



## Request for Grant Applications

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**Grant Name:** Rural Pre-Development Grants for Multifamily Project Development

**Solicitation Number:** 24-DWS-S018

**Funding Source:** Olene Walker Housing Loan Fund (OWHLF)

**Grant Period of Performance:** April 11, 2024 – June 30, 2025

**Grant Application and Details:** <https://jobs.utah.gov/department/rfg/index.html>

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### Due Date

1. Application Due Date: March 27, 2024 at 12:00 pm MDT
    - o Appendix A – [Grant Application Cover Page](#)
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### Other Important Dates

1. Pre-Proposal Meeting: NONE
2. Question period closes Friday, March 22, at 12:00pm MDT
  - o [Link to Submit Questions](#)
  - o [Q&A Posting](#)
3. Anticipated Award Date: April, July 2024

### Background

The Housing and Community Development Division is providing one-time funding for pre-development grants. Grant funds may be used by nonprofit and for-profit developers to offset the pre-development funds needed to prepare for the construction of single-family and multi-family moderate income housing units in rural Utah. Utah Code [35A-8-101](#) defines moderate income housing as housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income for households of the same size in the county in which the housing is located. Pre-development grants of up to \$50,000 may be awarded on a first come first serve basis in rural areas, with priority given to projects in counties of the fifth or sixth class with underdeveloped infrastructure as defined in Utah Code [§35A-8-507.5 \(4\)](#). One Grant per project will be awarded.

### Description of Grant

Pre-Development Grant Objectives

1. Participate and promote the early funding of development projects in a city of the fifth or sixth class, or a town in a rural area of the state, or any municipality or unincorporated area in a county of the fourth, fifth, or sixth class.
2. Provide pre-development funds for nonprofit and for-profit developers for viable projects which meet the eligibility guidelines in [§35A-8-507.5](#).
3. Pre-development projects are available to nonprofit and for-profit entities developing viable projects that meet the eligibility guidelines of the most current version of the Olene Walker Housing Loan Fund (OWHLF) [Program Guidance and Rules](#).

4. Priority will be given to awards to projects located in a county of the fifth or sixth class, and where the municipality or unincorporated area has underdeveloped infrastructure as defined in [§35A-8-507.5\(4\)](#).

#### Program Services

Pre-Development Grant Approved Funding may only be used to offset predevelopment funds needed to prepare for the construction of low- income housing units. Allowed expenses are market studies, surveys, environmental and impact studies, technical assistance, and preliminary architecture, engineering, or legal work; and may not use grant funds to pay for staff salaries or construction costs.

### Minimum Requirements

#### Eligible Project Definitions

For this grant, rural project areas are those communities defined under §10-2-301 and §17-50-501 as:

1. A municipality of the fifth class, which is a municipality with a population of 1,000 or more but less than 10,000 is a city of the fifth class.
2. A municipality, or town, of the sixth class, which is a municipality with a population of under 1,000.
3. A county of the fourth class, which is a county with a population of 11,000 or more but less than 40,000 is a county of the fourth class.
4. A county of the fifth class, which is a county with a population of 4,000 or more but less than 11,000.
5. A county of the sixth class, which is a county with a population less than 4,000.

#### Eligibility Requirements

To be considered eligible for this grant, an organization shall meet the following requirements:

1. Nonprofit and for-profit developers must be preparing to construct moderate and low-income housing units.
2. Development projects proposed for pre-development grant funds must be in relation to a project in:
  - a. a city of the fifth or sixth class, or a town, in a rural area of the state; or
  - b. any municipality or unincorporated area in a county of the fourth, fifth or sixth class.
3. Single-Family developments must have a minimum of four (4) units.
4. An eligible development project must meet the eligibility guidelines of the most current [OWHLF Program Guidance and Rules](#).

### Scope of Work

The proposed Scope of Work has been attached to this Request for Grant Applications (RFGA). Applicants should review the Scope of Work before submitting their responses to the Application requirements.

## Post Award Document Requirements

The following documents may be required after notification the grant award is received, prior to the execution of the grant agreement:

1. Insurance

## Attachments

Attachment A: DWS Grant Terms and Conditions

Attachment B: Scope of Work

## Contacts

- Multifamily Housing Program Specialist: Daniel Herbert-Voss, dhvoss@utah.gov
- Housing Programs Manager: Daniel Murphy, danmurphy@utah.gov
- Contract Analyst: Sophie Norvell, sophienorvell@utah.gov

## Submission Instructions

1. Complete and submit the online application and attach required forms and documents.
2. Prior to filling out the online application, complete and compile the following documents which will be attached to Appendix A - Grant Application Cover Page during submission of the application.
  - a. Forms provided by DWS:
    - i. Appendix B - Grant Application.
  - b. Additional required documents to be attached to the application, not provided by DWS:
    - i. Executive Summary
    - ii. Organizational Documents – certified copies which may include:
      1. Articles of incorporation.
      2. Operating Agreement.
      3. Partnership Agreement(s).
      4. Bylaws.
      5. Other documentation.
    - iii. Non-Profit Documentation (if applicable).
      1. Non-Profit Registration Letter.
      2. Bylaws.
    - iv. Site Control – evidence of site control or identified land which may include:
      1. Purchase contract.
      2. Letter of Intent.
      3. Deed.
      4. Lease.
    - v. Moderate Income Housing Plan
    - vi. Organizational Experience – documentation of previous experience which must include:
      1. Resume(s) of key staff.
      2. Organization chart(s).

3. Narrative of previous multifamily project experience.
- vii. Letter of Support from the local municipality or county where the project will be developed and any other Letters of Support from outside local collaborative agencies which may include:
  1. Brief description of their involvement in the project.
  2. How the organization(s) will partner.
- viii. For priority consideration, application must include proof of underdeveloped infrastructure in at least two (2) of the following areas:
  1. Limited or no availability of natural gas.
  2. Limited or no availability of sewer system.
  3. Limited or no availability of broadband internet.
  4. Unpaved residential streets.
  5. Limited local construction professionals, vendors, or services.

### **Additional Submission Information**

1. Applicants may only complete one application per development.
2. Applicant must bear the cost of preparing and submitting the application.
3. Failure to comply with any part of the RFGA may result in disqualification of the application.
4. Late applications will not be accepted.
5. Applications that do not include all required documentation may not be considered complete and may be denied.
6. Do NOT include additional information such as pamphlets, organizational public relations information, or addenda.
7. DWS may request the correction of immaterial omissions during the review period. Applicant must respond within the time period provided in the request.
8. By submitting an application, the Applicant acknowledges and agrees that the requirements, Scope of Work, and the evaluation process outlined in this RFGA are understood, fair, equitable, and are not unduly restrictive. Any exceptions to the content of this RFGA must be addressed during the Q&A period. The Applicant further acknowledges the Applicant has read the RFGA, including all attached or referenced documents.

### **Budget**

1. The maximum grant amount is \$50,000.00 per project.
2. Funds may not be used for staff salaries or construction costs.
3. A borrower in default with OWHLF will be disqualified from being awarded under this grant.
4. Funding will be distributed on a cost reimbursement or fee-for-service basis.
  - a. Requests for reimbursement must be submitted a minimum of quarterly and no more than monthly.
  - b. Reimbursement may be held until the Grantee has resolved any issues regarding compliance with grant requirements, including outcomes and reporting.
5. Grant funds may not be used to supplant existing funds or reimburse expenses incurred before the grant period.
6. All unused funds at the end of the grant shall be returned to DWS.

