

POLICY ISSUANCE

CDBG 13-02



Texas Department of Agriculture
Texas Community Development Block Grant Program
PO Box 12847
Austin, TX 78711

EFFECTIVE DATE: February 1, 2013
SUBJECT: Texas Capital Fund Reporting Requirements

PURPOSE:

The Texas Community Development Block Grant Program (TxCDBG) provides a way for eligible applicants to receive funds to meet national program objectives that benefit low and moderate income (LMI) persons, meet urgent needs, or eliminate slums or blight.

BACKGROUND:

The goal of the Program, as stated in the Housing and Community Development Act of 1974 (as amended), is to develop "communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons."

HUD regulations governing the program are found at 24 CFR Part 570. Texas administrative rules governing the program are found in the Texas Administrative Code, Title 4, Part 1, Chapter 30, Subchapter A, Division 1.

ACTION:

This Policy Issuance makes the following changes to TxCDBG Project Implementation Manual, Section D Economic Development:

- Job Creation reports are modified to reflect information now required by HUD for part time employees;
- Reports for contract closeout, quarterly progress, financial disclosures, and similar information are modified to correspond more closely to the documents required in Section A of the Manual;
- Reporting to certify connections after the project construction is complete is deleted;
- Special conditions required prior to the release of contract funds are clarified; and
- Other minor changes.

EFFECTIVE DATE:

All guidance in this document is effective immediately for all open contracts under the Texas Capital Fund, as of the date of this Policy Issuance.

Thank you for your efforts to ensure compliance with all federal, state and program requirements. If you have any questions or if we can provide any further assistance, please contact me, or Manager of Project Delivery Suzanne Barnard at 512-936-0247 or Suzanne.Barnard@TexasAgriculture.gov.

Becky Dempsey, CDBG State Director
Texas Community Development Block Grant Program

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SECTION D

TEXAS CAPITAL FUND

D.0 Introduction

This Section addresses all activities that are eligible for assistance under the CDBG Program that are related to economic development in the Texas Capital Fund (TCF) program. TCF Grant Recipients are referred to in this section as Grant Recipients.

Note: Economic development activities are subject to all requirements set forth in this manual, except where noted in this Section.

The TCF Infrastructure and Real Estate Programs provide funds to eligible Grant Recipients for infrastructure and/or real estate improvements that support a specific business (either a for-profit or a non-profit entity) that is expanding or beginning operations in the Grant Recipient's jurisdiction. The business must create or retain jobs for Texans. In order to comply with the national goal of expanding economic opportunities for persons of low and moderate income, a minimum of 51 percent or more of all jobs created or retained by the business must benefit persons who qualify as low and moderate-income persons.

The TCF Main Street Improvements and Downtown Revitalization Programs provide funds to eligible cities for infrastructure improvements in the central business district. This program addresses the National Program Objective (NPO) of aiding in the elimination of slum or blighted areas.

D.1 National Program Objectives

The primary objective of Title I of the Housing and Community Development Act Of 1974, as Amended, is "the development of viable communities....by expanding economic opportunities, principally for persons of low and moderate income." Most economic development activities funded by TCF are designed to meet the National Program Objective of principally benefiting persons of low and moderate income through the provision of employment where at least 51 percent of the jobs are for low and moderate income persons. This National Program Objective is met through the creation or retention of jobs, computed on a full time equivalent basis. Main Street or Downtown Revitalization projects must meet the national program objective of aiding in the elimination of slum and blight conditions.

In order for an economic development activity or project to qualify under TCF guidelines, at least 51 percent of all the permanent jobs that are created or retained must be held by low and moderate-income persons. **A permanent job is a job for which continuation of employment is not dependent on funds provided through the TxCDBG.**

D.1.1 LMI (Low/Mod) Benefit National Program Objective

Economic activities that create or retain permanent, full-time jobs and involve the employment of at least 51% low and moderate income (LMI) persons may qualify under the Job Creation or Retention criteria of the Low/Mod Benefit National Program Objective.

If Grant Recipients fund activities that create jobs, there must be documentation indicating that at least 51% of the jobs will be held by low and moderate income persons. For funded activities that retain jobs, there must be sufficient information documenting that the jobs would have been lost

without the CDBG assistance and that at least 51% of the jobs are or will be held by a low or moderate income person.

Documenting Income

The business and the Grant Recipient may elect to document income by certifications, referrals, or census tract data. Income limits can be obtained from the Department.

Certifications

A written certification by a person that establishes his or her total family income and family size is an acceptable method of verifying low and moderate income status. This certification must include the individual's name, employee identification number, current job title, the date hired by the business, the total family size, the total family income for the last twelve months as of the date the certification is signed by the newly hired or retained employee, whichever the case may be, and previous employment history. The form used for such certification must include a statement that the information is subject to verification. *Family Income/Size Certification (Form D7)*.

Referrals

In the case of referrals, the Grant Recipient or employment agency must have already determined the individual to be a low or moderate income person based on HUD's income levels and considering both total family income and family size. Such entities making referrals must maintain the documentation they used for verification by both state and HUD monitors.

With the exception of certain Job Training Partnership Act (JTPA) Title III programs, HUD categorically accepts as low and moderate income persons those referred from the JTPA programs because of the known income restrictions of that program. Documentation of referrals from the local JTPA Administrative Entity should be available for verification by state and HUD monitors.

Census

In determining whether a job is held by a low or moderate income person, Grant Recipients may presume that a person is low or moderate income if:

- He/she resides in a census tract with at least 70% LMI persons; or
- The assisted business is located in an eligible census tract (see below) and the job will be located within that same census tract.

An eligible census tract is:

- 1) One that is located within a Federally-designated Empowerment Zone or Enterprise Community; or
- 2) A census tract that:

- Has a poverty rate of at least 20%;
- Does not include part of a central business district unless the census tract has a poverty rate of at least 30%; and
- Evidences pervasive poverty and general distress by meeting at least one of the following criteria:
 - All block groups in the census tract have 20% or greater poverty rates;
 - The activity is undertaken in a block group with a 20% or greater poverty rate; or
 - HUD determines that the tract shows other signs of distress (e.g., crime, homelessness, deteriorated housing, etc.)

D.1.2 Slum/Blight National Program Objective

Economic development activities in the Main Street Improvements and Downtown Revitalization programs, which aid in the prevention or elimination of slums or blight in a designated area, must qualify under the Slum/Blight National Program Objective Area Basis.

In order to qualify under this National Program Objective category, the economic development activity must take place in an area that has been designated by the Grant Recipient as meeting a definition of a slum, blighted, deteriorated or deteriorating area under state or local law; and has a substantial number of deteriorated or deteriorating buildings or the public improvements are in a general state of deterioration.

In addition, the assisted activity must address one or more of the conditions that contributed to the deterioration of the delineated area. Grant Recipients must maintain documentation on the boundaries of the area and the condition that qualified the area when it was designated under state or local law.

Under the Spot Basis criteria of the Slum/Blight National Program Objective, activities such as acquisition, clearance and rehabilitation may be undertaken. When rehabilitation is categorized under the Spot Basis criteria, it must meet the following requirements:

- The rehabilitation must eliminate specific conditions of blight or physical decay in an area meeting the Area Basis criteria; and
- Building rehabilitation is not an eligible activity or use of funds.

Census Terms Defined

Census tracts are small, relatively permanent statistical subdivisions of a county. Census tracts usually have between 2,500 and 8,000 persons and, when first delineated, are designed to be homogeneous with respect to population characteristics, economic status, and living conditions. Census tracts do not cross county boundaries. The spatial size of census tracts varies widely depending on the density of settlement. Census tract boundaries are delineated with the intention of being maintained over a long time so that statistical comparisons can be made from census to census. However, physical changes in street patterns caused by highway construction, new development, etc., may require occasional revisions; census tracts occasionally are split due to large population growth, or combined as a result of substantial population decline.

Block numbering areas (BNA's) are small statistical subdivisions of a county for grouping and numbering blocks in nonmetropolitan counties where local census statistical areas committees have not established census tracts. BNA's do not cross county boundaries but may be split to separate statistics within a city limits and outside a city limits.

A **block group (BG)** is a cluster of blocks having the same first digit of their three-digit identifying numbers within a census tract or block numbering area (BNA). For example, BG 3 within a census tract or BNA includes all blocks numbered between 301 and 397. In most cases, the numbering involves substantially fewer than 97 blocks. Geographic BG's never cross census tract or BNA boundaries, but may cross the boundaries of county subdivisions, places, American Indian and Alaska Native areas, urbanized areas, voting districts, and congressional districts. BG's generally contain between 250 and 550 housing units with the ideal size being 400 housing units.

D.2 Eligible Activities

CDBG funds may be used to undertake certain economic development activities. Depending on the specific program, these activities include:

- Acquiring, constructing, reconstructing, rehabilitating, or installing commercial or industrial buildings, structures, and other real property improvements;
- Railroad spurs or similar extensions by local Grant Recipients and subrecipients;
- Public Infrastructure;
- Assisting a private, for-profit business; and
- Providing economic development services in connection with otherwise eligible CDBG economic development activities.

D.3 Appropriateness Criteria and Job Benefit Test

The following guidelines are established for selecting special economic development activities.

Guidelines and Objectives for Evaluating Project Costs and Financial Requirements

These guidelines are designed to assist local Grant Recipients underwriting economic development projects to determine which projects are financially viable and will result in the most efficient use of CDBG funds. The use of these guidelines is *voluntary*; however, Grant Recipients must conduct basic financial underwriting of projects considered for funding under this eligibility category.

Standards for Evaluating Public Benefit

Grant Recipients are responsible for ensuring that a minimum level of public benefit is obtained when CDBG funds are used for special economic development projects, and when used for public facilities and improvements. The use of these standards is **mandatory**.

Aggregate Standards

Activities, in the aggregate, must either create or retain at least one full-time equivalent, permanent job per \$25,000 of CDBG funds used.

Standards for Individual Activities

An activity is considered by the Department to provide *insufficient* public benefit and *cannot* be assisted with CDBG funds if the amount of CDBG assistance exceeds \$25,000 per full-time equivalent permanent job (created or retained), or if the activity consists of or includes:

- General promotion of the community (as a whole);
- Assistance to professional sports teams;
- Assistance to privately-owned recreational facilities that serve a predominantly higher income clientele where the benefit to users clearly outweighs the benefit of jobs created or retained; or
- Acquisition of land for which a specific use has not been identified (i.e., land banking).

D.4 Program Administration

D.4.1 The 6-Month Rule

The U.S. Department of Housing and Urban Development's (HUD's) policy, requires states to expedite the disbursement of program funds. TDA has instituted a procedure to accelerate the expenditure of TxCDBG funds by its contractors. Any Texas Capital Fund Grant Recipient that has not begun project activities within six months after the Date of Execution and fails to submit to the Department the required documentation for Sections 20 and 22 A, may have their contract terminated and funds deobligated.

