CONTRACT NO. 12138

PROFESSIONAL SERVICES AGREEMENT

BETWEEN

CENTERS FOR NEW HORIZONS, INC.

AND

THE CHICAGO HOUSING AUTHORITY

Table of Contents

ARTICLE 1. INCORPORATION OF RECITALS 1

SECTION 1.01 INCORPORATION OF RECITALS 1
SECTION 1.02 DEFINITIONS 1

ARTICLE 2. CONTRACTOR'S DUTIES AND RESPONSIBILITIES 2

SECTION 2.01 SERVICES TO BE PERFORMED 2
SECTION 2.02 PERFORMANCE STANDARDS 2
SECTION 2.03 KEY PERSONNEL 3
SECTION 2.04 NON-DISCRIMINATION 3
SECTION 2.05 SECTION 3 AND MBE/WBE/DBE PARTICIPATION AND REQUIREMENTS 3
SECTION 2.06 HUD'S GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS 7
SECTION 2.07 OWNERSHIP OF WORK PRODUCT, DOCUMENTS, RECORDS AND REPORTS 7
SECTION 2.08 AUDIT REQUIREMENT 8
SECTION 2.09 CONFIDENTIALITY 8
SECTION 2.10 SUBCONTRACTS AND ASSIGNMENTS 9
SECTION 2.11 PATENTS AND COPYRIGHTS 9
SECTION 2.12 RELIGIOUS ACTIVITIES 9
SECTION 2.13 DRUG-FREE WORKPLACE 10
SECTION 2.14 FORCE MAJEURE 10
SECTION 2.15 CHA INSPECTOR GENERAL 10
SECTION 2.16 CHA MINIMUM WAGE REQUIREMENT 10
SECTION 2.17 COMPLIANCE WITH CHA POLICIES 10

ARTICLE 3. TERM OF AGREEMENT 10

SECTION 3.01 TERM OF AGREEMENT 10
SECTION 3.02 CONTRACT EXTENSION OPTIONS 11
SECTION 3.03 TIMELINESS OF PERFORMANCE 11

ARTICLE 4. COMPENSATION AND PAYMENT 11

SECTION 4.01 COMPENSATION 11
SECTION 4.02 PAYMENT 112
SECTION 4.03 NON-APPROPRIATION 12

ARTICLE 5. DISPUTES 13

SECTION 5.01 DISPUTES 13

ARTICLE 6. RISK MANAGEMENT 13

SECTION 6.01 INSURANCE 13
SECTION 6.02 INDEMNIFICATION 133

ARTICLE 7. EVENTS OF DEFAULT, REMEDIES, TERMINATION, RIGHT TO OFFSET, SUSPENSION 14

SECTION 7.01 EVENTS OF DEFAULT DEFINED 14
SECTION 7.02 REMEDIES 15
SECTION 7.03 TERMINATION FOR CONVENIENCE 16
SECTION 7.04 SUSPENSION 16
SECTION 7.05 NO DAMAGES FOR DELAY 16
SECTION 7.06 RIGHT TO OFFSET 16

ARTICLE 8. WARRANTIES, REPRESENTATIONS AND SPECIAL CONDITIONS 17

SECTION 8.01 WARRANTIES, REPRESENTATIONS AND COVENANTS 17
SECTION 8.02 JOINT AND SEVERAL LIABILITY 18
SECTION 8.03 BUSINESS DOCUMENTS AND CONTRACTOR'S AFFIDAVIT 18
SECTION 8.04 CONFLICT OF INTEREST 19
SECTION 8.05 NON-LIABILITY OF PUBLIC OFFICIALS 19

SECTION 8.06 INDEPENDENT CONTRACTOR 19

ARTICLE 9. GENERAL CONDITIONS 20

SECTION 9.01 ENTIRE AGREEMENT 20
SECTION 9.02 COUNTERPARTS 20
SECTION 9.03 AMENDMENTS 20
SECTION 9.04 COMPLIANCE WITH ALL LAWS AND REGULATIONS 20
SECTION 9.05 DEEMED INCLUSION 21
SECTION 9.06 SEVERABILITY 21
SECTION 9.07 JURISDICTION 21
SECTION 9.08 INTERPRETATION 22
SECTION 9.09 ASSIGNS 22
SECTION 9.10 COOPERATION 22
SECTION 9.11 WAIVER 22
SECTION 9.12 FLOW - DOWN PROVISIONS 22