## Question and Answer

1. Question and Answer period closes on date and time specified on the cover page.
2. Questions must be submitted through the link provided on the cover page, during the Question and Answer period.
3. Answers will be posted on <https://jobs.utah.gov/department/rfg/index.html>
4. Questions may include notifying DWS of ambiguity, inconsistency, scope exceptions, excessively restrictive requirements, or other errors in this RFGA.
5. Questions may be answered individually or may be compiled into one document.
6. Questions may also be answered via an addendum.
7. An answered question or an addendum may modify the specification or requirements of this RFGA.
8. Applicants should periodically check for answered questions and addenda before the closing date.

## Addenda

Addenda shall be published within a reasonable time prior to the deadline applications are due, to allow Applicants to consider the addenda in preparing applications. Addenda published at least 5 calendar days prior to the deadline that applications are due shall be deemed to be published within a reasonable time. Minor addenda and urgent circumstances may require a shorter period of time.

## Evaluation and Award

1. Grant applications will be evaluated on an eligibility basis, and awarded on a first come, first served basis at the direction of the OWHLF Board.
2. Applicants may resubmit an application proposal, noting the date of the original application.
3. Applicants must be available for questions or clarification during the grant review period.
4. Applicants must be available for presentations upon request.
5. DWS reserves the right to reject any and all applications or withdraw this offer at any time.
6. DWS may award partial grants.
7. Awards will be made to the responsible applicant(s) whose application is determined to best meet the objectives of DWS, taking into consideration all factors set forth in this RFGA.
8. Organizations previously receiving funding from DWS must be in good standing with DWS and OWHLF to be considered for a Rural Pre-Development Grant.
9. Successful grant applications will be open to public inspection after grant award under the guidelines of the Government Records Access and Management Act (GRAMA). The entire application will be open unless applicant requests in writing that trade secrets/proprietary data be protected. A [GRAMA Claim of Business Confidentiality](#) must be submitted to the Contract Analyst prior to the application deadline.

## Submission Checklists

<b>Pre-Application Checklist</b>	
<input type="checkbox"/>	Employer Identification Number (EIN)

<b>Application Checklist</b>	
<input type="checkbox"/>	Appendix A: <a href="#">Grant Application Cover Page</a>
<input type="checkbox"/>	Appendix B: Grant Application
<input type="checkbox"/>	Executive Summary
<input type="checkbox"/>	Organizational Documents: Certified copies of organizational documents of all entities involved in this project – Articles of Incorporation, Operating Agreement, Partnership Agreements, Bylaws, Other
<input type="checkbox"/>	Non-Profit Documentation (if applicable): Non-Profit registration letter, Bylaws
<input type="checkbox"/>	Site Control
<input type="checkbox"/>	Moderate Income Housing Plan
<input type="checkbox"/>	Organizational Experience: Resume(s), Organization Chart(s), Multifamily Project Experience Narrative
<input type="checkbox"/>	Letters of Support
<input type="checkbox"/>	Proof of Underdeveloped Infrastructure (for priority consideration)



Department of Workforce Services  
Housing and Community Development  
Olene Walker Housing Loan Fund

**Rural Pre-Development Grants for Project Development**

Solicitation # 24-DWS-S018

**Appendix A - Grant Application Cover Page**

**APPLICANT INFORMATION (General Partner or Sponsor of Project)**

Name: \_\_\_\_\_ Doing business as: \_\_\_\_\_

State business is registered: \_\_\_\_\_ Business Type: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**CONTACT PERSON**

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Cellular: \_\_\_\_\_ Email: \_\_\_\_\_

**APPLICANT ELIGIBILITY**

Is the organization preparing to construct low-income housing units?  Yes  No

Are the proposed projects in relation to an eligible project under [§35A-8-507.5 \(1\)\(c\)](#)?  Yes  No

**COMMUNITY AFFORDABLE HOUSING PLAN**

Is this project consistent with the goals of the Community Affordable Housing Plan?  Yes  No

Plan and letter of support is provided?  Yes  No

**DEVELOPMENT INFORMATION**

**PREVIOUS OLENE WALKER HOUSING LOAN FUND PARTICIPATION OR OTHER DEVELOPMENT EXPERIENCE**

*List, if any. If more than 5 projects, just list the **five most recent** projects in order.*

Project Name	City	Date of Approval	Project Status

**PROPOSED DEVELOPMENT TEAM INFORMATION:** *List Name, Company, Address*

<b>Developer</b>	
<b>General Partner</b>	
<b>Contractor</b>	
<b>Management Co</b>	
<b>Sponsoring Org</b>	
<b>Consultant</b>	
<b>Architect</b>	
<b>Engineer</b>	

**Are any of the development team members on HUD's Debarment List?**

Yes    No

**Are all development team members in good standing with HCD?**

Yes    No



**LOCAL OFFICIAL CONTACT INFORMATION**

Name of Political Jurisdiction: \_\_\_\_\_

Name of Mayor: \_\_\_\_\_

Name of Chief Admin Officer: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Name of Zoning Official: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

**APPLICATION ATTACHMENTS**

\_\_\_\_\_ Appendix B, Grant Application

\_\_\_\_\_ Executive Summary

**Organizational Documents:** *Certified copies of organizational documents of all entities involved in this project*

\_\_\_\_\_ Articles of Incorporation

\_\_\_\_\_ Operating Agreement

\_\_\_\_\_ Partnership Agreements

\_\_\_\_\_ Bylaws

\_\_\_\_\_ Other

**Non-Profit Documentation:** *Non-profits must provide a copy of the IRS Determination Letter of Non-Profit Status, and a copy of the articles or bylaws evidencing that one of its exempt purposes is providing affordable housing.*

\_\_\_\_\_ Non-Profit Registration Letter, if applicable

\_\_\_\_\_ Bylaws, if applicable

\_\_\_\_\_ Site Control  
*Evidence of site control or identified land (purchase contract, letter of intent, deed or lease)*

\_\_\_\_\_ Community Affordable Housing Plan

**Experience:** *Resume(s) of the key staff, organization chart(s), and a narrative of previously multifamily project experience.*

\_\_\_\_\_ Resume(s)

\_\_\_\_\_ Organization Chart(s)

\_\_\_\_\_ Narrative

\_\_\_\_\_ Financial Statements

\_\_\_\_\_ Letters of Support  
*Local Support Letters in favor of the project.*

**Underdeveloped Infrastructure:** *Mark and provide proof of underdeveloped infrastructure by at least two of the following:*

Yes  No \_\_\_\_\_ Limited or no availability of natural gas

Yes  No \_\_\_\_\_ Limited or no availability of sewer system

Yes  No \_\_\_\_\_ Limited or no availability of broadband internet

Yes  No \_\_\_\_\_ Unpaved residential streets

Yes  No \_\_\_\_\_ Limited local construction professionals, vendors, or services

**PROJECT OWNER CERTIFICATIONS AND REPRESENTATIONS**

*By submitting an application to this RFGA, I acknowledge and agree that the requirements outlined in this RFGA are understood, fair, equitable, and are not unduly restrictive. Any concerns or exceptions to the content of this RFGA must be addressed within the Q&A period. I further acknowledge that I have read this RFGA, along with any attached or referenced documents, including the Grant Terms and Conditions.*

