

**HOUSING AND REDEVELOPMENT AUTHORITY  
OF DULUTH, MINNESOTA**



Jill A. Keppers, MPH  
Executive Director  
222 East Second Street  
Duluth, Minnesota 55805

**REQUEST FOR PROPOSALS (RFP)**

**PROFESSIONAL FINANCIAL AUDIT SERVICES**

RFP Issued: August 19, 2023  
Due: September 15, 2023 – 4:30 pm CDT

**REQUEST FOR PROPOSALS  
PROFESSIONAL FINANCIAL AUDIT SERVICES**

The Housing and Redevelopment Authority of Duluth, Minnesota (HRA) is requesting proposals to perform Professional Financial Audit Services for a period of one year with an option for renewal for four additional one-year periods.

Proposal documents may be obtained at the office of the HRA at 222 East 2<sup>nd</sup> Street, Duluth, MN 55805; by download from our website at [www.duluthhousing.com/documents/#documents-library](http://www.duluthhousing.com/documents/#documents-library); or by calling the HRA at (218) 529-6339.

The HRA reserves the right to reject any or all proposals, or waive any informalities in the proposals.

HOUSING AND REDEVELOPMENT AUTHORITY  
OF DULUTH, MINNESOTA

EQUAL OPPORTUNITY EMPLOYER

JILL A. KEPPERS, EXECUTIVE DIRECTOR

NT: August 19 and August 23, 2023

HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH  
REQUEST FOR PROPOSALS  
FOR PROFESSIONAL AUDITING SERVICES

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HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH  
REQUEST FOR PROPOSALS  
FOR PROFESSIONAL AUDITING SERVICES

I. INTRODUCTION

A. General Information

The HRA is seeking the services from a qualified organization of certified public accountants to audit its financial statements for the fiscal year ending September 30, 2023. The audit is to be performed in accordance with the provisions contained in the request for proposals.

B. Term of Engagement

A one year engagement with option to renew for four subsequent years is contemplated subject to the annual review, prices, and other conditions set forth in the firm's proposal, the concurrence of the HRA Board of Commissioners, and the annual availability of an appropriation.

C. Engagement Agreement

Upon selection, an Audit Engagement Letter or Contract shall be entered into by the HRA and firm selected. The agreement shall include standard contract language and incorporate requirements set forth in the RFP.

## II. NATURE OF SERVICES REQUIRED

### A. Scope of Work to be Performed

The HRA desires the auditor to express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principles (GAAP). The financial statements will be presented on the full accrual basis in accordance with GAAP for enterprise funds. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by GAAP.

### B. Auditing Standards and Requirements to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with: generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the provisions of the Single Audit Act, and the provisions of the U.S. Office of Management and Budget (OMB) Compliance Supplement, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, the Minnesota Legal Compliance Audit Guide for Local Government, and within the parameters of the U.S. Department of Housing and Urban Development (HUD) Handbook, as applicable, including recent HUD Notices. In addition, Real Estate Assessment Center (REAC) requires: attestation by auditors on Financial Data Schedule (FDS) data as to “fair presentation in relation to audited basic financial statements” whereas the auditor compares the electronically submitted data in the REAC staging database to the hard copy of the audit and FDS.

### C. Special Considerations

The HRA has determined that HUD will function as the cognizant agency in accordance with the provision of the Single Audit and Subpart F of Title 2 CFR Part 200 and OMB. The schedule of federal financial assistance and related auditor’s report as well as the reports on the internal controls and compliance are to be issued as part of the comprehensive annual financial report.

### D. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained at the auditor’s expense, for a minimum of three (3) years, unless the firm is notified in writing by the HRA of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

1. Housing and Redevelopment Authority of Duluth, Minnesota (HRA)

2. United States Department of Housing and Urban Development (HUD)
3. United States General Accounting Office (GAO)
4. Parties designated by the Federal or State governments or by the HRA as part of an audit quality review process.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

E. Report Preparation

Report preparation, editing, and printing shall be the responsibility of the auditor.

### III. DESCRIPTION OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA (HRA)

#### A. Name and telephone number of Contact Person / Organizational Chart / General Location of Offices

1. The auditor's principal contact with the HRA will be Maureen Zupancich, Deputy Director, who will coordinate the assistance to be provided by the HRA.
2. Organizational Chart of the HRA (Appendix A)
3. The HRA Central Office is located at:  
King Manor  
222 East Second Street  
Duluth, MN 55805

#### B. Background Information

1. The primary mission of the HRA is to provide decent, safe, and affordable housing for Duluth's lower income citizens.
2. As a means of accomplishing that mission, the HRA owns and manages 411 units of public housing, and two LLC's. Both LLC's are Component units of the HRA. One Component Unit owns and manages 250 units of scattered site housing, and the other Component Unit has 387 units governed and reported under HUD Multifamily. In addition, the HRA owns but does not manage an additional Component Unit.
3. The HRA also administers rental assistance to approximately 1,700 households through various HUD Section 8, State, and local programs.
4. The HRA also operates a housing rehabilitation grant program utilizing Federal and State funding and various property acquisition, development, and relocation programs.
5. The HRA's fiscal year begins October 1 and ends on September 30.
6. The HRA is governed by a seven member Board of Commissioners appointed by the Mayor with approval of the City Council.
7. An Executive Director with a staff of 63 operates the HRA on a daily basis.

8. The HRA financials are presented as a single business-type. The accounting and financial reporting functions of the HRA are centralized.
9. More detailed information on the HRA and its finances can be found in budget documents and annual financial reports. These documents may be reviewed during normal business hours, 8:00 a.m. to 4:30 p.m. in the Central Office of the HRA. Please contact Maureen Zupancich at (218) 529-6339 to make arrangements.

C. Schedule of Expenditures of Federal Awards for Fiscal Year 2022 (Appendix B)

D. Financial Operations

The Finance Department is overseen by the Deputy Director. The Finance Department consists of three additional Financial Analysts and an Accountant I.



IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	August 19, 2023
Due date for proposals	September 15, 2023
Oral Interviews, if necessary	September 19-20, 2023
HRA Board Approval	September 26, 2023
Selected Firm notified	September 27, 2023

B. Date Audit may commence

The HRA will have all records ready for audit and all management personnel available to meet with the firm’s personnel as of November 15, 2023.

C. Entrance Conferences, Progress Reporting, Exit Conferences, and Board Presentation (a similar time schedule will be developed for audits of future fiscal years if the HRA exercises its option for additional audits).

At a minimum, the following conferences should be held by the dates indicated:

	WEEK OF:
Entrance Conference	October 23, 2023
Exit Conference	December 18, 2023
Presentation to Board of Commissioners at Finance Committee Meeting	April 2024

D. Date Final Reports are due

The Auditors shall prepare financial statements, notes, and all possible supplementary schedules including all recommendations, revisions, and suggestions for improvement to the HRA by December 15, 2023 for the North Pointe Apartments, LLC, including attestation of the electronic submission through HUD’s Multifamily FASS/REAC system.

Draft financial statements, notes and all possible supplementary schedules including all recommendations, revisions and suggestions for improvement for the HRA by March 31, 2024.

The HRA will complete a review of the draft report as expeditiously as possible. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the HRA within ten (10) working days. It is anticipated that this process will be completed and the final report delivered by the April 2024 Board of Commissioners regular meeting.

The final report and six (6) signed copies should be delivered to the Executive Director of the HRA. The Auditor will also provide the HRA with a copy of the final report electronically.

The Auditors shall certify the HUD REAC FASS Audit submission no later than June 30, 2024.

#### SPECIAL NOTES:

##### **NORTH POINTE APARTMENTS, LLC**

North Pointe Apartments, LLC (North Pointe) is one of the HRA's wholly owned component units. This entity requires a separate audit that is due by **December 31, 2023 per the HUD Multi-family requirements**. Those financials are submitted to HUD at that time. The North Pointe audit is then incorporated into the HRA overall audit and financial reporting.

##### **RED ROCK, LLC**

The Authority is the sole member of Red Rock, LLC (Red Rock). Red Rock's only activity is 0.01% interest in Harborview Phase I, LLC, as described below.

##### **HARBORVIEW PHASE I, LLC**

Harborview Phase I, LLC (Harborview) is one of the HRA's wholly owned component units. Harborview is audited by a separate firm as it is managed by another entity. The financial reporting from this audit is then incorporated into the HRA overall audit and financial reporting.

##### **BLUEWATER HOUSING, LLC**

Bluewater Housing, LLC (Bluewater) is one of the HRA's wholly owned component units. Bluewater does not have a separate audit, but their financials are incorporated into the HRA overall audit and financial reporting.

##### **HARBORVIEW PHASE V, LLC**

Harborview Phase V, LLC is one of the HRA's wholly owned component units, for the purpose of constructing Skyridge Flats utilizing Housing Infrastructure Bonds awarded through Minnesota Housing. This project closed during 2023, with construction scheduled to start in the summer of 2023.

**HARBORVIEW PHASE VI, LLC**

Harborview Phase VI, LLC was formed in 2022 and awarded Tax Credits through Minnesota Housing for the construction of Harbor Highlands Phase VI Townhomes. This project is on hold at this time due to the funding gap on construction costs.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

A. Finance Department and Clerical Assistance

The finance department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation, and explanations. The preparation of confirmations will be the responsibility of the HRA.

B. Statements and Schedules to be Prepared by the Staff of the HRA

The staff of the HRA will prepare appropriate information, reports, and schedules as requested by the auditors during the audit.

C. Work Area, Telephones, Photocopying, and FAX Machines

The HRA will provide the auditor with reasonable workspace, desks, and chairs. The auditor will also be provided with access to telephone, Wi-Fi, and photocopying facilities subject to reasonable and appropriate use.

## VI. SUBMISSION REQUIREMENTS

### A. General Requirements

1. Proposals must be submitted electronically by:  
**4:30 p.m. CDT on September 15, 2023**  
to the Executive Director at:  
[jkeppers@duluthhousing.com](mailto:jkeppers@duluthhousing.com)
2. Proposals must be addressed to:  
**Jill A. Keppers, Executive Director  
HRA of Duluth  
222 East Second Street  
Duluth, Minnesota 55805**
3. Neither HRA nor any other entity is responsible for the expenses that Offerors may incur in preparing and submitting proposals.
4. All proposals are the property of the HRA, will be retained by the HRA, and will not be returned to the Offerors.
5. The HRA reserves the right to cancel this RFP or to reject in whole or in part, any and all proposals received in response to this RFP. The HRA further reserves the right to waive any minor informalities in any proposals received. The decision as to who shall receive a contract award, or whether or not an award shall be made as a result of this RFP, shall be at the sole discretion of the HRA.

### B. Technical Proposal

#### 1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of the HRA in conformity with the requirements of this request for proposals.

The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

#### 2. Mandatory Elements

- a) The firm should provide an affirmative statement that it is independent of the HRA as defined by the U.S. General Accounting Office's Government Auditing Standards (2003 Revision). No member, officer, or employee of the HRA and no other public official of such locality or localities who exercises any function or responsibilities with respect to this proposal shall, during his or her tenure, and for one year thereafter, have any interest, direct or indirect, in this agreement, or the proceeds thereof. No HRA employee, member of the Board of Commissioners, or Delegate to Congress shall be a party to any share or part of this agreement or to any benefit that may arise therefrom.
- b) An affirmative statement must be included that the firm and all assigned key professional staff are properly licensed to practice in Minnesota.
- c) The firm chosen to perform the audit and related services for the HRA must meet the HUD requirements and be found on the established IPA roster.
- d) The Offerors shall further identify the date and type of any participation in a Quality Control Review program (AICPA, National Group, etc.).
- e) The Offerors Warranties (Appendix C).
- f) The firm awarded the contract shall provide the HRA with a Certificate of Insurance prior to commencement of the work showing compliance with the attached Insurance Requirements (Appendix D). Additionally, the firm shall maintain Professional Liability Insurance with a limit of not less than \$1,500,000 each occurrence.

