

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS  
CONTRACT NO. 11090000552 FOR THE  
FY 2009 COMMUNITY SERVICES BLOCK GRANT PROGRAM  
AMERICAN RECOVERY AND REINVESTMENT ACT  
CFDA#93.710

**SECTION 1. PARTIES TO THE CONTRACT**

This contract is made by and between the Texas Department of Housing and Community Affairs, an agency of the State of Texas, (herein the "Department") and Hidalgo County Community Services Agency (herein the "Subrecipient").

**SECTION 2. CONTRACT PERIOD**

This contract shall commence on August 01, 2009, and, unless earlier terminated, shall end on September 30, 2010 (herein the "Contract Period").

**SECTION 3. SUBRECIPIENT PERFORMANCE**

A. Pursuant to the Community Services Block Grant Act, 42 U.S.C. §9901 et seq. (herein the "CSBG Act"), Subrecipient shall operate, on an equitable basis throughout Subrecipient's service area, a program to ameliorate the causes of poverty. Subrecipient shall provide services and activities of the type specified in 42 U.S.C. §9907(b). Subrecipient's service area consists of the following counties:

HIDALGO

B. CSBG funds should primarily be focused on efforts which create sustainable economic resources. Eligible entities should provide a wide range of innovative employment-related services, use funds in a manner that meets the short-term and long term economic and employment needs of individuals, families and communities; and make meaningful and measurable progress toward the reform goals of the Recovery Act with special attention to creating and sustaining economic growth and employment opportunities. CSBG funds may be used to carry out activities under Sections 674 through 679 of the CSBG Act.

**SECTION 4. DEPARTMENT OBLIGATIONS**

A. Measure of Liability

In consideration of Subrecipient's satisfactory performance of this contract, as determined by Department, Department shall be liable for actual and reasonable costs incurred by Subrecipient during the contract period for performances rendered under this contract, subject to the limitations set forth in this Section 4.

1. Department's obligations under this Section are contingent upon the actual receipt by Department of funds from the U.S. Department of Health and Human Services (hereinafter "HHS"). If adequate funds are not available to make payments under this contract, Department shall terminate this contract and shall not be liable for failure to make payments hereunder.
2. Department is not liable to Subrecipient for any cost incurred by Subrecipient which:
  - a. is subject to reimbursement by a source other than Department;
  - b. is for the performance of services or activities not authorized by 42 U.S.C. §9907(b), is for one of the activities prohibited in 42 U.S.C. §9918, or which is not in accordance with the terms of this contract;
  - c. is not reported to Department on CSBG American Recovery and Reinvestment Act (ARRA) Monthly Expenditure Report within sixty (60) days following the termination of this contract;
  - d. is not incurred during the Contract period;
  - e. is incurred for the purchase or permanent improvement of real property.

B. Excess Payments

Subrecipient shall refund, within fifteen (15) days after Department's request, any sum of money paid to Subrecipient by Department which Department determines (1) has resulted in an overpayment to Subrecipient or (2) has not been spent strictly in accordance with the terms of this contract. Department may offset or withhold any amounts otherwise owed to Subrecipient under this contract against any amount owed by Subrecipient to Department arising under this contract.

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of \$2,757,585.00

**SECTION 5. METHOD OF PAYMENT/CASH BALANCES**

- A. Subrecipients may request a working capital advance for 30 days cash needs. In order to request an advance payment, subrecipient must submit to Department a properly completed Performance and Expenditure Report that includes a request for advance funds (Projected Expenses).
- B. Subrecipient's requests for advances shall be limited to the minimum amounts needed for the effective performance of this contract, and shall be timed as closely as possible with Subrecipient's actual immediate cash requirements. Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from Department to Subrecipient and the disbursal of such funds by Subrecipient.
- C. Department may use a cost reimbursement method of payment if (1) Department determines that Subrecipient has maintained cash balances in excess of need, (2) Department identifies any deficiency in the cash controls or financial management system used by Subrecipient, or (3) Subrecipient fails to comply with the reporting requirements of Section 11.
- D. All funds paid to Subrecipient pursuant to this contract are paid in trust for the exclusive benefit of the low-income population of Subrecipient's service area and for the payment of allowable administrative expenses.

**SECTION 6. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS**

- A. Except as expressly modified by law or the terms of this contract, Subrecipient shall comply with the cost principles and uniform administrative requirements set forth in the Uniform Grant Management Standards, 1 T.A.C. §5.141 et seq. (herein "Uniform Grant Management Standards"). All references therein to "local government" shall be construed to mean Subrecipient.
- B. None of the costs described in Appendix C of OMB Circular No. A-87, as modified by the Uniform Grant Management Standards, shall be allowable unless Subrecipient has obtained Department's prior written approval to incur such cost.
- C. Use of Alcoholic Beverages. None of the funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. No funds provided under this contract for travel expenses shall be used for the purchase of alcoholic beverages.