ARTICLE 10. COMMUNICATION AND NOTICES 23

SECTION 10.01 COMMUNICATION BETWEEN THE PARTIES 23
SECTION 10.02 NOTICES 23

ARTICLE 11. AUTHORITY 23

SECTION 11.01 CHA'S AUTHORITY 23
SECTION 11.02 CONTRACTOR'S AUTHORITY 23

EXHIBIT I STATEMENT OF WORK
EXHIBIT II ILLINOIS EQUAL OPPORTUNITY CLAUSE
EXHIBIT III SECTION 3 UTILIZATION PLAN
EXHIBIT IV MBE/WBE/DBE UTILIZATION PLAN
EXHIBIT V GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS (HUD FORM 5370-C)
EXHIBIT VI INSURANCE REQUIREMENTS
EXHIBIT VII CONTRACTOR'S AFFIDAVIT AND CONTRACTOR'S CERTIFICATIONS, REPRESENTATIONS OF OFFERORS – NON-CONSTRUCTION CONTRACTS (HUD FORM 5369-C) AND EQUAL OPPORTUNITY COMPLIANCE CERTIFICATE
EXHIBIT VIII PERFORMANCE GOALS AND OBJECTIVES
EXHIBIT IX PROJECT OPERATING BUDGET
EXHIBIT X CHA RESIDENT SERVICES COST REIMBURSEMENT PROCEDURES
EXHIBIT XI MONITORING AND EVALUATION ERROR RATE ACTION CHART

CONTRACT NO. 12138

AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is entered into as of this 1st day of November, 2017 by and between the **CHICAGO HOUSING AUTHORITY** (the "CHA"), a municipal corporation organized under the Illinois Housing Authority Act 310 ILCS 10/1 et seq., with offices at 60 E. Van Buren St., Chicago, Illinois and **CENTERS FOR NEW HORIZONS, INC.** (the "Contractor"), an Illinois not-for-profit corporation with offices at 4150 South King Drive, Chicago, Illinois 60653.

RECITALS

WHEREAS, the CHA is engaged in the development and operation of safe, decent and sanitary housing throughout the City of Chicago for low income families in accordance with the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), and the Illinois Housing Authorities Act. 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

WHEREAS, the CHA released Request for Proposals Event No. 2110 ("RFP") on or about May 8, 2017, to solicit firms to provide workforce development services that promote educational and professional advancement, stability in employment and career advancement for eligible CHA residents; and

WHEREAS, the Contractor submitted its Proposal on or about June 6, 2017, to the CHA indicating it is ready, willing and able to provide the services as set forth in the RFP; and

WHEREAS, the CHA and the Contractor desire to enter into the Agreement for the provision of workforce development services as set forth herein.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the CHA and the Contractor agree as follows:

ARTICLE 1. INCORPORATION OF RECITALS

Section 1.01 Incorporation of Recitals

The recitals set forth above are incorporated by reference as if fully set forth herein.

Section 1.02 Definitions

"Contract" means the contract entered into between the CHA and the Contractor. It includes the Agreement, the General Conditions for Non-Constrcution Contracts (HUD Form 5370-C), the Certifications and Representations of Offerors – Non-Construction Contracts (Form HUD-5369-C), the Contractor's Affidavit and any other exhibits which have been specifically incorporated by reference in the Agreement.

ARTICLE 2. CONTRACTOR'S DUTIES AND RESPONSIBILITIES

Section 2.01 Services to be Performed

A. Scope of Work

The services that the Contractor shall provide during the term of the Agreement shall include, workforce development services that promote educational and professional advancement, stability in employment and career advancement for eligible CHA residents (hereinafter collectively referred to as the "Services").

B. Statement of Work

The Services to be performed by the Contractor during the term of the Agreement are more fully described in the Statement of Work set forth in Exhibit I, which is attached hereto and incorporated by reference herein.

