to cooperate in such a way so as not to obstruct or delay CITY in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by CITY staff.
D. SUBRECIPIENT agrees to make available upon request its financial records for review by CITY at CITY's discretion. In addition, SUBRECIPIENT agrees to provide CITY the following data and reports, or copies thereof:
   (1) All external or internal evaluation reports.
   (2) Performance/beneficiary reports to be submitted in the schedule published by the CITY's Community Development Division. Reports will include such information as requested by the CITY's Community Development Division including but not limited to: number of persons or households assisted, race, gender, disability status, and household income. Beneficiary reports shall be due to CITY within 15 working days after the completion of the required reporting period. SUBRECIPIENT agrees to submit financial statements no less than once every three months. Each statement shall include current and year-to-date period accounting of all revenues, expenditures, outstanding obligations, and beginning and ending balances. Financial reports shall be due to CITY within 15 working days after the completion of the required reporting period; and
   (3) An explanation of any major changes in program services.
E. To comply with this section, SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the CITY. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this Agreement.
F. After each official monitoring on-site visit, CITY shall provide SUBRECIPIENT with a written report of monitoring findings, documenting findings, and concerns that will require a written response to the CITY. An acceptable response must be received by the CITY within 60 days from the SUBRECIPIENT's receipt of the monitoring report or audit review letter. Future payments under this Agreement can be withheld for the SUBRECIPIENT's failure to submit a written response within 60 days
G. SUBRECIPIENT shall submit copies of any fiscal, management, or audit reports by any of the SUBRECIPIENT's funding or regulatory bodies to CITY within ten working days of receipt by the SUBRECIPIENT.
H. SUBSUBRECIPIENT shall refer to Exhibit E for the Monitoring Checklist.

11. MAINTENANCE OF RECORDS

A. SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of Exhibit A and Exhibit B, and with any other applicable Federal and State regulations establishing standards for financial management.

B. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve SUBRECIPIENT of fiscal accountability and liability under any other provision of this Agreement or any applicable law. SUBRECIPIENT shall include the substance of this provision in all subcontracts.

C. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this Agreement.

D. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this Agreement.

E. At any reasonable time and as often as CITY may deem necessary, the SUBRECIPIENT shall make available to CITY, or any of their authorized representatives, all of its records and shall permit CITY, or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

12. DIRECTORS' MEETINGS

During the term of this Agreement, SUBRECIPIENT shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered to CITY in a timely manner to give adequate notice and shall include an agenda and a brief description of the matters to be discussed. SUBRECIPIENT understands and agrees that CITY representatives shall be afforded access to all of the Board of Directors' meetings. Minutes of all meetings of SUBRECIPIENT's governing body shall be available to CITY within ten days after Board approval.

13. WARRANTIES

SUBRECIPIENT represents and warrants that:

A. All information, reports, and data heretofore or hereafter requested by CITY and furnished to CITY are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to CITY.

B. Any supporting financial statements heretofore requested by CITY and furnished to CITY, are complete, accurate, and fairly reflect the financial condition of SUBRECIPIENT on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of SUBRECIPIENT.

C. No litigation or legal proceedings are presently pending or threatened against the SUBRECIPIENT.

D. None of the provisions herein contravene or are in conflict with the authority under which SUBRECIPIENT is doing business or with the provisions of any existing indenture or agreement of SUBRECIPIENT.

E. SUBRECIPIENT has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.

F. None of the assets of SUBRECIPIENT are subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements and/or other documents furnished by SUBRECIPIENT to CITY.

G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.

14. COVENANTS

A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUBRECIPIENT shall not, without the prior written consent of the Director of Community Services or their authorized representative:
   (1) Mortgage, pledge, or otherwise encumber, or suffer to be encumbered, any of the assets of SUBRECIPIENT now owned or hereafter acquired by it or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of SUBRECIPIENT which are allocated to the performance of this Agreement and with respect to which CITY has ownership hereunder.
   (2) Sell, assign, pledge, transfer, or otherwise dispose of accounts receivables, notes, or claims for money due or to become due.
   (3) Sell, convey, or lease all or a substantial part of its assets.
   (4) Make any advance or loan to, or incur any liability for any other firm, person, entity or corporation as guarantor, surety, or accommodation endorser.
   (5) Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to SUBRECIPIENT by CITY, unless CITY authorizes such transfer in writing.

B. SUBRECIPIENT agrees, upon written request by CITY, to require its employees to attend training sessions sponsored by the Community Development Division.

15. INSURANCE

A. SUBRECIPIENT shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for the services provided pursuant to this Agreement.

B. The premises on and in which the services and activities described in Exhibit A are conducted, and the employees conducting these services and activities, shall be covered by premise liability insurance, commonly referred to as "Owner/Tenant" coverage, with CITY named as an additional insured. Upon request of SUBRECIPIENT, CITY may, at its sole discretion, approve alternate insurance coverage arrangements. On or before October 1, 2026, SUBRECIPIENT shall provide a certificate of insurance naming the City as additional insured consistent with the requirements of this Section.

C. SUBRECIPIENT will comply with applicable workers' compensation statutes and will obtain employers' liability coverage where available and other appropriate liability coverage for program participants, if applicable.

D. SUBRECIPIENT will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by SUBRECIPIENT. All employees of SUBRECIPIENT who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver's license and automobile liability insurance. Evidence of the employee's current possession of a valid license and insurance must be maintained on a current basis in SUBRECIPIENT's files.

E. Actual losses not covered by insurance as required by this Section are not allowable or eligible costs under this Agreement and remain the sole responsibility of SUBRECIPIENT.

F. The policy or policies of insurance shall contain a clause which requires that CITY and SUBRECIPIENT be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

16. CIVIL RIGHTS / EQUAL OPPORTUNITY

A. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. SUBRECIPIENT agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b), Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 and Executive Order 11246 as amended by Executive Orders 11375 and 12086.

C. SUBRECIPIENT shall comply with all applicable fair housing, civil rights, and anti-discrimination laws in its selection of beneficiaries and its implementation of the program including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Age Discrimination Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.

D. SUBRECIPIENT will furnish all information and reports requested by the CITY, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.

E. In the event of SUBRECIPIENT's non-compliance with the non-discrimination requirements, CITY may cancel or terminate the Agreement in whole or in part in accordance with Sections 24 and 25 and SUBRECIPIENT may be barred from further contracts with CITY.

F. SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of these definitions, "minority group members" are Afro-Americans; Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans; Asian Americans; and American Indians. SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

17. PERSONNEL POLICIES

Personnel policies shall be established by SUBRECIPIENT and shall be available for examination. Such personnel policies shall:

A. include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel;

B. be in writing; and

C. be approved by the governing body of SUBRECIPIENT.

18. CONFLICT OF INTEREST

A. SUBRECIPIENT covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. SUBRECIPIENT further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.

B. SUBRECIPIENT further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.

C. No officer, member, or employee of CITY and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

19. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUBRECIPIENT or is a member of SUBRECIPIENT's governing board. The term "member of immediate family" includes: wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

20. POLITICAL OR SECTARIAN ACTIVITY

A. Neither the funds provided pursuant to this Agreement, nor any personnel who may be employed by the SUBRECIPIENT with funds provided pursuant to this Agreement, shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.

B. The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities, lobbying, political patronage, or nepotism activities.

C. The SUBRECIPIENT agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the SUBRECIPIENT connected with any activity that is funded in whole or in part by funds provided to SUBRECIPIENT under this Agreement may not during the term of this Agreement:
    1) use their official position or influence to affect the outcome of an election or nomination;
    2) solicit contributions for political purposes; or
    3) take an active part in political management or in political campaigns.

D. SUBSUBRECIPIENT hereby agrees to sign a Certification Regarding Lobbying included herein as Exhibit C and if necessary, the Disclosure of Lobbying Activities provided by the CITY.

21. PUBLICITY

A. Where such action is appropriate, SUBRECIPIENT shall publicize the activities conducted by SUBRECIPIENT under this Agreement to state that the City of Denton has contributed to make the project possible.

B. All published material and written reports submitted under this project must be originally developed material unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.

C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

22. CHANGES AND AMENDMENTS

A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.

B. SUBRECIPIENT may not make transfers between or among approved line items within budget categories set forth in Exhibit B without prior written approval of CITY. SUBRECIPIENT shall request, in writing, the budget revision in a form prescribed by CITY, and such request for revision shall not increase the total monetary obligation of CITY under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.
C. The City Manager or designee may authorize minor amendments to the approved budget in Exhibit B as necessary to carry out the intent of this Agreement, in a manner consistent with the efficient use of public funds, and in accordance with federal law. Such minor amendments may not increase the not to exceed amount set forth in Exhibit B, extend the term, or otherwise alter the performance obligations of SUBRECIPIENT, without approval of the City Council. Minor Amendment requests must be submitted no later than September 15, 2027. Any request to change the use of funding, request additional funding, or request term extension will not be approved.
D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.
E. CITY may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of SUBRECIPIENT's compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.
F. Any alterations, deletions, or additions to the Budget set forth in Exhibit B requested by SUBRECIPIENT shall require the prior written approval of CITY.
G. SUBRECIPIENT agrees to notify CITY of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.
H. SUBRECIPIENT shall notify CITY of any changes in personnel or governing board composition.