*The undersigned is responsible for ensuring the project consists or will consist of a building or buildings that will satisfy all applicable requirements of Federal and State law in the acquisition, rehabilitation, or new construction, and operation of the project.*

*The undersigned authorizes the Department of Workforces Services (DWS), Housing and Community Development Division (HCD) to disclose or provide copies of this application, as may be amended, or copies of any allocation agreement(s) or IRS Form 8609s issued with respect to the proposed project to the USDA-Rural Development Service (RD), DWS, and other government funding sources, including the Department Housing and Urban Development (HUD) as necessary to comply with state or Federal law on the review of financial assistance provided to the project.*

*The undersigned certifies that all information in this application and all information furnished in support of this application is given for the purpose of obtaining financial assistance under the applicable program and is true and complete to the best of the applicant's knowledge and belief. The applicant understands and agrees that if false information is provided in this application, DWS may hold the applicant ineligible to apply for any program funds for a period of one (1) year or until any issue of restitution is resolved and may terminate the applicant's contract and recapture all funds expended. The applicant will not, in the provision of services, or in any manner, discriminate against any person on the basis of race, color, creed, religion, sex, national origin, age, familial status, or disability. Verification of any of the information contained in this application may be obtained from any source named herein.*

*In accepting these grant funds, the applicant will pay property taxes, property insurance, and keep liens off of the property as long as this agreement is in place.*

*WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the U.S. as to any matter within its jurisdiction. The undersigned certifies the information provided above is true and complete to the best of its knowledge and belief. The undersigned consents to the disclosure of such information for purposes of income and verification related to this application for financial assistance. The undersigned understands that any willful misstatement of material fact will be grounds for disqualification.*

*The undersigned, being duly authorized, hereby represents and certifies that the foregoing information, to the best of his/her knowledge, is true, complete and accurately describes the proposed project.*

**In witness whereof,**

**The owner has caused this application to be duly executed in its name on \_\_\_\_\_**

\_\_\_\_\_  
Legal Name of Owner

**by**

\_\_\_\_\_  
Authorized Owner Representative Signature

\_\_\_\_\_  
Name and Title



**ATTACHMENT A**  
**Department of Workforce Services (DWS)**  
**Grant Terms and Conditions**

**1. DEFINITIONS:**

- a. **"Agreement Signature Pages"** means the State cover pages that DWS and Grantee sign.
- b. **"Agreement"** means the Agreement, Signature Pages, attachments, and documents incorporated by reference.
- c. **"Confidential Information"** means information that is classified as Private or Protected, or otherwise deemed non-public under applicable state and federal laws, including but not limited to the Government Records Access and Management Act (GRAMA) Utah Code 63G-2-101 et seq. DWS reserves the right to identify, during and after this Agreement, additional information categories that must be kept confidential under federal and state law.
- d. **"Goods and Services"** means goods including, but not limited to, any deliverables, supplies, equipment, or commodities, and services including, but not limited to the furnishing of labor, time, and effort by Grantee pursuant to this Agreement and professional services required in accordance with this Contract.
- e. **"GRANTEE"** means the individual or entity receiving the funds identified in this Agreement. The term "GRANTEE" shall include GRANTEE's agents, officers, employees, and partners, as well as sub-recipients and loan recipients.
- f. **"Proposal"** means Grantee's response to DWS's Solicitation.
- g. **"Solicitation"** means the documents and process used by the State Entity to obtain Grantee's Proposal.
- h. **"State of Utah"** means the State of Utah, in its entirety, including its institutions, agencies, departments, divisions, authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.
- i. **"Subcontractor/Subgrantee"** means an individual or entity that has entered into an agreement with the original GRANTEE to perform services or provide goods which the original GRANTEE is responsible for under the terms of this Agreement. Additionally, the term "subgrantee" or "subcontractor" also refers to individuals or entities that have entered into agreements with any subgrantee if: (1) those individuals or entities have agreed to perform all or most of the subgrantee's duties under this Agreement; or (2) federal law requires this Agreement to apply to such individuals or entities.
- j. **"Volunteer"** means an authorized individual performing a service without pay or other compensation.

2. **GOVERNING LAW AND VENUE:** This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.

**3. CONFLICT OF INTEREST:**

- a. GRANTEE certifies, through the execution of the Agreement, that none of its owners, directors, officers, or employees are employees of DWS, or the State of Utah. GRANTEE will not hire or subcontract with any person having such conflicting interest(s).
- b. GRANTEE will notify DWS immediately upon learning of such a conflict and shall take immediate action to cure the conflict in accordance with DWS' direction.
- c. GRANTEE certifies, through the execution of the Agreement that none of its owners, directors, officers, or employees working under this Agreement, are relatives of an employee of DWS. A relative is defined as: spouse, child, step-child, parent, sibling, aunt, uncle, niece, nephew, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent or grandchild.
- d. GRANTEE shall not use Grant funds to make any payments to an organization which has in common with GRANTEE either: a) owners or partners who directly or indirectly own ten percent (10%) or more of the voting interest of the organization; or b) directors, officers or others with authority to establish policies and make decisions for the organization.

4. **PROCUREMENT ETHICS:** Grantee certifies that it has not offered or given any gift or compensation prohibited by the laws, Executive Orders, or policies of the State to any officer or employee of the State or participating political subdivisions to secure favorable treatment with

respect to being awarded this Agreement. Grantee shall not give or offer any compensation, gratuity, contribution, loan, reward, or promise to any person in any official capacity relating to the procurement of this Agreement.

**5. RELATED PARTIES:**

- a. GRANTEE shall not use Grant funds to make any payments to related parties without the prior written consent of DWS. GRANTEE is obligated to notify DWS of any contemplated related party payment prior to making a purchase. Payments made by GRANTEE to related parties without prior written consent may be disallowed and may result in an overpayment assessment.
- b. GRANTEE is defined as all owners, partners, directors, and officers of GRANTEE or others with authority to establish policies and make decisions for GRANTEE.
- c. Related parties is defined as:
  - i. A person who is related to GRANTEE through blood or marriage, as defined by U.C.A., Section 52-3-1(1)(d), as father, mother, husband, wife, son, daughter, sister, brother, grandfather, grandmother, grandson, granddaughter, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law.
  - ii. An organization with directors, officers, or others with the authority to establish policies and to make decisions for the organization who is related to GRANTEE through blood or marriage, as defined above.
- d. Upon notification of proposed related party payment, DWS may, at its discretion:
  - i. Require GRANTEE to undertake competitive bidding for the goods or services,
  - ii. Require satisfactory cost justification prior to payment, or
  - iii. Take other steps that may be necessary to assure that the goods or services provided afford DWS a satisfactory level of quality and cost.
- e. Any related-party payments contemplated under this Agreement must be disclosed on a written statement to DWS which shall include:
  - i. The name of GRANTEE'S representative who is related to the party to whom GRANTEE seeks to make payments;
  - ii. the name of the other related party;
  - iii. the relationship between the individuals identified in "i" and "ii" above;
  - iv. a description of the transaction in question and the dollar amount involved;
  - v. the decision-making authority of the individuals identified in "i" and "ii" above, with respect to the applicable transaction;
  - vi. the potential effect on this Agreement if the payment to the related party is disallowed;
  - vii. the potential effect on this Agreement if the payment to the related party is made; and
  - viii. the measures taken by GRANTEE to protect DWS from potentially adverse effects resulting from the identified parties' relationship.