C. Deliverables

In performing the Services, the Contractor shall prepare and/or provide the deliverables required by the Agreement along with any other required work product that may consist of documents, data, studies, reports, findings or information in any form prepared or assembled either in hard copy or electronic media (hereinafter, collectively, "Deliverables"). The CHA reserves the right to reject Deliverables which in the reasonable judgment of the CHA do not adequately represent the intended level of completion or standard of performance, do not include relevant information or data, or do not include all documents specified in this Agreement, or reasonably necessary for the purposes for which the CHA made this Agreement with the Contractor. The CHA will notify the Contractor in writing of any deficiencies the CHA may identify involving a Deliverable.

Partial or incomplete Deliverables may be accepted for review only when required for a specific purpose and when consented to in advance by the CHA. Such Deliverables may not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables shall in no way relieve the Contractor of its commitments hereunder.

Section 2.02 Performance Standards

The Contractor shall perform all Services required under this Agreement with the degree of skill, care and diligence normally shown by an entity performing services of a scope, purpose and magnitude comparable with the nature of the Services to be provided under this Agreement. Program performance shall be measured on the outcomes set forth in the Performance Goals and Objectives, which are attached hereto as Exhibit VIII. Furthermore, the Contractor shall perform or cause to be performed all Services required by the Agreement in accordance with the terms and conditions of this Agreement, in accordance with any federal, state and local laws, statutes, applicable to this Agreement, and to the satisfaction of the CHA. The Contractor must at all times act in the best interests of the CHA consistent with the professional and fiduciary obligations assumed by it in entering into this Agreement and will assure timely and satisfactory rendering and completion of its Services, including but not limited to Deliverables. Specifically, all services shall be performed in accordance with applicable professional due care standards, and in

accordance with the terms and conditions of this Agreement.

The Contractor must assure that all Services which require the exercise of professional skills or judgment must be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor covenants with the CHA to furnish its best professional expertise and judgment in furthering the CHA's interests. The Contractor shall at all times use its best efforts to assure quality, timeliness, efficiency and creativity in rendering and completing the Services. The Contractor agrees that performance of the Services in a satisfactory manner shall include quick response to the CHA's needs. Accordingly, the Contractor shall return all telephone calls and respond to all electronic mail on a timely basis within one (1) business day.

Section 2.03 Key Personnel

Christa Hamilton, Executive Director, shall be responsible for supervising Contractor's personnel and directing the Services to be performed during the term of the Agreement. The Contractor retains the right to substitute key personnel with reasonable cause by giving written notice to the CHA, provided that the CHA shall have the right to approve such staff changes and said approval shall not be unreasonably withheld.

Section 2.04 Non-Discrimination

Contractor shall comply with all federal, state and local non-discrimination laws, rules, regulations and ordinances including, but not limited to, The Civil Rights Act of 1964, 42 U.S.C. sec. 2000 et seq. (1989), as amended, and all regulations promulgated thereto. Contractor shall particularly remain in compliance at all times with: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000 (e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. sec. 6101-6106 (1989); Rehabilitation Act of 1973, 29 U.S.C. sec. 793-794 (1988); Fair Housing Amendments Act, 42 U.S.C. Sec. 3601 et seq., (1988); Americans with Disabilities Act of 1990, 42 U.S.C. 12101 and 41 C.F.R. Part 60 et seq., (1990). Illinois Human Rights Act, 775 ILCS 5/1-101 et seq., as amended, and regulations promulgated in accordance therewith, including but not limited to the Equal Employment Opportunity Clause, I11. Admin. Code Tit. 44 section 750 Appendix A, which is attached hereto as Exhibit II and incorporated by reference herein; Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended. Chicago Human Rights ordinance, s2-160-010 et seq., of the Municipal Code of Chicago, as amended; and the Chicago Fair Housing Regulations, s5-8-010 et seq., of the Municipal Code of Chicago, as amended. In addition, Contractor must furnish such reports and information as requested by the Chicago Commission on Human Relations.