D.4.2 The 12-Month Rule

The Department requires the Grant Recipient to submit the Labor Standards Record, the approved City Council or Commissioner's Court signed meeting minutes, or a copy of the Grant Recipient's resolution awarding the construction contract(s) by the twelfth (12th) month after Date of Execution of the TCF contract. If the contract includes acquisition activities, the Grant Recipient shall also submit a copy of the executed closing statement or recorded deed.

D.4.3 Special Conditions

The contract between the Grant Recipient and TDA will be a very important document throughout the life of the project. It identifies the description of the activities funded, budgeted costs, general terms and special conditions which must be met before the Department will release TCF funds. A description of the TCF contract can be found in Form D1. Each Grant Recipient will have Special Conditions included in their TCF contract to cover unusual situations that relate to your specific

contract. The Special Conditions, listed in Section 22 of the TCF contract, detail the necessary steps to be followed before any administrative/engineering services and construction costs can be incurred by the Grant Recipient or reimbursed by the Department. In all correspondence and special condition documentation with your TCF contract concerning the Grant Recipient's project, reference the TCF contract number. An *Administrative Checklist (Form D2)* has been created to better assist the Grant Recipient in maintaining their TCF files.

TDA recommends that the Grant Recipient review the *Administrative Checklist* item by item, and identify the activities that will be performed by the Grant Recipient's staff and of those that require outside assistance. It is also helpful to familiarize yourself with the requirements stipulated in your TCF contract with each member responsible for implementing the contract.

Note: Any documentation submitted to the Department that is dated more than two years prior to the contract executed date will not be approved. For further clarification regarding this matter, please contact TDA's TCF staff.

D.4.4 Administration of TCF Project By Other Project Principal(s)

All projects funded in whole or in part through TCF funds must comply with federal, state, and program requirements. The Grant Recipient shall ensure that it has obtained any and all applicable permits or approvals required by any federal, state or local entity or regulatory agency with jurisdiction. Except as otherwise indicated, the procedures and requirements of the Grant Recipient's TCF contract and of the TxCDBG Project Implementation Manual, apply to all work described in the TCF contract and Performance Statement, Exhibit A, including work performed or funded through by other project principals (for example: other state or federal agencies).

If other funding entities are involved, the Grant Recipient's Labor Standards Officer must fill out the *TCF Labor Standards Officer Checklist (Form D3)* and have it completed and available at the time of the monitoring visit for review and approval by the Department.

Note: Failure to comply with this requirement may result in repayment of contract funds by the Grant Recipient.

D.4.5 Force Account

If a Grant Recipient did not include force account in its TCF application for funding or for match requirement, but circumstances arise that could best be handled by force account, the Grant Recipient must submit a written request and receive approval from the Department according to the requirements outlined in **Section A, Chapter 8, Force Account Labor**.

D.4.6 Federal Requirements

The Grant Recipient must document compliance with all federal requirements of the CDBG program as discussed in Section A **Chapter 3: Environmental Review, Chapter 5: Procurement Procedures, Chapter 6: Acquisition of Real Property, Chapter 7: Davis-Bacon Labor Standards, and Chapter 14: Audit Requirements**. All correspondence related to these requirements should be directed to TDA's TCF staff.

D.4.7 Civil Rights Issues

Data showing the extent of benefit with respect to race, ethnicity, gender, and disability must be collected and maintained on all TCF beneficiaries. This data should show the extent to which minorities, women, and persons with disabilities have benefited from the TCF economic development activity in terms of job creation and retention, in addition to their low and moderate-income status. This information, which must be reported to HUD by TDA, is submitted on an *Employee Summary Report (Form D6)* as part of the close out documents.

Business recipients of TCF assistance must recognize that the acceptance of the TCF assistance places upon them certain obligations and commitments, particularly in regard to achieving the stated National Program Objective and documenting that effort. Any business which accepts TCF assistance is expected to cooperate in gathering and disseminating information related to job creation or retention in order to demonstrate compliance with the National Program Objective of benefit to low and moderate income persons and their civil rights.

Compliance with federal requirements for civil rights issues is also discussed in Section A Chapters 5 Procurement Procedures and 10: Civil Rights Requirements.

D.4.8 Seasonal Job Creation

Seasonal and temporary jobs are not eligible for consideration.

D.4.9 Bonding Requirements

Prior to releasing any construction funds, ~~the all prime~~ construction contractors must provide evidence of a performance bond provided by a bonding company authorized by the U. S. Secretary of the Treasury as an acceptable surety on federal bonds (the "Treasury List").

D.4.10 Out of Compliance Status

A TCF contract will be considered "out of compliance" for late or incomplete Quarterly Progress Reports, failure to comply with the 6 or 12-month rule, Single Audit requirements, contract expiration, or unresolved monitor findings. As a result of noncompliance, further funding of the TCF contract will be withheld, and the Grant Recipient is ineligible to submit a TCF application. The contract shall be considered out of compliance until all issues have been satisfactorily resolved. Severe lack of compliance and failure to resolve issues as requested by the Department may result in contract termination and deobligation of funds in accordance with the terms of the contract.

D.5 Reporting Requirements

D.5.1 Quarterly Progress Report/Minority Business Report

The Quarterly Progress Report shall identify the progress, ~~in narrative form,~~ of all construction and non-construction activities performed. ~~The Quarterly Progress Report shall include all such activities expenditures and obligations made or performed under the TCF contract during the previous quarter.~~

The Grant Recipient must document the status of the ~~business' contract~~ activities (e.g. start of building construction, etc) ~~by reporting the dates that specific milestones are accomplished and providing narrative explanations as appropriate.~~ If construction activities have not begun, explain what actions are being taken to move forward. The *Quarterly Progress Report* is due by the 20th day of the month following the end of each calendar quarter ~~using the form appropriate to the project. Both forms can be found on the TDA website.~~

- ~~Projects funded under the Real Estate or Infrastructure program, use Form D9;~~
- ~~Projects funded under the Downtown Revitalization or Main Street program, use Form A104.~~

D.5.2 Quarterly Certification Connection Report

~~The Grant Recipient is responsible for maintaining records of any business(es) that uses the infrastructure improvements constructed with TCF contract funds. In addition, the Grant Recipient shall ensure that any business(es) that uses any of the infrastructure improvements, in whole or in part, executes a written agreement with the Grant Recipient committing to provide at least fifty-one percent (51%) of all of the created or retained permanent jobs to LMI individuals for a one (1) year period beginning upon completion of the proposed infrastructure improvements. These records are subject to review by the Department. The Contractor shall submit to the Department Connection Report (Form D10) no later than the twentieth (20th) day of the month after the end of each calendar quarter of the contract period.~~

Comment [A1]: Eliminates report not required by HUD

D.5.3 Quarterly Employee Certification Report (ECR)

The Grant Recipient must document job creation during the course of the TCF contract. The *Quarterly Employee Certification Report (Form D5)* ~~should be included with each quarterly report along must be submitted each quarter~~ with a copy of the first page of the business' Texas Work Force Commission's (TWC) Texas Employer's quarterly report. A complete employee payroll report may be provided if a TWC form is not available. Job creation documentation is to be retained at by both the Grant Recipient and the business. The ECR and ~~TWC report are is~~ due by the 10th day of the 2nd month following the end of each calendar quarter.

D.5.4 Quarterly Reports Submission Deadlines

The Grant Recipient shall submit to the Department no later than the twentieth (20th) day of the first (1st) month following each calendar quarter of the TCF contract period (i.e., April 20, July 20, October 20 or January 20) the following reports:

- A Quarterly Progress Report;
- ~~A Minority Business Enterprise Report; and~~
- ~~And a Quarterly Connection Report, if applicable.~~

The Grant Recipient shall submit to the Department no later than the tenth (10th) day of the second (2nd) month following the end of the calendar quarter of the TCF contract period (i.e., May 10, August 10, November 10, or February 10) the following reports:

- An Employee Certification Report;
- The first page of the Texas Workforce Commission Report; and
- At the Department's request, a Quarterly Company Payroll Report may be required.

D.5.5 Final Employee Certification Report (FECR)

~~Employment documentation should start from the reference point of the number of persons employed at the time of the effective date of the TCF contract. The business should focus on the job creation or retention requirements identified in the contract between the Grant Recipient and the business, along with the timetables for job creation. These requirements should represent the same data as defined in the TCF contract between the Department and the Grant Recipient.~~

~~The Grant Recipient must provide a company payroll report that contains 30 days of payroll documentation and a *Final Employee Certification Report (Form D6)* to be counted towards job creation. For an employee to be considered towards job creation requirements, the persons must be employed at least 30 days prior to the submittal of closeout documents or expiration, whichever comes first.~~

~~A FECR (**Form D6**) is a document that lists all of the jobs created and must be submitted with the final payroll and *Family Income/Size Certification (Form D7)*, to verify job creation. The final payroll end date must be within the Grant Recipient's contract's term.~~

~~At a minimum, the company payroll report shall contain the following information:~~

- ~~Full name of the employee;~~
- ~~Last four Digits of their Social Security Number;~~
- ~~Full-time and Part-time employment status;~~
- ~~Date Hired;~~
- ~~Wages; and~~
- ~~Hours Worked.~~

Comment [A2]: Information moved to Closeout section

At a minimum, the FECR shall contain the following information:

- Full name of the employee
- Last four Digits of their Social Security Number
- Full-time and Part-time employment status
- Date Hired
- Wages
- Gender
- Ethnicity
- LMI Status
- Hours Worked

Any business that does not gather, complete and provide this data to both the Grant Recipient and the Department will not satisfy the National Program Objective requirement to benefit low and moderate income families.

A full-time job is defined as:

- A position wherein gainful engagement (employment) in an occupation, business, trade, profession, etc., is performed for production of goods or services;
- A position that is a permanent job for which continuation of employment is not dependent on funds provided through the Texas Community Development Block Grant Program;
- A position that provides employment for 1,820 hours or more per year and 35 hours or more per week.

A part-time job is defined as:

- A position wherein gainful engagement (employment) in an occupation, business, trade, profession, etc., is performed for production of goods or services;
- A position that is a permanent job for which continuation of employment is not dependent on funds provided through the Texas Community Development Program
- A part-time job is generally defined as permanent employment for at least 1,040 hours per year and 20 hours or more per week per person on an annualized basis. Two part-time jobs equal one full-time job. Employees working less than 20 hours per week will not be considered as part of job creation.

NOTE: Contract labor jobs are not considered eligible jobs/employees of the benefiting business(es).

D.5.6 Disclosure Report

The Grant Recipient must document parties with a financial interest in the TCF project. The Disclosure Report (Form D11) is a cumulative document:

- Part III: All previous contractors should be shown when a new contractor is added.
- Part IV: List all sources of funds as shown on Exhibit B, Budget. (Use of funds total normally exceeds the TCF award amount.) Do not state: 'Sources and Uses' in the application".