### 3. Technical Quality

- a) Firms Qualifications and Experience
  - (1) The Offeror should state the size of the firm, the size of the firm's governmental audit staff, and the location of the office from which the work on this engagement is to be performed.
  - (2) If the Offeror is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.
  - (3) The firm shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3)

years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

b) Partner, Supervisory, and Staff Qualifications and Experience

- (1) Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in the State of Minnesota. Provide information on the government auditing experience for each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

c) Similar Engagements with Other Government Entities

- (1) For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last three (3) years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

d) Specific Audit Approach

- (1) The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as HRA budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.
- (2) Offerors will be required to provide the following information on their audit approach:
  - (a) Proposed segmentation of the engagement.
  - (b) Level of staff and number of hours to be assigned to each proposed segment of the engagement.

- (c) Sample size and the extent to which statistical sampling is to be used in the engagement.
- (d) Extent of use of electronic data processing software in the engagement.
- (e) Type and extent of analytical procedures to be used in the engagement.
- (f) Approach to be taken to gain and document an understanding of the HRA's internal control structure.
- (g) Approach to be taken in determining laws and regulations that will be subject to audit test work.
- (h) Approach to be taken in drawing audit samples for purposes of tests of compliance.

e) Report Format

- (1) The proposal should include sample formats for required reports.

C. Price Proposal

1. The price proposal for the overall HRA audit should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix E) that supports the total all-inclusive maximum price as well as prices for additional years.
2. The North Pointe audit shall be priced separately.
3. If it should become necessary for the HRA to request the auditor to render any additional services to either supplement the services requested in this RFP, or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the engagement agreement. Any such additional work agreed to shall be performed at the same rates set forth in the schedule of fees and expenses included in the price proposal.



## VII. EVALUATION PROCEDURES

### A. Review and Approval Process

A review committee will be established and will present a recommendation to the Board of Commissioners for final approval.

### B. Review of Proposals

The review committee members will complete an independent review of each Technical Proposal. After a composite evaluation for each Technical and Price Proposal. The committee may conduct interviews or seek written or verbal clarification to supplement materials submitted in response to the RFP. The committee will recommend the proposal that offers the optimum combination of the evaluation criteria and price which is the most advantageous to the HRA.

### C. Evaluation Criteria

Firms meeting the mandatory criteria will have their proposals evaluated for technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process:

#### 1. Mandatory Elements

- a) The audit firm is independent and licensed to practice in Minnesota.
- b) The firm has no conflict of interest with regard to any other work performed by the firm for the HRA.
- c) The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- d) The firm submits a copy of its last external Quality Control Review report and the firm has a record of quality audit work.

#### 2. Technical Quality

- a) Expertise and Experience
  - (1) The firm's past experience, performance on comparable government engagements.

- (2) The quality of the firm’s professional personnel to be assigned to the engagement and the quality of the firm’s management support personnel to be available for technical consultation.

b) Audit Approach

- (1) Adequacy of proposed staffing plan for various segments of the engagement.
- (2) Adequacy of sampling techniques.
- (3) Adequacy of analytical procedures.

D. Oral Presentations

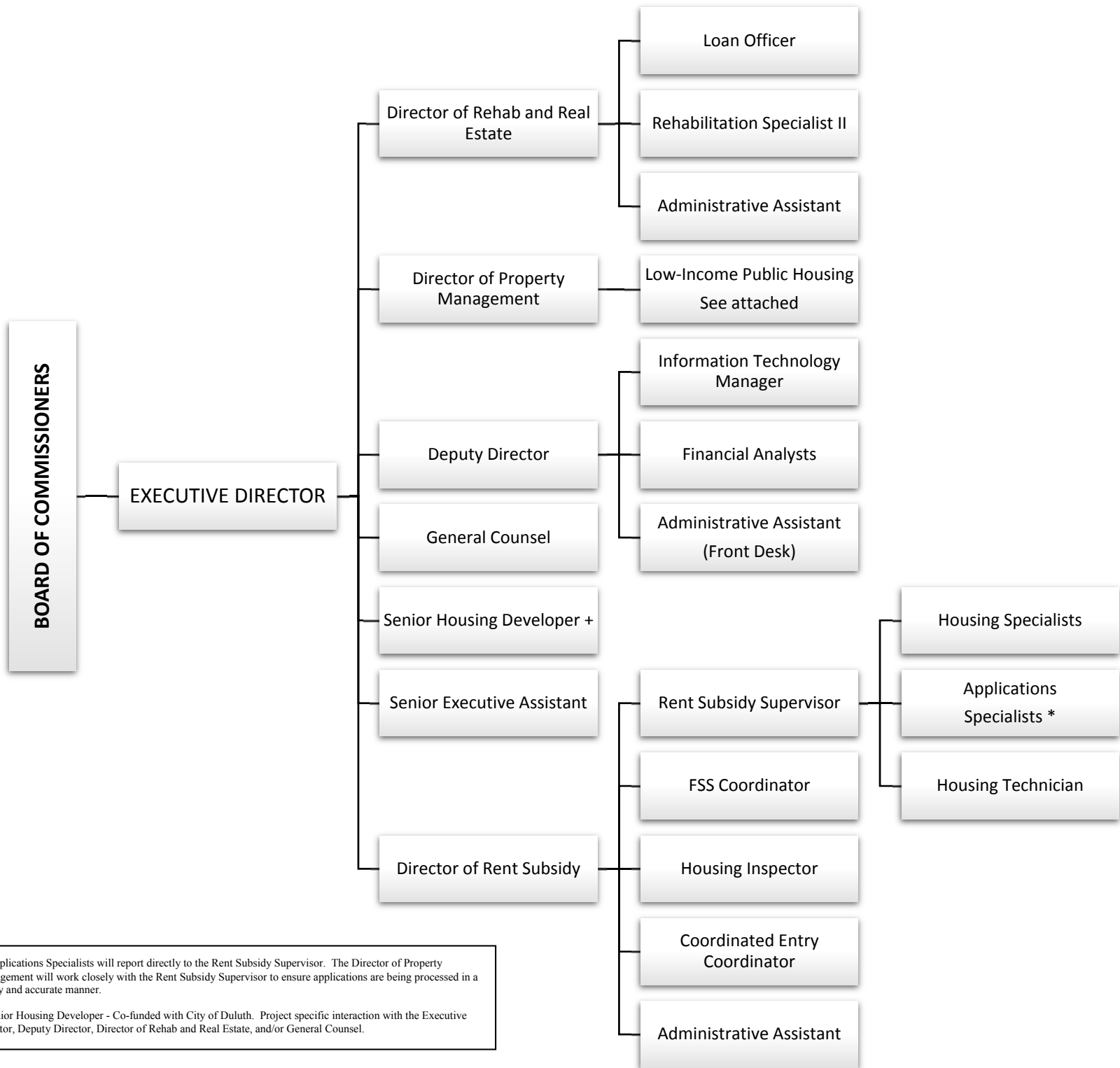
During the evaluation process, the review committee may, at its discretion, request any one of all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the review committee may have on a firm’s proposal. Not all firms may be asked to make such oral presentations.

