

**CARES ACT REIMBURSEMENT AGREEMENT BY AND BETWEEN  
[INSERT ENTITY NAME] AND  
THE CITY OF LEE'S SUMMIT, MISSOURI**

This Agreement, made and entered into on the date of the City's signature, is by and between the City of Lee's Summit, Missouri, a Missouri constitutional charter city (the "City") and the [INSERT ENTITY NAME] (the "Recipient"), a Missouri non-profit entity (collectively the "Parties").

**RECITALS**

WHEREAS, the United States government has allocated funds to the City from the Coronavirus Relief Fund set forth under Section 601(a) of the Social Security Act, as added by Section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"); and

WHEREAS, Recipient has requested and applied for available funds from the City to cover costs incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), as set forth in the Spending Plan/Budget, attached as Exhibit A ("Budget") and incorporated herein by reference; and

WHEREAS, through said Budget, Recipient has represented, warranted and attested to the City that it meets all state and federal requirements for receipt of a portion of the available funds (the "Funds") as described in said Budget; and

WHEREAS, the Mayor and City Council desire to work with Recipient to provide necessary COVID-19 recovery and mitigation services, including [INSERT EXPLANATION OF RECOVERY SERVICES]; and

WHEREAS, City has reviewed said Budget and has made an award funds to Recipient.

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements herein set forth, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereby enter into the following agreement:

1. Purpose. The purpose of this Agreement is to distribute funds from the City to Recipient to cover Recipient's costs and expenses incurred due to COVID-19 (the "Funds"). Recipient agrees the Funds shall be used only to cover those costs that: (i) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); (ii) were not accounted for in Recipient's budget most recently approved as of March 27, 2020; and (iii) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The Funds shall be used exclusively in accordance with the provisions contained in this Agreement in conformance with state and federal law and for no other purpose. Further, Recipient agrees that Funds shall be used exclusively for the purposes described in the Budget. Recipient shall only use Funds for the purposes set forth in Exhibit A. Recipient understands and agrees that any deviations from the use of Funds, as described in the Budget, must have prior written approval from the City Manager or his designee, which is subject to the sole and absolute discretion of the City.

2. Funding Source. The City is authorized to distribute the Funds described in this

Agreement pursuant to section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

3. Representations and Warranties by Recipient. Recipient represents, warrants, and certifies that:

a. The undersigned individual has all necessary authority on behalf of the Recipient to request payment from the City from the allocation of funds to the City from the Coronavirus Relief Fund as created in the CARES Act.

b. Recipient understands and agrees that the City will rely on Exhibit A and this Agreement as material representations in awarding and making a payment of Funds to Recipient. Recipient affirms that the information set forth in the Budget is true, complete, and accurate and affirms the statements made in the Budget as of the date of this Agreement.

c. Recipient expressly represents and warrants that it is eligible to receive the Funds in accordance with state and federal law and that the Funds will be used exclusively for lawful expenditures pursuant to the CARES Act and specifically as described in Exhibit A.

d. Recipient represents, warrants, and agrees that the proposed uses of the Funds provided as a payment shall be used only to cover those costs that: (i) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); (ii) were not accounted for in its budget most recently approved as of March 27, 2020; and (iii) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

e. Recipient acknowledges, understands, and agrees that Funds provided as payment from the City to Recipient pursuant to this Agreement must adhere to official federal guidance issued or to be issued on what constitutes a necessary expenditure. Any funds expended by Recipient in any manner that does not adhere to official federal guidance shall be returned to the City.

f. If Recipient is a local government entity, public entity, or political subdivision of the state, any funds provided pursuant to this Agreement shall not be used as a revenue replacement for lower than expected tax or other revenue collections.

g. Funds received pursuant to this Agreement shall not be used for expenditures for which Recipient has received any other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for that same cost or expense, including other CARES Act funds.