Comment [A3]: Deleted – redundant reporting

D.6 Financial Management

D.6.1 Drawdown Procedures

The Grant Recipient may request reimbursement of eligible costs by submitting:

- The Request for Payment Form (Form A203).

Prior to the first drawdown request, the Grant Recipient must submit an *Authorized Signatory Form (Form A202)* with a supporting resolution. See **Section A Chapter 2: Financial Management** for additional information on these requirements.

The Grant Recipient may request that the drawn funds be deposited directly into the Grant Recipient's accounts as described in **Section A Chapter 2: Financial Management** using the *Direct Deposit Authorization Form (Form A201)*.

D.6.2 Administrative Services Drawdown Thresholds

The Administrative Services Drawdown Threshold policy establishes reasonable administrative services drawdown thresholds for TCF projects commensurate with the progress of the project and associated with administrative duties.

Listed below are the thresholds to be used by TCF staff when administrative drawdowns are requested for TCF projects:

Threshold No. 1 Allow no more than 35% drawdown of the TCF Administration line-item funds prior to start of construction. This date will be indicated on the Start of Construction Notice. Eligible line items include environmental clearance activities, record keeping, procurement activities, acquisition, job retention/creation documentation, some special conditions, and quarterly reports.

In projects with limited or no construction activity and acquisition is the primary activity, no more than 35% drawdown of the TCF Administration line-item funds will be allowed prior to the acquisition activity. This date will be indicated on the Report on Real Property Acquisition Activities.

Threshold No. 2 Allow no more than 80% drawdown of the TCF Administration line-item funds prior to the receipt of all required close-out documentation.

Threshold No. 3 Allow no more than 90% drawdown prior to programmatic closure, less any reserved funds for audit costs and final programmatic closure as noted on the Certificate of Completion.

Threshold No. 4 Allow the final 10% drawdown (100% total, less any reserved funds for audit costs) upon programmatic closure. The final drawdown will be available following receipt of the programmatic close-out letter.

Threshold No. 5 Any funds reserved for audit costs will be released upon completion and submission of an acceptable audit.

All supporting documentation and invoices submitted for TCF administrative services should be submitted to include milestones, percent complete, total earned, previously billed, and currently due. In general, all drawdown support documentation shall be reviewed by TDA's TCF staff for reasonableness and completeness. TDA's TCF staff may request additional information regarding drawdowns, even if supporting documentation has been provided.

D.6.3 Engineering Services Retainage

A retainage of five percent (5%) is required for all Economic Development TCF contracts for engineering/architectural service contracts. For retainage requirements refer to ~~Contractor Localities'~~ Texas Capital Fund contract Section 11(E).

Note: All "A" Special Conditions listed in the TCF contract must be satisfied prior to the release of any contract funds. Clearance of all Environmental Review requirements is not included as a specific requirement for the initial release of funds; however, all requirements in Chapter 3: Environmental Review apply to TCF contracts, including clearance of each activity prior to commitment of funds for that activity. All Requests for Payment must be supported by documentation of work actually completed.

D.7 Contract Closeout and Monitoring

D.7.1 Closeout

~~There are two types of closeouts for TCF contracts:~~

- ~~• Standard Closeout: all TCF contract requirements have been fulfilled and there is no 'tap-in' requirement.~~
- ~~• Phased Closeout: there is a one-year 'tap in' requirement on all infrastructure contracts that requires any business utilizing the project infrastructure to document the hiring of at least 51% Low and Moderate Income persons for one year after the date of completion of the last construction activity.~~
 - ~~○ Phase I: a letter is sent to the Grant Recipient stating that all contractual requirements have been fulfilled and that the TCF contract is considered closed. The letter states the period of time during which the Grant Recipient is required to continue to submit a Quarterly Connection Report.~~
 - ~~○ Phase II: one year after the date of the completion of the last construction activity a second letter is sent to the Grant Recipient notifying them of the final close out of the TCF contract.~~

For ~~both types of TCF~~ closeouts, the following requirements apply:

- All "C" Special Conditions must be submitted no later than thirty (30) days prior to the TCF contract expiration date. Your contract shall be placed out of compliance if these special condition requirements are not satisfied.
- Close out documents will be placed on hold until all contract special conditions have been met;
- Close out documents will consist of:
 - TCF Project Completion Report (PCR) (Form D1200);
 - ~~○ Certificate of Expenditures (Form D13);~~
 - ~~○ Final Cumulative Minority Business Enterprise (MBE) Report (Form D14);~~
 - ~~○ Final Updated Disclosure Report (Form D11);~~
 - Documentation of the Final Public Hearing;
 - Final Company Payroll Report;
 - Family Income/Size Certification (Form D7); and
 - Annual Section 3 Report (Form A1011).
 - ~~○ Final Employee Certification Report (FECR).~~

Note: Any incomplete closeout reports will ~~not be approved~~ be declined by the Department and returned to the Grant Recipient.

Employment Support Documentation

Job creation requirements are one of the most important aspects of the close out review. Job creation requirements are identified in both the TCF contract between the Department and the Grant Recipient and in the contract between the Grant Recipient and the business. For an employee to be considered towards job creation requirements, the persons must be employed at least 30 days prior to the submittal of closeout documents or contract expiration, whichever comes first.

Part III of the PCR must be supported by documentation of jobs created by the project:

- 1) A company payroll report containing at a minimum:
 - Full name of the employee;
 - Last four Digits of their Social Security Number;
 - Full-time and Part-time employment status;
 - Date Hired;
 - Wages; and

- Hours Worked.
(In addition, demographic information for each employee will be required by the PCR Part III.)

The payroll report should include all employees that were working for the business prior to the execution date of the Grant Recipient TCF contract AND all newly hired employees reported for job creation requirements.

Any business that does not gather, complete and provide this data to both the Grant Recipient and the Department will not satisfy the National Program Objective requirement to benefit low and moderate income families.

2) A Family Income/Size Certification (Form D7) for each reported LMI employee.

Job Creation definitions:

LMI Employee:

There are two acceptable ways to determine the number of LMI employees for contract closeout:

- Subtract the beginning payroll from the ending payroll to determine the number of Full Time Equivalent (FTE) jobs created. Sort the payroll, ~~or FECR~~, in hire date order with the last hired at the end of the list. Count the FTE jobs from the last hired back to reach the created number (excluding terminated). Of those jobs determine the number of FTE LMI; or
- Count the total number of jobs (excluding terminated) created during the contract period, determine the full time equivalent number. Count the number of LMI for this group.

Full-time job:

- A position wherein gainful engagement (employment) in an occupation, business, trade, profession, etc., is performed for production of goods or services;
- A position that is a permanent job for which continuation of employment is not dependent on funds provided through the Texas Community Development Block Grant Program;
- A position that provides employment for 1,820 hours or more per year and 35 hours or more per week.

Part-time job:

- A position wherein gainful engagement (employment) in an occupation, business, trade, profession, etc., is performed for production of goods or services;
- A position that is a permanent job for which continuation of employment is not dependent on funds provided through the Texas Community Development Program
- A part-time job is generally defined as permanent employment for at least 1,040 hours per year and 20 hours or more per week per person on an annualized basis. Two part-time jobs equal one full-time job. Employees working less than 20 hours per week will not be considered as part of job creation.

NOTE: Contract labor jobs are not considered eligible jobs/employees of the benefiting business(es).

Job Categories (from the Economic Development Administration (EDA))

1. Officials and Managers - Occupants requiring administrative personnel who set broad policies, exercise overall responsibility of execution of these policies, and individual departments or special phases of a firm's operations. This includes: officials, executives, middle management, plant

managers and superintendents, salaried supervisors who are members of management, purchasing agents and buyers, and kindred workers.

2. Professional - Occupants requiring either college graduation or experience of such kind and amount as to provide a comparable background includes: accountants and auditors, airplane pilots and navigators, architects, artists chemists, designers, dietitians, editors, engineers, lawyers, librarians, mathematicians, natural scientists, registered professional nurses, professional and labor relations workers, physical scientists, physicians, social scientists, teachers, and kindred workers.

3. Technicians - Occupants requiring a combination of basic scientific knowledge and manual skill which can be obtained through about 2 years of post-high school education such as is offered in many technical institutions and junior colleges, or through equivalent on the job training. This includes: computer programmers and operators, drafters, engineering aides, junior engineers, mathematic aides, licensed practical or vocational nurses, photographers, radio operators, scientific assistants, surveyors, technical illustrators, technicians (medical, dental, electronic, physical science) and kindred workers.

4. Sales - Occupants engaging wholly or primarily in direct selling. This includes: advertising agenda and sales workers; insurance agents and brokers; real estate agents and brokers; sales workers; demonstrators and retail sales workers; and sales clerks, grocery clerks and cashiers; and kindred workers.

5. Office and Clerical - Includes all clerical-type work regardless of level of difficulty, where the activities are predominantly non-manual though some manual work not directly involved with altering or transporting the products is included. This includes: bookkeepers, cashiers, collectors (bills and accounts), messengers and office helpers, office machine operators, shipping and receiving clerks, stenographers, typists, and secretaries, telegraph and telephone operators, and kindred workers.

6. Craft Worker (skilled) - Manual workers of relatively high level having a thorough and comprehensive knowledge of the processes involved in their work. Exercise considerable independent judgment and usually receive an extensive period of training. This includes: the building trades, hourly paid supervisors and lead operators (who are not members of management), mechanic and repairers, skilled machining occupations, composers and typesetters, electricians, engravers, job setters (metal), motion picture projectionists, pattern and model makers, stationary engineers, tailors, and kindred workers.

7. Operatives (semi-skilled) - Workers who operate machines or other equipment or perform other factory-type duties of intermediate skill level which can be mastered in a few weeks and require only limited training. This includes: apprentices (auto mechanics, plumbers, electricians, machinists, mechanics, building trades, metal working trades, printing trades, etc.), operatives, attendants (auto service and parking), blasters, chauffeurs, delivery workers, dress makers and sewers (except factory), dryer's furnaces workers, heaters (metal), laundry and dry cleaning, operatives, milliners, mine operatives and laborers, motor operators, oilers and greasers (except auto), painters (except construction and maintenance), photographic process workers, boiler tenders, truck and tractor drivers, weavers (textile), welders and flame metals workers, and kindred workers.

8. Laborers (unskilled) - Workers in manual occupations which generally require no special training perform elementary duties that may be learned in a few days and require the application of little or no independent judgment. This includes: garage laborers; car washers and greasers; gardeners (except farm) and ground keepers; stevedores; wood choppers; laborers performing lifting, digging, mixing loading, and pulling operations; and kindred workers.

9. Service Workers - Workers in both protective and non-protective service occupations. This includes attendants (hospital and other institutions, professional and personal service, including nurses aides and orderlies), barbers, chairworkers and cleaners, cooks (except household), counter and fountain workers, elevator operators, firefighters and fire protection guards, door keepers, stewards, janitors, police officers and detectives, porters, waiters and waitresses, and kindred workers.