**SCORING MATRIX**

Mandatory Elements	10
Firm’s Qualification and Experience	25
Staff Experience	25
Audit Approach	20
Price	20
<b>TOTAL</b>	<b>100</b>

## APPENDICES

- A. HRA Organizational Chart
- B. Schedule of Federal Awards Expenditures – Fiscal Year 2022
- C. Offerors Warranties
- D. Insurance Requirements
- E. Schedule of Professional Fees and Expenses
- F. General Conditions for Non-Construction Contracts Section I (5370-C)
- G. Profile of Firm
- H. Representation, Certifications, and Other Statements of Bidders (5369-A)
- I. Instructions to Offerors (5369-B)
- J. Section 3 Definitions
- K. Section 3 Business Concern Affidavit



\* Applications Specialists will report directly to the Rent Subsidy Supervisor. The Director of Property Management will work closely with the Rent Subsidy Supervisor to ensure applications are being processed in a timely and accurate manner.

+ Senior Housing Developer - Co-funded with City of Duluth. Project specific interaction with the Executive Director, Deputy Director, Director of Rehab and Real Estate, and/or General Counsel.

Housing and Redevelopment Authority of Duluth, Minnesota

Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development:				
Passed through City of Duluth:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	RLF	\$ -	\$ 469,467
Community Development Block Grants/Entitlement Grants	14.218	24060	\$ -	\$ 11,862
Community Development Block Grants/Entitlement Grants	14.218	24233	\$ -	\$ 257,372
Community Development Block Grants/Entitlement Grants	14.218	91200	\$ -	\$ 12,000
Passed through St. Louis County:				
Community Development Block Grants/Entitlement Grants	14.218	91200	\$ -	\$ 22,000
<b>Total ALN 14.218, CDBG - Entitlement Grants Cluster</b>			<u>\$ -</u>	<u>\$ 772,701</u>
Passed through City of Duluth:				
Emergency Solutions Grant Program	14.231	23984	\$ -	\$ 749
Emergency Solutions Grant Program	14.231	23763	\$ -	\$ 63,420
Emergency Solutions Grant Program	14.231	22-ES-10	\$ -	\$ 10,641
Emergency Solutions Grant Program	14.231	24195	\$ -	\$ 429,160
Emergency Solutions Grant Program	14.231	24008	\$ -	\$ (19,937)
<b>Total ALN 14.231</b>			<u>\$ -</u>	<u>\$ 484,033</u>
HOME Investment Partnerships Program	14.239	24023	\$ -	\$ 59,302
Direct:				
Continuum of Care Program	14.267		\$ -	\$ 26,053
Continuum of Care Program	14.267		\$ 36,322	\$ 36,322
Continuum of Care Program	14.267		\$ -	\$ 60,743
<b>Total ALN 14.267</b>			<u>\$ 36,322</u>	<u>\$ 123,118</u>
Public and Indian Housing	14.850		\$ -	\$ 3,075,339
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program:				
Section 8 Moderate Rehabilitation	14.856		\$ -	\$ 63,486
Section 8 Moderate Rehabilitation	14.856		\$ -	\$ 49,293
<b>Total ALN 14.856, Section 8 Project-Based Cluster</b>			<u>\$ -</u>	<u>\$ 112,779</u>
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871		\$ -	\$ 8,997,292
Emergency Housing Voucher	14.871		\$ -	\$ 120,231
COVID-19 - HCV CARES Act Funding	14.871		\$ -	\$ 58,434
<b>Total ALN 14.871</b>			<u>\$ -</u>	<u>\$ 9,175,957</u>
Mainstream Vouchers	14.879		\$ -	\$ 137,213
<b>Total Housing Voucher Cluster</b>			<u>\$ -</u>	<u>\$ 9,313,170</u>
Public Housing Capital Fund	14.872		\$ -	\$ 334
Public Housing Capital Fund	14.872		\$ -	\$ 987,068
Public Housing Capital Fund	14.872		\$ -	\$ 722,082
Public Housing Capital Fund	14.872		\$ -	\$ 503,121
<b>Total ALN 14.872</b>			<u>\$ -</u>	<u>\$ 2,212,605</u>
Family Self-Sufficiency Program	14.896		\$ -	\$ 7,456
Family Self-Sufficiency Program	14.896		\$ -	\$ 30,094
<b>Total ALN 14.896</b>			<u>\$ -</u>	<u>\$ 37,550</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 36,322</u>	<u>\$ 16,190,597</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 36,322</u>	<u>\$ 16,190,597</u>

APPENDIX C  
HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH  
OFFERORS WARRANTIES