h. Recipient may not use funds received pursuant to this Agreement to make a grant to any other local government, public entity, political subdivision, non-profit corporation, corporation, limited liability company, or other business entity, or individual unless the specific use of funds was expressly described in the Budget, and such grant is used solely for necessary expenditures incurred due to the public

health emergency with respect to the Coronavirus Disease 2019 (COVID-19), that were not accounted for in the budget most recently approved as of March 27, 2020, and that were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. In such event, Recipient is responsible for all documentation requirements set forth in this Agreement.

i. Recipient certifies by entering into this Agreement that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Agreement by any federal or state department or agency. The term “principal” for purposes of this Agreement is defined as an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Recipient.

j. Recipient agrees to promptly repay all funds paid to it under this Agreement should it be finally determined either that it was ineligible to receive the funds, or it made any material misrepresentation on its Application.

k. Recipient certifies that the Funds shall not be used for any unlawful purpose, including but not limited to: (i) as a revenue replacement for lower than expected tax or other revenue collection; (ii) for expenditures for which Recipient is already receiving other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for the same expense; or (iii) to engage in any other activity that is illegal under federal, state or local law.

l. Recipient understands and agrees that the City is under no obligation to distribute any additional funds other than as provided in the Agreements, even if Recipient believes circumstances have changed and Recipient requests additional funds.

4. Award and Distribution of Funds; Amount. Subject to the representations, warranties, covenants and agreements set forth in this Agreement, including the representations, warranties covenants, and agreements made by Recipient in the Budget attached as Exhibit A, City agrees to distribute to Recipient the Funds the sum of \$[INSERT AMOUNT] for the purposes set forth and described in Exhibit A, subject to approval and execution of this Agreement. Recipient understands and agrees that the Funds shall be disbursed as a reimbursement after Recipient has made an approved expenditure and such reimbursement will only be disbursed after (i) all expenditures have been approved by the City in writing and (ii) all required documentation is provided by Recipient, including all necessary Supporting Documentation as set forth in Section 8 of this Agreement, and all required documents are approved and signed by Recipient and City.

Requests for reimbursement may be submitted weekly to Development Services Department, Attn: CDBG Administrator, 220 SE Green St, Lee’s Summit, MO 64063, [sarah.tilbury@cityofls.net](mailto:sarah.tilbury@cityofls.net). All requests for reimbursement shall be submitted to the City no later than December 1, 2020 at 5:00 p.m. Any request for reimbursement received after December 1, 2020 shall be ineligible and denied.

Recipient understands and acknowledges that all awards are subject any modifications or additional requirements that may be imposed by law. In the event of a change in the CARES Act or guidance issued by the United States Department of Treasury that affect this Agreement, the obligations of the City under this Agreement may be terminated immediately.

5. Term. This Agreement shall commence on the date of the City's signature as set forth on the signature pages of this Agreement and shall remain in force and effect unless otherwise terminated as provided in this Agreement.

6. Use of Funds. Recipient shall only use the Funds for the purposes and intended use of funds description set forth in Exhibit A, and as awarded in this Agreement. Recipient may only use Funds for the purposes awarded in Exhibit A. Modification of Recipient's purpose and intended use of funds shall require prior written approval of the City Manager.

7. Unused Funds. Funds awarded and paid from the City to Recipient pursuant to this Agreement that are not expended or incurred on or before November 30, 2020 shall be returned to the City on or before December 1, 2020, and may not be used for expenditures incurred after November 30, 2020.

8. Documentation and Reporting Use of Funds. Recipient agrees to maintain the Supporting Documentation in order to comply with the requirements of the CARES Act and to demonstrate that the Funds have been used in accordance with section 601(d) of the Social Security Act. Recipient agrees to utilize appropriate fund accounting, auditing, monitoring and such evaluation procedures as may be necessary to create, keep and maintain such records as the federal, state, and City may prescribe, and in order to assure fiscal control, proper management, and efficient disbursement of funds received under this Agreement.

