

AGREEMENT

This AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2006, by and between Arundel Community Development Services, Inc., a nonprofit organization incorporated in the State of Maryland in 1993 (referred to herein as "Corporation") and **XXXX**, a service provider and nonprofit organization incorporated in the State of Maryland in XXXX (referred to herein as "**XXXX**").

WHEREAS, the United States of America, in approving the Housing and Community Development Act of 1974, as amended, awards Community Development Block Grants (CDBG) to units of local government for certain eligible activities; and

WHEREAS, Anne Arundel County, has awarded a portion of its grant to the Corporation to administer, fund and implement eligible activities; and

WHEREAS, **XXXX** proposes to provide \_\_\_\_\_; and

WHEREAS, **XXXX** has requested Community Development Block Grant funding to operate this program; and

WHEREAS, the Corporation has determined such a grant is an eligible activity and finds it necessary and desirable to assist in financing this program for **XXXX**; and

NOW THEREFORE, this Agreement and the mutual covenants and promises contained herein, the parties do hereby agree as follows:

**I. SCOPE OF SERVICES**

- A. **XXXX** shall provide \_\_\_\_\_
- B. **XXXX** shall provide full management and administration of the **XXXX** Program.
- C. The goals and objectives of this program shall be accomplished through the services more fully described in the Scope of Services attached hereto as Appendix A, incorporated herein by reference and made a part of this Agreement.
- D. **XXXX** shall collect and maintain documentation pertaining, but not limited to, characteristics of program beneficiaries such as race and ethnicity of participants, household income of participants, and the number of participants living in female headed households; and the program's success at meeting goals and objectives outlined in the Scope of Services, including the number of participants beginning and successfully completing the program.
- E. **XXXX** agrees to permit the Corporation at any and all times to examine records kept for this program to determine if **XXXX** is complying with the terms and objectives of this Agreement.

## **II. TIME OF PERFORMANCE**

The scope of services to be performed by **XXXX** under this Agreement shall be for a period of 12 months beginning on **XXX** and terminating on **XXX**. This Agreement may be extended in writing by the parties upon such terms as they may agree upon.

## **III. COMPENSATION AND METHOD OF PAYMENT**

- A. The Corporation shall issue payments to **XXXX** for not more than the sum of **XXXX** for expenses incurred while performing the work outlined in the Scope of Services of this Agreement and in accordance with **XXXX**'s budget, attached as Appendix B, incorporated herein by reference and made a part of this Agreement.
- B. Modifications to the budget, attached as Appendix B, and incorporated herein, are permitted only if the changes reallocate expenditures among existing categories. Such modifications shall not exceed the original budget total. All modifications to the budget shall be submitted to the Corporation for approval and, if approved by the Corporation, will be deemed to modify Appendix B, attached hereto, as if Appendix B originally contained such terms. Such modifications shall be and become a part of this Agreement.
- C. **XXXX** shall submit a request for payment to the Corporation no less than every thirty (30) days. **XXXX** shall make payment requests for the expenses incurred while performing the work outlined in the Scope of Services of this Agreement. **XXXX** shall submit itemized statements of expenses, with back up receipts, and corresponding weekly time sheets and payroll forms for all employee positions to the Corporation certifying that **XXXX** is entitled to receive the payment under the terms of this Agreement. Upon approval of each invoice by the Corporation for compliance with this Agreement, the Corporation shall promptly remit payment to **XXXX** not to exceed the cumulative total noted in item IIIA.
- D. Funds provided under this Agreement shall be used in compliance with all applicable federal, State, and local requirements.

## **IV. INDIRECT COSTS**

If indirect costs are charged, **XXXX** will develop an indirect cost allocation plan for determining the appropriate share of administrative costs and shall submit such plan to the Corporation for approval, in a form specified by the Corporation.

## **V. WORKERS' COMPENSATION**

**XXXX** shall provide Worker's Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

## VI. INSURANCE

- A. Insurance Requirements. **XXXX** shall carry sufficient insurance coverage to protect contract asset from loss due to theft, fraud and/or undue physical damage. Specifically, **XXXX** shall provide evidence to the Corporation that **XXXX** maintains comprehensive general liability insurance in an amount not less than One Million Dollars (\$1,000,000) and maintains Automobile Liability Insurance with a combined single limit of not less than One Million Dollars (\$1,000,000).
- B. Certificate of Insurance. **XXXX** shall furnish the Corporation with certificates evidencing the type, amount, class of operations and effective dates of expiration of the insurance policies except for worker's compensation and automobile policies. The insurance coverage certification shall include substantially the following statement: "The insurance covered by this certification shall not be canceled or materially altered, except after thirty (30) consecutive calendar days from when a written notice has been delivered to the Corporation, whom shall be named as an additional insured in all insurance policies except for workers compensation and automobile liability policies."