23. SUSPENSION OF FUNDING

Upon determination by CITY of SUBRECIPIENT's failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, CITY, without limiting any rights it may otherwise have, may, at its discretion, and upon ten working days written notice to SUBRECIPIENT, withhold further payments to SUBRECIPIENT. Such notice may be given by mail to the Executive Officer and the Board of Directors of SUBRECIPIENT. The notice shall set forth the default or failure alleged, and the action required for cure. The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if CITY determines the default or deficiency has been satisfied, SUBRECIPIENT may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If, however, CITY determines that SUBRECIPIENT has not come into compliance, the provisions of Section 25 may be effectuated.

24. TERMINATION

A. CITY may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this Section:
   (1) SUBRECIPIENT's failure to attain compliance during any prescribed period of suspension as provided in Section 24.
   (2) SUBRECIPIENT's failure to materially comply with any of the terms of this Agreement.
   (3) SUBRECIPIENT's violation of covenants, agreements, or guarantees of this Agreement.

(4) Termination or reduction of funding by the CITY.
(5) Finding by CITY that the SUBRECIPIENT:
    a. is in such unsatisfactory financial condition as to endanger performance under this Agreement; or
    b. has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
    c. is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
(6) Appointment of a trustee, receiver, or liquidator for all or substantial part of SUBRECIPIENT's property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against SUBRECIPIENT.
(7) SUBRECIPIENT's inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 4, and Section 2, of this Agreement.
(8) The commission of an act of bankruptcy.
(9) SUBRECIPIENT's violation of any law or regulation to which SUBRECIPIENT is bound or shall be bound under the terms of the Agreement.

B. CITY shall promptly notify SUBRECIPIENT in writing of the decision to terminate and the effective date of termination.
C. CITY may terminate this Agreement for convenience at any time. If CITY terminates this Agreement for convenience, SUBRECIPIENT will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination, subject to the requirements of Section 7 and Exhibit B. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of SUBRECIPIENT covered by the Agreement, less payments previously made.
D. SUBRECIPIENT may terminate this Agreement in whole or in part by written notice to CITY, if a termination of outside funding occurs upon which SUBRECIPIENT depends for performance hereunder. SUBRECIPIENT may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of CITY, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between SUBRECIPIENT and the funding source in question. SUBRECIPIENT may terminate this Agreement upon the dissolution of SUBRECIPIENT's organization not occasioned by a breach of this Agreement.
E. Upon receipt of notice to terminate, SUBRECIPIENT shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. CITY shall not be liable to SUBRECIPIENT or SUBRECIPIENT's contractors, subcontractors or creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this Section.
F. Notwithstanding any exercise by CITY of its right of suspension or termination, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any breach of the Agreement by SUBRECIPIENT, and CITY may withhold any reimbursement to SUBRECIPIENT until such time as the exact amount of damages due to CITY from SUBRECIPIENT is agreed upon or otherwise determined.

25. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action or proceeding is made or brought by any person(s), firm, corporation, or other entity against SUBRECIPIENT, SUBRECIPIENT shall give written notice thereof to CITY within five working days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action or proceeding; the names and addresses of the person(s), firm, corporation or other entity making such claim or demand, or that instituted or threatened to institute any type of suit, or other action or proceeding; the basis of such claim, demand, suit, or other action or proceeding; and the name of any person(s) against whom such claim, demand, suit, or other action or proceeding is being made or threatened. Such written notice shall be delivered either personally or by mail postage paid in accordance with the provisions of Section 29.I.

26. INDEMNIFICATION

A. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BOTH PARTIES HERETO THAT CITY IS CONTRACTING WITH SUBRECIPIENT AS AN INDEPENDENT CONTRACTOR AND THAT AS SUCH, SUBRECIPIENT SHALL SAVE AND HOLD CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES, AND CONTRACTORS HARMLESS FROM ALL LIABILITY OF ANY NATURE OR KIND, INCLUDING COSTS AND EXPENSES FOR, OR ON ACCOUNT OF, ANY CLAIMS, AUDIT EXCEPTIONS, DEMANDS, SUITS, OR DAMAGES OF ANY KIND OR CHARACTER WHATSOEVER RESULTING IN WHOLE OR IN PART FROM THE PERFORMANCE, ACT OR OMISSION OF ANY EMPLOYEE, AGENT, CONTRACTOR, SUBCONTRACTOR, OR REPRESENTATIVE OF SUBRECIPIENT.

B. **SUBRECIPIENT AGREES TO PROVIDE THE DEFENSE FOR AND TO INDEMNIFY AND HOLD HARMLESS CITY AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES, AND CONTRACTORS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, DEMANDS, DAMAGES, LOSSES, ATTORNEY FEES, EXPENSES, AND LIABILITY ARISING OUT OF THE USE OF THESE CONTRACTED FUNDS AND PROGRAM ADMINISTRATION AND IMPLEMENTATION EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL ACT OR OMISSION OF CITY, ITS AGENTS, EMPLOYEES, OR CONTRACTORS**.

27. NON-RELIGIOUS ACTIVITIES

A. SUBRECIPIENT is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect CITY or Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those organizations' programs.

B. Faith based organizations that carry out programs or activities with direct financial assistance are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:

(1) The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;

(2) The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary;

(3) The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance;

(4) If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection; and

(5) A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.
   (a) Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstances that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.
   (b) Faith-based organizations that carry out a program or activity with direct Federal financial assistance are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary objects to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

28. MISCELLANEOUS

A. SUBRECIPIENT shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of CITY.

B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.

C. All reports, documents, studies, charts, schedules, or other appended documentations to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

D. Debarment: SUBRECIPIENT certifies that it is not listed on the System for Award Management (SAM), which list the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.

E. In no event shall any payment to SUBRECIPIENT hereunder, or any other act or failure of CITY to insist in any one or more instances upon the terms and conditions of this Agreement, constitute or be construed in any way to be a waiver by CITY of any breach of covenant or default which may then or subsequently be committed by SUBRECIPIENT. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to CITY to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of CITY may waive the effect of this provision.

F. This Agreement, together with the referenced EXHIBITS, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion, statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.

G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY will have the final authority to render or to secure an interpretation.

H. If SUBRECIPIENT provides services to the homeless it is required to:
   (1) Report homeless data to the Homeless Management Information System ("HMIS"). HMIS is a countywide data management tool designed to facilitate data collection in order to improve human service delivery

throughout Denton County. Participation in the HMIS is a requirement per this Agreement. Data entered into HMIS will help our community improve services to individuals experiencing homelessness by providing accurate information on the extent and nature of homelessness in our community and by accounting for our success in helping people move out of homelessness. Participation is also critical to help CITY and Denton County successfully compete for grants for federal funding, such as the U.S. Department of Housing and Urban Development's homeless assistance funds.

(2) Participate in the Denton County Homeless Leadership Team meetings and any applicable workgroup(s). The Denton County Homeless Leadership Team is a collaborative, cross-sector team that convenes to improve the planning, coordination, oversight, and implementation required to create systems change for housing/homelessness initiatives in Denton County. Further, the SUBRECIPIENT is encouraged to work in partnership with fellow service providers to improve efficiency and effectiveness.

I. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if delivered by courier or overnight mail service or if sent U.S. Mail postage paid, in each case to the parties and addresses set forth below:

TO CITY:
Director of Community Services
City of Denton
601 E. Hickory, Suite 115
Denton, Texas 76205

w/ a copy to:
City Attorney
City of Denton
215 E. McKinney Street
Denton, TX 76201

TO RECIPIENT:
[SUBRECIPIENT.]
Attn: Executive Director/CEO/Commander
[Address]
Denton, Texas [Zip Code]

J. This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any litigation concerning this Agreement shall be in a court of competent jurisdiction sitting in Denton County, Texas.

IN WITNESS WHEREOF, this Agreement has been executed as of the ________ day of ______________________, 2026.

CITY OF DENTON:

BY: ______________________________
JESSE KENT, DIRECTOR OF COMMUNITY SERVICES

ATTEST:

BY: ______________________________

____

APPROVED AS TO LEGAL FORM:

BY: ______________________________
MACK REINWAND,
CITY ATTORNEY

[SUBRECIPIENT]:

BY: ______________________________

TITLE: ______________________________

ATTEST:

BY: ______________________________

TITLE: ______________________________

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms

____
Signature

Director of Community Services
____
Title

Community Services
____
Department

Date Signed: ______________________

Exhibit A

Scope of Services

The Scope of Services under this Agreement shall be as follows:

SECTION I – SERVICE GOAL

SUBSUBRECIPIENT assists the City of Denton to improve the availability and accessibility of services that promote strong, supportive relationships for families, neighborhoods, and communities and a suitable living environment, as outlined in the 2023-2027 City of Denton Consolidated Plan for the use of General Funds and supports a coordinated effort to maximize community resources.

SUBSUBRECIPIENT shall provide: [Program] to [describe services]. The program will be operated at [address]. The program will operate [hours of operation].

SECTION II – OUTCOMES

SUBRECIPIENT shall provide benefits to the citizens of the City of Denton by achieving these outcomes:

Impact Area:
Common Outcome:
Total Number of City of Denton Clients Estimated to Achieve Outcome:

SECTION III – UNIT OF SERVICE

A unit of service will be the metric by which the CITY and the SUBRECIPIENT can measure services and performance under this Agreement. The SUBRECIPIENT shall provide at least the total number of units of service required herein to perform its obligations under this Agreement. A unit of service shall be defined as services provided to an eligible low to moderate-income person or other presumed benefit category as defined, who is a resident of the City of Denton, to help them achieve the above outcome(s), in the manner provided below.