Recipient shall maintain all books, records and other documents in compliance with state and federal reporting and audit-related requirements, and shall maintain such books, records and documents for at least ten (10) years after the termination of this Agreement. Recipient shall make all books, records and other documents available at all reasonable times for inspection, auditing, and copying by the City in order to ensure compliance with the CARES Act, U.S. Department of Treasury Guidance, the intended purposes of the Funds as set forth in Exhibit A, audit requirements, and this Agreement. Copies of all records (including electronic records) shall be furnished to the City at no cost to the City. The Funds may be used to reimburse Recipient for costs associated with compliance with this paragraph.

Recipient agrees to submit any and all financial reports within ten (10) days after such request by the City. Failure by Recipient to submit Supporting Documentation within such period may result in an Event of Default. The City may require Supporting Documentation furnished by the Recipient from time to time regarding the use of Funds with respect to the approved and necessary expenditures listed in the Application and Notice of Decision. City may use its normal financial records forms unless a form is provided by the City, state or federal governments.

Recipient shall maintain, retain and provide documentation to City relating to the use

of Funds upon request, including, but not limited to (collectively referred to as “Supporting Documentation”):

- a. Procurement and conflict of interest policies;
- b. Documentation of compliance with applicable procurement laws and requirements for Recipient;
- c. Publication and/or posting documentation relating to procurement;
- d. Requests for bids/requests for proposals/requests for qualifications;
- e. Estimates, quotes, bid responses, proposals, or statements of qualifications;
- f. Sales receipts and invoices;
- g. Contracts for the purchase of goods or services;
- h. Proof of evaluation and award (e.g., minutes, approval by authorized representative, etc.);
- i. Purchase orders, payment requests, or applications for payment;
- j. Proof of payment (e.g., cancelled checks, direct payment information, bank statements, credit card statements);
- k. Proof of delivery on goods (e.g., copies of packing slips or bills of lading);
- l. Proof of services rendered (e.g., statements confirming services provided by a vendor or contractor);
- m. Time sheets and other personnel information (e.g., wage rates, job duties, etc., if applicable);
- n. Direct solicitation lists (if applicable);
- o. Documentation of sole source procurement (if applicable);
- p. Bonding and insurance documents (if applicable)
- q. E-Verify documentation;
- r. Financial reports regarding the use of the Funds;
- s. Documentation of costs incurred from business interruption due to business closures and COVID-19, including but not limited to revenue comparisons from 2019 to 2020, closure dates, and hours of operation

adjustment;

- t. Any other documents reasonably required by the City, its auditors, the State of Missouri, or the United States with respect to compliance with the requirements of the CARES Act and guidance.

9. Compliance with Laws.

a. Recipient shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are incorporated by reference. Failure to comply with any applicable requirements by Recipient shall be deemed a material breach of this Agreement. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Agreement shall be reviewed by the City and Recipient to determine whether the provisions of this Agreement require formal modification.

b. Recipient agrees that it has, or at the appropriate time, will comply with all applicable bidding and procurement requirements pursuant to policy, local, state, or federal law regarding the use of the Funds and that Recipient has, or will, provide all necessary Supporting Documentation evidencing compliance with bidding and procurement laws.

c. The Recipient and its agents shall abide by all applicable conflict of interest laws and requirements that apply to persons who have a business relationship with the City. If Recipient has knowledge that a City officer, employee, or special appointee, has a conflict of interest, Recipient shall ensure compliance with all applicable disclosure requirements prior to the execution of this Agreement. If Recipient or its agents violate any applicable conflict of interest laws or requirements, the City may, in its sole discretion, terminate this Agreement immediately upon notice to Recipient.

d. Recipient certifies by entering into this Agreement that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments and taxes to the City, State of Missouri, or federal government.

e. Recipient warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by any federal, state, or local government, that would affect the proper and agreed upon use of the Funds.

f. Recipient agrees to obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations with respect to uses of the Funds.