## SECTION 7. TERMINATION AND SUSPENSION

- A. Department may terminate this contract, in whole or in part, at any time Department determines that there is cause for termination. Cause for termination includes, but is not limited to Subrecipient's failure to comply with any term of this contract. Department shall notify Subrecipient in writing at least thirty (30) days before the date of termination.
- B. Nothing in this Section shall be construed to limit Department's authority to withhold payment and immediately suspend this contract if Department identifies possible instances of fraud, abuse, waste, fiscal mismanagement, or other deficiencies in Subrecipient's performance. Suspension shall be a temporary measure pending either corrective action by Subrecipient or a decision by Department to terminate this contract.
- C. Notwithstanding any exercise by Department of its right of termination or suspension, Subrecipient shall not be relieved of any liability to Department for damages by virtue of any breach of this contract by Subrecipient. Department may withhold any payment due to Subrecipient until such time as the amount of damages due to Department is agreed upon or is otherwise determined.
- D. Department shall not be liable for any costs incurred by Subrecipient after termination or during suspension of this contract.

## SECTION 8. CHANGES AND AMENDMENTS

- A. Any change in the terms of this contract required by a change in state or federal law or regulation is automatically incorporated herein effective on the date designated by such law or regulations.
- B. Except as otherwise specifically provided herein, any change in the terms of this contract shall be made by an amendment in writing and signed by both parties to this contract.

## SECTION 9. TECHNICAL ASSISTANCE AND MONITORING

Department or its designee may conduct periodic on-site monitoring and evaluation of the efficiency, economy, and effectiveness of Subrecipient's performance of this contract. Department will advise Subrecipient in writing of any deficiencies noted during such monitoring. Subrecipient shall respond to the monitoring report by the required deadline. Department will provide technical assistance, upon request, to Subrecipient and will require or suggest changes in Subrecipient's program implementation or in Subrecipient's accounting, personnel, procurement, and management procedures in order to correct any deficiencies noted. Department will conduct follow-up visits to review and assess the efforts Subrecipient has made to correct previously noted deficiencies. Department may place Subrecipient on a cost reimbursement method of payment, terminate this contract, or invoke other remedies in the event monitoring or other reliable sources reveal material deficiencies in Subrecipient's performance or if Subrecipient fails to correct any deficiency within the time allowed by federal law.

## SECTION 10. RETENTION AND ACCESSIBILITY OF RECORDS

- A. Subrecipient shall maintain fiscal records and supporting documentation for all expenditures made under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §\_42.
- B. All information collected, assembled, or maintained by Subrecipient shall be made available to the public during normal business hours in compliance with the Texas Public Information Act, Texas Government Code, Chapter 552.
- C. Subrecipient shall give the U.S. Department of Health and Human Services, the U.S. General Accounting Office, the Texas Comptroller, the State Auditor's Office, and Department, or any of their duly authorized representatives, access to and the right to examine and copy, on or off the premises of Subrecipient, all records pertaining to this contract. Such right to access shall continue as long as the records are retained by Subrecipient. Subrecipient agrees to maintain such records for **three (3)** years in an accessible location and to cooperate with any examination conducted pursuant to this Subsection. Subrecipient shall include the substance of this subsection in all subcontracts. Upon termination of this contract, all records are property of the CSBG.

## SECTION 11. REPORTING REQUIREMENTS

- A. Subrecipients are required to submit a monthly Performance Report and Expenditure Report no later than the 15th day of the calendar month. However, monthly Reports for the last month of the calendar quarter are due no later than the fifth (5th) day following the end of the quarter. Subrecipient must submit the first Performance Report and Expenditure Report no later than September 15, 2009 regardless of whether Subrecipient makes a fund request. The monthly Performance Report and Expenditure Report are due no later than:

October 5, 2009

November 15, 2009

December 15, 2009

January 5, 2010

February 15, 2010

March 15, 2010

April 5, 2010

May 15, 2010

June 15, 2010

July 5, 2010

August 15, 2010

September 15, 2010

October 5, 2010

- B. Subrecipient shall submit to Department, no later than 60 days from the end of the contract, a final CSBG ARRA Performance Report and a final CSBG ARRA Expenditure Report containing a full accounting of all funds expended under that allocation.
- C. Subrecipient shall submit to Department, no later than November 30, 2010, a cumulative inventory of all equipment acquired, in whole or in part, with funds received under this contract.
- D. If Subrecipient fails to submit timely, any report the Department may, in its sole discretion, suspend payments, deobligate funds, and/or initiate proceedings to terminate the contract. Termination proceedings may be initiated on this contract for Subrecipient's failure to submit a report, including an audit report, past due from a prior contract.
- E. Subrecipient shall track all funds under this Contract and their projected statuses separately from all other funds, and shall assist Department in preparing and filing the Department's recipient reports required by Section 1512(c) of the American Recovery and Reinvestment Act of 2009. Subrecipient shall provide to the Department, not later than five (5) calendar days after the end of each calendar quarter, the following information:
1. An estimate of the number of jobs created and the number of jobs retained by the project or activity;
  2. For infrastructure investments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Contract, and the name of the person to contact, and contact information, if there are concerns with the infrastructure investment;
  3. The names and total compensation of the five most highly compensated officers of the entity if-
    - a. the recipient in its preceding fiscal year received-
      - i. 80 percent or more of its annual gross revenues in Federal awards; and
      - ii. \$25,000,000 or more in annual gross revenues from Federal awards; and

- b. the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986 [26 USC § 6104];
  - 4. Vendor information including description of products or services, name, zip code, DUNS number, payment amount; and
  - 5. Any other information requested by the Department related to the Contract.
- F. Failure to submit information requested as per the aforementioned paragraphs may result in suspension of payments, deobligation of funds, and/or termination of this contract.