D.7.2 Monitoring

- The TCF Monitor will schedule an on-site monitoring visit when:. Contract has not been previously monitored and at least 70% of the TCF contract funds have been expended;
- All Section 22, A and B conditions have been submitted and have been approved by the Department;
- Construction activities are 80% completed and/or a *Certificate of Construction Completion (Form A709)* has been submitted;
- The TCF contract has expired; or
- The Grant Recipient requests a monitoring visit or a complaint is received, and the request is approved by the Director.

TCF recommends that the Grant Recipient review **Section A, Chapter 13, Monitor Review** to ensure that all documentation needed by the TCF Monitor is made available for the monitoring audit.

D.7.3 Submission of TCF Applications

Main Street and Downtown Revitalization applicants may not have an existing TCF contract prior to an application deadline date, regardless of extensions granted. Should a Grant Recipient want to close their existing TCF contract in order to submit a Main Street or Downtown Revitalization application, the Grant Recipient **MUST** notify the Department 60 days before application deadline in order to schedule a monitoring visit.

Note: All requirements specified in the ~~Contractor Locality's~~ Grant Recipient's TCF contract MUST be satisfactorily met and have all monitoring deficiencies cleared before the TCF contract can be officially

Real Estate/Infrastructure applicants may not have an existing TCF contract with an award date in excess of 48 months prior to an application deadline date, regardless of extensions granted. If an existing contract expires prior to or on the new application deadline date, without an approved extension, TDA must be in receipt of complete closeout documentation for the existing contract no less than 60 days prior to the new application deadline date in order to schedule a monitoring visit.

D.8 Revolving Loan Funds (RLF) and Program Income (PI)

D.8.1 Repayment Requirements

With the exception of administration funds, TCF monies awarded for real estate improvements and private infrastructure awards will require repayment. Infrastructure payments and real estate lease payments are intended to be paid by the benefiting business(es) to the Grant Recipient, who will forward the payments to TDA. A contract Special Condition requires submission of a *Repayment*

Agreement that details the terms of the repayment. This must be signed by the Grant Recipient as part of the contract process.

D.8.2 Real Estate Improvements

These improvements are intended to be owned by the Grant Recipient and leased to the business(es). Real estate improvements require full repayment. At a minimum, the lease agreement with the business(es) must be for a minimum three year period or until the TCF contract between the Grant Recipient and the Department has been satisfactorily closed (whichever is longer).

A minimum monthly lease payment will be required to be collected from the original business(es) and any subsequent business(es) which occupy the real estate funded by the TCF, which equates to the principal funded by TCF divided over a maximum 20 year period (240 months), or until the entire principal has been recaptured. The repayment term is determined by the Department and may not be for the maximum of 20 years for smaller award amounts. The minimum monthly payment should not be less than \$500. There is no interest expense associated with an award. Payments begin the first day of the third month following the construction completion date or acquisition date.

After the contract between the Grant Recipient and the Department is satisfactorily closed, the Grant Recipient will be responsible for continuing to collect the minimum lease payments only if a business (any business) occupies the real estate. The lease agreement may contain a purchase option, if the option is effective after the minimum five year ownership/dilution requirement (see ownership requirement in the program requirements in this section), and if the purchase price equals (at a minimum) the remaining principal amount originally funded by the TCF which has not been recaptured.

D.8.3 Private Infrastructure Improvements

This is infrastructure that will be located on the business site or on adjacent and/or contiguous property to the site that is owned or leased by the business(es), principals, or related entities. All funds for private infrastructure improvements require full repayment. Terms for repayment will be no interest, with repayment not to exceed twenty (20) years and are intended to be repaid by the business through a repayment agreement. The minimum monthly payment shall not be less than \$500. Payments begin the first day of the third month following the construction completion date.

D.8.4 Program Income

Program Income is defined as gross income received by a state, a unit of general local government, or a subrecipient of a unit of general local government that was generated from the use of CDBG/TCF funds. When program income is generated by an activity that is only partially funded with TCF funds, the income shall be prorated to reflect the percentage of TCF funds used.

Program income includes, but is not limited to, the following:

- Payments of principal and interest on loans, lease payments, and late fees;
- Proceeds from the sale of loans/leases;
- Gross income from the use, sale, or rental of real or personal property acquired by the Grant Recipient or a subrecipient;
- Gross income from the use, sale, or rental of real property owned by the Grant Recipient or subrecipient that was constructed or improved;
- Gross income from the use of infrastructure improvements constructed or improved with CDBG funds;
- Funds collected through special assessments, impact fees or other additional fees from benefiting businesses, if the special assessments or fees are used to recover all or part of the CDBG portion of public improvements;
- Proceeds from the disposition of equipment; and

- Interest earned on funds held in a Revolving Loan Fund account.

For program income generated through Texas Capital Fund projects, communities that elect to participate in the recapture of program income for use at the local level through a designated Revolving Loan Fund (RLF) will be limited to receiving one Texas Capital Fund contract award per program year. If a community elects not to participate in the recapture of program income, the community may apply for as many Texas Capital Fund awards as it has eligible projects. This determination must be made at the time of the original award and cannot be changed with subsequent awards.

A Grant Recipient electing to retain program income at the local level must have a Revolving Loan Fund Plan (RLFP) approved in writing by TDA prior to committing and expending any program income. The RLFP shall be approved and must be used for economic development in accordance with Title I of the United States Housing and Community Development Act of 1974, as amended. The RLFP must be submitted for approval no later than six (6) months from the commencement date of the contract. Program income generated by the award prior to TDA approval of an RLFP must be returned to the State.

Funds retained in the local RLF must be committed within three years of the original TxCDBG contract programmatic close date. Every award from the RLF must be used to fund the same type of activity, ~~for the same business~~, from which such income is derived. A local RLF may retain a cash balance not greater than 33 percent of its total cash and outstanding loan balance. (TDA may consider a “phase-in period” covering the time period required to bring the RLF cash level into compliance with this new policy for existing RLFs, particularly those with large amounts of cash in the RLF that must be loaned to meet the new requirements.) If the local government does not comply with the local RLF requirements, all program income retained in the local RLF and any future program income received from the proceeds of the RLF must be returned to the State.

Communities electing to retain program income through an approved RLF are required to monitor and report to the State program income account balances reflecting amounts received and disbursed and the status of outstanding loans or leases. Such report should also include information regarding RLF loans, leases, and commitments made.

If the local government elects not to participate in program income recapture, fails to meet all requirements of this section or requirements identified in Section 6 of its TCF/TxCDBG contract or an RLFP is not submitted for approval within the first six (6) months from the commencement date of the contract, then all program income must be returned to the state.

Property taxes may be assessed on real estate improvements funded through the real estate program and will not be considered as program income.

~~Texas Capital Fund Description of Contract~~

D1

(Intentionally left blank)

~~The Texas Capital Fund contract consists of two types of language:~~

- ~~• Language common to all contracts; and~~
- ~~• Language specific to the agreement between TDA and Grant Recipient, such as the contract amount, contract period, environmental clearance requirements, special conditions, performance statement, budget, and project implementation schedule.~~

~~Each Texas Capital Fund contract contains 29 Sections and Exhibits A through D. In summary, this is the information contained in each:~~

~~**Section 1. Parties To Contract:** TDA and the Grant Recipient are listed here.~~

~~**Section 2. Contract Period:** Establishes the start and end dates of the contract.~~

~~**Section 3. Contractor Performance:** Establishes the contractual performances between the Grant Recipient with TDA.~~

~~**Section 4. Department Obligations:** Sets the maximum obligation to be funded.~~

~~**Section 5. Payment:** Details the procedures for drawing down contract funds from TDA.~~

~~**Section 6. Uniform Administrative Requirements, Costs Principles, and Program Income:** References the U.S. Office of Management and Budget Circulars, HUD regulations, and other relevant state statutes.~~

~~**Section 7. Retention and Accessibility of Records:** Outlines the requirements, maintenance, and accessibility of all contract records to all appropriate parties.~~

~~**Section 8. Reporting Requirements:** Describes reporting requirements.~~

~~**Section 9. Monitoring:** Outlines the TDA's programmatic monitoring responsibilities and Grant Recipient's obligations.~~

~~**Section 10. Indemnification:** TDA's exemption from incurred penalties or liabilities.~~

~~**Section 11. Subcontracts:** Discusses requirements for subcontractors.~~

~~**Section 12. Conflict of Interest:** Self-explanatory.~~

~~**Section 13. Nondiscrimination, Religious Activity and Faith-Based Organizations:** References state and Federal restrictions in this area.~~

~~**Section 14. Legal Authority:** Provides assurances as to the legal authority of the Grant Recipient and of its authorized signator(s).~~

~~**Section 15. Litigation and Claims:** Outlines procedures for Grant Recipient notification to TDA of any and all actions or claims against Grant Recipient related to this contract.~~

- ~~**Section 16. — Changes and Amendments:** Discusses procedures for changes and amendments to the contract.~~
- ~~**Section 17. — Suspension:** Describes TDA's right to suspend the contract.~~
- ~~**Section 18. — Termination:** Contains timing thresholds that are designed to keep activities of the contract moving in an expeditious manner and compliance issues that could cause termination of the contract.~~
- ~~**Section 19. — Audit:** Addresses Single Audit requirements.~~
- ~~**Section 20. — Environmental Clearance Requirements:** This section describes the Grant Recipient's responsibilities, obligations, and procedures concerning environmental clearance requirements.~~
- ~~**Section 21. — Citizen Participation Requirements:** This section details the Grant Recipient's responsibilities in conducting public hearings for (1) substantial changes proposed to be made in the formal complaint procedures and recordkeeping.~~
- ~~**Section 22. — Special Conditions:** Contains special conditions as applicable to that particular project and are subdivided into threshold groups related to the funding of the contract.~~
- ~~**Section 23. — Debarment:** Incorporates Federal debarment requirements~~
- ~~**Section 24. — Political Aid and Legislative Influence Prohibited:** Self-explanatory.~~
- ~~**Section 25. — Fraud, Abuse and Mismanagement:** Self-explanatory.~~
- ~~**Section 26. — Effective Date:** Self-explanatory.~~
- ~~**Section 27. — Oral and Written Agreements:** Incorporates all oral and written agreements between TDA and Grant Recipient into this contract; also includes signatures section for contract execution.~~
- ~~**Section 28. — Waiver:** Self-explanatory.~~
- ~~**Section 29. — Venue:** Provides what venue lies in Travis County~~

Texas Capital Fund Administrative Activities Checklist

D2

ACTIVITY	LOCALITY	CONSULTANT	ENGR/ARCH	OTHER
A. Initial Administrative Procedures				
1. Set up all files pertaining to TxCDBG/TCF contract activities.				
2. Solicit for professional services and maintain all necessary and relevant documentation.				
3. Prepare the professional services contracts for attorney review.				
B. Environmental Review/Special Conditions Clearance Procedures				
1. Designate environmental review liaison and environmental certifying officer.				
2. Establish and maintain environmental review file.				
3. Prepare environmental assessment.				
4. Coordinate activities with other federal or state agencies responsible for implementing applicable laws.				
5. Publish and disseminate public notice.				
6. Document consideration of any public comments.				
7. Issue environmental impact statement (if applicable).				
8. Request release of funds and send certifications to the Department.				
9. Clear project of TxCDBG/TCF contract special conditions.				
C. Financial Management				
1. Document local file/submit to the Department the accounting system certification letter.				
2. Complete Direct Deposit Authorization Form (if applicable).				
3. Establish TxCDBG/TCF non-interest bearing checking account.				
4. Submit to the Department the Contractor's Depository/Authorized Signatory Designation form (if applicable).				
5. Secure surety bonding for individuals having access to project assets, accounting records or checks related to the TxCDBG/TCF contract.				
6. Establish and maintain financial records consisting of registers, journals, and ledgers.				
7. Maintain (city/county) TxCDBG/TCF accounting operations.				
a. Execute drawdown requests.				
b. Review invoices received for payment and file back-up documentation.				
c. Draft checks.				
d. Pay invoices.				
e. Enter transactions in books.				
f. Reconcile bank statements.				
g. Prepare financial reports.				
8. Establish procedures to handle the use of TxCDBG/TCF program income, if applicable.				