10. Debarment and Suspension. Recipient certifies by entering into this Agreement that it is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Agreement by any federal agency or by any department, agency or political subdivision of the State of Missouri. The term “principal” for purposes of this Agreement means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a

person who has a critical influence on or substantive control over the operations of Recipient.

11. Events of Default and Remedies. The occurrence of any one or more of the following events shall constitute an “Event of Default” under this Agreement, provided, that if any such Event of Default is capable of being cured, such Event of Default shall not be deemed to be an Event of Default unless Recipient fails to cure such Event of Default within the time period specified below following receipt of written notice from City notifying Recipient of such Event of Default (each, a “Cure Period”):

a. *False Statement.* Any statement, representation or warranty by Recipient contained in the Application or Supporting Documents, in any funding request, this Agreement, or any other document submitted to the City related to this Agreement which is determined to be false, contains a material misrepresentation, or is materially misleading, as determined by the City, its auditors, or the federal government.

b. *Failure to Comply with Applicable Laws.* Recipient fails to comply with or satisfy any of the requirements described in paragraph 26.

c. *Failure to Perform; Breach.* Recipient fails to perform or breaches any obligation or requirement of this Agreement, or makes an unauthorized use of the Funds, including, by way of example, but not limited to:

i. Use of Funds that is different than the Purpose and Intended Use of Funds as detailed in Exhibit A;

ii. Use of Funds for a purpose not described in Exhibit A, even for purposes that might otherwise be considered an eligible use of Funds had the use been approved by City;

iii. Use of Funds for purposes that are not necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);

iv. Use of Funds for expenditures incurred outside the time period of March 1, 2020, through November 30, 2020;

v. Failure to return funds that are unspent or not incurred on or before November 30, 2020;

vi. Use of the funds for “political activities” or “legislative activities” as defined by the Internal Revenue Service.

d. *Failure to Provide Supporting Documents and Information.* Recipient fails to provide Supporting Documentation, including, but not limited to financial reports, books, records, and other documents reasonably required by the City relating to the subject matter of this Agreement, subject to a ten (10) day Cure Period.

e. *Voluntary or Involuntary Insolvency.* Recipient: (i) files or has filed

against it a petition for relief, reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law; (ii) makes an assignment for the benefit of its creditors; (iii) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers, or a court or government authority enters an order appointing a custodian, receiver, trustee, or other officer with similar powers, and such order is not vacated within ten (10) days; (iv) has an order entered against it for relief or approving a petition for relief, reorganization or any other petition in bankruptcy or for liquidation or to take advance of any bankruptcy, insolvency or other debtor's relief law, and such order is not vacated within ten (10) days; or (v) has an order entered dissolving, winding-up or liquidating Recipient.

f. *Determination regarding CARES Act.* Use of the Funds for purposes that are determined not to be eligible, compliant with, or used in a manner consistent with the requirements of section 601(d) of the Social Security Act, as determined by an independent auditor, the United States Department of Treasury, or other agency charged with evaluating compliance with the requirements of the CARES Act, including internal controls, monitoring and management, and audit requirements.

g. *Recoupment Request or Demand to City.* A request or demand to the City by the County or the United States to repay any of the Funds awarded to Recipient subject to a determination by the City of the correctness and appropriateness of the request or demand. In such event, City shall provide written notice to the Recipient of the nature and extent of the request or demand, and, subject to the obligations of Recipient pursuant to paragraph 17, City and Recipient may mutually agree to the appropriate course of action under the circumstances.

h. *Other Breach.* The breach of any other material term or condition of this Agreement.