**SECTION 12. PROPERTY REQUIREMENTS**

- A. Subrecipient may not use funds provided under this contract to purchase personal property with a unit acquisition cost (the net invoice unit price of an item of equipment) of more than \$5,000 unless Subrecipient has received the prior written approval of Department for such purchase.
- B. Upon the termination of this contract, Department may transfer title to any such equipment having a unit acquisition cost (the net invoice unit price of an item of equipment) of \$5,000 or more to itself or to any other entity receiving funds under the CSBG Act.

**SECTION 13. INDEPENDENT CONTRACTOR**

Subrecipient is an independent contractor. Subrecipient agrees to hold Department harmless and, to the extent allowed by law, indemnify it against any disallowed costs or other claims which may be asserted by any third party in connection with Subrecipient's performance of this contract.

**SECTION 14. SUBCONTRACTS**

- A. Subrecipient may not subcontract the primary performance of this contract and only may enter into contractual agreements for consulting and other professional services including, but not limited to, auditors and attorneys, if Subrecipient has received Department's prior written approval. Subrecipient may subcontract for the delivery of client assistance without obtaining Department's prior approval. Any subcontract for the delivery of client assistance will be subject to monitoring by the Department as per Section 9.
- B. In no event shall any provision of this Section 14 specifically the requirement that Subrecipient obtain Department's prior written approval of a subcontractor, be construed as relieving Subrecipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all of the terms of this contract, as if such performances rendered were rendered by Subrecipient. Department's approval under Section 14 does not constitute adoption, ratification, or acceptance of Subrecipient's or subcontractor's performance hereunder. Department maintains the right to insist upon Subrecipient's full compliance with the terms of this contract, and by the act of approval under Section 14, Department does not waive any right of action which may exist or which may subsequently accrue to Department under this contract.

**SECTION 15. REQUIREMENT FOR FIXED-PRICE CONTRACTING**

To the maximum extent possible, subcontracts funded under this Contract shall be awarded as fixed-price contracts through the use of competitive procedures. Subrecipient shall post a summary of any contract awarded with such funds that is not fixed-price and not awarded using competitive procedures on the federal website established pursuant to Section 1526 of the American Recovery and Reinvestment Act of 2009.

#### **SECTION 16. CONFLICT OF INTEREST/NEPOTISM**

- A. Subrecipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts.
- B. No employee, officer, or agent of Subrecipient shall participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.
- C. The officers, employees, and agents of the Subrecipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements. Subrecipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Subrecipient.
- D. Subrecipients who are local governmental entities shall, in addition to the requirements of this Section, follow the requirements of Chapter 171 of the Local Government Code regarding conflicts of interest of officers of municipalities, counties, and certain other local governments.
- E. Failure to maintain written standards of conduct and to follow and enforce the written standards is a condition of default under this Contract and may result in termination of the Contract or deobligation of funds.

#### **SECTION 17. REQUIREMENT TO POST NOTICE OF WHISTLEBLOWER RIGHTS AND REMEDIES**

Any employer receiving funds under this Contract shall post notice of the rights and remedies afforded whistleblowers under Section 1553 of the American Recovery and Reinvestment Act of 2009.

#### **SECTION 18. COMPLIANCE WITH LAWS**

Subrecipient shall comply with the CSBG Act and with the rules and regulations promulgated there under, and with all federal, state, and local laws and regulations applicable to the performance of this contract, including 10 TAC, Part I, Ch 5, Subch. A, and Title 10, Part 1, Ch 5, Subch B.

#### **SECTION 19. PROGRAM INCOME**

Subrecipient shall account for and expend program income derived from activities financed in whole or in part with funds provided under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §\_25.

#### **SECTION 20. NON-BINDING GUIDANCE**

Department may issue non-binding guidance to explain the rules and provide directions on terms of this contract.

#### **SECTION 21. NON-DISCRIMINATION AND EQUAL OPPORTUNITY**

No person shall on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract.

#### **SECTION 22. PREVAILING WAGES AND RATES PAID TO SUBRECIPIENTS AND SUBCONTRACTORS**

Notwithstanding any other provision of law and in a manner consistent with other provisions of the American Recovery and Reinvestment Act of 2009, all laborers and mechanics employed by Subrecipient and subcontractors on projects funded directly by or assisted in whole or in part by and through the federal government pursuant to the American Recovery and Reinvestment Act of 2009 shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

### **SECTION 23. LEGAL AUTHORITY**

- A. Subrecipient represents that it possesses the legal authority to enter into this contract and to perform the services Subrecipient has obligated itself to perform hereunder.
- B. The person signing this contract on behalf of Subrecipient hereby warrants that he/she has been duly authorized by Contract to execute this contract on behalf of Subrecipient and to bind Subrecipient to the terms herein set forth.
- C. Department shall have the right to terminate this contract if there is a dispute as to the legal authority of either Subrecipient or the person signing this contract to enter into this contract or to render performances hereunder. Subrecipient is liable to Department for any money it has received from Department for performance of the provisions of this contract, if Department has terminated this contract for reasons enumerated in this Section 23.