## VII. REVERSION OF ASSETS

If at the time of expiration of this Agreement **XXXX** has on hand any CDBG funds or any accounts receivable attributable to the use of CDBG funds, the funds shall be transferred to the Corporation within thirty (30) days after expiration of the Agreement.

## VIII. PROGRAM INCOME

Any program income, which is gross income received by **XXXX** from any source whatsoever directly generated from the use of CDBG funds, shall be returned to the Corporation.

## IX. REPORTS AND INFORMATION

**XXXX** shall submit a detailed interim report covering the time period XXX through XXX, by XXX and a cumulative final report covering the time period XXX through XXX by XXX. Said report shall provide the information more fully described in the Scope of Services paragraph I.D. of this Agreement as well as the program's success in reaching its goals and objectives as fully outlined in Appendix A of this Agreement.

## X. ESTABLISHMENT AND MAINTENANCE OF RECORDS

- A. Establishment and Maintenance of Records. **XXXX** shall maintain records of all actions, and accurate books of accounts for all funds received and disbursed with full documentation to substantiate each transaction. Records shall be retained for a period of at least four (4) years after receipt of the final payment under this Agreement, or four (4) years after the federal audit pertaining to this Agreement, whichever is later. If **XXXX** should go out of existence, custody of the records with

respect to all matters covered by this Agreement shall be transferred to the Corporation.

- B. Documentation of Costs. All costs shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers, or other official documentation evidencing in full detail the nature and propriety of the expenses and shall be clearly identified in such records and readily accessible to the Corporation for review.

## XI. AUDITS AND INSPECTIONS

- A. At any time during normal business hours and as often as the Corporation, Anne Arundel County, HUD, and/or the Comptroller General of the United States deem necessary, there shall be made available to the Corporation, Anne Arundel County, HUD, and/or representatives of the Comptroller General, for examination, all of the records with respect to all matters covered by this Agreement. **XXXX** will permit the Corporation, Anne Arundel County, HUD and/or representatives of the Comptroller General to audit, examine and make excerpts or transcripts from such records, and other data relating to all matters covered by this Agreement.
- B. **XXXX** shall be responsible for submitting an organization-wide audit report or financial statement conducted in accordance with auditing standards generally accepted in the United States of America and obtained from an independent auditing firm on the use and status of funds governed by this Agreement.

If **XXXX** expends more than \$500,000 in federal assistance from any source in any year, than the audit must be conducted in accordance with OMB Circular No. A-133.

The audit report shall be submitted to the Corporation within the 60 days following completion of the audit. If audit findings are included in the audit report, a corrective action plan addressing any and all audit findings must accompany the audit report. The action plan shall include the corrective action planned and the anticipated completion date. If the organization is in disagreement with the finding(s), then an explanation summarizing specific reasons for the disagreement shall be submitted to the Corporation.

- C. The Corporation shall monitor **XXXX** for program performance, financial performance and regulatory compliance in accordance with 24 CFR 574.500 (a) and 24 CFR Part 85.

## XII. SUSPENSION AND TERMINATION

- A. Termination of Contract for Cause. If, through any cause, **XXXX** shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if **XXXX** shall violate any of the covenants, agreements or stipulations of this Agreement, the Corporation shall thereupon have the right to terminate this Agreement immediately by giving written notice to **XXXX** of such termination. In such event, all finished or

unfinished documents, data, studies and reports prepared by **XXXX** under this Agreement shall, at the option of the Corporation, become its property and **XXXX** shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents. Notwithstanding the above, **XXXX** shall not be relieved of liability to the Corporation for damages sustained by the Corporation by virtue of any breach of the Agreement by **XXXX**, and the Corporation may withhold any payments to **XXXX** until such time as the exact amount of damages due the Corporation from **XXXX** is determined.

- B. Termination for Convenience. The Corporation may, with the concurrence of **XXXX**, terminate this Agreement at any time. The Corporation shall give notice in writing of its decision to terminate, the effective date of termination and reasons thereof. **XXXX** shall, within 30 calendar days of the mailing of said notice, respond to the Corporation's request. Failure to respond to aforesaid shall be conclusively presumed to indicate consent, notwithstanding any communication received by the Corporation to the contrary at any time thereafter. If the Agreement is terminated by the Corporation as provided herein, **XXXX** will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of **XXXX** covered by this Agreement less payments of compensation previously made.
- C. Termination Based on Availability of Funds. This Agreement is based on availability of CDBG funds, and may be terminated by the Corporation at any time should a change in funding availability occur. In such case, the Corporation shall give notice in writing of its decision to terminate and the effective date of termination.