12. Remedies Upon Event of Default. Upon and during the continuance of an Event of Default, City may take any of the following actions, individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

a. *Termination.* City may terminate this Agreement and the Notice of Decision by giving a written termination notice to Recipient ("Termination Notice") and, on the date specified in such notice, all rights (but not the obligations) of Recipient under this Agreement shall terminate. Upon termination of this Agreement, City shall have no further obligation to disburse Funds to Recipient, whether or not the entire amount of Funds have been disbursed to Recipient. In the event of such termination, Recipient shall retain all funds that have been spent or which are encumbered as of the date of termination.

b. *Withholding of Funds.* City may withhold all or any portion of Funds not yet disbursed pursuant to this Agreement or any other agreement with Recipient,

regardless of whether Recipient has previously submitted an Application or whether City has approved a disbursement of Funds requested in any Application or funding request.

c. *Repayment of Funds.* City may demand the immediate return of any previously disbursed Funds that have been claimed, received, expended, or used by Recipient in breach of the terms of this Agreement or that are the subject of an Event of Default, together with interest thereon from the date of disbursement at the interest rate set forth in subparagraph e, or maximum rate permitted under applicable law resulting from an Event of Default (“Repayment Notice”). Recipient shall repay all Fund amounts which are the subject of a Repayment Notice within thirty (30) days.

d. *Attorneys’ Fees.* To the extent permitted by law, if any legal action or other proceeding is brought for the enforcement of this Agreement by the City, or because of an Event of Default, if the City is the substantially prevailing party, the City shall be entitled to recover reasonable attorneys’ fees, litigation expenses, and other costs incurred in the action or proceeding, in addition to any other relief to which it may be entitled.

e. *Interest.* If the City is required by the County or the United States to repay a portion Funds with interest, for any amount of Funds which are the subject of an Event of Default, Recipient shall be obligated to pay interest at the rate of 18% per annum, or the maximum rate permitted under applicable law, calculated from the date of disbursement to Recipient to the date the Funds are repaid to the City.

13. Funding Termination. If prior to the disbursement of Funds to Recipient, the Funds shall become unavailable for any reason, this Agreement shall terminate.

14. Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Missouri without regard to its conflict of laws rules. Suit, if any, must be brought in the Circuit Court of Jackson City, Missouri.

15. Nondiscrimination. Pursuant to the Missouri Human Rights Act, the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, Recipient covenants that it shall not discriminate against any employee or applicant for employment with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of a person’s race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law and with respect to non-discrimination in public accommodations as it relates to accommodations, advantages, facilities, services, or privileges made available in places of public accommodation. Furthermore, Recipient agrees to comply with applicable federal laws, regulations, and executive orders prohibiting discrimination based on protected characteristics in the provision of services.

16. No Assignment. This Agreement and all rights, privileges, duties and obligations of Recipient hereto shall not be assigned or delegated by Recipient. Recipient is expressly prohibited from distributing the Funds to any other entity without the express written approval from City. Use of the Funds to make purchases and expenditures as

allowed by the terms of this Agreement shall not be treated as an assignment and shall not require pre-approval by the City.

17. Indemnification. Recipient agrees to defend, indemnify, and hold harmless the City, its officials, officers, employees, and agents, for, from and against any and all claims, liabilities, losses, fines, penalties, and expenses (including reasonable attorney's fees) directly, indirectly, wholly or partially arising from or in connection with any act, direction, error, or omission of Recipient, its officers, directors, employees or agents, or any other person affiliated with Recipient in applying for or accepting the Funds, in the use or expenditure of the Funds, or any other matters arising out of or relating to the Application, the Notice of Decision, or this Agreement.

18. No Agency. Recipient is solely responsible for all uses, expenditures, and activities supported by the Funds. Nothing contained in this Agreement shall be construed so as to create a partnership, agency, joint venture, employment, or any other type of relationship. Recipient shall not represent itself as an agent of the City for any purpose and acknowledges that it does not have authority to bind the City in any manner whatsoever.