- A. Offeror warrants that it is willing and able to comply with State of Minnesota laws with respect to foreign (non-state of Minnesota) corporation.
- B. Offeror warrants that it is willing and able to obtain Errors and Omissions Insurance providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agents thereof.
- C. Offeror warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Housing and Redevelopment Authority of Duluth, Minnesota.
- D. Offeror warrants that in all work conducted under this Contract, it shall be unlawful to discriminate or harass in any manner on the grounds of race, creed, religion, color, sex, sexual orientation, national origin, ancestry, age, disability, marital status, citizenship status, or status with regard to public assistance. (This includes sexual harassment. Sexual harassment is any repeated and/or unwanted sexual attention that a recipient finds objectionable or offensive, regardless of sexual or affectional orientation.) Any charge of harassment or discrimination against the contractor, contractor's employees, subcontractor, or subcontractor's employees will result in a thorough investigation and possible termination of this contract. HRA's action is not intended to replace legal recourse for any behavior which violates criminal statutes.
- E. Offeror warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: \_\_\_\_\_

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

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_

**HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MINNESOTA**  
**INSURANCE REQUIREMENTS**

The Contractor and Subcontractors shall indemnify and hold harmless, to the fullest extent permitted by law, the HRA, their officers, agents, employee, and tenants from and against all claims, damages, losses, cost and expenses of any kind and nature including attorney's fees arising out of or resulting from the performance of the Work under the Contract provided that any such claim, damage, or expense in any manner directly or indirectly is cause in whole or in part, by reason of any act, omission, fault, or negligence of the Contractor, Contractor's Subcontractor, or of anyone acting under Contractor's direction or control arising or resulting from the performance of the Work under the Contract. The indemnification obligation under this paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Contractor or any Subcontractor under workmen's compensation acts, disability benefit acts, or other employee benefit acts. The HRA *shall be included as a certificate holder* on the Contractors and Subcontractors General Liability Insurance Policy. The Contractor shall provide the HRA with a Certificate of Insurance prior to commencement of the work.

**A. COMPREHENSIVE GENERAL LIABILITY INSURANCE**

The contractors shall purchase from and maintain in a company or companies lawfully authorized to do business in the State of Minnesota such insurance as will provide primary cover and protect the Contractor from claims set forth below which may rise out or result from the Contractor's operation under the Contract and for which a Contractor may be legally liable whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable.

1. Claims for damages because of bodily injury, sickness, disease, or death or any person other than Contractor's employees.
2. Claims for damages insured by usual personal injury liability coverage which are sustained by a person as result of any offence directly or indirectly related to employment of such person by the Contractor; or by another person.
3. Claims for damage other than to the work itself because of injury to or to destruction of tangible property including loss of use resulting therefrom.
4. Claims involving contractual liability insurance applicable to the Contractor obligations under the terms of the specific contract between the Contractor and the HRA.
5. Such insurance shall be subject to I.S.O. Comprehensive General Liability Forms or equivalent.
6. This insurance shall be written for not less than the following limits:

Per Occurrence	\$1,500,000
General Aggregate	\$3,000,000

**B. WORKERS' COMPENSATION**

The Contractor shall procure and maintain a policy that would meet Minnesota statutory minimum and is covered for work in Minnesota; or provide proof that they have no employees; or show that he or she is self-insured.

**C. AUTOMOBILE LIABILITY INSURANCE**

Contractor shall purchase from and maintain in a company of companies lawfully authorized to do business in the State of Minnesota, Automobile Liability, Personal Injury Protection, Uninsured and Underinsured Motorist Liability for not less than a Combined Single Limit of \$1,500,000.

All insurance shall be carried with companies which are financially responsible and admitted to do business in the State of Minnesota. If any such insurance is due to expire during the contract period, the Contractor (including Subcontractors, as applicable) shall not permit the coverage to lapse and shall furnish evidence of coverage to the Contracting Officer. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be canceled or non-renewed by the insurance company until at least 30 days prior written notice has been given to the Contracting Officer.

APPENDIX E  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

WORK PERTAINING TO FY2023

	<b>PROPOSED HOURS</b>	<b>HOURLY RATES</b>	<b>TOTALS</b>
Partner/Owner	_____	_____	\$ _____
Manager/Supervisor	_____	_____	\$ _____
Senior Audit Staff	_____	_____	\$ _____
Junior Audit Staff	_____	_____	\$ _____
Other (specify)	_____	_____	\$ _____
_____	_____	_____	\$ _____
		SUBTOTAL	\$ _____

EXPENSES (LUMP SUM)	\$ _____
Meals & Lodging	\$ _____
Transportation	\$ _____
Other (specify)	\$ _____
_____	\$ _____
	SUBTOTAL
	\$ _____

**TOTAL: \$** \_\_\_\_\_

All-inclusive maximum price for fiscal year 2023 audit

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company



APPENDIX E  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

WORK PERTAINING TO FY2024

	<b>PROPOSED HOURS</b>	<b>HOURLY RATES</b>	<b>TOTALS</b>
Partner/Owner	_____	_____	\$ _____
Manager/Supervisor	_____	_____	\$ _____
Senior Audit Staff	_____	_____	\$ _____
Junior Audit Staff	_____	_____	\$ _____
Other (specify)	_____	_____	\$ _____
_____	_____	_____	\$ _____
		SUBTOTAL	\$ _____

EXPENSES (LUMP SUM)	\$ _____
Meals & Lodging	\$ _____
Transportation	\$ _____
Other (specify)	\$ _____
_____	\$ _____
	SUBTOTAL
	\$ _____

**TOTAL: \$** \_\_\_\_\_

All-inclusive maximum price for fiscal year 2024 audit

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company

APPENDIX E  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

WORK PERTAINING TO FY2025

	<b>PROPOSED HOURS</b>	<b>HOURLY RATES</b>	<b>TOTALS</b>
Partner/Owner			\$
Manager/Supervisor			\$
Senior Audit Staff			\$
Junior Audit Staff			\$
Other (specify)			\$
			\$
		SUBTOTAL	\$

EXPENSES (LUMP SUM)	\$
Meals & Lodging	\$
Transportation	\$
Other (specify)	\$
	\$
	SUBTOTAL \$