### **SECTION 24. DESIGNATED SUBRECIPIENT CONTACTS**

Subrecipient shall designate, in writing, at the time Subrecipient executes this Contract, one or more responsible and qualified individuals as points of contact with the Department to maintain a flow of current information relating to the receipt, deployment, management and use of funds received under this Contract. Any changes in the information reported must be reported to the Department within seven (7) days.

### **SECTION 25. AUDIT**

- A. For any fiscal year included within the Grant Period during which the Subrecipient expended \$500,000 or more in total federal or \$500,000 in total state financial assistance, Subrecipient shall arrange for the performance of an annual audit of the funds received and performances rendered under this grant agreement. The audit shall be made in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. ch. 75; and OMB Circular No. 133 (as revised on 6/30/1997), "Audits of States, Local Governments, and Non-Profit Organizations." The term "federal financial assistance" includes awards of federal financial assistance received directly from federal agencies, or indirectly through units of state and local government.
- B. Notwithstanding Subsection A, of this Section 25, Subrecipients expending less than \$500,000 in Federal financial assistance or \$500,000 in State financial assistance, may arrange for the performance of an annual financial statement audit. Such audit should include verification of all expenditures by budget category, in accordance with final Expenditure Report submitted to close out allocation year.
- C. Subrecipient shall submit three (3) copies of such audit report and any associated management letter to the Department, 2 copies to the Portfolio Monitoring and Compliance Division and 1 copy to Community Affairs Division, within the earlier of thirty (30) days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. Subrecipient shall make audit report available for public inspection within thirty (30) days after receipt of the audit(s). Audits performed under this Section 25 are subject to review and resolution by Department or its authorized representative.
- D. For any fiscal year ending within or immediately after the Grant Period, Subrecipient must submit an "Audit Certification Form" (available from the Department) within sixty (60) days after the Subrecipients fiscal year end.
- E. Department reserves the right to conduct additional audits of the funds received and performances rendered under this grant agreement. Subrecipient agrees to permit Department or its authorized representative to audit Subrecipient's records and to obtain any documents, materials, or information necessary to facilitate such audit.
- F. Subrecipient shall be liable to Department for any costs disallowed pursuant to audit(s) of funds received under this agreement. Subrecipient shall reimburse such disallowed costs with funds that are not provided under this contract.
- G. Subrecipient shall procure audit services through an open, competitive process at least once every four years. The auditor shall retain working papers and reports for a minimum of three years after the date of issuance of the auditor's report to the auditee. Audit working papers shall be made available upon request to Department at the completion of the audit, as a part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to working papers includes the right to obtain copies of working papers, as is reasonable and necessary.

## **SECTION 26. TRAVEL**

Allowable travel costs under this contract shall be determined in accordance with OMB Circulars A-122 or A-87, as applicable, any Department directives on travel, and with Subrecipient's written travel policy. Subrecipient's written travel policy shall delineate the rates which Subrecipient shall use in computing the travel and per diem expenses of its board members and employees. Prior to incurring any costs for travel, Subrecipient must provide Department with a copy of its travel policy and evidence that such policy has been approved by Subrecipient's governing body. If Subrecipient has no established written travel policy, the travel regulations applicable to Department employees shall apply.

## **SECTION 27. POLITICAL ACTIVITY PROHIBITED**

- A. None of the funds provided under this contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any official or employee of Subrecipient from furnishing to any member of its governing body upon request, or to any other local or state official or employee or to any citizen, information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.
- B. No funds provided under this contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Subrecipient, the State of Texas, or the government of the United States.
- C. None of the funds under this contract shall be expended in payment of the salary for full-time employment of any employee who is also the paid lobbyist of any individual, firm, association, or corporation. None of the funds provided by this contract shall be expended in payment of the partial salary of a part-time employee who is required to register as a lobbyist by virtue of the employee's activities for compensation by or on behalf of industry, a profession or association related to operation of Subrecipient. A part-time employee may serve as a lobbyist on behalf of industry, a profession, or association so long as such entity is not related to Subrecipient. Except as authorized by law, no contract funds shall be expended in payment of membership dues to an organization on behalf of Subrecipient or an employee of Subrecipient if the organization pays all or part of the salary of a person required to register under Chapter 305, Government Code.
- D. None of the funds provided under this contract shall be paid to any official or employee who violates any of the provisions of this section.
- E. Programs assisted with CSBG ARRA funds shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with-
1. any partisan or non partisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;
  2. any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or
  3. any voter registration activity.

## **SECTION 28. SECTARIAN INVOLVEMENT PROHIBITED**

No funds received by Subrecipient hereunder shall be used, either directly or indirectly, to support any religious or anti-religious activity.