**6. INDEMNITY:** GRANTEE shall be fully liable for the actions of its agents, employees, officers, partners, and subcontractors, and shall fully indemnify, defend, and save harmless DWS and the State of Utah from all claims, losses, suits, actions, damages, and costs of every name and description arising out of GRANTEE'S performance of this Agreement caused by any intentional act or negligence of GRANTEE, its agents, employees, officers, partners, volunteers, or subcontractors, without limitation; provided, however, that the GRANTEE shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sole fault of DWS. The parties agree that if there are any limitations of the GRANTEE'S liability, including a limitation of liability clause for anyone for whom the GRANTEE is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property of DWS.

**7. INDEMNIFICATION RELATING TO INTELLECTUAL PROPERTY:** GRANTEE will indemnify and hold DWS and the State of Utah harmless from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities, and costs in any action or claim brought against DWS or the State of Utah for infringement of a third party's copyright, trademark, trade secret, or other proprietary right. The parties agree that if there are any limitations of GRANTEE'S liability, such limitations of liability will not apply to this section.

8. **OWNERSHIP IN INTELLECTUAL PROPERTY:**
  - a. DWS and GRANTEE each recognizes that each has no right, title, or interest, proprietary or otherwise, in the intellectual property owned or licensed by the other, unless otherwise agreed upon by the parties in writing. All documents, records, programs, data, articles, memoranda, and other materials not developed or licensed by GRANTEE prior to the execution of this Agreement, but specifically manufactured under this Agreement shall be considered work made for hire, and GRANTEE shall transfer any ownership claim to DWS.
  - b. Grantee warrants that it does not and will not infringe on any copyrights, patents, trade secrets, or other proprietary rights. Grantee will indemnify the State and hold the State harmless from and against all damages, expenses, attorney's fees, claims, judgments, liabilities, and costs in any claim brought against the State for infringement.
9. **STANDARD OF CARE:** Grantee and Subcontractors shall perform in accordance with the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services, including the type, magnitude, and complexity of the Services. Grantee is liable for claims, liabilities, additional burdens, penalties, damages, or third-party claims, to the extent caused by the acts, errors, or omissions that do not meet this standard of care.
10. **AMENDMENTS:** This Agreement may only be amended by the mutual written agreement of the parties, provided that the amendment is within the Scope of Work of this Agreement and is within the scope/purpose of the original solicitation for which this Contract was derived. The amendment will be attached and made part of this Agreement. Automatic renewals will not apply to this Agreement, even if listed elsewhere in this Agreement.
11. **IMPOSITION OF FEES:** GRANTEE will not impose any fees upon clients provided services under this Agreement except as authorized by DWS. The State of Utah and DWS will not allow the GRANTEE to charge end users electronic payment fees of any kind.
12. **HUMAN-SUBJECTS RESEARCH:** GRANTEE shall not conduct non-exempt human-subjects research, as defined by 45 CFR part 46, involving employees of DWS or individuals receiving services (whether direct or contracted) from DWS. Program reporting and evaluation are not considered human-subjects research.
13. **GRANTEE RESPONSIBILITY:** GRANTEE is solely responsible for fulfilling the statement of work under this Agreement, with responsibility for all services performed as stated in this Agreement. GRANTEE shall be the sole point of contact regarding all matters related to this Agreement. GRANTEE must incorporate GRANTEE's responsibilities under this Agreement into every subcontract with its subcontractors that will provide any of the work product in this Agreement. Moreover, GRANTEE is responsible for its subcontractor's compliance under this Agreement.
14. **GRANTEE ASSIGNMENT AND SUBGRANTEES/SUBCONTRACTORS:**
  - a. Assignment: Notwithstanding DWS's right to assign the rights or duties hereunder, this Agreement may not be assigned by GRANTEE without the written consent of DWS. Any assignment by GRANTEE without DWS's written consent shall be wholly void.
  - b. If GRANTEE enters into subcontracts the following provisions apply:
    - i. Duties of Subgrantee/Subcontractor: Regardless of whether a particular provision in this Agreement mentions subgrantees, a subgrantee must comply with all provisions of this Agreement including, insurance requirements and the fiscal and program requirements. GRANTEE retains full responsibility for the Agreement compliance whether the services are provided directly or by a subgrantee.
    - ii. Provisions Required in Subcontracts: If GRANTEE enters into any subcontracts with other individuals or entities and pays those individuals or entities for such goods or services with federal or state funds, GRANTEE must include provisions in its subcontracts regarding the federal and state laws identified in this Agreement, if applicable ("Grantee's Compliance with Applicable Laws; Cost Accounting Principles and Financial Reports"), as well as other laws and grant provisions identified in 45 C.F.R. §92.36(i).
15. **INDEPENDENT GRANTEE:** GRANTEE and subcontractors, in the performance of the Scope of Work, shall act in an independent capacity and not as officers or employees or agents of DWS or the State of Utah. Persons employed by or through the Grantee shall not be deemed to be employees or agents of the State and are not entitled to the benefits associated with State employment.

**16. MONITORING:**

- a. DWS shall have the right to monitor GRANTEE'S performance under this Agreement. Monitoring of GRANTEE'S performance shall be at the complete discretion of DWS which will include but is not limited to GRANTEE'S fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of this Agreement. Monitoring may include, but is not limited to, both announced and unannounced site visits, desk audit, third party monitoring, expenditure document review or video/phone conferencing. Any onsite monitoring will take place during normal business hours.
- b. If it is discovered that GRANTEE is in default (not in compliance with the Agreement), GRANTEE may be subject to sanctions which may include warnings, audits, temporary suspension of payments, termination, demand for the return of funds and or suspension/debarment from participation in future DWS grants and contracts. Default may also result in the cancellation of other agreements between GRANTEE and DWS.
- c. GRANTEE understands that DWS may conduct customer-satisfaction surveys. GRANTEE agrees to cooperate with all DWS-initiated customer feedback.
- d. EVALUATIONS: DWS may conduct reviews, including but not limited to:
  - i. PERFORMANCE EVALUATION: A performance evaluation of Grantee's and Subcontractors' work.
  - ii. REVIEW: DWS may perform plan checks, plan reviews, other reviews, and comment upon the Services of Grantee. Such reviews do not waive the requirement of Grantee to meet all of the terms and conditions of this Agreement.

**17. DEFAULT:** Any of the following events will constitute cause for DWS to declare GRANTEE in default of this Agreement (i) GRANTEE's non-performance of its contractual requirements and obligations under this Agreement; or (ii) GRANTEE's material breach of any term or condition of this Agreement. DWS may issue a written notice of default providing a ten (10) day period in which GRANTEE will have an opportunity to cure. In addition, DWS will give GRANTEE only one opportunity to correct and cease the violations. Time allowed for cure will not diminish or eliminate GRANTEE's liability for damages. If the default remains after GRANTEE has been provided the opportunity to cure, DWS may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement; (iii) debar/suspend GRANTEE from receiving future grants or contracts from DWS or the State of Utah; or (iv) demand a full refund of any payment that DWS has made to GRANTEE under this Agreement.