Total Number of Unduplicated Clients

Total Number of Unduplicated Clients City of Denton Only:

Service Unit:
Program Budget:
Unit of Service:
Service Units per Year:
Estimated cost per Client:

Exhibit B
Budget

SUBRECIPIENT shall provide the services listed in this Agreement within the monetary limits attached hereto and incorporated by reference herein. In no event shall compensation to the SUBRECIPIENT exceed the lesser of the SUBRECIPIENT's costs attributable to the work performed as stated herein, or sum of $xx,xxx.xx.

Allowable Expenditure	
[Line items for allowable expenditures]	$
Total	$

SUBRECIPIENT will be reimbursed in accordance with Section 4 of this Agreement for eligible expenditures made in connection with the Scope of Services described in Exhibit A to this Agreement. SUBRECIPIENT will submit monthly reimbursement requests as provided in this Exhibit B and in this Agreement. Expenditures are made in connection with the Scope of Services described in Exhibit A to this Agreement and Cost Allocation Plan.

Reimbursement requests must include (list items/backup required with Request for Payment)
All Agencies:
1. Cost Allocation Plan due by October 1, 2026
2. Client List, with name OR numbered with unique identifier (at least monthly)
3. Other documentation may be requested to support any cost allocation reimbursements
4. Self-Certification only for City of Denton clients

For Agencies Seeking Salary reimbursements:
1. Copy of HUD Timesheet signed by staff member AND supervisor
2. Copy of Paystub with payroll detail. Payroll register accepted if provided by third party vendor.
3. City of Denton Salary Ledger Sheet

For Agencies seeking cost reimbursement for purchase of Goods or Services:
1. Invoice ANDOR Receipt must be legible and full page, no cutoffs (client specific goods, must have client name or identifier on the receipt, list date of service if different than date of payment)
2. Proof of payment (copy of check with check number or bank statement)
3. If purchased with credit card, proof credit card was paid
4. Executed lease agreement, if applicable.
5. Welcome Letter with security deposit information, if applicable
6. Clients must sign off stating they received the goods purchased
7. Sign-in sheets (applicable for classes such as life skills, employment training, etc.)

Exhibit C
U.S. Department of Housing and Urban Development (HUD)
Income Limits

Qualifying Income Limits for Federally Assisted Programs

FY 2026 Income Limits Summary
Dallas, TX HUD Metro FMR Area

[Current income limits to be published by HUD]

Exhibit D
Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-ILL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTs shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[ORGANIZATION]
___
Subrecipient

___
Signature Title

___
Date

Exhibit E
Monitoring Checklist

Monitoring Review Form

ITEMS TO MAKE AVAILABLE FOR SITE VISIT

(any that have not already been submitted)

For current funding year except where indicated.

- ☐ All Project/Case/Client Files with Application, Income Verification, etc.
- ☐ Time Sheets for Staff paid by City funds
- ☐ Budget for PREVIOUS and CURRENT fiscal year include w/Budget -v-Actual.
- ☐ PREVIOUS and CURRENT fiscal year Balance Sheet as reported to agency board.
- ☐ General Ledger/Journals showing YTD Expenses for City Funds
- ☐ Bank Statements with Reconciliations*
- ☐ Procurement Procedures*

*Only in Financial Management Expanded Section Reviews.

Policies and Procedures Guide(s)/Manual(s):	**Current Revision Date:**
☐ Board	
☐ Financial (Separation of Duties/Internal Controls, Procurement, etc.)	
☐ Personnel (Equal Opportunity & Non-Discrimination, Nepotism, etc)	
☐ Program Guidelines	
Governing Documents	**Current Revision Date:**
☐ 501 (c) tax-exempt status IRS letter	
☐ Articles of Incorporation with any amendments	
☐ Bylaws	
Reporting Documents w/Service Agreement	**Current Revision Date:**
☐ Most Recent Audit	
☐ Cost Allocation Form	
☐ Agency Update	
☐ Bond/Liability Insurance	
Reporting Documents - Monthly	**Current Revision Date:**
☐ Board Agendas, & Minutes (with Attendance)	
☐ Monthly Budget report	
☐ Back-up Documentation Performance/Outcome Measures	
☐ Back-up Documentation for Beneficiary (Client List)	
☐ Proof of Payroll Tax Payments	

CITY OF DENTON

Monitoring Review Form

ENTRANCE CONFERENCE OUTLINE

☐ Introductions

Monitor 1: ______________________

Monitor 2: ______________________

☐ Purpose of the Monitoring Review.

- To gather information
- Focus on performance
- Provide information that will be useful for improvement planning and improved performance
- To address any issues of non-compliance that arise
- Follow up to any other previous Desk, Informal or Formal Monitoring

Why this agency was selected (City looks at a number of factors):

- Funding Source (Community Development Block Grant vs General Fund)
- Risk Analysis Scoring
- Substantial agency changes - leadership, budget variances, loss of funding source etc.

☐ What to expect during and after the on-site Interview

- Interviews with key staff
- File review
- Program observation
- Exit Conference - Preliminary Findings
- Final report - Written report of observations and/or findings by critical element

☐ Review any Questions and discussion points of any concern or information pertinent to the review before the process begins.

Monitoring Review Form

EXIT CONFERENCE OUTLINE

We understand your time is valuable but to limit exposure during federal grant audits, The City of Denton needs to ensure compliance with rules and regulations. The city wishes to thank you for your time and patience in participating in any review process.

☐ Purpose of the Exit Conference.

- To present and discuss the preliminary findings as a result of interviews, file reviews and observations conducted during the review
- As stated in entrance conference, the purpose of the review is to provide information that will be useful for improvement planning and improved performance

FINDINGS: *Summary of findings by critical element (On-site Monitoring Report Form), including technical assistance available.*

☐ As Findings are presented, any questions or comments are welcome.

☐ For the review, the critical elements looked at were:

☐ Program: ______________________________

☐ Individuals interviewed:

1: ______________________________

2: ______________________________

3: ______________________________

4: ______________________________

5: ______________________________

☐ Files (Client File Review Form Attachment)

☐ Documents (Items to Make Available) and others requested during the review:

1: ______________________________

2: ______________________________

3: ______________________________

4: ______________________________

5: ______________________________

☐ Closing

- Written reports returned: ______________________________

Monitoring Review Form

MONITORING INFORMATION

Review Period:	Review Date:
Subrecipient Organization:	
Project Name:	
Executive Director:	

I. FUNDING INFORMATION

Contract Amount	$
Funding Source(s) – (i.e. ESG, General Fund, CDGB, etc.):	
	$
	$
	$

II. PERSONS INTERVIEWED

Name	Title	Entrance/Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit
		☐ Entrance ☐ Exit

III. MONITORING FROM SECTIONS COMPLETED

Section Reviewed		Date
Monitoring Notification	☐	
HUD National Objectives	☐	
Program Review	☐	
Record Keeping/Reporting Practices	☐	
Board Policies/Practices	☐	
Financial Management Condensed	☐	
Financial Management Expanded*	☐	
Monitoring Results Report	☐	

*Agencies will be notified if Financial Management Expanded section will be completed.

Monitoring Review Form

ELIGIBLE HUD NATIONAL OBJECTIVE

I. National Objective Compliance

The National Objective of this contract is to benefit low and moderate-income persons. This project complies with the contract on the following basis and/or activity:

☐ L/M Income Area Benefit: The public service is available to all the residents in a particular primarily residential area, and at least 51% of those residents are L/M income persons.

☐ L/M Limited Clientele: The public service is limited to a specific group of people, at least 51% of who are L/M income persons. Services serve a specific clientele, rather than providing service to all the persons in a geographic area.

II. Limited Clientele Designation

☐ Presumed Benefit: exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. Check the applicable designation. (all clients must meet 100%)

☐ Abused children ☐ Homeless persons ☐ Elderly Persons ☐ Illiterate adults

☐ Severely disabled ☐ Persons with AIDS ☐ Battered spouses ☐ Migrant Farm Workers

☐ Income Eligible: require information on family size and income so that it is evident that at least 51 percent of the clientele are LMI.

☐ Nature & Location: be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low and moderate income persons. "Must be approved by HUD" as meeting the low/mod eligibility under this category.

III. Eligible Activity

☐ Public Service(s): employment services, crime prevention & public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, services for seniors, services for homeless persons, welfare services (excluding income payments), recreational services, and etc.

1. Funds may be used to operate the facility in which the public service is located.
2. The service must be new or pass the quantifiable increase test.
3. Certain income payments are eligible if they meet certain criteria.