ACTIVITY	LOCALITY	CONSULTANT	ENGR/ARCH	OTHER
D. Contract Amendments/Quarterly Reporting				
1. Monitor project to determine necessity of amendments to TxCDBG/TCF contract (i.e. change orders, high or low bids, design changes, etc.).				
2. Prepare and submit to the Department documentation necessary for amending the TxCDBG/TCF contract.				
3. Conduct re-assessment of environmental clearance for any program amendments.				
4. Prepare and maintain all project reporting requirements.				
a. Quarterly reports.				
b. Compliance reports (labor compliance, etc.).				
c. TxCDBG Recipient Disclosure Report form.				
E. Real Property Acquisition				
1. Determine necessity for any acquisition activities for the TxCDBG/TCF project.				
2. Submit required reports concerning acquisition activities to the Department.				
3. Maintain documentation of ownership on file for contractor-owned property and/or rights-of-way (R.O.W.s).				
4. Maintain a separate acquisition file for each parcel of real property acquired.				
5. Determine necessary method(s) for acquiring real property (easements/R.O.W.s).				
6. Prepare and distribute correspondence with property owners.				
7. Prepare descriptions of easements.				
8. Prepare property appraisals.				
9. Negotiate with property owner(s).				
10. File deeds with County Clerk.				
F. Force Account				
1. Determine if/what TxCDBG/TCF contract activities will be carried out in whole or in part via force account labor.				
2. Determine necessity for hiring temporary employees to carry out TxCDBG/TCF contract activities.				
3. Establish procedures to document expenditures associated with local administration of the project.				
4. Establish policy for any property/equipment purchased or leased and maintain TxCDBG Property Management Register.				
5. Prepare all preliminary and final design plans and specifications.				
6. Submit plans/specifications to appropriate agency(ies) and obtain clearance(s).				
7. Maintain adequate documentation of personnel, equipment and materials expended/used and their costs.				
8. Document the leasing/rental/depreciation costs of all property/equipment paid with TxCDBG/TCF funds.				
9. Assure and document compliance with all federal and state requirements related to equal employment opportunity.				
10. Document compliance w/ the minimum wage & overtime pay provisions of the Fair Labor Standards Act for local government employees.				

ACTIVITY	LOCALITY	CONSULTANT	ENGR/ARCH	OTHER
G. Project Construction Through the Bid/Contract Process				
1. Prepare all preliminary and final design plans and specifications.				
2. Submit plans/specifications to appropriate agency(ies) and obtain clearance(s).				
3. Notify the Department in writing of name, address, and phone number of appointed local labor standards compliance officer.				
4. Obtain wage rates.				
5. Prepare bid packet/contract documents.				
6. Advertise for bids.				
7. Submit 10-Day Confirmation to TDA to confirm wage rates.				
8. Incorporate any and all wage rate modifications or supersede as via bid addendum (if applicable).				
9. Conduct bid opening.				
10. Tabulate bids and check for completeness and accuracy.				
11. Maintain minutes of bid opening.				
12. Verify construction contractor eligibility.				
13. Review construction contract.				
14. Award construction contract.				
15. Send notices of contract award and pre-construction conference to construction company.				
16. Hold pre-construction conference and prepare copy of report/minutes.				
17. Submit any reports of additional classification and rates to TDA.				
18. Submit Labor Standards Record to the Department.				
19. Review weekly payrolls, including compliance enforcement.				
20. Conduct employee interviews.				
21. Process all change orders approved by Locality and the project engineer and submit to the Department prior to execution with construction contractor.				
22. Conduct interim/final inspections.				
23. Prepare and submit Certificate of Construction Completion to the Department.				
24. Make final payment.				
25. Prepare and Submit Final Wage Compliance Report to the Department.				
H. Fair Housing/Equal Employment Opportunity				
1. Implement and document current and required new activities to affirmatively further fair housing during the contract period.				
2. Implement and document compliance with all applicable equal employment opportunity provisions.				
a. Personnel policies and practices				
b. Section 3 and Affirmative Action Plan				
c. Complaint procedures				
d. Section 504 requirements				
3. Monitor construction contractor to ensure that all required equal opportunity regulations have been followed.				

ACTIVITY	LOCALITY	CONSULTANT	ENGR/ARCH	OTHER
a. Include all applicable equal opportunity provisions and certifications in bid packet.				
b. Section 3 Plan				
4. Prepare and submit a Fair Housing Plan.				
5. Document/report all final project beneficiaries by ethnicity and gender.				
I. Audit/Closeout				
1. Prepare the Project Completion Report (includes Final Public Hearing, Project Map, and Section 3 Report)				
2. Prepare employment support documentation (includes Final Payroll and Family Income/Size Certifications)				
3. Respond to all monitoring findings by the Department.				
4. Complete the Certificate of Completion and Final Wage report and submit to the Department.				
5. Resolve any third-party claims to the project.				
6. Notify the Department of intent to secure audit services.				
7. Provide the auditor with copies of TxCDBG/TCF audit guidelines.				
8. Conduct audit.				
9. Submit audit report to the Department.				
10. Resolve any audit findings.				

TEXAS CAPITAL FUND LABOR STANDARDS OFFICER CHECKLIST

This checklist is to be completed for cities/counties with TCF funded construction contracts over \$2,000 including labor and construction through bid/contract processing. If the prime construction contract is over \$2,000, all labor standards, including Davis-Bacon, apply and payrolls must be obtained from the sub-Grant Recipient regardless of the amount paid to the sub-contractor.

The Labor Standards Officer (LSO) is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts covered by Davis-Bacon requirements. This term represents the person (or persons) who will provide labor standards preconstruction advice and support to the Grant Recipient and other "Project Principal(s)" (for example, work performed by or funded in part through other state or federal agencies), including providing the proper Davis-Bacon wage decision and ensuring that the wage decision and contract clauses are incorporated into the contract for construction. The LSO also monitors labor standards compliance by conducting interviews with construction workers at the job site and reviewing payroll reports, and oversees any enforcement actions that may be required.

To be filled out by the LSO.		Y	N	N/A	DOCUMENT SOURCE AND COMMENTS
1	Were the plans/specifications prepared by a registered engineer, secured through the project principal(s)?				
2	<p>Did the bid/contract packet contain the certifications and documents required by TCF/CDBG?</p> <ul style="list-style-type: none"> • Advertisement and Invitation for Bids • Instruction to Bidders includes Bidder's Qualifications • Bid Format (including all deductive or additive alternates as applicable) • Bid Bonds • Payment Bonds • Performance Bonds • Standard Form Contract • General Contract Conditions includes Grant Recipient Plan • Wage Rate Decision • Federal Labor Standards Provisions (HUD 4010) • Special Provisions (as applicable) • Compliance with Air and Water Acts • Equal Employment Opportunity • Architect's Certification of Compliance with the Architectural Barriers Act of 1968 (if applicable) • Drawings and Technical Specifications (including location of all utility lines and similar services) <p>Note: Sample documents found in Appendix K of the implementation manual.</p>				<p>Note: Copy of Performance Bond must be forwarded to TDA/TCF for special condition requirements and the Grant Recipient must maintain all bids submitted regardless of awards.</p>
3	Were the federal requirements for bidding advertisement/award followed?				Ad dates: _____

					Bid Opening Date:_____
		Y	N	N/A	DOCUMENT SOURCE AND COMMENTS
4	Did the LSO ensure that the project principal(s) verified the eligibility of prime and subcontractors before contract award with the federal debarment list? Note: A copy of the eligibility verification form must be forwarded to TDA/TCF for labor contract requirements.				Prime:_____ Subs:_____ _____ _____ _____
5	Was the Labor Standards Record completed? Note: A copy of the Labor Standards Record must be forwarded to TDA/TCF. The Labor Standards Record must be submitted before any construction dollars are reimbursed from the TCF contract for that particular construction contract.				Contract Price: \$_____ Contract Start Date: _____
6	Were the "as-built" plans for project prepared and provided to the locality? Note: The Grant Recipient must ensure that the "as-builts" are available for review by the TCF Monitor at the time of the scheduled monitoring site visit.				Note: A copy of the site maps for both the construction awards and completed improvement activities must be forwarded to TDA/TCF for special condition requirements.
7	Does the project described in the bid/contract substantially agrees with the TCF Performance Statement?				Differences:
8	Did the LSO ensure that the project principal(s) maintained bids, and provide copies of all bids to the locality?				Note: A copy of the bid tab must be forwarded to TDA/TCF to satisfy special condition requirements.
9	Did the LSO ensure the proper General Wage Decision (GWD) into bid / contract packet? Note: A copy of the prevailing wage rates must be forwarded to TDA/TCF for special condition requirements.				General Wage Decision #:_____
10	Did the LSO ensure the GWD no more than 10 days prior to bid opening? (i.e., "10-day call")? Note: A copy of the eligibility must be forwarded to TDA/TCF for labor contract requirements.				10-day Call:_____ Bid Opening:_____ GWD:_____ Mod:_____
11	Did the LSO ensure that the project principal(s) awarded the construction contract(s) within 90 days of the bid opening?				Award date:_____ Award date:_____
12	Did the construction contract include appropriate labor standards provisions and the wage determination in the construction contract? Each contract subject to Davis-Bacon labor standards requirements must include contract provisions containing labor standards clauses and a Davis-Bacon wage decision. These documents are normally bound into the contract specifications.				Note: A sample construction contract can be found in Appendix K of the most current implementation manual.
13	Did the LSO ensure that the project principal(s) reviewed all construction payrolls and verified that workers were paid the specified Davis-Bacon wage				

	rates that applied?				
14	Did the LSO ensure that the project principal(s) conducted employee interviews?				
		Y	N	N/A	DOCUMENT SOURCE AND COMMENTS
Labor Violations:					
15	Did the LSO ensure that the project principal(s) notified the prime contractor(s) of any labor violation(s)?				
16	Did the LSO ensure that the project principal(s) has proof that restitution has been paid?				
17	Did the LSO ensure that the project principal(s) has obtained corrected supplemental payrolls, proof of payments from the prime contractor(s)?				
18	Did the LSO ensure that the project principal(s) has proof that workers were paid the correct overtime rate?				
19	Did the LSO ensure that the project principal(s) has notified the prime contractor(s) in writing of the amount of liability for liquidated damages? (\$10/day/worker) or requested a waiver of the overtime fine?				The project principal(s) needs to forward the check (payable to HUD) to TDA for processing)
20	Did the LSO ensure that the project principal(s) compiled any worker's complaints (if applicable)?				The project principal(s) needs to forward info to TDA for further processing.