## **SECTION 29. PROHIBITED USES OF FUNDS**

Subrecipient shall not use any of the funds made available under this Contract for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

### **SECTION 30. COPYRIGHT**

Subrecipient may copyright materials developed in the performance of this contract or with funds expended under this contract. Department and HHS shall each have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the copyrighted work for government purposes.

### **SECTION 31. PREVENTION OF WASTE, FRAUD, AND ABUSE**

- A. Subrecipient shall establish, maintain, and utilize systems and procedures to prevent, detect, and correct waste, fraud, and abuse in activities funded under this contract. The systems and procedures shall address possible waste, fraud, and abuse by Subrecipient, its employees, clients, vendors, subcontractors and administering agencies. Subrecipient's internal controls systems and all transactions and other significant events are to be clearly documented, and the documentation is to be readily available for monitoring by Department.
- B. Subrecipient shall give Department complete access to all of its records, employees, and agents for the purpose of monitoring or investigating the CSBG program. Subrecipient shall fully cooperate with Department's efforts to detect, investigate, and prevent waste, fraud, and abuse.
- C. Subrecipient shall not discriminate against any employee or other person who reports a violation of the terms of this contract or of any law or regulation to Department or to any appropriate law enforcement authority if the report is made in good faith.

### **SECTION 32. HB 1196 CERTIFICATION**

Subrecipient certifies that it, or a branch, division, or department of Subrecipient does not and will not knowingly employ an undocumented worker, where "undocumented worker" means an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States. If, after receiving a public subsidy, Subrecipient or a branch, division, or department of Subrecipient is convicted of a violation under 8 U.S.C. Section 1324a, Subrecipient shall repay the public subsidy with interest, at the rate of 5% per annum, not later than the 120th day after the date TDHCA notifies Subrecipient of the violation.

### **SECTION 33. SB 608 CERTIFICATION**

Under Section 2261.053, Texas Government Code, Subrecipient certifies that it is not ineligible to receive this contract and acknowledges that this contract may be terminated and payment withheld if certification is inaccurate.

### **SECTION 34. LEGAL USE OF FUNDS CERTIFICATION**

Subrecipient hereby certifies, as a condition to receiving funds from the Department under this Contract, that the funds will be used in accordance with state and federal laws.

### **SECTION 35. MAINTENANCE OF EFFORT**

Funds provided to Subrecipient under this contract may not be substituted for funds or resources from any other source nor in any way serve to reduce the funds or resources which would have been available to or provided through Subrecipient had this contract never been executed.

### **SECTION 36. NO WAIVER**

Any right or remedy given to Department by this contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

### **SECTION 37. SEVERABILITY**

If any portion of this contract is held to be invalid by a court or administrative tribunal of competent jurisdiction, the remainder shall remain valid and binding.

**SECTION 38. ORAL AND WRITTEN AGREEMENTS**

All oral and written agreements between the parties relating to the subject matter of this contract have been reduced to writing and are contained in this document and the exhibits attached hereto.

**SECTION 39. COMMUNITY ACTION PLAN**

Each eligible entity, as a condition to receipt of funding under this Act, shall revise and submit to the Department a Community Action Plan (CAP) if the activities and services proposed in this contract go beyond the scope of the previously submitted and approved CAP Plan.

**SECTION 40. EXPENDITURE RATE**

- A. All funds must be fully expended by September 30, 2010.
- B. At 10 months in the Grant Period, the Department shall review expenditure rates of all subrecipients and may recapture funds if the Department determines the subrecipient has expended less than 75% of funds.

**SECTION 41. SPECIAL CONDITIONS**

The Pro-Children Act of 1994, [20 U.S.C. Sec. 6081 et seq.] requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through States or local governments by Federal grant, contract, loan or loan guarantee.

**SECTION 42. JOB POSTINGS ON WORKINTEXAS.COM**

Subrecipients must post all of their contract-related job opportunities on the Workintexas.com website.

**SECTION 43. POSTING OF PROCUREMENT OPPORTUNITIES**

In addition to following any applicable state or local procurement laws, Subrecipient shall timely provide the Department with an electronic version of any notice of procurement opportunity for posting on the Department's website.

**SECTION 44. EXCLUDED PARTIES LIST SYSTEM**

By signing this contract, Subrecipient certifies that neither it nor its current principle parties are included in the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA). Subrecipient also certifies that it will not award any funds provided by this contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. Subrecipient agrees that prior to entering into any agreement with a potential subcontractor that the verification process to comply with this requirement will be accomplished by checking the Excluded Parties List System @ <http://www.epls.gov/> or by collecting a certification from the potential subcontractor.

Effective Date: August 01, 2009

Hidalgo County Community Services Agency

By:

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

[www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Rick Perry  
GOVERNOR

Michael Gerber  
EXECUTIVE DIRECTOR

August 27, 2009

Ms. Maribel Navarro-Saenz  
Executive Director  
Hidalgo County Community Services Agency  
P.O. Box 204  
Edinburg, Texas 78540

**Re: FY 2009 CSBG/ARRA Plan, Performance Statement and Budget**

Dear Ms. Navarro-Saenz:

This letter will serve to acknowledge receipt of your entity's Fiscal Year 2009 Community Services Block Grant (CSBG), American Recovery and Reinvestment Act (CSBG/ARRA) Plan, Performance Statement and Budget by the Texas Department of Housing and Community Affairs (The Department).