**18. AGREEMENT TERMINATION:**

- a. **Termination for Cause:** This Agreement may be terminated with cause by either party, upon written notice given to the other party. The party in violation will be given ten (10) days after written notification to correct and cease the violations, after which this Agreement may be terminated for cause immediately and subject to the remedies herein. Time allowed for cure will not diminish or eliminate GRANTEE's liability for damages.
- b. **Immediate Termination:** If GRANTEE creates or is likely to create a risk of harm to the clients served under this Agreement, or if any other provision of this Agreement (including any provision in the attachments) allows DWS to terminate the Agreement immediately for a violation of that provision, DWS may terminate this Agreement immediately by notifying GRANTEE in writing. DWS may also terminate this Agreement immediately for fraud, misrepresentation, misappropriation, or mismanagement as determined by DWS.
- c. **No-Cause Termination:** This Agreement may be terminated without cause, by either party, upon thirty (30) days prior written notice being given to the other party.
- d. **Termination Due to Nonappropriation of Funds, Reduction of Funds, or Changes in Law:** Upon thirty (30) days' written notice delivered to the GRANTEE, this Agreement may be terminated in whole or in part at the sole discretion of DWS, if DWS reasonably determines that: (i) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Agreement; or (ii) that a change in available funds affects DWS's ability to pay under this Agreement. A change of available funds as used in this paragraph includes, but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor.  
If written notice is delivered under this section, DWS will reimburse GRANTEE for the services properly performed until the effective date of said notice. DWS will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said written notice.



- e. **Accounts and Payments at Termination:** Upon termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination. In no event shall DWS be liable to GRANTEE for compensation for any good or service neither requested nor accepted by DWS. In no event shall DWS's exercise of its right to terminate this Agreement relieve the GRANTEE of any liability to DWS for any damages or claims arising under this Agreement.
  - f. **Remedies for GRANTEE's Violation:** In the event this Agreement is terminated as a result of a default by GRANTEE, DWS may procure or otherwise obtain, upon such terms and conditions as DWS deems appropriate, services similar to those terminated, and GRANTEE shall be liable to DWS for any damages arising there from, including attorneys' fees and excess costs incurred by DWS in obtaining similar services.
19. **DISPUTE RESOLUTION:** Prior to either party filing a judicial proceeding, the parties agree to participate in the mediation of any dispute. DWS, after consultation with the GRANTEE, may appoint an expert or panel of experts to assist in the resolution of a dispute. If DWS appoints such an expert or panel, DWS and GRANTEE agree to cooperate in good faith in providing information and documents to the expert or panel in an effort to resolve the dispute.
  20. **SUSPENSION OF WORK:** If DWS determines, in its sole discretion, to suspend Grantee's responsibilities but not terminate this Agreement, the suspension will be initiated by formal written notice pursuant to the terms of this Agreement. GRANTEE's responsibilities may be reinstated upon advance formal written notice from DWS.
  21. **FORCE MAJEURE:** Neither party to this Agreement will be held responsible for delay or default caused by fire, riot, act of God, or war which is beyond that party's reasonable control. DWS may terminate this Agreement after determining such delay will prevent successful performance of this Agreement.
  22. **ATTORNEYS' FEES and COSTS:** In the event of any judicial action to enforce rights under this Agreement, the prevailing party shall be entitled its costs and expenses, including reasonable attorney's fees incurred in connection with such action.
  23. **AGREEMENT RENEWAL:** Renewal of this Agreement will be solely at the discretion of DWS.
  24. **CITING WORKFORCE SERVICES IN GRANT PROGRAM PROMOTION:** GRANTEE agrees to give credit to Workforce Services for funding in all written and verbal promotion, marketing or discussion of this program, including but not limited to brochures, flyers, informational materials, paid advertisements, and social media. All formal promotion, marketing (paid or otherwise), or public information programs will be coordinated with the assigned Public Information Officer for Workforce Services. It is within DWS's sole discretion whether to approve the advertising and publicity.
  25. **LICENSING AND STANDARD COMPLIANCE:** By signing this Agreement, GRANTEE acknowledges that it currently meets all applicable licensing or other standards required by federal and state laws or regulations and ordinances of the city/county in which services or care is provided and will continue to comply with such licensing or other applicable standards and ordinances for the duration of this Agreement period. Failure to secure or maintain a license is grounds for termination of this Agreement. GRANTEE acknowledges that it is responsible for familiarizing itself with these laws and regulations, and complying with all of them.
  26. **LAWS AND REGULATIONS:** The Grantee shall ensure that all supplies, services, equipment, and construction furnished under this Agreement complies with all applicable Federal, State, and local laws and regulations, including obtaining applicable permits, licensure and certification requirements. Grantees receiving federal pass-through funding shall comply with applicable 2 CFR 200 (Uniform Administrative Requirements and Cost Principles).
  27. **WARRANTY:** Grantee warrants, represents and conveys full ownership and clear title to the goods provided under this Agreement. Grantee warrants that: (a) all services and goods shall be provided in conformity with the requirements of this Agreement by qualified personnel in accordance with generally recognized standards; (b) all goods furnished pursuant to this Agreement shall be new and free from defects; (c) goods and services perform according to all claims that Grantee made in its Proposal; (d) goods and services are suitable for the ordinary purposes for which such goods and services are used; (e) goods and services are suitable for any special purposes identified in the Grantee's Proposal; (f) goods are properly designed and manufactured; and (g) goods create no harm to persons or property. Grantee warrants and assumes responsibility for all goods that it sells to the State under this Agreement for a period of one year, unless a longer period is specified elsewhere in this Agreement. Grantee acknowledges

that all warranties granted to the buyer by the Uniform Commercial Code of the State apply to this Agreement. Product liability disclaimers and warranty disclaimers are not applicable to this Agreement and are deemed void. Remedies available to the State include but are not limited to: Grantee will repair or replace goods and services at no charge to the State within ten days of written notification. If the repaired or replaced goods and services are inadequate or fail their essential purpose, Grantee will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State may otherwise have.

28. **TIME OF THE ESSENCE:** Services shall be completed by the deadlines stated in this Agreement. For all Services, time is of the essence. Grantee is liable for all damages to DWS, the State, and anyone for whom the State may be liable as a result of Grantee's failure to timely perform the Services.
29. **DEBARMENT:** For GRANTEES receiving any Federal funds: By signing this Agreement, GRANTEE certifies it is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal programs or activities. See the provisions on government-wide suspension and debarment in 2 CFR §200.205(d), Appendix II to Part 200 - Paragraph (H), and 2 CFR part 180 which implements Executive Orders 12549 and 12689 for further clarification. The Grantee shall notify DWS within five days if debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any contract by any governmental entity during the Agreement period.
30. **COMPLIANCE WITH GENERALLY APPLICABLE STATE AND FEDERAL LAWS:**
  - a. At all times during this Agreement, GRANTEE, and all services performed under this Agreement, will comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations.
  - b. GRANTEE is required to comply with all anti-discrimination and drug-free workplace laws, and all laws governing research involving human subjects. If GRANTEE is receiving federal funds under this Agreement the following federal laws may apply: Equal Opportunity Employer Executive Order, the Davis-Bacon Act, the Hatch Act, the Copeland "Anti-Kickback" Act, the Fair Labor Standards Act, the Contract Work Hours and Safety Standards Act, the Clean Air Act, the Federal Water Pollution Control Act, the Byrd Anti-Lobbying Amendment, and the Debarment and Suspension Executive Orders. GRANTEE shall comply with these laws and regulations to the extent they apply to the subject matter of this Agreement.
  - c. By accepting this Grant, the GRANTEE assures that is has the ability to comply with the nondiscrimination and equal opportunity provisions of the following laws and shall remain in compliance with such laws for the duration of the Grant:
    - i. Section 188 of the Workforce Innovation and Opportunity Act (WIOA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, or political affiliation or belief, or against beneficiaries, applicants, and participants on the basis of either citizenship or participation in any WIOA Title I-financially assisted program or activity;
    - ii. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color, and national origin;
    - iii. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
    - iv. The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and
    - v. Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in education programs.
  - d. GRANTEE also assures that it will comply with 29 CFR part 38 and all other regulations implementing the laws listed above. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.
    - i. If applicable, GRANTEE will provide an explanation of the client's rights and protections under 29 CFR Part 38, including displaying DWS' Equal Opportunity is the Law poster. If individual client files are maintained GRANTEE will also provide a copy of DWS' Equal Opportunity Notice to the client and maintain a copy in the client file.