☐ Ineligible Service(s)

1. Political activities;
2. Acquisition, construction, or reconstruction of buildings for conduct of govt.;
3. Construction of new housing by units of general local government;
4. Certain income payments; and
5. Assistance supplants funding for pre-existing activities

Monitoring Review Form

PROGRAM REVIEW

I. Back-up documentation supporting the data reported in most recent beneficiary report and performance report.

1. Does the back-up support the data reported to the Community Development? ☐ Yes ☐ No

II. **Contract Performance Targets** (as listed in current contract)

1. Persons: ____________ Units: ____________

III. **Review Period Performance** (Oct 1 through current report month)

1. Persons: ____________ Units: ____________
2. % of Target Persons served: ________________________
3. % of Target Units provided: ________________________
4. Is the subrecipient agency significantly behind in the provision of units? ☐ Yes ☐ No
5. % of Contract Amount reimbursed: ________________________
6. Are expenditures proportional to the number of units provided? ☐ Yes ☐ No
7. Is the subrecipient agency providing services as described in the Scope of Services in the Service Agreement? ☐ Yes ☐ No
8. Is the subrecipient agency meeting the outcome measures described in the Service Agreement? ☐ Yes ☐ No

GOVERNING DOCUMENT

I. Has the appropriate legal incorporation and other documents been filed with the federal and state government?

1. Certificate of Formation (IRS Determination Letter) ☐ Yes ☐ No
2. Articles of Incorporation with all amendments ☐ Yes ☐ No
3. By-Laws with all amendments ☐ Yes ☐ No
4. Other Governing Documents

a. Board	☐ approved within the last 3 years	☐ Yes ☐ No
b. Personnel	☐ approved within the last 3 years	☐ Yes ☐ No
c. Financial	☐ approved within the last 3 years	☐ Yes ☐ No
d. Program Guidelines	☐ approved within the last 2 years	☐ Yes ☐ No

Monitoring Review Form

RECORD KEEPING/REPORTING PRACTICES

1. Is the filing system orderly, comprehensive, and up-to-date? ☐ Yes ☐ No
2. Are the records safe and secured for confidentiality? ☐ Yes ☐ No
   a. Are passwords/keys promptly cancelled for terminated employees? ☐ Yes ☐ No
   b. Are there appropriate procedures for back-up and storage of program and data files? ☐ Yes ☐ No
3. Are the records accessible for review by the City or HUD? ☐ Yes ☐ No
4. Does the subrecipient maintain records for (5) years after the termination or expiration of the contract? ☐ Yes ☐ No
   a. If so, where do you store any prior-year files, if applicable? ☐ Yes ☐ No

---

5. Has the subrecipient submitted to the City a current Agency Update form? ☐ Yes ☐ No
6. Has the subrecipient submitted to the City a current Cost Allocation Plan? ☐ Yes ☐ No
7. Is a current fidelity bond/liability insurance policy on file? ☐ Yes ☐ No
   a. Is the City of Denton named as additional insured on the policy? ☐ Yes ☐ No
   b. Is there a provision that policy may not be canceled or lapse without 30-days prior written notice to the City of Denton? ☐ Yes ☐ No
8. Has the subrecipient submitted reports, requests, and etc timely? ☐ Yes ☐ No
9. Does the subrecipient have the appropriate government or oversight-entity standard of being safe, sanitary, or compliant? ☐ Yes ☐ No
   List entity & certifications.

---

10. Does the organization generate monthly financial reports reviewed by the Executive Director and the Board of Directors? ☐ Yes ☐ No

---

Describe Communication method:

Monitoring Review Form

BOARD POLICIES & PRACTICES

1. Has the subrecipient submitted to the City a list of its most current board of directors with their appropriate titles? ☐ Yes ☐ No

2. When the Board of Directors makes decisions, a quorum is present & minutes are maintained? ☐ Yes ☐ No

3. What actions are taken to ensure the board is professionally and culturally diverse? ☐ Yes ☐ No

4. Does the board and staff work together to develop and adopt a strategic plan for the organization? ☐ Yes ☐ No

   Describe Process/Frequency:

ANTI-DISCRIMINATION COMPLIANCE

1. How does your organization ensure equal opportunity and non-discrimination in soliciting for and hiring staff?

2. Is the Equal Employment Opportunity (EEO) placard or poster in an area accessible to employees and applicants for employment? ☐ Yes ☐ No

3. Is the office location accessible by ramp and have an accessible restroom? ☐ Yes ☐ No

4. Are there any religious services, proselytizing, instructions, or any other religious preference, influence, or discrimination in connection with providing the services stated in the Program Scope. ☐ Yes ☐ No

5. Are there provisions in the personnel policies to prohibit the following:

   a. conflict of interest? ☐ Yes ☐ No p:
   b. sectarian activities? ☐ Yes ☐ No p:
   c. nepotism? ☐ Yes ☐ No p:
   d. political activity and lobbying? ☐ Yes ☐ No p:

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

I. Audit

1. Is the subrecipient subject to OMB Circular A-133, which requires a single audit if the subrecipient has expended federal funds in excess of $500,000? ☐ Yes ☐ No

2. Has the subrecipient made arrangements to have an audit conducted? ☐ Yes ☐ No

3. Did subrecipient use competitive bid process in the last four years to procure audit services? ☐ Yes ☐ No

   a. Name of audit firm: ____________________

4. Has the subrecipient submitted the most recent audit report? ☐ Yes ☐ No

5. Are there any unresolved audit issues? If yes, list status below? ☐ Yes ☐ No

____

____

II. Agency Controls

1. What is the subrecipient's fiscal year? ____________ to ____________

2. What system(s) does the agency use to perform its accounting function?

   ❒ Cash ❒ Accrual Accounting Software: ____________________

3. Is the system ❒ manual, ❒ automated, or a ❒ combination?

4. Has the organization been able to operate within its approved budget during the last two fiscal years? ☐ Yes ☐ No

5. Is an appropriate cash reserve/contingency fund available? ☐ Yes ☐ No

   a. What $/% is available in cash reserve/contingency funds? ____________________

6. Does subrecipient pay TWC taxes (state unemployment), State Workers' Comp., insurance companies, payroll taxes when they are due? ☐ Yes ☐ No

   a. Can payroll tax payments be verified? ☐ Yes ☐ No

   b. Can Worker's Comp. payments be verified? ☐ Yes ☐ No

Monitoring Review Form

FINANCIAL MANAGEMENT CONDENSED

III. Program Controls

1. If the subrecipient is requesting to pay salaries, do the salaries match with the percentages and positions they request monthly? ☐ Yes ☐ No

2. Does employees work on both CDBG and Non-CDBG related activities? ☐ Yes ☐ No

3. Are timesheets signed by appropriate supervisor or designated authority? ☐ Yes ☐ No

   b. Does the subrecipient use hourly distribution time sheets for employees paid from multiple funding sources? ☐ Yes ☐ No

   c. Do the time sheets reflect:
   ☐ actual time worked or ☐ budgeted percentages?

4. Review the months selected for expenditures, cash disbursement journals, and support documentation.

   Months Reviewed: ______________________________

   a. Are the expenditures allowable? ☐ Yes ☐ No

   b. Are there procedures to ensure items of cost are equitably charged? (ie. Cost Allocation Plan) ☐ Yes ☐ No

   c. Is the support documentation adequate? ☐ Yes ☐ No

5. Review Client Files (Attached Completed Client File Review Form(s)

Sample:

CLIENT FILE REVIEW FORM

Agency: ______________________ Reviewed By: ______________________

Period Reviewed: ______________________ Date: ______________________

Client Name/Number:				
Income Documentation Type:		**Eligible**		**Dates of Assistance:**
☐ Self Certification Form ☐ Pay Stub ☐ Bank Statement(s) ☐ Other:	Notes/Comments:	Yes	No	
		COD Resident		**Zip:**
		Yes	No	
		Income Eligible		**Amount:**
		Yes	No	$

Monitoring Review Form

FINANCIAL MANAGEMENT EXPANDED

1. Have all financial corrective action requirements from the previous monitoring report been corrected? ☐ Yes ☐ No

2. Who signs checks? Do names on the bank signature cards match the signature on checks? ☐ Yes ☐ No

    a. How many signatures are required? ______________

3. Is there separation of duties to ensure effective control over preparation, authorization/certification, and distribution of checks? ☐ Yes ☐ No

    a. Review the procedure of check processing within the agency's financial procedures. ☐ Yes ☐ No

    b. Are bank statements and canceled checks received and reconciled by a person independent of the authorization and check signing function? ☐ Yes ☐ No

4. Are bank statements reconciled monthly to the General Ledger? ☐ Yes ☐ No

    a. Does the organization reconcile all cash accounts monthly? ☐ Yes ☐ No

5. Does the subrecipient have a current list of assets and values? ☐ Yes ☐ No

6. Does the organization currently have any checks, outstanding debts, or bills more than 90 days delinquent? ☐ Yes ☐ No

7. Does the subrecipient have any interest or other income generated by City of Denton funds? If yes, document explanation given by Fiscal Officer and ask for proof of documentation ☐ Yes ☐ No

    a. Does interest or income generated by City funds go back into the program? ☐ Yes ☐ No

☐ PROCUREMENT

1. Has subrecipient established efficient and effective procurement procedures in accordance with applicable laws and regulations? ☐ Yes ☐ No

    a. Do the procurement methods assure maximum open & free competition? ☐ Yes ☐ No

    b. Do the procurement procedures provide for review of proposed purchase by the appropriate officials to avoid the purchase of unnecessary or duplicate items? ☐ Yes ☐ No

    c. Did subrecipient establish written selection criteria?

EXHIBIT 4
2026-2027 COMMUNITY DEVELOPMENT BLOCK GRANT SERVICE AGREEMENT BETWEEN THE CITY OF DENTON, TEXAS AND [SUBRECIPIENT]

This 2026-2027 Grant Service Agreement ("Agreement") is made and entered into by and between the City of Denton, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as "CITY," and [Subrecipient Name], a Texas nonprofit corporation with its principal place of business at [Address], hereinafter referred to as "SUBRECIPIENT."