Section 2.05 Section 3 and MBE/WBE/DBE Participation and Requirements

A. **Section 3 – Compliance:** The CHA has determined that the contract awarded under this solicitation 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), and Title 24 of Subchapter B, Part 135 – Economic Opportunities for Low- and Very Low-Income Persons, 24 CFR 135.3. Section 3 Compliance requires that any contract or subcontract entered into for the benefit of public housing residents shall require that, to the greatest extent feasible, economic opportunity in the form of training, employment, contracting,

and other economic opportunities arising from the expenditure of public housing assistance for housing rehabilitation and housing construction be directed to low- and very low-income persons.

1. Section 3 - Clause

   i. 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.

   ii. 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.

   iii. 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 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.

   iv. 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.

   v. 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.

   vi. 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.

2. Section 3 Compliance Goals

i. Contractors and their subcontractors may demonstrate compliance by committing to employ section 3 residents and by subcontracting with section 3 business concerns in accordance with the requirements of 24 CFR Part 135.

A Section 3 Business concern is a business concern under HUD Regulations:

(a) 51 percent or more owned by section 3 residents; or
(b) Whose permanent, full-time employees include persons, at least 30 percent 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
(c) That provides evidence of a commitment to subcontract in excess of 25 percent 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."

ii. Contractor and sub-contractors may demonstrate compliance with the requirements for contracting with Section 3 Business Concerns by committing to award to Section 3 Business Concerns at least 10 percent of the total dollar amount of the contract awarded to the contractor for building trades work for maintenance, repair, modernization or development of public housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction and at least 3 percent of the total dollar amount of all other Section 3 covered contracts.

iii. In evaluating compliance with 24 CFR Part 135, contractors and their subcontractors have the burden of demonstrating to the greatest extent feasible their ability or inability to meet the goals set forth in 24 CFR Part 135 for providing training, employment and contracting opportunities to section 3 residents and section 3 business concerns.

iv. Contractors and their subcontractors are also encouraged to provide other economic opportunities to train and employ section 3 residents including, but not limited to, use of "upward mobility", "bridge" and trainee positions to fill vacancies, and hiring section 3 residents in part-time positions (24 CFR 135.40).

v. **Section 3 Hiring**
The Section 3 Regulations provide that contractors and their subcontractors demonstrate compliance by employing Section 3 Residents as 30 percent of the aggregate number of New Hires. A contractor or subcontractor is required to hire only when a New Hire is needed to perform the work.

(a) **CHA Preferences**
The hiring efforts of the CHA's contractors and subcontractors, shall be directed to provide training and employment opportunities to Section 3 Residents in the following order of priority:

1. Residents of the housing development or developments for which the Section 3 Covered Assistance is expended;
2. Residents of other housing developments managed by the CHA;
3. CHA Housing Choice Voucher Participants;
4. Participants in HUD Youth Build Programs being carried out in the Chicago Metropolitan Area;
5. Other Section 3 Residents.

3. Documenting and Reporting

i. Contractor agrees to comply with the above Section 3 requirements in accordance with the Contractor's Section 3 Utilization Plan, which shall be prepared by the Contractor and agreed to by CHA. CHA shall not be required to agree to the Contractor's Utilization Plan until the Contractor meets its burden to establish that it will comply with 24 CFR Part 135 and otherwise comply with CHA's Section 3 Policy (see http://www.thecha.org/pages/section_3/65.php or the copy included in the solicitation) as may be required. Contractor's Section 3 Utilization Plan is attached hereto as Exhibit III and is incorporated by reference herein.

iii. The Contractor and its subcontractors shall provide all required compliance data with respect to Contractor's Section 3 requirements to the CHA via CHA's electronic system available at https://cha.diversitycompliance.com/. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. **The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.**

4. This Section 3 Contract Provision shall flow down to each subcontract at every tier.

B. MBE/WBE/DBE Compliance. Contractor agrees to comply with the CHA's Minority and Women Disadvantaged Business Enterprise ("MBE/WBE/DBE") requirements in accordance with the Contractor's MBE/WBE/DBE Utilization Plan, which is attached hereto as Exhibit IV and incorporated by reference herein, and otherwise comply with the CHA's MBE/WBE Policy (see http://www.thecha.org/assets/1/22/Amendment_to_Special_Conditions_-_M-WBE.pdf or the copy included in the RFP),

Documenting and Reporting. The Contractor and its subcontractors shall provide all required compliance data with respect to Contractor's MBE/WBE/DBE efforts to the CHA via CHA's electronic system available at https://cha.diversitycompliance.com/. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. **The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.**

Section 2.06 HUD's General Conditions for Non-Construction Contracts

HUD's General Conditions for Non-Construction Contracts (HUD form 5370-C (1/2014)) ("General Conditions"), are attached hereto as Exhibit V and incorporated by reference as if fully set forth herein. The Contractor agrees to fully comply with the General Conditions. In the event of a conflict between the terms and conditions of the General Conditions and the terms and conditions of the Agreement, the terms and conditions of the Agreement shall control.