**TOTAL: \$**

All-inclusive maximum price for fiscal year 2025 audit

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company

APPENDIX E  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

WORK PERTAINING TO FY2026

	<b>PROPOSED HOURS</b>	<b>HOURLY RATES</b>	<b>TOTALS</b>
Partner/Owner			\$
Manager/Supervisor			\$
Senior Audit Staff			\$
Junior Audit Staff			\$
Other (specify)			\$
			\$
		SUBTOTAL	\$

EXPENSES (LUMP SUM)	\$
Meals & Lodging	\$
Transportation	\$
Other (specify)	\$
	\$
	SUBTOTAL
	\$

**TOTAL: \$**

All-inclusive maximum price for fiscal year 2026 audit

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company

APPENDIX E  
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

WORK PERTAINING TO FY2027

	<b>PROPOSED HOURS</b>	<b>HOURLY RATES</b>	<b>TOTALS</b>
Partner/Owner			\$
Manager/Supervisor			\$
Senior Audit Staff			\$
Junior Audit Staff			\$
Other (specify)			\$
			\$
		SUBTOTAL	\$

EXPENSES (LUMP SUM)	\$
Meals & Lodging	\$
Transportation	\$
Other (specify)	\$
	\$
	SUBTOTAL \$

**TOTAL: \$**

All-inclusive maximum price for fiscal year 2027 audit

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Company

# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

### U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 3/31/2020)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability. This form HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:**

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$105,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$150,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$150,000 – use Sections I and II.**

### Section I - Clauses for All Non-Construction Contracts greater than \$150,000

#### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

#### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
  - (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

#### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

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- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
  - (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
    - (i) appeals under the clause titled Disputes;
    - (ii) litigation or settlement of claims arising from the performance of this contract; or,
    - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

#### 5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

#### 6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

#### 7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

#### 8. Contract Termination; Debarment

#### 9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

#### 10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

#### 11. Organizational Conflicts of Interest

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

#### 12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.



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## 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

## 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

## 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

## 19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

## 20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

## 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

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apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

## **22. Procurement of Recovered Materials**

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

**HOUSING & REDEVELOPMENT AUTHORITY OF DULUTH, MN**

**PROFILE OF FIRM FORM**

**NAME OF FIRM:** \_\_\_\_\_

**PHONE:** \_\_\_\_\_ **E-MAIL:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_  
STREET CITY STATE ZIP

**COMPANY RESUME:** Please complete below and attach a brief biography/resume of the company, including, at a minimum the following information:

1. Year Firm Established: \_\_\_\_\_
2. Year Firm Established in Minnesota (if applicable): \_\_\_\_\_
3. Former Name and Year Established (if applicable): \_\_\_\_\_
4. Name of Parent Company and Date Acquired (if applicable): \_\_\_\_\_
5. Years conducting work similar to bid proposal: \_\_\_\_\_

**PROJECT MANAGER:** Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on the project:

NAME	TITLE

**SUBCONTRACTORS:** Identify proposed subcontractors and the jobs for this project:

NAME	WORK ASSIGNMENT

**FEDERAL TAX ID NO.:** \_\_\_\_\_

**MINNESOTA OR OTHER – BUSINESS LICENSE NO.:** \_\_\_\_\_

**HOUSING & REDEVELOPMENT AUTHORITY OF DULUTH, MN**

**PROFILE OF FIRM FORM**

**INSURANCE:**

Worker’s Compensation Insurance Carrier: \_\_\_\_\_

Policy No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

General Liability Insurance Carrier: \_\_\_\_\_

Policy No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Professional Liability Insurance Carrier: \_\_\_\_\_

Policy No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

**PROJECT REFERENCES:** References from at least three related projects completed in the last 3 years. The listing shall, at a minimum, include the information listed below. The HRA reserves the right to contact these references. (attach additional sheet if necessary)

CLIENT NAME	CONTACT NAME	ADDRESS	PHONE NO. & E-MAIL ADDRESS	DATES OF SERVICE	BRIEF DESCRIPTION OF PROVIDED SERVICE(S)
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**MAINTENANCE – SUPPORT:** A description of the company’s Maintenance and on-going Support Service, including (attach additional sheets if necessary):

- Location of closest service and repair specialist along with details of support response time and turnaround repair guarantees.
- On-going costs identifying the limits of coverage for standard service as well as fees for after-hours response.

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**DEBARRED STATEMENT:** Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of Minnesota, or any local government agency within or without the State of Minnesota?

Yes  No

If “Yes”, please attach a full detailed explanation, including dates, circumstances, and current status.

**HOUSING & REDEVELOPMENT AUTHORITY OF DULUTH, MN**

**PROFILE OF FIRM FORM**

**DISCLOSURE STATEMENT:** Does this firm or any principal(s) thereof have any current and/or past personal or professional relationship with any Commissioner or Officer of the HRA?

Yes  No

If "Yes", please attach a full detailed explanation, including dates, circumstances, and current status.

**NON-COLLUSIVE AFFIDAVIT:** Complete and attach Non-Collusive Affidavit.

**VERIFICATION STATEMENT:** The undersigned bidder hereby states that by completing and submitting this form, he/she is verifying that all information provided herein is to the best of his/her knowledge, true and accurate, and agrees that if the HRA discovers that any information entered herein is false, that shall entitle the HRA to not consider nor make award or to cancel any award with the undersigned party.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
COMPANY

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

**Representations, Certifications,  
and Other Statements of Bidders**  
**Public and Indian Housing Programs**

# Representations, Certifications, and Other Statements of Bidders

## Public and Indian Housing Programs

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### 1. Certificate of Independent Price Determination

(a) The bidder certifies that--

(1) The prices in this bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to (i) those prices, (ii) the intention to submit a bid, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid have not been and will not be knowingly disclosed by the bidder, directly or indirectly, to any other bidder or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a competitive proposal solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder to induce any other concern to submit or not to submit a bid for the purpose of restricting competition.

(b) Each signature on the bid is considered to be a certification by the signatory that the signatory--

(1) Is the person in the bidder's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

\_\_\_\_\_ [insert full name of person(s) in the bidder's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder deletes or modifies subparagraph (a)2 above, the bidder must furnish with its bid a signed statement setting forth in detail the circumstances of the disclosure.