- ii. The GRANTEE shall comply with WIOA guidance regarding services and access for persons with limited English proficiency, to the extent they apply to the subject matter of this agreement. Specific guidance is provided at Part IV, Department of Labor Federal Register/Volume 68, No. 103, issued Thursday, May 29, 2003, and Department of Health and Human Services Federal Register/Volume 65, No. 169, August 30, 2000 and Department of Health and Human Services Federal Register Volume 68, Number 153, August 8, 2003.
  - e. Workers' Compensation Insurance: GRANTEE shall maintain workers' compensation insurance during the term of this Agreement for all its employees and any subcontractor employees related to this Agreement. Workers' compensation insurance shall cover full liability under the workers' compensation laws of the jurisdiction in which the work is performed at the statutory limits required by said jurisdiction.
- 31. **WORK ON STATE OF UTAH PREMISES**: GRANTEE shall ensure that personnel working on State of Utah premises shall: (i) abide by all of the rules, regulations, and policies of the premises including DWS substance abuse and drug free workplace standard; (ii) remain in authorized areas; (iii) follow all instructions; and (iv) be subject to a background check, prior to entering the premises. The State of Utah or DWS may remove any individual for a violation hereunder.
- 32. **WORKFORCE SERVICES JOB LISTING**: GRANTEE must post employment opportunities with DWS for the duration of the Agreement.
- 33. **CODE OF CONDUCT** (attached if applicable): GRANTEE agrees to follow and enforce DWS's Code of Conduct, Utah Administrative Code, R982-601-101 et seq.
- 34. **GRIEVANCE PROCEDURE**: GRANTEE agrees to establish a system whereby recipients of services provided under this Agreement may present grievances about the operation of the program as it pertains to and affects said recipient. GRANTEE will advise recipients of their right to present grievances concerning denial or exclusion from the program, or operation of the program, and of their right to a review of the grievance by DWS. GRANTEE will advise applicants in writing of rights and procedures to present grievances. In the event of a grievance, GRANTEE will notify DWS Contract Owner of the grievance and its disposition of the matter.
- 35. **PROTECTION AND USE OF CLIENT RECORDS**: Grantee shall ensure that its agents, officers, employees, partners, volunteers and Subgrantees keep all Confidential Information strictly confidential. Grantee shall immediately notify DWS of any potential or actual misuse or misappropriation of Confidential Information. The use or disclosure by any party of any personally identifiable information concerning a recipient of services under this Agreement, for any purpose not directly connected with the administration of DWS's or GRANTEE'S responsibilities with respect to this Agreement is prohibited except as required or allowed by law. GRANTEE shall be responsible for any breach of this duty of confidentiality, including any required remedies or notifications under applicable law. GRANTEE shall indemnify, hold harmless, and defend DWS and the State of Utah, including anyone for whom DWS or the State of Utah is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by GRANTEE or anyone for whom the GRANTEE is liable. This duty of confidentiality shall be ongoing and survive the termination or expiration of this Agreement.
- 36. **RECORDS ADMINISTRATION**: GRANTEE shall maintain or supervise the maintenance of all records necessary to properly account for GRANTEE's performance and the payments made by DWS to GRANTEE under this Agreement. These records shall be retained by GRANTEE for at least six (6) years after final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. GRANTEE agrees to allow, at no additional cost, the State of Utah, federal auditors, and DWS staff, access to all such records and to allow interviews of any employees or others who might reasonably have information related to such records. Further, GRANTEE agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Grant. Such access will be during normal business hours, or by appointment.
- 37. **PUBLIC INFORMATION**: GRANTEE agrees that this Agreement, invoices and supporting documentation will be public documents and may be available for public and private distribution in accordance with the State of Utah's Government Records Access and Management Act (GRAMA). GRANTEE gives DWS and the State of Utah express permission to make copies of this Agreement, invoices and supporting documentation in accordance with GRAMA. Except for sections identified in writing by GRANTEE and expressly approved by DWS, GRANTEE also agrees that the grant application will be a public document, and copies may be given to the public as permitted under

GRAMA. DWS and the State of Utah are not obligated to inform GRANTEE of any GRAMA requests for disclosure of this Agreement, related invoices and supporting documentation.

38. **REQUIRED INSURANCE:** GRANTEE shall at all times during the term of this Agreement, without interruption, carry and maintain the insurance coverage described below. Non-governmental entity GRANTEES shall provide Certificate(s) of Insurance, showing up-to-date coverage, to DWS within thirty (30) days of Agreement award. Failure to provide proof of insurance as required will be deemed a material breach of this Agreement. GRANTEE's failure to maintain required insurance for the term of this Agreement will be grounds for immediate termination. DWS reserves the right to require higher or lower insurance limits where warranted. The carrying of insurance required by this Agreement shall not be interpreted as relieving GRANTEE of any other responsibility or liability under this Agreement or any applicable law, statute, rule, regulation, or order.
- a. Commercial general liability (CGL) insurance from an insurance company authorized to do business in the State of Utah. The limits of the CGL insurance policy will be no less than one million dollars (\$1,000,000.00) per person per occurrence and three million dollars (\$3,000,000.00) aggregate per occurrence. Non-governmental entity GRANTEE must add the State of Utah, DWS as an additional insured with notice of cancellation.
  - b. Commercial automobile liability (CAL) insurance from an insurance company authorized to do business in the State of Utah. The CAL insurance policy must cover bodily injury and property damage liability and be applicable to all vehicles used in the performance of Services under this Agreement whether owned, non-owned, leased, or hired. The minimum liability limit must be \$1 million per occurrence, combined single limit. The CAL insurance policy is required if Grantee will use a vehicle in the performance of this Agreement. If GRANTEE subcontracts with another entity or individual for transportation services, or services that include transportation services, GRANTEE may satisfy this insurance requirement by submitting proof that the subcontractor has complied with this section and agrees to the Indemnity section of this Agreement.
  - c. If GRANTEE employs doctors, dentists, social workers, mental health therapists or other professionals to provide services under this Agreement, GRANTEE shall maintain a policy of professional liability insurance with a limit of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate. This professional liability insurance ("malpractice insurance") shall cover damages caused by errors, omissions or negligence related to the professional services provided under this Agreement.
  - d. Workers' compensation insurance for all employees and subcontractor employees. Workers' compensation insurance shall cover full liability under the workers' compensation laws of the jurisdiction in which the service is performed.
  - e. GRANTEE also agrees to maintain any other insurance policies required in the Agreement. Grantee shall add the State as an additional insured with notice of cancellation. Grantee shall submit certificates of insurance that meet the above requirements prior to performing any Services, and in no event any later than thirty days of the Agreement award. Failure to maintain required insurance or to provide proof of insurance as required is a material breach of this Agreement and may result in immediate termination.
39. **FINANCIAL REPORTING AND AUDIT REQUIREMENTS:** GRANTEE shall comply with all applicable federal and state laws and regulations regarding financial reporting and auditing, including but not limited to 2 CFR 200, Subpart F; Utah Code: 51-2a-201.5, Utah Code: 53A-1a-507. Utah Admin. Code Rule R123-5, the *State of Utah Compliance Audit Guide* (SCAG). Further information on financial reporting and audit requirements is available at [auditor.utah.gov](http://auditor.utah.gov).
40. **BILLINGS AND PAYMENTS:** Payments to GRANTEE will be made by DWS upon receipt of itemized billing for authorized service(s) supported by appropriate documentation and information contained in reimbursement forms supplied by DWS. Billings and claims must be received within thirty (30) days after the last date of service for the period billed including the final billing, which must be submitted within thirty (30) days after Agreement termination or payments may be delayed or denied. DWS must receive billing for services for the month of June no later than July 15th, due to DWS's fiscal year end. Billings submitted after this date may be denied. DWS will not allow claims for services furnished by GRANTEE which are not specifically authorized by this Agreement. DWS has the right to adjust or return any invoice reflecting incorrect pricing.
41. **PAYMENT WITHHOLDING:** GRANTEE agrees that the reporting and record keeping requirements specified in this Agreement are a material element of performance and that if, in the opinion of DWS, GRANTEE'S record keeping practices or reporting to DWS are not conducted in a timely and