252.041 (a) If the competitive sealed bidding requirement applies to the contract, notice of the time place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publication must be before the 14th day before the date set to publicly open the bids and read them aloud. If no newspaper is published in the municipality, the notice must be posted at the city hall for 14 days before the date set to publicly open the bids and read them aloud.
262.025 (a) A notice of a proposed purchases must be published at least once a week in a newspaper of general circulation in the county, with the first day of publication occurring before the 14th day before the date of the bid opening. If there is not newspaper of general circulation in the county, the notice must be posted in a prominent place in the courthouse for 14 days before the date of the bid opening.
Note: A performance bond is required for a public works contract in excess of \$100,000. A payment bond is required for a public works contract in excess of \$25,000.

I certify that to the best of my knowledge that the data above were obtained and followed out accordingly as specified in the most current implementation manual and are correct in accordance with the terms of the contract.

_____ SIGNATURE OF CHIEF ELECTED OFFICIAL DATE SIGNED: _____	_____ SIGNATURE OF LABOR STANDARDS OFFICER DATE SIGNED: _____
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NOTE: THIS DOCUMENT MUST BE SIGNED AND AVAILABLE AT THE TIME OF THE MONITORING SITE VISIT.

For additional information regarding Federal Labor Standards provisions, please refer to the TxCDBG Project Implementation Manual, Section A - Chapter 7: Davis-Bacon Labor Standards.

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TEXAS CAPITAL FUND Quarterly Employee Certification Report

Grant Recipient Name:	
Company Name:	
Period Reporting:	Date Submitted:
Contract Number:	Contract Period:

Contractual Job Requirement:		
1. Creation:	2. LMI:	3. LMI%:
4. Retention:	5. LMI:	6. LMI%:
7. Total Jobs:	8. Total LMI:	9. Total LMI%:

Calculation of Actual Jobs Created To Date:		
10. Employees Per TWC Report		ALL FIELDS MUST BE COMPLETED. ATTACH ALL SUPPORTING DOCUMENTS.
11. Less Adjustments to Total on TWC Reports	< >	
12. Equals Eligible Employees		
13. Less Employees on Beginning Payroll	< >	
14. Total Jobs Created to Date		

Actual Job Performance To Date:		
15. Created	16. LMI	17. LMI%
18. Retained	19. LMI	20. LMI%
21. Total Jobs	22. Total LMI	23. Total LMI%

In correct reporting during the course of the TCF contract does not relieve the Contractor Locality Grant Recipient of the requirement to comply with the Project Outcomes as stated in the TCF Contract Performance Statement.

I hereby certify that all the information present above is true and correct and is in agreement with the Contractor/Company Contract Agreement, as detailed in the TCF contract referenced above between the Texas Department of Agriculture and Contractor. I also hereby certify that the Company remains committed to the TCF project and will continue to go forward with its plans to create at least the minimum number of the required jobs, as provided for in the Contract. I understand that an incorrect certification of the information presented above may be grounds for termination of the contract by the Department.

_____ Date
 Authorized Representative of the Company

_____ Date
 Chief Elected Official or Legal Counsel of the Contractor Grant Recipient

The correct methodology for determining job creation and LMI has been used.

_____ Date
Contractor Locality's Grant Recipient's TCF Contract Administrator

Instructions for Completing the Employee Certification Report (D5-ECR)

AN ECR WILL BE CONSIDERED INCOMPLETE IF A FIELD IS BLANK. (INSERT N/A IF NOT APPLICABLE)
AN INCOMPLETE ECR WILL RESULT IN AN UNACCEPTABLE QUARTERLY REPORT AND THE GRANT
RECIPIENT WILL BE CONSIDERED OUT OF COMPLIANCE UNTIL A COMPLETE AND ACCEPTABLE
QUARTERLY REPORT IS RECEIVED BY THE DEPARTMENT.

Submit only the properly signed ECR and the first page of the Texas Workforce Commission (TWC) report ~~with
the Quarterly Report~~. Job creation documentation shall be retained by the business and the Grant Recipient
and must be available for review by the TCF Program Administrator, the TCF Program Monitor, TDHCA audit or
HUD audit upon request.

Note: The number of the instruction corresponds with the line number on the ECR.

1. The number of jobs to be created as stated in the TCF contract Performance Statement.
2. The number of created jobs to be held by Low and Moderate Income (LMI) persons as stated in the TCF contract Performance Statement.
3. The percentage of LMI jobs to be created as stated in the TCF contract Performance Statement.
4. The number of jobs to be retained as stated in the TCF contract Performance Statement (if not applicable enter N/A).
5. The number of retained jobs to be held by Low and Moderate Income (LMI) persons as stated in the TCF contract Performance Statement, if applicable.
6. The percentage of LMI jobs to be retained as stated in the TCF contract Performance Statement.
7. The total of lines 1 and 4.
8. The total of lines 2 and 5.
9. The percentage resulting from dividing lines 8 by line 7.
10. The total number of employees as stated on the Business' TWC Report or complete employee payroll report as of the reporting period.
11. Adjustments (attach an explanation reconciling the total entered):
 - a. Enter total employees that appear on line 10 that are terminated (any person no longer employed) at the end of the reporting period; **and**
 - b. Enter adjustment for full time equivalents (FTE). Calculate FTE as a full time position that provides employment for 35 hours or more per week. A part time position provides between 20 and 34.9 hours per week. Two part time positions may be counted as one FTE position. Employees working less than 20 hours per week may not be included in the calculation; **and**
 - c. Enter any other adjustments that are required to accurately report FTE jobs on the project. (If a TWC report is used, and the business has more than one location in the state, subtract the employees at all other locations).
12. The number of eligible FTE employees (line 10 less line 11).
13. Enter the number of FTE employees listed on the beginning payroll (if there were no employees on the beginning payroll enter '0'). **A beginning payroll must be submitted prior to submittal of the initial Quarterly Report.**
14. The result of line 12 minus line 13.
15. The total from line 14.
16. The number of jobs reported on line 14 held by LMI persons.
17. The percentage resulting from dividing lines 16 by line 15.
18. The number of jobs reported on line 12 that are retained, if applicable.
19. The number of LMI jobs reported on line 12 that are retained (same as line 4 unless line 14 is less than zero).
20. The percentage LMI jobs retained to the total jobs stated on line 14 (this percentage is stated in the application or the TCF contract Performance Statement).
21. The total of lines 15 and 18.
22. The total of lines 16 and 19.
23. The percentage resulting from dividing lines 22 by line 21.

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**Texas Capital Fund
Final Employee Certification Report**

CONTRACTOR NAME: _____
CONTRACT NUMBER: _____
CONTRACT PERIOD: _____ to _____

FULL TIME JOBS: _____
PART TIME JOBS: _____
TOTAL JOBS CREATED: _____
TOTAL JOBS RETAINED: _____
TOTAL LMI: _____
TOTAL MALE: _____ TOTAL FEMALE: _____
TOTAL CAUCASIAN: _____ HISPANIC: _____
BLACK: _____ ASIAN: _____ OTHER: _____

COMPANY NAME: _____

EMPLOYEE FULL-NAME	SOCIAL SECURITY NUMBER (last 4 digits only)	DATE HIRED	GENDER	ETHNICITY	WAGES	LMI		FULL/PART TIME	HOURS WORKED	Job Category
						YES	NO			

I certify that to the best of my knowledge that the data above are correct in accordance with the terms of the contract.

SIGNATURE OF CHIEF ELECTED OFFICIAL
DATE: _____

PREPARED BY: _____
DATE SIGNED: _____

SIGNATURE OF COMPANY OFFICIAL
DATE: _____

For office use only:

D7

Texas Capital Fund Family Income/Size Certification

~~Applicant~~ Grant Recipient

Business

Please **print** all information below:

1. Employee Name

_____ *First* _____ *Middle* _____ *Last*

2. Employee ID Number or Last Four Digits of the Social Security No. _____

3. Current Job Title _____

4. Date hired _____

5. Including yourself, your spouse, and all dependents living with you, how many people are in your family?

County Name: _____

Family Size	One Person	Two Persons	Three Persons	Four Persons	Five Persons	Six Persons	Seven Persons	Eight Persons
Income Limit 80%								
Income Limit 50%								
Income Limit 30%								

6. Combined total family income for the most recent twelve (12) months, starting this month, was:

(circle one) **ABOVE** **AT or BELOW**

the income limit for a family with _____ persons.

(answer from question #5)

7. Were you unemployed prior to applying for work with this company? Yes No

Signature

Date

AFFIRMATIVE ACTION INFORMATION

Answers to the following questions are **voluntary**. Your cooperation is appreciated

Date of Birth: _____ month day year	Veteran Status: Veteran ___ Vietnam Era Vet ___ Disabled Vet ___
Disabled: Yes ___ No ___	Sex: Male ___ Female ___
Race/Ethnic Origin: American Indian ___ Black ___ Caucasian ___ Hispanic ___ Other _____	

D9

TEXAS CAPITAL FUND
| QUARTERLY PROGRESS ~~MINORITY BUSINESS~~ REPORT – Infrastructure/Real Estate

| Please obtain Form D9 from TDA website.

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**TEXAS CAPITAL FUND
QUARTERLY CONNECTION CERTIFICATION REPORT**

Grant Recipient Name: _____ Contract No. _____ Date Report Submitted: _____

Original Business Assisted: _____ Date of Final Construction Inspection: _____

Name and Address of all businesses accessing the infrastructure improvements funded by the TxCDBG/TCF contract.
(Do not include the original business assisted.)