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, as amended (the "ACT"); CDBG Program, CFDA Number 14-218; and

WHEREAS, CITY's Community Services Advisory Committee ("CSAC") has reviewed the SUBRECIPIENT's proposal for services and has determined that SUBRECIPIENT performs an important service for the residents of the City of Denton without regard to race, religion, color, age, or national origin, and the CSAC recommends SUBRECIPIENT's proposal for services; and

WHEREAS, CITY has determined that the SUBRECIPIENT's proposal for services can provide needed services to the residents of the City of Denton in accordance with the 2023-2027 City of Denton Consolidated Plan and will benefit low- and moderate-income persons in the City of Denton, and desires to enter into an agreement for such services; and

WHEREAS, CITY has adopted a budget and included therein an authorized budget for the expenditure of funds in accordance with its 2023-2027 City of Denton Consolidated Plan and 2026 Action Plan;

WHEREAS, CITY has designated the Community Development Division as the division responsible for the administration of this Agreement and all matters pertaining thereto; and

WHEREAS, CITY's City Council has approved the expenditure of up to $XX,XXX.XX in CDBG funds consistent with the terms of this Agreement;

NOW, THEREFORE, the parties hereto agree, and by the execution hereof are bound to the mutual obligations and to the performance and accomplishment of the conditions hereinafter described.

1. TERM

This Agreement shall commence on or as of October 1, 2026, and shall terminate on September 30, 2027, unless sooner terminated in accordance with Section 25 "Termination." The City shall have the right, but not the obligation, to extend the term of this agreement for one (1) additional one-year period.

2. REPRESENTATIONS AND ACKNOWLEDGEMENTS

A. SUBRECIPIENT assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.

B. The person or persons signing and executing this Agreement on behalf of SUBRECIPIENT do hereby warrant and guarantee that he, she, or they have been fully authorized by SUBRECIPIENT to execute this Agreement on behalf of SUBRECIPIENT and to validly and legally bind SUBRECIPIENT to all terms, performances, and provisions herein set forth.
C. CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either SUBRECIPIENT or the person signing the Agreement to enter into this Agreement. SUBRECIPIENT is liable to CITY for any money it has received from CITY for performance of the provisions of this Agreement if CITY has suspended or terminated this Agreement for the reasons enumerated in this Section.
D. SUBRECIPIENT agrees that the funds and resources provided under the terms of this Agreement will in no way be substituted for funds and resources from other sources, nor in any way serve to reduce the resources, services, or other benefits which would have been available to, or provided through, SUBRECIPIENT had this Agreement not been executed.
E. The CITY's Director of Community Services will be CITY's representative responsible for the administration of this Agreement.
F. Both parties agree and acknowledge that the amount of funds provided hereunder is necessary and sufficient payment for full and satisfactory performance of the program in accordance with all terms, provisions, and requirements of this Agreement.
G. The parties expressly understand and agree that CITY's payment obligations under this Agreement are contingent upon CITY's receipt and appropriation of adequate CDBG funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify SUBRECIPIENT in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to SUBRECIPIENT under this Agreement.
H. Funding not expended within the term of this Agreement will revert to the City of Denton's CDBG budget for use on alternative services or projects.

4. SUBRECIPIENT OBLIGATIONS

A. **Performance of Scope of Services.**
   (1) SUBRECIPIENT shall perform all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein
   (2) Subrecipient shall be eligible for reimbursement only for expenditures made in accordance with the Budget, set forth in Exhibit B, to complete those services described in the Scope of Services in Exhibit A. SUBRECIPIENT shall not utilize these funds for any other purpose. No modifications or alterations may be made to the Scope of Services or Budget without the prior written approval of the CITY's Director of Community Services.
   (3) Beneficiaries of the activities to be provided hereunder must reside in the City of Denton and SUBRECIPIENT certifies that the activities carried out with these funds shall meet the Community Development Block Grant ("CDBG") program's National Objective of benefit to low and moderate-income persons. SUBRECIPIENT shall provide services to persons whose income is equal to or lower than 80% of the median income of the Dallas standard metropolitan statistical area. To accomplish this, the SUBRECIPIENT shall use the current applicable income limits

published by HUD for lower income housing assistance under Section 8 of the United States Housing Act of 1937. Income eligibility shall be determined by the sum of the gross income of all individuals residing in the household. Services must be provided directly to or on behalf of specific identified eligible clients.

B. Administrative Requirements

(1) Income eligibility documentation must be included in each client's file and updated annually, or services must be provided to a clientele that is within a "presumed benefit" category as specified in 24 CFR 570.208.

(2) SUBRECIPIENT will reduce to writing all of its rules, regulations, and policies and file a copy with CITY's Community Development Division along with any amendments, additions, or revisions upon request.

(3) SUBRECIPIENT's executive officer will be available to meet with CITY officials when requested.

(4) SUBRECIPIENT will submit to CITY copies of year-end audited financial statements.\

(5) SUBRECIPIENT will establish, operate, and maintain an account system for funds received pursuant to this Agreement that will allow for a tracing of funds and a review of the financial status of the program. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.

C. **Compliance with Federal, State, and Local Laws.**

(1) SUBRECIPIENT shall comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Denton.

(2) SUBRECIPIENT agrees to abide by the conditions of and comply with the requirements of the Office of Management and Budget's 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(3) SUBRECIPIENT shall give the CITY, HUD, the Comptroller General of the United States, the Auditor of the State of Texas, and any of their authorized representatives, access to and the right to reproduce all records belonging to or in use by SUBRECIPIENT pertaining to this Agreement. Such access shall continue as long as SUBRECIPIENT retains records. SUBRECIPIENT shall maintain such records in an accessible location for at least five (5) years after the end of the term.

(4) SUBRECIPIENT agrees to abide by the conditions of this Agreement and all other applicable Federal, state, and local laws and regulations such as the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of the Contract Work Hours Safety Standards Act, the Copeland "Anti-Kickback Act" (40 U.S.C. 276a-276a-5; 40 USC 327 and 40 USC 276c) pertaining to the performance of this Agreement.

(5) SUBRECIPIENT shall refrain from entering into any subcontract for services without prior approval in writing by CITY of the qualifications of the subcontractor to perform and meet the standards of this Agreement. All subcontracts entered into by the SUBRECIPIENT will be subject to the requirements of this Agreement. The SUBRECIPIENT agrees to be responsible to CITY for the performance of any subcontractor.

(6) SUBRECIPIENT shall not use funding under this Agreement to influence the outcome of elections or the passage or defeat of any legislative measures.

(7) SUBRECIPIENT understands that funds provided to it pursuant to this Agreement are funds which have been made available to CITY by the Federal Government (U.S. Department of

Housing and Urban Development) under the ACT, in accordance with an approved Grant Application and specific assurances. Accordingly, SUBRECIPIENT assures and certifies that it will comply with the requirements of the ACT and with regulations promulgated thereunder, and codified at 24 CFR Part 570. The foregoing is in no way meant to constitute a complete compilation of all duties imposed upon SUBRECIPIENT by law or administrative ruling, or to narrow the standards which SUBRECIPIENT must follow.

(8) SUBRECIPIENT further agrees and certifies that if the regulations and issuances promulgated pursuant to the ACT are amended or revised, it shall comply with them, or notify CITY, as provided in Section 23 of this Agreement.

(9) SUBRECIPIENT is required to comply with the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards as described in 24 CFR §570.502 and 24 CFR Part 570 subpart K with the exceptions noted below:

1. SUBRECIPIENT does not assume CITY'S environmental responsibilities described at 24 CFR §570.604.
2. SUBRECIPIENT does not assume the CITY's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

(10) SUBRECIPIENT agrees to comply with 24 CFR Part 135 – Section 3 Regulations, and all applicable rules and orders issued thereunder prior to the execution of this Agreement. The SUBRECIPIENT certifies that no contractual or other disability exists which would prevent compliance with these requirements.

(11) The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

(12) SUBRECIPIENT has submitted herewith a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Parties understand and agree that, with the exception of information identifying the CITY and the contract identification number, if any, the CITY is not responsible for the information contained in the Form 1295; the information contained in the Form 1295 has been provided solely by the SUBRECIPIENT; and the City has not verified such information.

(13) SUBRECIPIENT acknowledges that in accordance with Chapter 2273 of the Texas Government Code, City is prohibited from entering into a taxpayer resource transaction with an abortion provider or an affiliate of an abortion provider. The terms "taxpayer resource transaction," "abortion provider," and "affiliate of an abortion provider" shall have those definitions provided in Texas Government Code § 2273.001. By signing this Agreement, SUBRECIPIENT certifies that is not an abortion provider or an affiliate of an abortion provider, and that it will not use the proceeds of this Agreement for the purpose of assisting a woman with procuring an abortion or the services of an

abortion provider. Failure to meet or maintain the requirements under this provision will be considered a material breach.

(14) SUBRECIPIENT shall be prohibited from using grant funds to promote “gender ideology” as defined in Executive Order (E. O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

(15) SUBRECIPIENT agrees to comply with all applicable Federal anti-discrimination laws that are material to the U.S. Government’s payment decisions for purposes of section 3729(b)(4) of title 32, United States Code.

D. Additional Obligations.

(1) SUBRECIPIENT will not enter into any contracts that would encumber CITY funds for a period that would extend beyond the term of this Agreement.

(2) SUBRECIPIENT will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to CITY’s Community Development Division for further direction.