[ ] [Contracting Officer check if following paragraph is applicable]

(d) Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

(1) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.

(2) A fully executed "Non-collusive Affidavit" [ ] is, [ ] is not included with the bid.

### 2. Contingent Fee Representation and Agreement

(a) Definitions. As used in this provision:

"Bona fide employee" means a person, employed by a bidder and subject to the bidder's supervision and control as to time, place, and manner of performance, who neither exerts, nor proposes to exert improper influence to solicit or obtain contracts nor holds out as being able to obtain any contract(s) through improper influence.

"Improper influence" means any influence that induces or tends to induce a PHA/IHA employee or officer to give consideration or to act regarding a PHA/IHA contract on any basis other than the merits of the matter.

(b) The bidder represents and certifies as part of its bid that, except for full-time bona fide employees working solely for the bidder, the bidder:

(1) [ ] has, [ ] has not employed or retained any person or company to solicit or obtain this contract; and

(2) [ ] has, [ ] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(c) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder shall make an immediate and full written disclosure to the PHA/IHA Contracting Officer.

(d) Any misrepresentation by the bidder shall give the PHA/IHA the right to (1) terminate the contract; (2) at its discretion, deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

### 3. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (applicable to contracts exceeding \$100,000)

(a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The bidder, by signing its bid, hereby certifies to the best of his or her knowledge and belief as of December 23, 1989 that:

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the bidder shall complete and submit, with its bid, OMB standard form LLL, "Disclosure of Lobbying Activities;" and

(3) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

(d) Indian tribes (except those chartered by States) and Indian organizations as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) are exempt from the requirements of this provision.

#### 4. Organizational Conflicts of Interest Certification

The bidder certifies that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed contract and the bidder's organizational, financial, contractual, or other interests may, without some restriction on future activities:

- (a) Result in an unfair competitive advantage to the bidder; or,
- (b) Impair the bidder's objectivity in performing the contract work.

[ ] In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement.

#### 5. Bidder's Certification of Eligibility

(a) By the submission of this bid, the bidder certifies that to the best of its knowledge and belief, neither it, nor any person or firm which has an interest in the bidder's firm, nor any of the bidder's subcontractors, is ineligible to:

(1) Be awarded contracts by any agency of the United States Government, HUD, or the State in which this contract is to be performed; or,

(2) Participate in HUD programs pursuant to 24 CFR Part 24.

(b) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making award. If it is later determined that the bidder knowingly rendered an erroneous certification, the contract may be terminated for default, and the bidder may be debarred or suspended from participation in HUD programs and other Federal contract programs.

#### 6. Minimum Bid Acceptance Period

(a) "Acceptance period," as used in this provision, means the number of calendar days available to the PHA/IHA for awarding a contract from the date specified in this solicitation for receipt of bids.

(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(c) The PHA/IHA requires a minimum acceptance period of [Contracting Officer insert time period] calendar days.

(d) In the space provided immediately below, bidders may specify a longer acceptance period than the PHA's/IHA's minimum requirement. The bidder allows the following acceptance period: calendar days.

(e) A bid allowing less than the PHA's/IHA's minimum acceptance period will be rejected.

(f) The bidder agrees to execute all that it has undertaken to do, in compliance with its bid, if that bid is accepted in writing within (1) the acceptance period stated in paragraph (c) above or (2) any longer acceptance period stated in paragraph (d) above.

#### 7. Small, Minority, Women-Owned Business Concern Representation

The bidder represents and certifies as part of its bid/ offer that it --

(a) [ ] is, [ ] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) [ ] is, [ ] is not a women-owned business enterprise. "Women-owned business enterprise," as used in this provision, means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) [ ] is, [ ] is not a minority business enterprise. "Minority business enterprise," as used in this provision, means a business which is at least 51 percent owned or controlled by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals. For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- [ ] Black Americans
- [ ] Asian Pacific Americans
- [ ] Hispanic Americans
- [ ] Asian Indian Americans
- [ ] Native Americans
- [ ] Hasidic Jewish Americans

#### 8. Indian-Owned Economic Enterprise and Indian Organization Representation (applicable only if this solicitation is for a contract to be performed on a project for an Indian Housing Authority)

The bidder represents and certifies that it:

(a) [ ] is, [ ] is not an Indian-owned economic enterprise. "Economic enterprise," as used in this provision, means any commercial, industrial, or business activity established or organized for the purpose of profit, which is at least 51 percent Indian owned. "Indian," as used in this provision, means any person who is a member of any tribe, band, group, pueblo, or community which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs and any "Native" as defined in the Alaska Native Claims Settlement Act.

(b) [ ] is, [ ] is not an Indian organization. "Indian organization," as used in this provision, means the governing body of any Indian tribe or entity established or recognized by such governing body. Indian "tribe" means any Indian tribe, band, group, pueblo, or



community including Native villages and Native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

**9. Certification of Eligibility Under the Davis-Bacon Act** (applicable to construction contracts exceeding \$2,000)

(a) By the submission of this bid, the bidder certifies that neither it nor any person or firm who has an interest in the bidder's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(b) No part of the contract resulting from this solicitation shall be subcontracted to any person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(c) The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.

**10. Certification of Nonsegregated Facilities** (applicable to contracts exceeding \$10,000)

(a) The bidder's attention is called to the clause entitled **Equal Employment Opportunity** of the General Conditions of the Contract for Construction.

(b) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(c) By the submission of this bid, the bidder certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the contract.

(d) The bidder further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will:

- (1) Obtain identical certifications from the proposed subcontractors;
- (2) Retain the certifications in its files; and
- (3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

**Notice to Prospective Subcontractors of Requirement for Certifications of Nonsegregated Facilities**

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

**Note:** The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

**11. Clean Air and Water Certification** (applicable to contracts exceeding \$100,000)

The bidder certifies that:

(a) Any facility to be used in the performance of this contract [ ] is, [ ] is not listed on the Environmental Protection Agency List of Violating Facilities:

(b) The bidder will immediately notify the PHA/IHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the bidder proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and,

(c) The bidder will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

**12. Previous Participation Certificate** (applicable to construction and equipment contracts exceeding \$50,000)

(a) The bidder shall complete and submit with his/her bid the Form HUD-2530, "Previous Participation Certificate." If the successful bidder does not submit the certificate with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the certificate by that date may render the bid nonresponsive. No contract award will be made without a properly executed certificate.