Businesses "Tying-On"					Employment Tracking Data					
Business Name	Street Address	City/ State	Zip Code	Date Tied-On	Employees at Date Tied-On			Employees at Date of Final Report		
					Total Number	Number LMI	% LMI	Total Number	Number LMI	% LMI

This is a final report and should reflect information for each business accessing the infrastructure improvements funded by the TxCDBG/TCF contract. Changes in the employment levels for each business must be identified in the last three columns of the report, "Employees at Date of Final Report"

I certify that to the best of my knowledge that the data above are correct and were made in accordance with the terms of the contract.

CERTIFIED BY: _____
PRINT - NAME AND TITLE OF CHIEF ELECTED OFFICIAL

SIGNATURE OF CHIEF ELECTED OFFICIAL Date

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**Texas Capital Fund
Disclosure Update Report**

PART I APPLICANT/RECIPIENT INFORMATION		
-Indicate Whether This Is An Initial Disclosure Report <input type="checkbox"/> Or An Update Disclosure Report <input type="checkbox"/>		
1. Recipient Name, Address, And Phone Number (Include Area Code)		TxCDBG Contract Number
2. Project Assisted/To Be Assisted (Project/Activity Description And Its Location By City And County)		3. Amount Requested/Received \$
PART II OTHER GOVERNMENT ASSISTANCE PROVIDED/REQUESTED		
-No Other Government Assistance <input type="checkbox"/>		
1. Department/State/Local Agency Name		-Address (City, State and Zip Code)
-Program	Type Of Assistance	Amount Requested/Provided
2. Department/State/Local Agency Name		-Address (City, State and Zip Code)
-Program	Type Of Assistance	Amount Requested/Provided
3. Department/State/Local Agency Name		-Address (City, State and Zip Code)
-Program	Type Of Assistance	Amount Requested/Provided
4. Department/State/Local Agency Name		-Address (City, State and Zip Code)
-Program	Type Of Assistance	Amount Requested/Provided

-PART III INTERESTED PARTIES

-There Are No Persons With A Reportable Financial Interest

List All Persons With A Reportable Financial Interest In The Project Or Activity	Social Security Number Or Employee ID Number	Type Of Participation In Project/Activity	Financial Interest In Project/Activity (Dollars And percent)
--	---	---	---

PART IV REPORT ON EXPECTED SOURCES AND USES OF FUNDS

Source Of Funds

Use Of Funds

CERTIFICATION: I certify that the information given on this form is true and complete.

Signature

Date

Instructions for Completing the Form

PART I APPLICANT/RECIPIENT INFORMATION. Indicate whether the disclosure is an initial or an update report.

1. Enter the full name, address, city, state, zip code and telephone number (including area code) of the Grant Recipient. Enter the TxCDBG Contract Number for the contract under which the update report is required.
2. Provide a brief description based on the project/activity included in the TxCDBG Contract under which the update report is required.
3. Enter the TxCDBG Contract amount for the update report.

PART II OTHER GOVERNMENT ASSISTANCE PROVIDED/REQUESTED – Grant Recipients must report any other government assistance involved in the project or activity.

"Other government assistance" is defined to include any loan, grant, guaranty, insurance, payment, rebate, subsidy, credit, tax benefit or any other form of direct or indirect assistance from the Federal government, a State (other than the TxCDBG assistance), or a unit of general local government, or any agency or instrumentality thereof, that is available, or is expected to be made available with respect to the project or TxCDBG-funded activities. Disclosures must include all other government assistance involved with the TxCDBG assistance, as well as any other government assistance that was made available before the request, but that has a continuing presence at the time of the assistance request.

If the applicant has no Other Government Assistance to disclose, then place a mark in the box and proceed to PART III. Space is provided to enter four (4) sources of other government assistance. If more space is needed, attach an additional page.

- Enter the name of the government agency making the assistance available. If applicable, include at least one organizational level below the agency name. For example, U.S. Department of Commerce, Economic Development Administration.
- Enter the address, city, state, and zip code of the government agency making the assistance available.
- Enter the program name and any relevant identifying numbers, or other means of identification, for the other government assistance.
- State the type of other government assistance (e.g., applicant contribution, loan, grant, loan insurance) and the dollar amount expected to be made available with respect to the project funded with TxCDBG funds.

PART III INTERESTED PARTIES

- Grant Recipients must provide information on all developers, contractors, subcontractors or consultants involved in the planning, development, or implementation of the project or activity;
- Any other person who has a financial interest in the project or activity for which TxCDBG funding was received that exceeds \$50,000 or **10 percent of the grant (whichever is lower)**; and Grant Recipients must make the additional disclosures referred to in Items 1, 2 or 4 of the Update Reports Section.

~~"A financial interest" means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit or resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.~~

~~**If the applicant has no Persons With A Reportable Financial Interest to disclose, then place a mark in the box and proceed to PART IV.**~~

~~Enter the full names and addresses of all persons referred to in paragraph (1) or (2) of this PART. If the person is an entity, the listing must include the full name of each officer, director, and principal stockholder of the entity. Entry of the Social Security Number or Employee Identification Number, as appropriate, for each person listed is optional.~~

~~Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).~~

~~Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of TxCDBG funds involved.~~

~~**PART IV REPORT ON EXPECTED SOURCES AND USES OF FUNDS**~~

~~**Grant Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Item 5 of the Update Report Section information below.**~~

~~Each reportable source of funds must indicate:~~

- ~~• The name and address, city, state, and zip code of the individual or entity making the assistance available. If applicable, include at least one organizational level below the agency name. For example, U.S. Department of Transportation, U.S. Coast Guard, Department of Safety, Highway Patrol;~~
- ~~• The program name and any relevant identifying numbers, or other means of identification, for the assistance; and~~
- ~~• The type of assistance (e.g., applicant contribution, loan, grant, loan insurance).~~

~~Each reportable use of funds must clearly identify the purpose for which the funds will be utilized.~~

**Texas Capital Fund
Project Completion Report**

D1200-rev

Please obtain Form D1200 from TDA website.

**TCF Staff Only
Effective Closeout**

Grant Recipient Name: _____ **Contract No.:** _____

Grant Recipient DUNS #: _____ **Type of Project:** _____

Start Date of Contract: _____ **End Date of Contract:** _____

Benefiting Company Name (if applicable) _____

Award Amount: _____ **Proposed Match:** _____

Part I. General Reports Complete this part once for each TxCDBG contract.

Financial Status: Report expenditures for each activity.

Activity	Budget	Drawn to Date	Balance	Final Draw Amount	Deobligated Amount	Other Funds (Match)
Total						

CITIZEN COMMENTS _____ **Date of Final Public Hearing:** _____ (Attach advertisement)

FAIR HOUSING ACTIVITY:

Note: This activity must have been performed during the contract period. See Section A **Chapter 10: Civil Rights** for a listing of acceptable activities.

CERTIFICATIONS

As chief elected official of the contractor jurisdiction, I certify that:

- ~~a. The information contained in this report is accurate to the best of my knowledge;~~
- ~~b. All records related to contractor activities are available for review;~~
- ~~c. TxCDBG funds were not used to reduce the level of local financial support for housing and community development activities;~~
- ~~d. No attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, contractor certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a); and~~
- ~~e. The persons to benefit from the activities described in Exhibit A, Performance Statement, of this contract are receiving service or a benefit from the use of the new or improved facilities and activities.~~

Signature of Chief Elected Official

Name and Title

Date

Grant Recipient Name: _____ Contract No. _____ Activity: _____

**Part II. Texas Capital Fund – Job Creation/Retention
Activity Specific Performance Report**

Complete this part for each activity [excluding engineering, administration, and acquisition (if incidental to the project)] for Texas Capital Fund projects funded under the low/moderate income National Program Objective (Infrastructure and Real Estate contracts).

Actual Accomplishments: Report work performed for the activity as identified in the Performance Statement.

<u>Construction Line Item</u>	<u>Quantity: Current Perf. Statement</u>	<u>Quantity: Actual Accomplishments</u>	<u>Variance (%)</u>

Do the locations in the current Performance Statement reflect the actual location of the work? Yes No

HJD Performance Measures: Report one objective and one outcome to describe the activity.

Objective:	Outcome:
1. Suitable Living Environment	1. Availability / Accessibility
2. Decent Housing	2. Affordability
3. Economic Opportunity	3. Sustainability

Businesses Assisted:

Total number of businesses assisted: _____ Of the EXISTING businesses assisted:
 Number of New businesses: _____ Number Expanding: _____
 Number of Existing businesses: _____ Number Relocating: _____

Number of businesses assisted with commercial facade treatment/ business building rehab: _____
 Number of businesses assisted that provide goods or services to meet the needs of a service area, neighborhood, or community: _____
 Number of persons who were unemployed prior to taking jobs created by the project: _____
 Number of jobs with employer sponsored health care benefits: _____
 Data Universal Numbering System (DUNS) for the business: _____

Job Categories

(Please refer to the "Project Completion Report Definitions" page for the job category definitions.)

Types of Jobs Created	No. of Jobs	Types of Jobs Retained	No. of Jobs
Officials and Managers		Officials and Managers	
Professional		Professional	
Technicians		Technicians	
Sales		Sales	
Office and Clerical		Office and Clerical	
Craft Workers (skilled)		Craft Workers (skilled)	
Operatives (semi-skilled)		Operatives (semi-skilled)	
Laborers (un-skilled)		Laborers (un-skilled)	
Service Workers		Service Workers	

Grant Recipient Name: _____ Contract No. _____ Activity: _____

Part II. — Texas Capital Fund — Job Creation/Retention

Complete this part for each activity Texas Capital Fund projects funded under the low/moderate income National Program Objective (Infrastructure and Real Estate contracts).

(Please refer to the "Project Completion Report Definitions" page for the instructions.)

	Total Job Count		Total Weekly Hours		Percent
	Full-Time Jobs	Full-Time Low/Med Jobs	Part-Time Hours	Part-Time Low/Med Hours	Low/Mod Jobs
Actually Created					%
Actually Retained					%
Actual FTE Jobs					

Part—Time Employee to Full—Time Employee Conversion

The employee that worked the most hours will be considered the full time equivalent. Provide the gender, ethnic and job category for that full time equivalent job in the table below.

GENDER	ETHNICITY	LMI		HOURS WORKED	JOB CATEGORY
		YES	NO		

Grant Recipient Name: _____ Contract No. _____ Activity: _____

Part II. Texas Capital Fund - Slum/Blight Activity Specific Performance Report

Complete this part for each activity [excluding engineering, administration, and acquisition (if incidental to the project)] for Texas Capital Fund projects funded under the slum/blight National Program Objective (Main Street and Downtown Revitalization contracts).

Actual Accomplishments: Report work performed for the activity as identified in the Performance Statement.

Construction Line Item	Quantity: Current Perf. Statement	Quantity: Actual Accomplishments	Variance (%)

Do the locations in the current Performance Statement reflect the actual location of the work? ~~Yes~~ ~~No~~

How did TCF funds assist in the elimination of slum and/or blight conditions for your Main Street/Downtown area?

Please provide a brief narrative below.