(3) SUBRECIPIENT’s executive officer shall be SUBRECIPIENT’s representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

4. CITY OBLIGATIONS

E. **Limit of Liability.** In consideration of full and satisfactory performance of the services and activities hereunder by SUBRECIPIENT, CITY will reimburse SUBRECIPIENT for expenses incurred pursuant to and in accordance with the Project Budget attached hereto as Exhibit B necessary for the performance of the Scope of Services herein attached as Exhibit A and incorporated herein by reference. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of Amount in text Dollars - $XX,XXX.XX.

B. Payments by City. Within twenty-one days after receipt from SUBRECIPIENT of a requisition for payment with appropriate documentation of expenditures, CITY shall make payments to SUBRECIPIENT based on the Budget in Exhibit B, subject to the limitations and provisions set forth in this Section and Section 5 of this Agreement. Payments may be contingent upon certification of the SUBRECIPIENT’s financial management system in accordance with the standards specified in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(1) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of SUBRECIPIENT requiring prior written authorization from CITY, or after CITY has requested that SUBRECIPIENT furnish data concerning such action prior to proceeding further, unless and until CITY advises SUBRECIPIENT to proceed.

(2) CITY shall not be obligated or liable under this Agreement to any party other than SUBRECIPIENT for payment of any monies or provision of any goods or services.

5. PAYMENT CONDITIONS

A. CITY shall not be liable for, nor shall it reimburse SUBRECIPIENT for, any cost or portion thereof which:

(a) has been paid or reimbursed, or is subject to payment or reimbursement, from any other source;

(b) was incurred prior to the beginning date or after the ending date specified in Section 1;
(c) is not in strict accordance with the terms of this Agreement, including all exhibits attached hereto;
(d) has not been included in a request for reimbursement to CITY within 90 calendar days following billing to SUBRECIPIENT, or termination of the Agreement, whichever date is earlier; or
(e) is not an allowable cost as defined by this Agreement or in the Budget set forth in Exhibit B.

B. If, in CITY's sole judgment, SUBRECIPIENT's reimbursement request for any period does not provide sufficient documentation of allowable expenditures or if CITY requests inspection or verification of claimed expenditures after receipt of a reimbursement request, CITY may withhold reimbursement for those expenditures for an amount of time deemed reasonable by CITY pending such inspection, verification, or receipt of documentation.

C. Costs must comply with eligible CDBG Program Activities pursuant to guidance published by HUD and CDBG regulations located at 24 CFR Part 570.

D. Approval of SUBRECIPIENT's Budget, Exhibit B, does not constitute prior written approval, even though certain items may appear herein. CITY's prior written authorization is required in order for the following to be considered allowable costs:
   1) Encumbrances or expenditures during any one-month period shall be calculated based on the Cost Allocation Plan. The methodology, such as total budget for the program, shall be consistently applied to all shared expenses.
   2) CITY shall not be obligated to any third parties, including any subcontractors of SUBRECIPIENT, and CITY funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
   3) Any alterations or relocation of the facilities on and in which the activities specified in Exhibit A are conducted.
   4) Any alterations, deletions, or additions to the Budget detail incorporated in Exhibit B.
   5) Costs or fees for temporary employees or services.
   6) Any fees or payments for consultant services; and
   7) Fees for attending out of town meetings, seminars, or conferences.

E. Written requests for prior approval are SUBRECIPIENT's responsibility and shall be made within sufficient time to permit a thorough review by CITY. SUBRECIPIENT must obtain written approval by CITY prior to the commencement of procedures to solicit or purchase services or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.

F. Expenditures will not be reimbursed to the SUBRECIPIENT for the purchase of real property or equipment. These are not allowable costs under this Agreement.

G. Overtime, bonuses, fringe benefits, and other miscellaneous non-salary personnel costs are not eligible for reimbursement under this Agreement.

6. EVENTS REQUIRING REVERSION OF FUNDS

A. **Excess Payment**. SUBRECIPIENT shall refund to CITY within ten working days of CITY's request, any sum of money which has been paid by CITY and which CITY at any time thereafter determines:
   (1) has resulted in overpayment to SUBRECIPIENT; or
   (2) has not been spent strictly in accordance with the terms of this Agreement; or
   (3) is not supported by adequate documentation to fully justify the expenditure.

B. **Disallowed Costs**. Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by CITY, the U.S. Department of Housing and Urban Development, or any other Federal agency, SUBRECIPIENT will refund such amount to CITY within ten working days of a written notice to SUBRECIPIENT, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through CITY.

C. **Reversion of Assets**.

(1) SUBRECIPIENT, upon expiration of this Agreement, shall transfer to the CITY any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.

(2) The reversion of these financial assets shall be in addition to any other remedy available to CITY either at law or in equity for breach of this Agreement.

D. **Obligation of Funds**.

(1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in Exhibit A, CITY hereby reserves the right to reappropriate or recapture any such under expended funds.

(2) If CITY finds that SUBRECIPIENT is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by SUBRECIPIENT, as well as any remaining unexpended funds which shall be refunded to CITY within ten working days of a written notice to SUBRECIPIENT to revert these financial assets.

E. **Contract Close Out**. SUBRECIPIENT shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 working days following the close of the Agreement period.

7. PROGRAM INCOME

A. For purposes of this Agreement, Program Income means earnings of SUBRECIPIENT realized from activities resulting from this Agreement or from SUBRECIPIENT's management of funding provided or received hereunder. Such earnings include, but are not limited to, income from interest, usage or rental or lease fees, income produced from contract-supported services of individuals or employees, or from the use or sale of equipment or facilities of SUBRECIPIENT provided as a result of this Agreement, and payments from clients or third parties for services rendered by SUBRECIPIENT under this Agreement.

B. SUBRECIPIENT shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and reported to CITY in the format prescribed by CITY. CITY and SUBRECIPIENT agree that any fees collected for services performed by SUBRECIPIENT shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement and the regulations found at CFR, Section 570.504.

C. SUBRECIPIENT shall include this Section in its entirety in all of its subcontracts which involve other income-producing services or activities.

D. It is SUBRECIPIENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes

Program Income. SUBRECIPIENT is responsible to CITY for the repayment of any and all amounts determined by CITY to be Program Income, unless otherwise approved in writing by CITY.

8. REPORTS AND INFORMATION

At such times and in such form as CITY may require, SUBRECIPIENT shall furnish such statements, records, data, and information as CITY may request and deem pertinent to matters covered by this Agreement. SUBRECIPIENT shall submit beneficiary and financial reports to CITY no less than once every three months. The beneficiary report shall detail client information, including race, ethnicity, income, head of household, disabled and elderly households and other statistics required by CITY using the CITY's Self-Certification form. The financial report shall include information and data relative to all programmatic and financial reporting as of the beginning date specified in Section 1 of this Agreement. SUBRECIPIENT shall submit its annual budget and schedule of board meetings, along with the resolutions or minutes adopting the same, to CITY no later than October 1, 2026 Unless the CITY has granted a written exemption, SUBRECIPIENT shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the SUBRECIPIENT receives and/or expends more than $1,000,000 in federal funding, the audit must be conducted in accordance with OMB audit requirements in 2 CFR Part 200, as applicable, within thirty days after receipt of the auditor's report(s) or within nine months after the end of the audit period, unless a different period is specified in a program-specific audit guide.

9. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. CITY shall perform monitoring of the SUBRECIPIENT's performances under this Agreement.

A. SUBRECIPIENT agrees that CITY may carry out monitoring and evaluation activities to ensure adherence by SUBRECIPIENT to the provisions of this Agreement which are attached hereto.
B. SUBRECIPIENT agrees to cooperate fully with CITY and to provide data determined by CITY to be necessary for CITY to effectively fulfill its monitoring and evaluation responsibilities.
C. SUBRECIPIENT agrees to cooperate in such a way so as not to obstruct or delay CITY in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by CITY staff.
D. To comply with this section, SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the CITY. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services, provided under this Agreement.
E. After each official monitoring on-site visit, CITY shall provide SUBRECIPIENT with a written report of monitoring findings, documenting findings and concerns that will require a written response to the CITY. An acceptable response must be received by the City within 60 days from the

SUBRECIPIENT's receipt of the monitoring report or audit review letter. Future contract payments can be withheld for the SUBRECIPIENT's failure to submit a response within 60 days.

F. SUBRECIPIENT shall submit copies of any fiscal, management, or audit reports by any of the SUBRECIPIENT's funding or regulatory bodies to CITY within ten working days of receipt by SUBRECIPIENT.

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

H. SUBRECIPIENT will refer to Exhibit D for the monitoring checklist.

10. MAINTENANCE OF RECORDS

A. SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of Exhibit A and Exhibit B, and attached hereto, with any other applicable Federal and State regulations establishing standards for financial management, SUBRECIPIENT's expenditures of funds made under this Agreement will conform to (2 CFR §200) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the regulations at 24 CFR Part 570 as applicable including, Title 24 CFR Sections 570.502 (b), 570.504, and 570.506 as they pertain to costs incurred, audits, program income, administration, and other activities and functions. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve SUBRECIPIENT of fiscal accountability and liability under any other provision of this Agreement or any applicable law. SUBRECIPIENT shall include the substance of this provision in all subcontracts.

B. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this agreement.

C. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services provided under this Agreement.

D. At any reasonable time and as often as CITY may deem necessary, the SUBRECIPIENT shall make available to CITY, HUD, or any of their authorized representatives, all of its records and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

11. DIRECTORS' MEETINGS

During the term of this Agreement, SUBRECIPIENT shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered to CITY in a timely manner to give adequate notice and shall include an agenda and a brief description of the matters to be discussed. SUBRECIPIENT understands and agrees that CITY representatives shall be afforded access to all of the Board of Directors' meetings. Minutes of all meetings of SUBRECIPIENT's governing body shall be available to CITY within ten days after Board approval.