19. Notice to Parties. Whenever any notice, statement or other communication is required under this Agreement, it will be sent by first class U.S. mail service to the address listed for City or Recipient, respectively, set forth below:

**To City:**

City of Lee's Summit  
Attn: City Manager  
220 SE Green St  
Lee's Summit, MO 64063

**To Recipient:**

[INSERT CONTACT AND ADDRESS]

20. Captions. The captions in this Agreement are inserted only for the purpose of convenient reference and shall not be construed to define, limit or prescribe the scope or intent of this Agreement or any part thereof.

21. Entire Agreement. Recipient acknowledges and agrees that this Agreement represents the entire agreement between Recipient and City with respect to the subject matter addressed herein. The terms of this Agreement may be modified only by a writing signed by duly authorized representatives of both parties.

22. Authority. The undersigned persons signing this Agreement on behalf of Recipient and City represent and warrant that the appropriate governing body, board, or person has authorized and approved this Agreement and the undersigned persons have the requisite legal authority and power to execute this Agreement, and to bind the respective party to the obligations contained herein. This Agreement constitutes a valid and binding obligation of Recipient, enforceable against Recipient in accordance with its terms. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of Recipient or City, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face hereof.

23. Employment of Unauthorized Persons. Pursuant to §285.530, RSMo, Recipient assures that it does not knowingly employ, hire for employment, or continue to employ an unauthorized person to perform work within the State of Missouri.

24. Required Federal Provisions. Recipient shall include the applicable provisions set forth in 2 CFR Appendix II to Part 200 in all contracts it awards using the Funds, including but not limited to, terms and conditions attached as Exhibit B. The Fund payments which are the subject of this Agreement shall be considered “other financial assistance” pursuant to 2 CFR § 200.40.

25. Federal Financial Assistance. The Fund payments which are the subject of this Agreement are considered federal financial assistance subject to the Single Audit Act, 31 U.S.C. §§ 7501-7507, and the related provisions of the Uniform Guidance, 2 CFR § 203 regarding internal controls; §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements, the requirements of which are incorporated herein by reference as though fully set forth herein.

26. Incorporation of Federal CARES Act Requirements. The following provisions and requirements are incorporated into this Agreement by reference, as though fully set forth herein:

- a. Section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”);
- b. United States Department of Treasury, Coronavirus Relief Fund, Guidance for State, Territorial, Local, and Tribal Governments, June 30, 2020;
- c. United States Department of Treasury, Coronavirus Relief Fund, Frequently Asked Questions, updated as of July 8, 2020;
- d. Any and all subsequent guidance issued by the State of Missouri or United States, including the Department of Treasury or other federal agencies relating to the CARES Act.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the undersigned date.

**CITY OF LEE’S SUMMIT**

[INSERT RECIPIENT’S NAME]

\_\_\_\_\_  
Stephen A. Arbo, City Manager

By \_\_\_\_\_  
Print Name \_\_\_\_\_

**ATTEST:**

Title \_\_\_\_\_

\_\_\_\_\_  
Trisha Fowler Arcuri, City Clerk

Date \_\_\_\_\_

**APPROVED AS TO FORM:**

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Daniel R. White,  
Chief Counsel of Management and Operations

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**Exhibit A**

**Recipient Spending Plan/Budget**

## Exhibit B

### Terms and Conditions for Federally Funded Procurement Contracts

**A. Definitions.** As used in this Rider:

- (1) “Awarding Entity” means the entity awarding the Contract. The Awarding Entity may be the Recipient or a contractor at any tier.
- (2) “City” means the City of Lee’s Summit, Missouri.
- (3) “Construction” means the building, rehabilitation, alteration, conversion, extension, demolition, painting or repair of any improvement to real property.
- (4) “Contract” refers to the contract or the agreement between the Awarding Entity and the Contractor.
- (5) “Contractor” means the entity performing the services pursuant to a Contract.
- (6) “Federal Agency” means the U.S. agency or agencies funding this Contract in whole or in part.
- (7) “Government” means the U.S. government.
- (8) “Recipient” means the Recipient set forth in the Agreement.
- (9) “Rider” means this Terms and Conditions for Federally Funded Procurement Contracts Rider.

**B. Termination and Remedies for Breach of Contract.** All contracts in excess of \$10,000 must address termination for cause and for convenience by the Recipient, including the manner by which it will be effected and the basis for settlement.

**C. Standard Provisions.** The Contractor shall comply with, include in its subcontracts, and cause its subcontractors to comply with the following provisions, as applicable:

- (1) Reporting. Contractor shall produce and deliver such reports relating to the services performed under the Contract as may be required by the Awarding Entity, Recipient or any other State or Federal governmental agency with jurisdiction.
- (2) Non-Discrimination. Contractor shall not violate any Federal, State, or local law prohibiting discrimination concerning employment, the provision of services, and, if applicable, housing, funded by this Contract.
- (3) Environmental Protection. If the Contract is in excess of \$150,000, the Contractor shall comply with all applicable standards, orders, or regulations issued under the Clean Air Act (42 U.S.C. § 7401-7671q), Federal Water Pollution control Act (33 U.S.C. §§ 1251- 1387) Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations (provisions of 40 CFR Part 50 and 2 CFR Part 1532 related to the Clean Air Act and Clean Water Act). Violations must be reported to the Federal Agency and the Regional Office of the Environmental Protection Agency (EPA). The Contractor shall

include this provision in all subcontracts.

(4) Debarment. The Contractor certifies that neither it nor its principals is currently in a state of debarment, suspension, or other ineligible status as a result of prior performance, failure, fraud, or violation of local laws. The Contractor further certifies that neither it nor its principals is debarred, suspended, otherwise excluded from or ineligible for participation in Federal assistance programs. The Recipient reserves the right to terminate this Contract if knowledge of debarment, suspension or other ineligibility has been withheld by the Contractor.

(5) Solid Waste Disposal Act. Pursuant to 2 CFR § 200.322, Contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (codified at 42 USC § 6962). The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$ 10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$ 10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

(6) Documentation of Costs. All costs shall be supported by properly executed payrolls, time records, invoices, or vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents, pertaining in whole or in part to the Contract, shall be clearly identified and regularly accessible.

(7) Records Retention. The Contractor shall retain all books, documents, papers, and records relating to the services performed under the Contract for three years after final payment under the Contract is made and all other pending matters are closed.

(8) Records Access. The Contractor shall grant access to the City, State or any other pass-through entity, the Federal Agency, Inspectors General, and/or the Comptroller General of the United States, or any of their duly authorized representatives, to any books, documents, papers, and/or records of the Contractor that are pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the Contractor's personnel for the purpose of interview and discussion related to such documents. The rights of access in this section are not limited to the required retention period but last as long as the records are retained.

(9) Small Firms, M/WBE Firms, and Labor Surplus Area Firms. Contractor shall take the following affirmative steps in the letting of subcontracts, if subcontracts are to be let, in order to ensure that minority firms, women's business enterprises, and labor surplus area firms are used when possible:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

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

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

(10) Byrd Anti-Lobbying Amendment (31 USC §1352). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any Federal agency, a member of Congress, officer or employee of Congress, or any employee of a member of Congress in connection with obtaining this Contract.

**If the Contract is \$100,000 or more**, the Contractor shall disclose to the City and Recipient any lobbying with non-Federal funds that took place in connection with obtaining this Contract. Each lower tier subcontractor shall make such certification and forward any required disclosures from tier to tier up to the City as grant recipient.

*(Certification attached in Federal Appendix A, see next page)*

**Federal Appendix A**

**Certification Regarding Lobbying**

The undersigned Contractor certifies, to the best of its knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, \_\_\_\_\_ certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

\_\_\_\_\_  
Signature of Contractor's Authorized Official

\_\_\_\_\_  
\_\_\_\_\_  
Name and Title of Contractor's Authorized Official

\_\_\_\_\_  
Date