The Community Services Section of the Department has reviewed the documents referenced above for compliance with the conditions of the Coats Human Services Reauthorization Act of 1998 (Public Law 105-285), 10 TAC §5.210, and the American Recovery and Reinvestment Act.

*The Department is pleased to inform you that your FY 2009 CSBG/ARRA Plan, Performance Statement and Budget have been approved. It is important to note that CSBG/ARRA funds must be expended by September 30, 2010 and funds may not be carried forward nor will the contract be extended.*

The Department shall review expenditure rates of all subrecipients on February 28, 2010. Any subrecipient that has not expended 50% of the contract funds by that date must provide a plan to the Department that demonstrates how expenditure rates will be achieved. On May 31, 2010 funds may be recaptured if the Department determines the subrecipient has expended less than 75% of funds on or before that date.

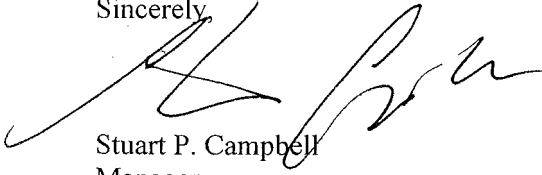
Failure to comply with contractual expenditure rates may result in the Department recapturing funds, if necessary, to ensure a 100% expenditure rate by September 30, 2010.

The Department has completed the 2009 CSBG ARRA contracts. Your contract is available for signature. Enclosed, you will find your FY 2009 CSBG/ARRA Performance Statement and Budget. The Performance Statement contains the performance measures and corresponding National Performance Indicator codes chosen by your agency as services that will be provided during the FY 2009 CSBG/ARRA program year.

BOARD MEMBERS  
C. Kent Conine, *Chair*  
Gloria Ray, *Vice Chair*  
Leslie Bingham Escareño  
Tomas Cardenas, P.E.  
Sonny Flores  
Juan S. Muñoz, Ph.D.

Thank you for your cooperation and efforts to comply with federal and state requirements. Should you have questions or need further assistance with this matter, please contact your Program Officer, Casey Ubias Jr., at (512) 475-3949.

Sincerely,

A handwritten signature in black ink, appearing to read "Stuart P. Campbell". The signature is fluid and cursive, with a large initial "S" and "C".

Stuart P. Campbell  
Manager  
Community Services

Enclosure

COUNTY OF HIDALGO COMMUNITY SERVICE AGENCY  
CSBG American Recovery and Reinvestment Act (ARRA) Plan

1. Community Needs to be Targeted

The County of Hidalgo Community Service Agency (CHCSA) conducted a community needs assessment in 2005. Among the top five needs identified during this process is the need for Employment Skills Training. Therefore, CHCSA intends to utilize the American Recovery and Reinvestment Act funds to target this community need in partnership with Texas Workforce Commission. CHCSA also intends to partner with the Texas Veterans Administration and TWC to target Iraqi and Afghanistan Veterans returning home and in need of supportive services for themselves and their families.

2. Activities that will address the community need

- A. Financial Aid (tuition, fees, books, school supplies, etc.) to attend a trade school, college, or a university;
- B. Assistance with child care to enable a parent to receive education or training;
- C. Stipends or Needs Related Payments, as defined by TWC;
- D. Supportive Services needed to attend trade school, college or a university and ensure successful completion, such as but not limited to:
  - 1) Tools and/or Uniforms
  - 2) Rental Assistance
  - 3) Gas Assistance
  - 4) Car Repair Assistance
  - 5) Utility Assistance
  - 6) *Transportation to Medical Facilities (Veterans Project Only)*

3. Detailed description of activities, NPIs and Timelines

Educational opportunities (NPI 1.2J) will be made available in the provision of financial assistance to household members for tuition, fees books, and supplies to attend a trade school, college, or university. In order to enable parent(s) to take advantage of the educational opportunities offered by CHCSA, assistance with child care (NPI 1.2E) will also be considered. The child care and stipends will be provided in-conjunction with the educational opportunities. Parents making satisfactory progress and have exhausted or did not qualify for unemployment insurance benefits as a result of a qualifying layoff, will be considered for the needs related payments. To further alleviate obstacles and/or barriers that may deter the parent from being successful in their educational pursuit, CHCSA will provide assistance with supportive services such as but not limited to:

- a) tools and/or uniforms (NPI 1.2K) needed to carrying out the requirement of the educational programs;
- b) transportation assistance (gasoline NPI 1.2F, 6.2G, 6.3D5, car repairs NPI 6.2B, 6.3D5;
- c) rental assistance (NPI 6.2B, 6.3D2)
- d) utility payment assistance (NPI 6.2B, 6.3D2)

These supportive services will be available on an as needed and/or emergency basis. Similar educational opportunities will be available for the Veteran, himself/herself, and/or immediate family members (parents, spouse, adult children living at home) child care services and supportive services will also be available in addition to the supportive services listed above. Veterans will be afforded transportation assistance (bus tickets NPI 6.3D5) to medical facilities within and outside of Hidalgo County. In the Veteran's project the child care and/or supportive services may be provided if the Veteran is currently enrolled in a trade school, college, or a university.