12. WARRANTIES

SUBRECIPIENT represents and warrants that:

A. All information, reports, and data heretofore or hereafter requested by CITY and furnished to CITY, are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to CITY.

B. Any supporting financial statements heretofore requested by CITY and furnished to CITY, are complete, accurate, and fairly reflect the financial condition of SUBRECIPIENT on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of SUBRECIPIENT.

C. No litigation or legal proceedings are presently pending or threatened against the SUBRECIPIENT.

D. None of the provisions herein contravene or are in conflict with the authority under which SUBRECIPIENT is doing business or with the provisions of any existing indenture or agreement of SUBRECIPIENT.

E. SUBRECIPIENT has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.

F. None of the assets of SUBRECIPIENT are subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements furnished by SUBRECIPIENT to CITY.

G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.

H. SUBRECIPIENT agrees to execute a lien that will be placed on the property improved with CDBG funds. The lien will name CITY as the primary beneficiary for a period not to exceed ten years.

13. COVENANTS

A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUBRECIPIENT shall not, without the prior written consent of the Community Development Manager or her authorized representative:

   (1) Mortgage, pledge, or otherwise encumber or suffer to be encumbered, any of the assets of SUBRECIPIENT now owned or hereafter acquired by it, or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of SUBRECIPIENT which are allocated to the performance of this Agreement and with respect to which CITY has ownership hereunder.

   (2) Sell, assign, pledge, transfer, or otherwise dispose of accounts receivables, notes, or claims for money due or to become due.

   (3) Sell, convey, or lease all or a substantial part of its assets.

   (4) Make any advance or loan to, or incur any liability for any other firm, person, entity, or corporation as guarantor, surety, or accommodation endorser.

   (5) Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to SUBRECIPIENT by CITY, unless CITY authorizes such transfer.

   (6) Enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of CITY prior to the execution of such an agreement or subcontract.

B. SUBRECIPIENT agrees, upon written request by CITY, to require its employees to attend training sessions sponsored by the Community Development Division.

14. INSURANCE

A. SUBRECIPIENT shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for services offered under this Agreement.

B. The premises on and in which the activities described in Exhibit A are conducted, and the employees conducting these activities, shall be covered by premise liability insurance, commonly referred to as "Owner/Tenant" coverage, with CITY named as an additional insured. Upon request of SUBRECIPIENT, CITY may, at its sole discretion, approve alternate insurance coverage arrangements. On or before October 1, 2026, SUBRECIPIENT shall provide a certificate of insurance naming the City as additional insured consistent with the requirements of this Section.

C. SUBRECIPIENT will comply with applicable workers' compensation statutes and will obtain employers' liability coverage where available and other appropriate liability coverage for program participants, if applicable.

D. SUBRECIPIENT will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by SUBRECIPIENT. All employees of SUBRECIPIENT who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver's license and automobile liability insurance. Evidence of the employee's current possession of a valid license and insurance must be maintained on a current basis in SUBRECIPIENT's files.

E. Actual losses not covered by insurance as required by this Section are not allowable costs under this Agreement and remain the sole responsibility of SUBRECIPIENT.

F. The policy or policies of insurance shall contain a clause which requires that CITY and SUBRECIPIENT be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

15. CIVIL RIGHTS / EQUAL OPPORTUNITY

A. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b), Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 and Executive Order 11246 as amended by Executive Orders 11375 and 12086.

C. SUBRECIPIENT shall comply with all applicable fair housing, civil rights, and anti-discrimination laws in its selection of beneficiaries and its implementation of the program including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Age Discrimination Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.

D. SUBRECIPIENT will furnish all information and reports requested by the CITY, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.

E. In the event of SUBRECIPIENT's non-compliance with the non-discrimination requirements, CITY may cancel or terminate the Agreement in whole or in part, and SUBRECIPIENT may be barred from further contracts with CITY.

F. SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of these definitions, "minority group members" are Afro-Americans; Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans; Asian Americans; and American Indians. SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

16. PERSONNEL POLICIES

Personnel policies shall be established by SUBRECIPIENT and shall be available for examination. Such personnel policies shall:

A. Include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; and

B. Be in writing; and

C. Be approved by the governing body of SUBRECIPIENT.

17. CONFLICT OF INTEREST

A. SUBRECIPIENT covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. SUBRECIPIENT further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.

B. SUBRECIPIENT further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.

C. No officer, member, or employee of CITY and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

18. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUBRECIPIENT or is a member of SUBRECIPIENT's governing board. The term "member of immediate family" includes: wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

19. POLITICAL OR SECTARIAN ACTIVITY

A. Neither the funds advanced pursuant to this Agreement, nor any personnel which may be employed by the SUBRECIPIENT with funds advanced pursuant to this Agreement shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.

B. The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities, lobbying, political patronage, or nepotism activities.

C. The SUBRECIPIENT agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the SUBRECIPIENT connected with any activity that is funded in whole or in part by funds provided to SUBRECIPIENT under this Agreement may not under the term of this Agreement:

    (1) Use their official position or influence to affect the outcome of an election or nomination;
    (2) Solicit contributions for political purposes; or
    (3) Take an active part in political management or in political campaigns.

D. SUBRECIPIENT hereby agrees to sign a Certification Regarding Lobbying included herein as Exhibit C and if necessary, the Disclosure of Lobbying Activities provided by the CITY.

20. PUBLICITY

A. Where such action is appropriate, SUBRECIPIENT shall publicize the activities conducted by SUBRECIPIENT under this Agreement. In any news release, sign, brochure, or other advertising medium, disseminating information prepared or distributed by or for SUBRECIPIENT, the advertising medium shall state that the U.S. Department of Housing and Urban Development's Community Development Block Grant Program funding through the City of Denton has contributes to make the project possible.

B. All published material and written reports submitted under this project must be originally developed material unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.

C. All published material submitted under this project shall include the following reference on the front cover or title page:

    This document is prepared in accordance with the City of Denton's Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development.

D. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

21. CHANGES AND AMENDMENTS

A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.
B. SUBRECIPIENT may not make transfers between or among approved line items within budget categories set forth in Exhibit B without prior written approval of CITY. SUBRECIPIENT shall request, in writing, the budget revision in a form prescribed by CITY, and such request for revision shall not increase the total monetary obligation of CITY under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.
C. SUBRECIPIENT will submit revised budget and program information whenever the level of funding for SUBRECIPIENT or the program(s) described herein is altered according to the total levels contained in any portion of Exhibit B.
D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.
E. CITY may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of SUBRECIPIENT's compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.
F. Any alterations, deletions, or additions to the program budget incorporated in Exhibit B shall require the prior written approval of CITY.
G. SUBRECIPIENT agrees to notify CITY of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.
H. SUBRECIPIENT shall notify CITY of any changes in personnel or governing board composition.

22. SUSPENSION OF FUNDING

Upon determination by CITY of SUBRECIPIENT's failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, CITY, without limiting any rights it may otherwise have, may, at its discretion, and upon ten working days written notice to SUBRECIPIENT, withhold further payments to SUBRECIPIENT. Such notice may be given by mail to the Executive Officer and the Board of Directors of SUBRECIPIENT. The notice shall set forth the default or failure alleged, and the action required for cure.

The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if CITY determines the default or deficiency has been satisfied, SUBRECIPIENT may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If however, CITY determines that SUBRECIPIENT has not come into compliance, the provisions of Section 25 may be effectuated.

23. TERMINATION

A. CITY may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this paragraph:
   (1) SUBRECIPIENT's failure to attain compliance during any prescribed period of suspension as provided in Section 24.
   (2) SUBRECIPIENT's failure to materially comply with any of the terms of this Agreement.
   (3) SUBRECIPIENT's violation of covenants, agreements, or guarantees of this Agreement.
   (4) Termination or reduction of funding by the CITY or HUD.
   (5) Finding by CITY that the SUBRECIPIENT:
      (a) is in such unsatisfactory financial condition as to endanger performance under this Agreement;
      (b) has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
      (c) is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
   (6) Appointment of a trustee, receiver, or liquidator for all or substantial part of SUBRECIPIENT's property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against SUBRECIPIENT.
   (7) SUBRECIPIENT's inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 4, and Section 2, of this Agreement.
   (8) The commission of an act of bankruptcy.
   (9) SUBRECIPIENT's violation of any law or regulation to which SUBRECIPIENT is bound or shall be bound under the terms of the Agreement.

B. CITY shall promptly notify SUBRECIPIENT in writing of the decision to terminate and the effective date of termination. Simultaneous notice of pending termination may be made to other funding source specified in Exhibit B.

C. CITY may terminate this Agreement for convenience at any time. If CITY terminates this Agreement for convenience, SUBRECIPIENT will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of SUBRECIPIENT covered by the Agreement, less payments previously made.

D. SUBRECIPIENT may terminate this Agreement in whole or in part by written notice to CITY, if a termination of outside funding occurs upon which SUBRECIPIENT depends for performance hereunder. SUBRECIPIENT may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of CITY, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between SUBRECIPIENT and the funding source in question.

E. SUBRECIPIENT may terminate this Agreement upon the dissolution of SUBRECIPIENT's organization not occasioned by a breach of this Agreement.