HJD Performance Measures: Report one objective and one outcome to describe the activity.

Objective:	Outcome:
1. Suitable Living Environment	1. Availability / Accessibility
2. Decent Housing	2. Affordability
3. Economic Opportunity	3. Sustainability

Slum/Blight Areas:

Boundaries: _____

Public Improvement Type / Condition: _____

Percent Deteriorated Buildings / Qualified Properties: _____ Slum/Blight Designation Year: _____

Grant Recipient Name: _____ Contract No. _____ Activity: _____

Part III. (a – revised 7.31.08)
Activity Specific Beneficiary Report

Complete this page for each contract budget activity [excluding engineering, administration, and acquisition (if incidental to the project)] according to the number of persons benefiting from the activity.

Beneficiaries by Demographic (Complete this table for all Texas Capital Fund projects):

Report persons benefiting from the activity according to the following gender and race categories, separating those who are also Hispanic. Columns should total and the grand total should equal the total beneficiaries.

<u>Race</u>	<u>Non -Hispanic</u>	<u>Hispanic</u>	<u>Total</u>
<u>White</u>	_____	_____	_____
<u>Black/African American</u>	_____	_____	_____
<u>Asian</u>	_____	_____	_____
<u>American Indian/Alaskan Native</u>	_____	_____	_____
<u>Native Hawaiian/Other Pacific Islander</u>	_____	_____	_____
<u>American Indian/Alaskan Native & White</u>	_____	_____	_____
<u>Asian & White</u>	_____	_____	_____
<u>Black/African American & White</u>	_____	_____	_____
<u>American Indian/Alaskan Native & Black/African American</u>	_____	_____	_____
<u>Other or Multi-Racial</u>	_____	_____	_____
<u>Male:</u> _____ <u>Female:</u> _____	_____	_____	_____
		<u>Grand Total</u>	_____

Beneficiaries by Income (Complete this table for all Texas Capital Fund projects):

Report the number of persons benefiting from the activity by income status.

<u>Income Level</u>	<u>No. of Persons</u>
<u>Very Low (at or below 30% of the AMFI)</u>	_____
<u>Low (31-50% of the AMFI)</u>	_____
<u>Moderate (51-80% of the AMFI)</u>	_____
<u>Non-Low/Moderate (above 80% of AMFI)</u>	_____
<u>Total</u>	_____
<u>Subtotal – All Low/Mod</u>	_____
<u>Percent Low/Mod</u>	_____

TEXAS CAPITAL FUND
Certificate of Expenditure

D13

Grant Recipient: _____ Contract No.: _____

	ACTIVITY	To be Completed by Contractor			TCF Use Only
		PAID COSTS (previously requested for draw)	UNPAID COSTS (incurred but not yet requested for draw)	TOTAL COSTS	Approved Costs
1a	Water Facilities				
1b	Sewer Facilities				
2	Solid Waste Disposal Facilities				
3	Other Public Utilities (Gas, etc.)				
4	Street Improvements				
5	Flood and Drainage Facilities				
6	Neighborhood/Community Centers				
7	Senior Centers				
8	Centers for the Handicapped/ Sheltered Workshops				
9	Parks, Playgrounds, etc.				
10	Fire Protection Facilities/Equipment				
11	Parking Facilities				
12	Pedestrian Malls and Walkways				
13	Specially Authorized Assistance to Privately Owned Utilities				
14	Specially Authorized Public Facilities and Improvements				
15	Public Services (limited to 15% of request)				
16	Interim Assistance				
17	Rehabilitation of Private Properties				
17a	Water Service				
17b	Sewer Service				
18	Rehabilitation of Public Residential Structures				
19	Public Housing Modernization				
20	Clearance/Demolition Activities				
21	Historic Preservation				
22	Removal of Architectural Barriers				
23	Code Enforcement				
24	Acquisition				
25	Relocation Payments & Assistance				
26	Economic Development Loan				
27	Economic Development Interest Subsidy				
28	Economic Development Loan Guarantee				
29	Special Activities by Local Development Corporations, etc.				
30	Engineering/Architectural Services (total for all construction accounts)				
31	Planning & Urban Environmental Design (not to exceed 4%)				
32	General Administration				
33	TOTALS				

Grant Recipient: _____ Contract No.: _____

COMPUTATION OF CONTRACT BALANCE		
	TO BE COMPLETED BY CONTRACTOR	TXCDBG USE ONLY
	AMOUNT	APPROVED AMOUNT
1. Total Paid Costs (from Line 33)		
2. Estimated Amount for Unsettled Third Party Claims		
3. Subtotal		
4. Total TXCDBG Grant Amount		
5. Unutilized Balance (Line 4 minus Line 3) <i>-(This amount will be de-obligated by State)</i>		
6. TXCDBG Funds Received to Date		
7. Balance Payable (Line 3 minus Line 6)*		

* If Line 6 exceeds Line 3, enter the amount on Line 7 as a negative number and repay this amount to TDA by check

UNPAID COSTS AND UNSETTLED THIRD PARTY CLAIMS
<p>LIST ANY UNPAID COSTS AND UNSETTLED THIRD-PARTY CLAIMS AGAINST THE CONTRACTOR'S CONTRACT. DESCRIBE CIRCUMSTANCES AND AMOUNTS INVOLVED.</p> <p><input type="checkbox"/> Check if Continued on Additional Sheet (please attach)</p>

REMARKS
<p><input type="checkbox"/> Check if Continued on Additional Sheet (please attach)</p>

CERTIFICATION		
<p>It is hereby certified that all activities undertaken by the recipient with funds provided under the contract identified on Page 1 hereof, have, to the best of my knowledge, been carried out in accordance with the contract agreement; that proper provision has been made by the recipient for the payment of all unpaid costs and unsettled third-party claims identified on Page 1 hereof, that the State of Texas is under no obligation to make any further payment to the recipient under the contract agreement in excess of the amount identified on Line 7 hereof, and that every statement and amount set forth in this instrument is to the best of my knowledge, true and correct as of this date.</p>		
Date	Typed Name and Title of Chief Elected Official	Signature

TCF APPROVAL		
<p>This Certificate of Expenditures is hereby approved. Therefore, I authorize cancellation of the unutilized contract commitment and related funds reservation and obligation of \$ _____, less \$ _____ previously authorized for cancellation.</p>		
Date	Typed Name and Title	Signature

D14

Texas Capital Fund Final Minority Business Enterprise (MBE) Report

Grant Recipient _____ TCF Contract Number _____

QUARTER REPORTED	Contractor/Subcontractor Name List all contracts ---- <i>during contract period</i>	Contract Amount			COLUMN CODES:							
		TXCDBG Dollars	Other Dollars	Total Dollars	A	B	C	D	E	F	G	

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN G
<u>Code</u> Type of Trade -1 Construction -2 Professional Services -3 Other	<u>Code</u> Specific Type of Service(s) Provided -1 Construction/Rehabilitation -2 Materials/Equipment/Supplies -3 Architectural -4 Engineering -5 Management/Administration -6 Legal -7 Appraisal -8 Audit -9 Other	<u>Code</u> Business Race/Ethnicity (based on 51% or more ownership) -1 White -2 Black/African American -3 Asian -4 American Indian/Alaskan Native -5 Native Hawaiian/Other Pacific Islander -6 Black/African American & White -7 Asian & White -8 American Indian/Alaskan Native & White -9 American Indian/Alaskan Native & Black/African American 40 Other Multi-Racial	-H Hispanic -NH Not Hispanic COLUMN E <u>Gender</u> -M Male -F Female COLUMN F <u>Prime/Sub</u> -P Prime -S Sub	COLUMN G <u>Procurement Type</u> Competitive 1 Small Purchase 2 Sealed Bids 3 Competitive Proposals (RFQ) Solo-Source-Noncompetitive 4 emergency 5 inadequate competition 6 item is available only from one supplier

ECONOMIC DEVELOPMENT MONITORING DESK REVIEW

Desk Review	YES	NO	N/A
1. Did the City/County meet all required special conditions before incurring costs or drawing down project construction funds?	=====	=====	=====
2. Have all other special conditions been met in accordance with the contract?	=====	=====	=====
3. Are the legally binding agreements (loan agreements, deeds of trust, contracts, promissory notes and leveraging sources agreements) between the City/County and private entity on file?	=====	=====	=====
4. Has a repayment schedule been established?	=====	=====	=====
5. Has the City/County submitted a Revolving Loan Fund Plan to the Department of Agriculture?	=====	=====	=====
6. Are quarterly Employee Certification Reports (ECR) submitted in a timely manner?	=====	=====	=====
7. Have all the required business Balance Sheets and Income Statements been submitted?	=====	=====	=====
8. Have all the required personal financial statements been submitted?	=====	=====	=====
9. Have all required Quarterly Reports been submitted to date?	=====	=====	=====
On-Site			
10. Has the City/County filed the necessary liens on all properties for the TCF project?	=====	=====	=====
11. Is the project site within the jurisdiction of the City/County?	=====	=====	=====
12. Is there evidence that the private entity has adhered to the terms and contract requirements?	=====	=====	=====
13. Are the project activities consistent with the approved contract activities?	=====	=====	=====
14. Is the project substantially on schedule?	=====	=====	=====
15. Does the private entity maintain all of the following documents?			
• Hiring plan	=====	=====	=====
• LMI eligibility requirements	=====	=====	=====
• Salary scales	=====	=====	=====
• Training Plan	=====	=====	=====
• Property Inventory Lists	=====	=====	=====
16. Is the private entity meeting its job creation or retention commitment?			
• No. of Jobs Committed: =====			
• No. of LMI Jobs Committed: =====			
• No. of Jobs Created/Retained To-Date: =====			
• No. of LMI Jobs Created/Retained To-Date: =====			
17. Were any of the jobs created/retained part-time positions?	=====	=====	=====
18. Is low/moderate income status of employees verified by any of the following means?			
• Written certification by employee	=====	=====	
• Verification of family size and income	=====	=====	
• TWC referrals	=====	=====	

Desk Review		YES	NO	N/A
19.	Were the types of jobs created/retained consistent with the approved contract?	=====	=====	=====
20.	Does the City/County have access to the private entity's personnel and employment records?	=====	=====	=====
21.	Is there evidence that the City/County is actively monitoring the private entity's hiring performance?	=====	=====	=====
	Describe how this is being done:			
	=====	=====	=====	=====
	=====	=====	=====	=====
22.	Is there evidence to support the expenditure of committed leveraged funds?	=====	=====	=====
23.	Is there sufficient documentation to support expenditures by the private entity? (invoices, inventories, pay records, canceled checks, ledgers, etc.)	=====	=====	=====
24.	Are the loan repayments on schedule?			
	• Date First Pmt. Due _____	=====	=====	=====
	• Monthly Pmt. Amt. _____	=====	=====	=====
25.	Is the use of the program income consistent with the City's/County's approved Revolving Loan Fund Plan?	=====	=====	=====