Section 2.07 Ownership of Work Product, Documents, Records and Reports

A. Contractor acknowledges that all Deliverables in any form including but not limited to, work papers, reports, spreadsheets, data, data-bases, documentation, training materials, drawings, photographs, film and all negatives, software, tapes and the masters thereof, prototypes, and other material, or other work product generated and assembled either in hard copy or by electronic media, pursuant to the work contracted for by the CHA hereunder (hereinafter, "Work Product") will belong solely to the CHA and the Contractor will retain no rights therein. The Work Product is conclusively deemed by the parties as "works made for hire" within the meaning and purview of Section 101 of the United States Copyright Act, 17 U.S.C. §101 et seq. (hereinafter, "the Act"), and the CHA will be the copyright owner thereof and of all aspects, elements and components thereof in which copyright can subsist.

To the extent the Work Product does not qualify as "work made for hire," Contractor hereby irrevocably grants, conveys, bargains, sells, assigns, transfers and delivers to the CHA, its successors and assigns, all right, title and interest in and to the copyrights and all U.S. and foreign copyright registrations, copyright applications and copyright renewals therefor, and other intangible, intellectual property embodied in or pertaining to the Work contracted for under this Agreement, free and clear of any liens, claims or other encumbrances, to the fullest extent permitted by law. Contractor will execute assignments if requested by the CHA, without additional compensation. Contractor will document all work performed for the CHA and will turn such documentation over to the CHA on completion of the Contractor's services hereunder or earlier, if requested by the CHA. Contractor will make no use of the Work Product generated during the course of its work for the CHA during or after the term of this Agreement except to perform the work requested by the CHA.

To the extent the CHA is unable to effectively or economically use the Work Product without also using rights which are the subject of patent applications, patents, copyrights or other statutory protection owned by Contractor, Contractor grants to the CHA, a royalty-free, irrevocable, worldwide, nonexclusive license to make, have made, sell, use, reproduce, disclose, and publish such rights as necessary to fully utilize the Work Product.

In addition, Contractor agrees that it will not do anything contrary to the CHA's ownership in the Work Product or which might impair the value of such ownership. Contractor agrees to cooperate with the CHA in executing all documentation requested by the CHA to enable the CHA to perfect its right in and to the Work Product.

B. All Work Product and CHA Documents provided to, or prepared or assembled by the Contractor in connection with the performance of the Contractor's Services under this Agreement shall be the property of the CHA. The Contractor shall establish precautions

against the destruction of all such CHA Documents and shall be responsible for any loss or damage to the CHA Documents while in the Contractor's possession or use and the Contractor shall be responsible for restoring such CHA Documents at its sole expense. Except as provided above, if any CHA Documents destroyed while in the Contractor's possession are not restorable, the Contractor shall be responsible for any loss suffered by the CHA on account of such loss or damage.

C. The Contractor shall deliver or cause to be delivered all Work Product and/or CHA Documents, including, but not limited to, all Deliverables prepared for the CHA under the Agreement, to the CHA promptly in accordance with the time limits prescribed in the Agreement, or if no time limit is specified, then upon reasonable demand thereof or upon termination or completion of the Contractor's Services or expiration of the Agreement hereunder. In the event of the failure by Contractor to make such delivery, then and in that event, the Contractor shall pay to the CHA any damages the CHA may sustain by reason thereof. The Contractor shall maintain all CHA Documents not previously delivered to the CHA for a period of three (3) years after final payment made in connection with the Agreement.