CHCSA plans to have educational opportunities available at the commencement of the contract August 1, 2009 through April 30, 2010. It is anticipated that a minimum 25% of clients initially enrolled, due to unforeseen reasons, may not be able to complete the coursework, therefore in the months of January 2010 and May 2010, CHCSA will concentrate its efforts on recruiting new participants to fill the vacancies created.

Given that the projects are similar the timeline for the Veterans project will also be August 1, 2009 through April 30, 2010. All services in both projects will run concurrently. TWC assesses entire household and determines all household needs at the initial appointment.

#### 4. Coordination efforts with TWC and Texas Veterans Administration

CHCSA plans to coordinate with the Texas Workforce Commission thru means of an Interlocal Agency Agreement by which we agree to enhance upon TWC's current WIA ARRA project targeting adults and dislocated workers with training needs. TWC will target the training investments in high growth industries such as green jobs, healthcare, and advanced manufacturing. TWC's goal is to serve approximately 400 adults and 165 dislocated workers in a tri-county area. In collaborating with CHCSA, the number served by TWC in Hidalgo will increase by approximately 350 adults and dislocated workers.

CHCSA also plans to coordinate with the Texas Veteran's Administration in Hidalgo County to facilitate a referral process between TWC and the Texas Veteran's Administration. With all 3 entities effort's, CHCSA projects to serve approximately 35 Veteran households.

Clients will be subjected to both entities' income eligibility criteria. Those clients deemed income ineligible by TWC standards will be assessed by CHCSA and served under the CSBG Case Management component if determined income eligible by CHCSA. All services planned for with ARRA will also be available to the clients served by CHCSA by means of TWC's network of providers.

#### 5. Number of jobs to be created.

CHCSA projects do not seek to create new jobs. CHCSA's aim is to increase the participant's skill level; in turn, the participate will be in a better position to take advantage of employment opportunities presented to him/her.

6. Number of low income persons to be assisted

CHCSA plans on assisting approximately 350 low income persons enrolled in a trade school, college, or university, with child care services and supportive services. Additionally, CHCSA plans on assisting approximately 35 Veteran households with the activities detailed herein.

7. Amount of funds for each project

CHCSA intends to utilize approximately 89% (\$2,450,000) of the ARRA funds to provide financial aid to attend a trade school, college, or university, child care assistance and supportive services to low income persons through the Interlocal Agency Agreement with TWC and in order to provide the listed activities for the Veterans, CHCSA plans to utilize approximately 5.4% (\$150,000) of the ARRA funds.

8. Timeline for each project

Each project will be operated from August 1, 2009 through September 30, 2010.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

**Subrecipient** County of Hidalgo Community Service Agency  
**Contract #** 11090000552  
**Amendment #**  
**Date of Submission**

**COMMUNITY SERVICES BLOCK GRANT – AMERICAN RECOVERY AND  
REINVESTMENT ACT BUDGET (CSBG – ARRA)**

**August 1, 2009 through September 30, 2010**

<u>BUDGET CATEGORIES</u>	<u>AMOUNT</u>
1. Personnel (Detailed on Budget Support Sheet B.1)	\$ 47,503
2. Fringe Benefits (Detailed on Budget Support Sheet B.2)	\$ 6,959
3. Travel (Detailed on Budget Support Sheet B.2)	\$ 300
4. General Purpose Equipment (Detailed on Budget Support Sheet B.3)	\$
5. Supplies (Detailed on Budget Support Sheet B.2)	\$ 2,874
6. Contractual (Detailed on Budget Support Sheet B.4)	\$ 12,000
7. Other: _____ (Detailed on Budget Support Sheet B.5)	\$ 2,687,949
8. Indirect Costs (Based on currently approved Plan) _____ % Base of _____	\$
<b>TOTAL</b>	<b><u>\$ 2,757,585</u></b>

Approval of this budget constitutes approval of equipment purchases in amounts less than \$5,000 per unit. Department's **prior** written approval is required to purchase or lease of equipment with per-unit costs of \$5,000 or greater.

