1. **Citizen Participation**

If awarded, the local government will have documentation on file of compliance with citizen participation requirements in the application process (see Appendix B Public Hearings): publisher’s affidavits of notices for and minutes signed by the town/city/county clerk of the required public hearing (at least one is required).

1. **Project Administration**

If awarded, the local government will be responsible for the following:

1. Management and Oversight. The elected officials and authorized representative(s) are legally, financially, contractually, and programmatically responsible for the CDBG-I project and all third-party contractors (e.g., grant administrator, project engineer, construction contractor(s), etc.). Procuring and contracting with a third-party does not remove the responsibility of meeting the program requirements and milestones outlined in the grant agreement. The local government is responsible to the State of North Carolina and the Federal government in ensuring implementing the activities funded even if they have a grant administrator or a sub-recipient relationship with a single purpose unit of government.
2. Financial Management. The local government and its staff must ensure proper accounting of all funds in the projects. This includes accurate identification of project costs, project balances, proper internal controls, inclusion of grant funds in annual audits, and timely expenditure of funds.
3. Continuous Communication and Participation. The local government must ensure continuous communication amongst all parties involved in the CDBG-I funded project (e.g., elected board, citizens, grant administrator, project engineer, CDBG-I staff, etc.). In addition, the local government must attend and participate in all project related meetings (in-person, virtual, and /or hybrid).
4. Grant Contract. The local government will receive a grant agreement and funding approval from the NCDEQ. These documents are contractually binding and cannot be changed without NCDEQ approval.
5. Project Milestones. The authorized representative(s) must ensure all project milestones, outlined in the Grant Contract and Notice of Intent to Fund letter.
6. Training. The local government must attend mandatory training workshops that covers procurement, compliance and environmental responsibilities.
7. Project Files. The local government must maintain complete and accurate project files and documentation at the local government office and make them available to citizens, state and federal agencies during regular business hours.
8. **Audits / Compliance**

At time of application, the applicant must be in compliance with audit reporting to be eligible for a grant award. If awarded, the local governments must continue to be in compliance with their fiscal audit responsibilities per 2 CFR 200, Subpart, during the life of their CDBG-I grant. Failure to submit the required audit reporting by the above-mentioned due dates, the DEQ will, per 2 CFR 200.505 (200.339), suspend the draw-down of grant funds for active open grants and suspend review and/or acceptance of applications until the Subrecipient is current on their audit reporting requirements (200.339). If during the life of the grant, the subrecipient continues to fail to comply with the audit reporting requirement, DEQ will impose stricter sanctions allowed per in 2 CFR 200.505 (200.339).

1. **Procurement**

If awarded, the local government must follow the [CDBG-I Program Procurement Policy.](https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/cdbg-i-compliance-and-reporting-information#Tab-Procurement-1831)

1. **Water and Wastewater**

If awarded, the local government will adhere to the following:

1. The CDBG-I Program does not permit a local government to charge low and moderate-income beneficiaries tap fees, assessments, or impact fees for water or sewer improvements.

**The applicant hereby assures and certifies that by his/her signature, its duly authorized official has read and understands the State CDBG-I Program Policies and Regulations and, if awarded, will adhere to all requirements applicable to the funded project.**

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| **Name of Authorized Representative** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Title** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Signature** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Date** | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |