

CDBG SUBRECIPIENT RIDER

[This CDBG Subrecipient Rider is not intended to be a standalone rider. This Subrecipient Rider should only be used in conjunction with the main agreement, Appendix A, and the CDBG Rider.]

The Community Development Block Grant (CDBG) is an annual entitlement awarded to the City of New York (City) through the U.S. Department of Housing and Urban Development (HUD), as authorized under Title I of the Housing and Community Development Act of 1974.

The City intends to provide CDBG funds to _____ (Subrecipient) under this Subaward as that term is defined in 2 § CFR 200.1, for the program described in the Scope of Services [Insert Exhibit for Scope of Services and if applicable, the section of the scope of services that is CDBG funded] for the purpose of carrying out the Federal Award identified below and creates a Federal assistance relationship with the Subrecipient.

I. Subaward Data (Required Pursuant to 2 CFR § 200.332(a))

(i)	Subrecipient Name:	[insert Subrecipient name, which must match the name associated with its unique identifier]
(ii)	Subrecipient Unique Entity Identifier:	[Insert Subrecipient DUNS #]
(iii)	Federal Award Identification Number (FAIN):	[Insert Federal Award ID #]
(iv)	Federal Award Date of award to the City by HUD:	[Insert date]
(v)	Subaward Period of Performance Start Date:	[Insert date]
	Subaward Period of Performance End Date:	[Insert date]
(vi)	Subaward Budget Period Start Date	[Insert date]
	Subaward Budget Period End Date	[Insert date]
(vii)	Amount of Federal Funds Obligated by this action by the City to the Subrecipient:	[Insert Total Agreement Funds]
(viii)	Total Amount of Federal Funds Obligated to the Subrecipient by the City Including the Current Obligation:	[If additional federal awards have been awarded to the Subrecipient by the City, insert total amount, including the Total Agreement Funds indicated above]
(ix)	Total Amount of the Federal Award Committed to the Subrecipient by the City:	[Insert amount]
(x)	Federal Award Project Description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA):	[Insert description]
(xi)	Name of Federal Awarding Agency:	HUD
	Name of Pass-Through Entity:	City of New York
	Contact Information for City Awarding Official::	[Insert Contact Information]
(xii)	Assistance Listings number & title, including dollar amount made available under each Federal award and the Assistance Lists Number at time of disbursement	14.218 Community Development Block Grants
(xiii)	Identification of whether award is R&D:	[state yes or no]
(xiv)	Indirect cost rate for the Federal award (including if the de minimus rate is charged) per 2 CFR 200.414:	[insert indirect cost rate]

II. CDBG Eligibility

- a) The Subrecipient shall ensure that each activity under this Subaward is an eligible activity pursuant to Subpart C of 24 CFR Part 570 and that each activity meets a national objective pursuant to 24 CFR § 570.208.
- b) The Subrecipient is prohibited from charging to the Subaward the costs of CDBG ineligible activities, including those described at 24 CFR § 570.207, and from using funds provided herein or personnel employed in the administration of activities under this agreement for political activities, inherently religious activities, or lobbying.
- c) The Subrecipient certifies that the activities carried out under this Subaward shall meet the following national objectives and satisfy the following criteria:
 - i) Eligibility Category: [INSERT CATEGORY]
 - ii) National Objective [INDICATE WHICH NATIONAL OBJECTIVE EACH ACTIVITY WILL SATISFY, AND INCLUDE THE CITATION FOR THE CRITERIA THE SUBRECIPIENT MUST MEET FOR DEMONSTRATING COMPLIANCE WITH EACH IDENTIFIED NATIONAL OBJECTIVE]

III. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

The Subrecipient shall comply with the applicable provisions in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, except as provided in 24 CFR § 570.502.

IV. Personnel Costs

- a) The Subrecipient shall ensure that:
 - i) All staff charged to CDBG must perform CDBG-eligible activities in the Scope of Work contained in Exhibit ____.
 - ii) If staff charged to CDBG is not dedicated to CDBG-eligible activities or to work that is not contained in Exhibit ____, then itemized timesheets of staff must be maintained to determine the appropriate CDBG charges. Timesheets must:
 - (1) Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
 - (2) Be incorporated into the Subrecipient's official records;
 - (3) Reasonably reflect the total activity for which the employee is compensated, not exceeding 100% of compensated activities;
 - (4) Encompass both Federally-assisted and all other activities compensated by the Subrecipient;
 - (5) Comply with the established accounting policies and practices of the Subrecipient; and
 - (6) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on:
 - (a) more than one Federal award;
 - (b) a Federal award and non-Federal award;
 - (c) an indirect cost activity and a direct cost activity;
 - (d) two or more indirect activities which are allocated using different allocation bases; or
 - (e) an unallowable activity and a direct or indirect cost activity.
- b) The Subrecipient shall not use budget estimates to support charges for the Subaward. The Subrecipient may use budget estimates for interim accounting purposes, provided that:
 - i) The system for establishing the estimates produces reasonable approximations of the activity actually performed;
 - ii) Significant changes in the corresponding work activity (as defined by the Subrecipient's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months)

- fluctuation between workload categories may not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and
- iii) The Subrecipient's system of internal controls includes processes to review after-the-fact interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

V. Unallowable Costs

The Subrecipient shall adhere to the cost principles contained in 2 CFR §§ 200.420-476 and shall not charge unallowable costs to the Subaward. Examples of unallowable costs include, but are not limited to, the following:

- a) Alcoholic beverages;
- b) Bad debts, such as uncollectable accounts;
- c) Goods or services for personal use of the employees;
- d) Contingency reserves, as defined in 2 CFR § 200.433;
- e) Legal costs to defend the organization in criminal, civil, or administrative proceedings brought a governmental entity or any other prohibited costs in 2 CFR § 200.435;
- f) Costs of contributions and donations, including cash, property, and services, from the Subrecipient to other entities;
- g) Entertainment costs, except to the extent allowed under 2 CFR§ 200.438;
- h) Fines and penalties, except to the extent allowed under 2 CFR § 200.441;
- i) Organization costs, such as incorporation fees, attorneys, accountants, etc. in connection with establishment or reorganization of an organization;
- j) Fund raising, except to the extent allowed under 2 CFR § 200.442; and
- k) Lobbying, including contributions to any political party.
- l) Installation of capital improvements (streetscape or others) that have a lifespan beyond the one-year Agreement Term;
- m) Installation of banners and/or holiday lights along commercial corridors;
- n) Graffiti removal and/or neighborhood beautification campaigns;
- o) Job training or workforce development initiatives;
- p) Promotional activities designed to primarily attract non-residents to a commercial corridor;

VI. Indirect Costs

If the City authorizes the use of indirect costs for this Subaward, then:

- a) The Subrecipient shall charge indirect costs under a cost allocation plan prepared in accordance with 2 CFR Part 200, Subpart E. Any indirect costs that are included in the budget shall only be charged to CDBG funds to the extent that the costs are consistent with the conditions of 2 CFR Part 200, Subpart E.
- b) The Subrecipient's indirect cost rate shall be no higher than the rate contained in subsection (xiv) of Article I of this Subrecipient Rider.
- c) If the Subrecipient categorizes a service, item or service as an indirect cost, it shall consistently use the same categorization for the Subaward.

VII. The Federal Funding Accountability and Transparency Act (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR Part 25, Universal Identifier and System for Award Management (SAM). The Subrecipient shall have and maintain an active registration in SAM in accordance with 2 CFR Part 25, Appendix A, and must have a Data Universal Numbering System (DUNS) number. The Subrecipient shall also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes

requirements on executive compensation, and 2 CFR Part 170, Reporting Subaward and Executive Compensation Information

VIII. Single Audit

The Subrecipient shall be audited as required by 2 CFR Part 200, Subpart F, when it is expected that the Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR § 200.501, Audit Requirements.

IX. Drug-Free Workplace

The Subrecipient shall comply with drug-free workplace requirements in Subpart B of 2 CFR Part 2429, which adopts the government-wide implementation of a drugfree work place, as codified in 2 CFR Part 182 and provided for in §§ 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).