satisfactory manner, DWS may withhold part or all payments under this or any other Agreement until such deficiencies have been remedied. In the event of the payment(s) being withheld, DWS agrees to notify GRANTEE of the deficiencies that must be corrected in order to bring about the release of withheld payment.

42. **OVERPAYMENT/AUDIT EXCEPTIONS/DISALLOWANCES:** GRANTEE agrees that if during or subsequent to GRANTEE’S CPA audit or DWS determines payments were incorrectly reported or paid, DWS may amend the Agreement and adjust the payments. To be eligible for reimbursement GRANTEE expenditures must be adequately documented. Upon written request GRANTEE will immediately refund to DWS any overpayments as determined by audit or DWS. GRANTEE further agrees that DWS shall have the right to withhold any or all subsequent payments under this or other Agreements with GRANTEE until recoupment of overpayment is made.
43. **UNUSED FUNDS:** Any funds paid by DWS that are not appropriately used as authorized by this Agreement must immediately be returned to DWS.
44. **REDUCTION OF FUNDS:** The maximum amount authorized by this Agreement shall be reduced or Agreement terminated if required by federal/state law, regulation, or action or if there is significant under-utilization of funds, provided GRANTEE shall be reimbursed for all services performed in accordance with this Agreement prior to date of reduction or termination. If funds are reduced, there will be a comparable reduction in the amount of services to be given by GRANTEE. DWS will give GRANTEE thirty (30) days’ notice of reduction.
45. **PRICE REDUCTION FOR INCORRECT PRICING DATA:** If any price, including profit or fee, negotiated in connection with this Agreement, or any cost reimbursable under this Agreement was increased by any significant sum because GRANTEE furnished cost or pricing data (e.g., salary schedules, reports of prior period costs) which was not accurate, complete and current, the price or cost shall be reduced accordingly. The Agreement may be modified in writing as necessary to reflect such reduction, and amounts overpaid shall be subjected to overpayment assessments. Any action DWS may take in reference to such price reduction shall be independent of, and not be prejudicial to, DWS’s right to terminate this Agreement.
46. **FINANCIAL/COST ACCOUNTING SYSTEM:** GRANTEE agrees to maintain a financial and cost accounting system in accordance with accounting principles generally accepted in the United States of America. An entity’s accounting basis determines when transactions and economic events are reflected in its financial statements. An entity may record its accounting transactions and events on a cash basis, accrual basis, or modified accrual basis; however the cash method of accounting is not appropriate for governmental entities. GRANTEE further agrees that all program expenditures and revenues shall be supported by reasonable documentation (e.g., vouchers, invoices, receipts), which shall be stored and filed in a systematic and consistent manner. GRANTEE further agrees to retain and make available to independent auditors, State and Federal auditors, and program and grant reviewers all accounting records and supporting documentation for a minimum of six (6) years after the final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. GRANTEE further agrees that, to the extent it is unable to reasonably document the disposition of monies paid under this Agreement, it is subject to an assessment for over-payment.
47. **DWS COST PRINCIPLES FOR COST REIMBURSEMENT AGREEMENTS:**
  - a. Federal cost principles determine allowable costs in DWS grants. GRANTEE may locate the Federal Cost Principles applicable to its organization by searching the appropriate federal government websites.
  - b. Compliance with Federal Cost Principles: For GRANTEE’S convenience, DWS provides Table 1 below, “Cost Principles,” as a reference guide to the applicable cost principles. However, the information in this table is not exhaustive, and GRANTEE understands that it is obligated to seek independent legal or accounting advice. As shown in Table 1, “Cost Principles,” the principles applicable to a particular GRANTEE depend upon GRANTEE’S legal status.

**Table 1: Cost Principles**

<b>GRANTEE</b>	<b>Federal Cost Principles</b>
State/Local/Indian Tribal Governments	2 CFR 200 Subpart E
College or University	
Non-Profit Organization	

- c. Compensation for Personal Services - Additional Cost Principles:  
 In addition to the cost principles in the Federal circulars concerning compensation for personal services, the following cost principles also apply:
- i. The portion of time a person devotes to a program should be disclosed in the budget as a percent of 40 hours per week.
  - ii. Employees who are compensated from one or more grants, or from programmatic functions must maintain time reports, which reflect the distribution of their activities.
  - iii. If total work time exceeds 40 hours in a week and GRANTEE wants reimbursement for the time devoted to DWS programs over 40 hours, the following two conditions must be met: 1) a perpetual time record must be maintained and 2) prior written approval must be obtained from DWS's Finance-Contracting Division
  - iv. Compensation for Personal Expenses: DWS will not reimburse GRANTEE for personal expenses. For example, spouse travel when the travel costs of the spouse is unrelated to the business activity, telecommunications and cell phones for personal uses, undocumented car allowances, payments for both actual costs of meals and payments for per diem on the same day, and business lunches (not connected with training).
- d. Third-Party Reimbursement and Program Income: GRANTEE is required to pursue reimbursement from all other sources of funding available for services performed under this Agreement. Other sources of funding include, but are not limited to, third-party reimbursements and program income. In no instance shall any combination of other sources of funding and billings to DWS be greater than "necessary and reasonable costs to perform the services" as supported by audited financial records. Collections over and above audited costs shall be refunded to DWS.
48. **ADMINISTRATIVE EXPENDITURES:** DWS will reimburse administrative expenses as allowed by the budget terms of this agreement. GRANTEES with a federally approved Negotiated Indirect Cost Rate Agreement (NICRA) must provide DWS with a copy of their approval letter from the federal cognizant agency along with information on the base(s) used to distribute indirect costs.
49. **CHANGES IN BUDGET (Cost Reimbursement Grants Only):** The budget attached hereto shall be the basis for payment. GRANTEE may not make any adjustment in budgeted funds from Category III, "Program Expenses" to either Category I, "Indirect Expenses" or Category II, "Direct Administrative Expenses" or between Categories I and II, without prior written approval by DWS. Expenditures in excess of those budgeted in either Category I or II may be considered questioned costs. Resolution of such questioned costs will normally result in a request that such excesses be refunded to DWS. GRANTEE may, however, shift between either Category I or II to Category III with prior approval from DWS. Expenditures in excess of those budgeted in Category III will not normally result in questioned costs unless restrictions have been placed on subcategories within this major category. When the grant restricts expenditures within defined subcategories, any unapproved excess will be considered a questioned cost.
50. **NON-FEDERAL MATCH:** For those grants requiring a non-federal match, said match shall be:
- a. Expenses which are reasonable and necessary for proper and efficient accomplishment of the Agreement program objectives.
  - b. Allowable under applicable cost principles.
  - c. Not paid by the Federal Government under another award except where authorized by Federal statute.
  - d. In accordance with the appropriate Federal grant being matched.
  - e. Invoices submitted to DWS should detail the total cost of program expenditures and should distinguish between which expenditures are match and which are requested for reimbursement.
51. **WAIVER:** A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege. The State does not waive its sovereign or governmental immunity.
52. **NOTIFICATION TO THE INTERNAL REVENUE SERVICE:** It is DWS's policy to notify the Internal Revenue Service of any known violations of IRS regulations.
53. **ORDER OF PRECEDENCE:** In the event of any conflict in the terms and conditions in this Agreement, the order of precedence shall be: (i) this Attachment A; (ii) Agreement Signature