(b) A fully executed "Previous Participation Certificate" [ ] is, [ ] is not included with the bid.

**13. Bidder's Signature**

The bidder hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

\_\_\_\_\_  
(Signature and Date)

\_\_\_\_\_  
(Typed or Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Company Address)

# Instructions to Offerors Non-Construction

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "Working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date, or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an Invitation for bids, bids may be withdrawn at any time prior to bid opening.

## **7. Contract Award**

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## **8. Service of Protest**

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protester.

## **9. Offer Submission**

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

## **SECTION 3 DEFINITIONS**

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1994, requires that, to the greatest extent feasible, employment and other economic opportunities generated by HUD funds be directed to low- and very low-income residents. 24 CFR Part 135 establishes the standards and procedures to be followed by Public Housing Authorities in order to ensure that the requirements of Section 3 are met. **The HRA may give preference for award of the contract to a responding qualified, verified Section 3 business from the HRA locality if the offer from the business under consideration is no more than 5% greater than the lowest responsive, responsible offer and within budget.**

**30% OF NEW HIRES/EMPLOYEES** – 30% of new hires/employees is calculated by dividing the total hours worked by all new hires into the total hours worked by Section 3 new hires. The result must be greater than or equal to 30% for the minimum goal to be met.

**CORE EMPLOYEE** – The core crew employee is an individual who is a bona fide employee of the contractor at the time the contract is awarded, and was employed by the contractor not less than 120 days prior to the contract award or worked not less than 350 hours during the 120 days preceding the contract award. The contractor is responsible for verifying that core employees are defined by and meet the criteria of the HRA.

**LOW INCOME PERSONS** – Families (including single persons) whose incomes do not exceed 80% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80% of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families (see income levels on page 2).

**NEW HIRES** – Full-time employees for permanent, temporary, or seasonal employment opportunities.

**SECTION 3 BUSINESS CONCERN** – A business concern, as defined in this section–

- (1) That is 51% or more owned by Section 3 Residents; or
- (2) Whose permanent, full-time employees include persons, at least 30% of whom are currently Section 3 Residents, or within three years of the date of first employment with the business concern were Section 3 Residents; or
- (3) That provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "Section 3 Business Concern".

**SECTION 3 RESIDENT** – Any individual who meets the low-income or very low-income criteria and who is 18 years of age or older who resides in the metropolitan area. Qualified Section 3 Residents will receive recruiting and hiring priority in the following order:

- HRA HOPE VI Clients
- HRA Self-Sufficiency Participants
- Other HRA Public Housing Residents
- Other Section 8 Participants
- Other low- or very low-income residents of the surrounding community

**VERY LOW INCOME PERSONS** – Families (including single persons) whose incomes do not exceed 50% of the median family income for the area, as determined by HUD, with adjustment for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50% of the median for the area on the basis of HUD’s findings that such variations are necessary because of unusually high or low family incomes (see income levels below).

**DULUTH, MN-WI MSA  
2020 – ANNUAL GROSS HOUSEHOLD INCOME LIMITS**

<b>FAMILY SIZE (TOTAL HOUSEHOLD)</b>	<b>VERY LOW INCOME (50%)</b>	<b>LOW INCOME (80%)</b>
<b>1</b>	<b>\$26,900</b>	<b>\$43,050</b>
<b>2</b>	<b>\$30,750</b>	<b>\$49,200</b>
<b>3</b>	<b>\$34,600</b>	<b>\$55,350</b>
<b>4</b>	<b>\$38,400</b>	<b>\$61,450</b>
<b>5</b>	<b>\$41,500</b>	<b>\$66,400</b>
<b>6</b>	<b>\$44,550</b>	<b>\$71,300</b>
<b>7</b>	<b>\$47,650</b>	<b>\$76,200</b>
<b>8</b>	<b>\$50,700</b>	<b>\$81,150</b>

**SOURCE: 2020 – U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT.**  
These income levels are periodically revised.

**SECTION 3 BUSINESS CONCERN AFFIDAVIT**

The undersigned being duly sworn, on oath, represents, warrants, certifies, deposes and says, under penalty of law, as follows:

**I. BASIC INFORMATION**

The following information is true and correct:

1. Name of Company: \_\_\_\_\_

2. Company Address: \_\_\_\_\_

\_\_\_\_\_

3. Type of Business (corporation, partnership, sole proprietorship, joint venture):  
\_\_\_\_\_

4. Section 3 Contact Person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

**II. SECTION 3 BUSINESS CONCERN**

Is the Company a Section 3 Business Concern\*? (Please circle your answer)

YES

NO

If "YES", indicate (a) – (b) – (c) from definition below:

\_\_\_\_\_

\*A "Section 3 Business Concern" is a business concern that is one of the following:

- (a) at least 51% owned by Section 3 Residents, or
- (b) has full-time, permanent employees, at least 30% of whom either (i) are currently Section 3 Residents, or (ii) have been employed by the business for three years or less and were Section 3 Residents at the time when the business first hired them, or
- (c) has committed to subcontract in excess of 25% of the dollar award of all subcontracts to be let in connection with the project to businesses that qualify under (a) or (b) above.

A “*business concern*” is a business entity formed in accordance with state law and which is licensed under state, county, or municipal law to engage in the type of business activity for which it was formed.

**III. VERIFICATION**

The company hereby agrees to provide, upon request, documents verifying the information provided on this form.

Under penalty of perjury, I certify that I am the \_\_\_\_\_ (Title) of the Company, that I am authorized by the Company to execute this affidavit on its behalf, that I have personal knowledge of the certifications made in this affidavit and that the same are true.

Name: \_\_\_\_\_  
*Signature*

Name: \_\_\_\_\_  
*Printed*

Date: \_\_\_\_\_