F. Upon receipt of notice to terminate, SUBRECIPIENT shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. CITY shall not be liable to SUBRECIPIENT or SUBRECIPIENT's creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this paragraph.

G. Notwithstanding any exercise by CITY of its right of suspension or termination, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any breach of the Agreement by SUBRECIPIENT, and CITY may withhold any reimbursement to SUBRECIPIENT until such time as the exact amount of damages due to CITY from SUBRECIPIENT is agreed upon or otherwise determined.

24. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action is made or brought by any person(s), firm, corporation, or other entity against SUBRECIPIENT, SUBRECIPIENT shall give written notice thereof to CITY within five working days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action; the names and addresses of the person(s), firm, corporation, or other entity making such claim, or that instituted or threatened to institute any type of action or proceeding; the basis of such claim, action, or proceeding; and the name of any person(s) against whom such claim is being made or threatened. Such written notice shall be delivered either personally or by mail in accordance with the provisions of Section 29.I.

25. INDEMNIFICATION

A. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BOTH PARTIES HERETO THAT CITY IS CONTRACTING WITH SUBRECIPIENT AS AN INDEPENDENT CONTRACTOR AND THAT AS SUCH, SUBRECIPIENT SHALL SAVE AND HOLD CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES HARMLESS FROM ALL LIABILITY OF ANY NATURE OR KIND, INCLUDING COSTS AND EXPENSES FOR, OR ON ACCOUNT OF, ANY CLAIMS, AUDIT EXCEPTIONS, DEMANDS, SUITS, OR DAMAGES OF ANY CHARACTER WHATSOEVER RESULTING IN WHOLE OR IN PART FROM THE PERFORMANCE OR OMISSION OF ANY EMPLOYEE, AGENT, OR REPRESENTATIVE OF SUBRECIPIENT.

B. SUBRECIPIENT AGREES TO PROVIDE THE DEFENSE FOR, AND TO INDEMNIFY AND HOLD HARMLESS CITY ITS AGENTS, EMPLOYEES, OR CONTRACTORS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, DEMANDS, DAMAGES, LOSSES, ATTORNEY FEES, EXPENSES, AND LIABILITY ARISING OUT OF THE USE OF THESE CONTRACTED FUNDS AND PROGRAM ADMINISTRATION AND IMPLEMENTATION EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL ACT OR OMISSION OF CITY, ITS AGENTS, EMPLOYEES, OR CONTRACTORS.

26. NON-RELIGIOUS ACTIVITIES

A. As stated in 24 CFR Part 5.109, no organization will be prohibited from participating in activities supported by CITY funding including programs that make funds available through contracts, grants, or cooperative agreements. SUBRECIPIENT is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect CITY or

Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those SUBRECIPIENTS' programs.

B. Faith based organizations that carry out programs or activities with direct Federal financial assistance from HUD are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:

(1) The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;

(2) The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary; and

(3) The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance; and

(4) If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection;

(5) A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.

(6) Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstance that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.

(7) Faith-based organizations that carry out a program or activity with direct Federal financial assistance from HUD are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary objects to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

27. ENVIRONMENTAL CONDITIONS

A. SUBRECIPIENT agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

(1) Clean Air Act, 42 U.S.C., 7401, et seq.;

(2) Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;

(3) Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), SUBRECIPIENT shall assure that for activities located in an area identified by the Federal

Emergency Management SUBRECIPIENT (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. SUBRECIPIENT agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608 and 24 CFR Part 35, Subpart B. RECIPIENT shall comply with all notice, abatement, testing, risk assessment, and treatment requirements in the regulations.
D. SUBRECIPIENT agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

28. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

SUBRECIPIENT agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. SUBRECIPIENT shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. SUBRECIPIENT also agrees to comply with applicable CITY ordinances, resolutions, and policies concerning the displacement of persons from their residences.

29. IMMIGRATION REQUIREMENTS; PROHIBITION ON TRAFFICKING IN PERSONS

A. SUBRECIPIENT shall administer the program in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended (8 U.S.C. §§ 1601-1646) ("PRWORA"), and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14214, or other Executive Orders or immigration laws..
B. SUBRECIPIENT shall not engage in any of the activities prohibited by 2 C.F.R. Part 175.
C. SUBRECIPEINT shall not use funds that by design or effect facilitate the subsidization or promotion of illegal immigration or shield illegal aliens from deportation, including by maintaining policies and practices that materially impede enforcement of federal immigration statutes and regulations.

30. MISCELLANEOUS

A. SUBRECIPIENT shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of CITY.
B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.

C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon request.

D. Debarment: SUBRECIPIENT certifies that it is not listed on the System for Award Management (SAM), which list the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.

E. In no event shall any payment to SUBRECIPIENT hereunder, or any other act or failure of CITY to insist in any one or more instances upon the terms and conditions of this Agreement, constitute or be construed in any way to be a waiver by CITY of any breach of covenant or default which may then or subsequently be committed by SUBRECIPIENT. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to CITY to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of CITY may waive the effect of this provision.

F. This Agreement, together with referenced Exhibits, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion, statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.

G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY as the party ultimately responsible to U.S. Department of Housing and Urban Development (HUD) for matters of compliance, will have the final authority to render or to secure an interpretation.

H. If SUBRECIPIENT provides services to the homeless it is required to:

   (1) Report homeless data to the Homeless Management Information System (HMIS). Homeless Management Information System (HMIS): HMIS is a countywide data management tool designed to facilitate data collection in order to improve human service delivery throughout Denton County. Participation in the Homeless Management Information System (HMIS) is a requirement per this agreement. Data entered into HMIS will help our community improve services to individuals experiencing homelessness by providing accurate information on the extent and nature of homelessness in our community and by accounting for our success in helping people move out of homelessness. Participation is also critical to help Denton and Denton County successfully compete for grants for federal funding, such as the U.S. Department of Housing and Urban Development's homeless assistance funds.

   (2) Participate in the Denton County Homeless Leadership Team meetings and any applicable workgroup(s). The Denton County Homeless Leadership Team is a collaborative, cross-sector team that convenes to improve the planning, coordination, oversight, and implementation required to create systems change for housing/homelessness initiatives in Denton County. Further, the Agency is encouraged to work in partnership with fellow service providers to improve efficiency and effectiveness.

I. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if sent postage paid to the parties and address set forth below:

TO CITY:	**TO SUBRECIPIENT**:
Director of Community Services	[SUBRECIPIENT]
City of Denton	Attn: Executive Director/CEO/Commander
601 E. Hickory Street, Suite 115	[Address]
Denton, Texas 76205	[City, State Zip Code]

w/ a copy to:
City Attorney
City of Denton
215 E. McKinney
Denton, TX 76201

This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any litigation concerning this Agreement shall be in a court competent jurisdiction sitting in Denton County, Texas.

IN WITNESS OF WHICH this Agreement has been executed on this the ________ day of ________________________, 2026.

CITY OF DENTON	**[SUBRECIPIENT]**
BY: ___________________________________	BY: ___________________________________
JESSE KENT,	NAME,
DIRECTOR OF COMMUNITY SERVICES	TITLE
ATTEST:	ATTEST:
BY: ___________________________________	BY: ___________________________________
NAME	NAME
TITLE	TITLE

APPROVED AS TO LEGAL FORM:

BY: ___________________________________
MACK REINWAND,
CITY ATTORNEY

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms

____
Signature

Director of Community Services
Title

Community Services Department
Department

Date Signed: ____________________

EXHIBIT A
SCOPE OF SERVICES

Description of Project

{Project description to include name of SUBRECIPIENT, address, funding source, purpose of project, use of funds, proposed accomplishments, services to be provided as a result of project}.

Estimated Project Timeline

	Project Approval: Contract is executed with SUBRECIPIENT and approved by City Council
	Pre-Construction: Subrecipient completes architecture, engineering, design, permitting, and all pre-construction activities and approvals.
	Funding Benchmark: SUBRECIPIENT has identified or raised funding for total project cost
	Procurement: Subrecipient completes procurement process
	Construction: Subrecipient manages repairs.
	Reimbursement: Request reimbursement for project costs.
	Reporting: Subrecipient submits client data to the City to complete project
	Monitoring: Subrecipients begins reporting
	Monitoring: Subrecipient ends reporting

Work Statement

In order to complete the agreed upon activity, SUBRECIPIENT shall provide the following services from the improved facility:

{Work Statement including name of SUBRECIPIENT, type of non-profit SUBRECIPIENT, mission, type of services provided by SUBRECIPIENT, address, days and times of operation}

EXHIBIT B
BUDGET

{Award text and Amount}in Community Development Block Grant funds for {purpose} for low and moderate-income households (families with young children). The amount stated above is an estimate. Funding may be reallocated as needed to complete improvements listed above. As stated in the agreement, any remaining fund balance will be returned to the City of Denton.

Prior to the start of construction, SUBRECIPIENT shall provide the Community Development Division with a project budget, documentation of any additional funding sources and commitments (if other funding sources are included in the project), and a project planning/construction schedule.

Allowable Expenditure	
[Line items for allowable expenditures]	$xx,xxx.xx
Total	$xx,xxx.xx

EXHIBIT C
Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any SUBRECIPIENT, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any SUBRECIPIENT, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-ILL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
(3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[ORGANIZATION]
____
Subrecipient

____
Signature   Title

____
Date:

EXHIBIT D
Monitoring Checklist