Page(s); and (iii) any other attachment listed on the Agreement Signature Page(s). Any provision attempting to limit the liability of GRANTEE or limit the rights of DWS or the State of Utah must be in writing and attached to this Agreement or it is rendered null and void.

54. **SURVIVAL OF TERMS:** Termination or expiration of this Agreement shall not extinguish or prejudice DWS's right to enforce this Agreement with respect to any default of this Agreement or of any of the following clauses: Governing Law and Venue, Laws and Regulations, Records Administration, Remedies, Indemnity, Intellectual Property, Indemnification Relating to Intellectual Property, Insurance, Public Information; Conflict of Terms; Confidentiality; and Publicity.
55. **SEVERABILITY:** The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.
56. **ERRORS AND OMISSIONS:** GRANTEE shall not take advantage of any errors or omissions in this Agreement. GRANTEE must promptly notify DWS of any errors or omissions that are discovered.
57. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written.
58. **PUBLIC CONTRACT BOYCOTT RESTRICTIONS:** In accordance with Utah Code 63G-27-102 and 63G-27-201, if applicable, GRANTEE certifies that it is not currently engaged in an "economic boycott" nor a "boycott of the State of Israel" as those terms are defined in that Code section. GRANTEE also agrees not to engage in either boycott for the duration of this Agreement. If GRANTEE does engage in such a boycott, it shall immediately provide written notification to DWS.

**ATTACHMENT B**  
**SCOPE OF WORK**  
**Rural Pre-Development Grant**

**I. PURPOSE/BACKGROUND**

**A. Contractual Intent**

The intent of this contract is to provide predevelopment funds for the development of moderate income housing in Utah and to further State law as outlined in Utah Code 35A-8-501 et seq. and Utah Administrative Code R982-501, as amended.

The Housing and Community Development Division (HCD) is providing one-time funding for rural pre-development projects. Grant funds may be used by non-profit or for-profit developers to offset the pre-development funds needed to prepare for the construction of single-family and multi-family moderate income housing units in rural Utah. Pre-development grants of up to \$50,000 may be awarded in rural areas, and priority will be given to projects in counties of the fifth or sixth class with underdeveloped infrastructure as defined in Utah Code §35A-8-507.5 (4).

**B. Project Name and Representation**

The [Name Apartments] was approved for a Rural Pre-Development Grant at the Olene Walker Housing Loan Fund (OWHLF) Board Meeting held on [Day], [Date], as represented by [Name Apartments, LLC].

**II. AUTHORITY**

- A.** Provisions of this contract are pursuant to the authority granted by **Utah Code 35A-8-507.5, 35A-8-501 et seq.** and **Utah Administrative Code R982-501, as amended.**

**III. GRANTEE RESPONSIBILITIES**

**A. Pre-Development**

Grantee shall utilize grant funds to offset the pre-development funds needed to prepare for an eligible project constructing single-family and multi-family moderate income housing units in rural Utah. Allowable pre-development expenses are:

1. To offset predevelopment funds needed to prepare for the construction of moderate-income housing units, including market studies, surveys, environmental and impact studies, technical assistance, and preliminary architecture, engineering, or legal work. May not use grant funds to pay for staff salaries or construction costs.

**B. Eligible Project**

**1. Rural Area Development**

The Grantee shall utilize grant funds in preparation to develop a project in:

- a. a city of the fifth or sixth class, or a town, in a rural area of the state; or
- b. any municipality or unincorporated area in a county of the fourth, fifth, or sixth class.

**2. Physical Location of Project**



Project will be located at [address].

3. **Single-Family developments must have a minimum of four (4) units.**

4. **Proposed Affordable and Market Units**

Of the [xxx] units, [all] units are affordable and [none] are market-rate units.

5. **Proposed Special Needs Set-Asides**

Project [serves specific special needs proposed in the grant application in addition to the general public for qualified moderate income households and tenants] / or / [does not serve any specific special-needs categories, but only the general public for qualified moderate income households and tenants].

**C. Notice**

The Grantee shall immediately notify the Department of any change or reorganization which affects the purposes of this Contract or the Grantee's ability to perform all terms of this Contract. Changes or reorganizations which require notification to the Department include, but are not limited to: a change in the amount or type of facilities, assistance, employees, staff, or faculty provided by Grantee to perform this Contract.

**IV. DOCUMENTS INCORPORATED INTO THIS CONTRACT**

Documents incorporated into this contract by reference but not attached hereto:

- A. All documents specified in any attachment to this contract.
- B. All other governmental laws, regulations, or actions applicable to services provided herein.

**V. OUTCOMES/DELIVERABLES**

- A. At the end of the grant agreement, the Grantee will have completed all necessary preparation, engineering, surveys, and financing required to commence construction on an eligible single-family or multi-family moderate income housing development project.

**VI. REPORTING**

Grantee shall provide an update on predevelopment activities, including but not limited to, awarded permits, appraisals, environmental studies, architectural and engineering milestones, surveys, and real estate options or acquisition, prior to disbursement of grant funds, or at the request of DWS.

**VI. MONITORING**

- A. Grantee will be monitored at least annually using the checklist provided by DWS.
- B. Project monitoring may include, but is not limited to, site visits, technical assistance, desk reviews, expenditure document review, or monitoring by a third party.

**VII. BUDGET**

**A. Reimbursement of Expenditures:**

- 1. Expenditures incurred by Grantee pursuant to Attachment C – Budget, shall be reimbursed to the Grantee by the Department upon receipt of an accurate, complete Request for Funds (RFF).

2. All supporting documentation, including invoices and any other applicable documentation, will be submitted with the RFF quarterly or monthly.
  3. All RFF claims must be submitted no later than July 15<sup>th</sup> of each year.
  4. Final invoices must be submitted within 30 days after termination of the contract. Any invoices submitted after 30 days of termination of the contract will not be reimbursed, even if the expenses were incurred during the term of the contract.
- B.** Processing time for payments is determined by accuracy of invoices and approval by the DWS Finance Division.