### **XIII. FEDERAL REQUIREMENTS**

- A. **XXXX** shall comply with applicable uniform administrative requirements as described in Federal Regulations 24 CFR 570.502 and 2 CFR 230 (OMB Circular A-122) "Cost Principles for Nonprofit Organizations", as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.
- B. **XXXX** agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the Accounting principles required therein, utilize adequate internal controls, and Maintain necessary source documentation for all costs incurred.
- C. **XXXX** does not assume the responsibility for initiating the review process under the provisions of 24 CFR Part 58.
- D. **XXXX** shall comply with all terms expressed in Federal Contract Requirements, attached hereto as Appendix D, incorporated herein by reference and made a part of this Agreement, which shall be binding upon **XXXX**.

#### **XIV. INDEMNIFICATION**

**XXXX** agrees to indemnify, defend, save and hold the Corporation, its successors and/or assigns, harmless from any and all loss, liability, damage or claims of any nature whatsoever arising out of this Agreement. **XXXX** further agrees not to pledge the credit of the Corporation, its successors and/or assigns, or to purchase, rent, lease or contract for any equipment or appliances in the name of the Corporation, its successors and/or assigns.

#### **XV. SEVERABILITY**

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

#### **XVI. WAIVERS**

- A. One or more waivers of any covenants or conditions or of any breach of same by the Corporation shall not be construed as a waiver of any subsequent breach of the same or other condition; and the consent and approval of the Corporation to any act by **XXXX** requiring the Corporation's consent or approval shall not be deemed to be a waiver and shall still render necessary the Corporation's consent or approval to any subsequent or similar act by **XXXX**.
- B. A breach of any provision of this Agreement shall be considered a breach of this Agreement as a whole and at that point solely at the Corporation's option, the Agreement may be terminated, provided that; (i) termination shall not be exercised unreasonably by the Corporation; (ii) prior to termination, the Corporation shall notify **XXXX** of the breach in writing, and (iii) **XXXX** may cure the breach within 10 days of receipt of said notice and notify the Corporation of same.

#### **XVII. EFFECT OF AGREEMENT**

This Agreement shall inure to the benefit of, and be binding upon, **XXXX** and the Corporation and their respective successors, assigns, and/or legal representatives. **XXXX** may not assign its rights or obligations under this Agreement without the express written consent of the Corporation.

#### **XVIII. GRANT CLOSE-OUT REQUIREMENT**

**XXXX**'s obligation to the Corporation shall not end until all grant close-out requirements are completed. Grant close-out requirements shall include making final payments, disposing for program assets (including the return of all unused materials and equipment), determining the custodianship of records, and any other activity, reports or action deemed necessary by the Corporation.

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**XIX. MARYLAND LAW**

This Agreement shall be governed by Maryland law and any actions between **XXXX** and the Corporation shall be brought in and vest jurisdiction and venue solely in the Circuit Court for Anne Arundel County.

**XX. AMENDMENTS**

The Corporation or **XXXX** may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing and signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement, nor relieve or release the Corporation or **XXXX** from its obligations under this Agreement.

The Corporation may, in its discretion, amend this Agreement to conform with federal, State, or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, time of performances as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the Corporation and **XXXX**.

**XXI. ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement between the Corporation and **XXXX** for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Corporation and **XXXX** with respect to this Agreement.

**XXII. NOTICE**

Notices to the parties shall be directed as follows:

Corporation: Kathleen M. Koch, Executive Director  
Arundel Community Development Services, Inc.  
2666 Riva Road, Suite 210  
Annapolis, Maryland 21401

**XXXX.:** XXXX

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IN WITNESS WHEREOF, the Corporation has caused this Agreement to be signed in its name by the Executive Director, duly attested to by a witness, and the Corporation seal hereunto affixed; and **XXXX** of Annapolis and Anne Arundel County, Inc. has caused this Agreement to be signed in its name by its Executive Director, duly attested by a witness.

IN WITNESS WHEREOF, on the date and year first above written.

ATTEST: XXXX.

\_\_\_\_\_ BY: \_\_\_\_\_ (Seal)  
XXX  
Executive Director

ATTEST: ARUNDEL COMMUNITY  
DEVELOPMENT SERVICES, INC.

\_\_\_\_\_ BY: \_\_\_\_\_ (Seal)  
Kathleen M. Koch  
Executive Director