**COMMUNITY SERVICES BLOCK GRANT – AMERICAN RECOVERY AND  
REINVESTMENT ACT BUDGET (CSBG – ARRA)  
FFY 2009**

**BUDGET SUPPORT SHEET B.1**

**NAME OF SUBRECIPIENT:** County of Hidalgo Community Service Agency

<b>PERSONNEL</b>			
<b>BUDGET CATEGORIES</b>	<b>NO. MOS.</b>	<b>% OF CSBG PARTICIPATION</b>	<b>AMOUNT OF CSBG RECOVERY FUNDS</b>
Executive Director	14	10%	\$ 9,366
Fiscal Director	14	10%	\$ 8,171
Executive Secretary/Human Resources Coordinator	14	10%	\$ 4,931
Financial Account Specialist	14	10%	\$ 3,537
Accounting Specialist	14	10%	\$ 3,395
Program Specialist	14	10%	\$ 6,983
Filing Clerk (2)	14	10%	\$ 4,185
Lead Data Entry/Processing Clerk	14	10%	\$ 3,394
CCFS Coordinator	14	10%	\$ 3,541
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
<b>PAGE TOTAL</b>		%	<b>\$ 47,503</b>

**COMMUNITY SERVICES BLOCK GRANT – AMERICAN RECOVERY AND  
REINVESTMENT ACT BUDGET (CSBG – ARRA)  
FFY 2009**

**BUDGET SUPPORT SHEET B.2**

**NAME OF SUBRECIPIENT:** County of Hidalgo Community Service Agency

<b>FRINGE BENEFITS</b>			
F.I.C.A. (7.65%)			\$ 3,634
UNEMPLOYMENT			\$
WORKMANS COMP. INSURANCE			\$
HEALTH INSURANCE			\$
OTHER Pension (7.00%)			\$ 3,325
OTHER _____			\$
<b>CSBG BUDGETED AMOUNT</b>			<b>\$ 6,959</b>
<b>TRAVEL</b>			
<b>LOCAL TRAVEL</b>	545	@	\$ 300
	MILES	RATE	
PER DIEM			\$
OUT OF STATE TRAVEL			\$
OTHER _____			\$
OTHER _____			\$
<b>CSBG BUDGETED AMOUNT</b>			<b>\$ 300</b>
<b>SUPPLIES</b>			
OFFICE SUPPLIES			\$ 2,874
MAINTENANCE SUPPLIES			\$
PROGRAM SUPPLIES			\$
OTHER _____			\$
OTHER _____			\$
<b>CSBG BUDGETED AMOUNT</b>			<b>\$ 2,874</b>

**COMMUNITY SERVICES BLOCK GRANT – AMERICAN RECOVERY AND  
REINVESTMENT ACT BUDGET (CSBG – ARRA)  
FFY 2009**

**BUDGET SUPPORT SHEET B.3**

**NAME OF SUBRECIPIENT:** County of Hidalgo Community Service Agency

**EQUIPMENT**

Items with a per-unit acquisition cost of \$5,000 or greater will require the Department's prior written approval.

DESCRIPTION	BRAND AND MODEL	UNIT COST	AMOUNT	% OF USAGE FOR CSBG
<b>PURCHASES</b>				
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
<b>LEASES</b>				
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
		\$	\$	%
<b>PAGE TOTAL</b>				<b>\$</b>



**COMMUNITY SERVICES BLOCK GRANT – AMERICAN RECOVERY AND  
REINVESTMENT ACT BUDGET (CSBG – ARRA)  
FFY 2009**

**BUDGET SUPPORT SHEET B.5**

**NAME OF SUBRECIPIENT:** County of Hidalgo Community Service Agency

<b>OTHER</b>	
<b>BUDGET CATEGORIES</b>	<b>AMOUNT</b>
Reproduction Copier	\$ 700
Printing	\$ 500
Telephone	\$ 1,470
Postage	\$ 176
Computer Service Cost	\$ 1,540
Program Staff – Fringe-- Travel	\$ 83,563
Direct Services	\$ 2,600,000
Assistance For Adults and Dislocated Workers	
- Education assistance	\$
- Textbooks	
- Child Care	\$
- Supportive services	\$
Assistance for Veterans	
- Education assistance	\$
- Textbooks	
- Child Care	\$
- Supportive services	\$
	\$
	\$
<b>PAGE TOTAL</b>	<b>\$ 2,687,949</b>

**PERFORMANCE STATEMENT FOR FY 2009**  
**CSBG ARRA**

**Hidalgo County Community Services Agency**

Services, Programs, and Activities	Counties Served	Funding Source & Name of Grant	National Performance Indicator Codes
1. Financial Aid (tuition, fees, books, supplies)	Hidalgo	Community Services Block Grant-Recovery Act Plan	1.2M
2. Child Care	Hidalgo	Community Services Block Grant-Recovery Act Plan	1.2E
3. Tool and/or Uniforms	Hidalgo	Community Services Block Grant-Recovery Act Plan	1.2N
4. Transportation Assistance (Gasoline, car repairs, bus tickets)	Hidalgo	Community Services Block Grant-Recovery Act Plan	Gasoline – 1.2F, 6.2I, 6.3D5 Car Repairs – 6.2D, 6.3D5 Bus Tickets – 6.3D5
5. Rent/Mortgage	Hidalgo	Community Services Block Grant-Recovery Act Plan	6.3D2
6. Utility Payment Assistance	Hidalgo	Community Services Block Grant-Recovery Act Plan	6.2B
7. Community Wide Partnerships	Hidalgo	Community Services Block Grant-Recovery Act Plan	4.1
8. Community Improvements & Revitalization-increased educational & training placement opportunities	Hidalgo	Community Services Block Grant-Recovery Act Plan	2.1I