D. The Contractor shall maintain its books, records, documents, and other materials related to the performance of the Agreement for a period of three (3) years following the expiration or termination of the Agreement and after final payment has been made and all other pending matters are closed, and adopt accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred or anticipated to be incurred for or in connection with the performance of the Contractor's Services under the Agreement. The Contractor shall maintain its accounting system, books and records in a manner that complies with generally accepted accounting principles ("GAAP"), consistently applied throughout.

E. The provisions of Section 2.07 shall survive the expiration or termination of the Agreement.

F. The Contractor shall flow down the provisions of this Section 2.07 titled "Ownership of Work Product, Documents, Records and Reports" to its subcontractors at every tier.

Section 2.08 Audit Requirement

The CHA retains an irrevocable right to independently or, through a third party, audit the Contractor's books and records pertaining to this Agreement and disallow any inappropriate billings upon written notice to the Contractor. In the event of a disallowance, the Contractor shall refund the amount disallowed to the CHA.

Section 2.09 Confidentiality

The Contractor agrees that all Deliverables, reports, documents or other information prepared or assembled by, or received or encountered by the Contractor, its employees, agents and subcontractors pursuant to this Agreement are to remain confidential ("Confidential Information"). Further, the Contractor agrees that such Confidential Information shall not be made available to any individual or organization other than the CHA, HUD or courts of competent jurisdiction or administrative agencies pursuant to a subpoena without the prior written approval of the CHA. In

the event the Contractor is presented with a *subpoena* regarding such Confidential Information, which may be in the Contractor's possession by reason of this Agreement, the Contractor must immediately give notice to the CHA's Chief Executive Officer and General Counsel with the understanding that the CHA will have the opportunity to contest such process by any means available to it before the Confidential Information is submitted to a court or other third party. The Contractor, however, is not obligated to withhold the delivery of such Confidential Information beyond the time ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. The Contractor agrees that Section 2.09 of the Agreement shall survive the termination of the Agreement.

Section 2.10 Subcontracts and Assignments

Unless otherwise provided for herein, the Contractor shall not subcontract, assign otherwise delegate or otherwise transfer all or any part of its obligations under this Agreement or any part hereof without the prior written approval of the CHA. The absence of such prior written approval shall void the attempted subcontracting, assignment, delegation or transfer and shall have no legal effect on the Services or this Agreement.

The Contractor shall not transfer or assign, in whole or in part, any funds or claims due or which may become due under this Agreement without the prior written approval of the CHA. Any attempted transfer or assignments of any contract funds, either in whole or in part, or any interest therein, which shall be due or to become due to the Contractor, without the prior written approval of CHA shall be void and of no legal effect. The CHA expressly reserves the right to assign or otherwise transfer all or any part of its rights or interests hereunder.

Section 2.11 Patents and Copyrights

The CHA reserves an exclusive, perpetual and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for CHA or HUD purposes, including, but not limited to, commercial exploitation: (a) the copyright or patent in any work developed or discovered in the performance of the Services under this Agreement, and (b) any rights of copyright or patent of which the Contractor purchases ownership with funds awarded pursuant to this Agreement for the purpose of meeting the objectives of this Agreement.

Section 2.12 Religious Activities

In connection with the Services to be provided under this Agreement, the Contractor agrees:

A. That it shall not discriminate against any person on the basis of religion and shall not limit employment or give preference in employment to persons on the basis of religion; and

B. That it shall not discriminate when rendering the Services hereunder against any person on the basis of religion and shall not limit such Services or give preference to persons on the basis of religion.

Section 2.13 Drug-Free Workplace

The Contractor shall establish procedures and policies to promote a "Drug-Free Workplace." Further, the Contractor shall notify all employees of its policy for maintaining a "Drug-Free Workplace," and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, the Contractor shall notify the CHA if any of its employees are convicted of a criminal drug offense in the workplace no later than ten (10) days after such conviction.

Section 2.14 Force Majeure

Notwithstanding any other provision in this Agreement, the Contractor shall not be liable or held responsible for any failure to perform or for delays in performing its obligation under the Agreement, including but not limited to, the scope of services set forth hereunder which result from circumstance or causes beyond Contractor's reasonable control, including without limitation, fire or casualty, acts of God, strikes or labor disputes, war or violence, or any lay, order or requirement of any government agency or authority.

Section 2.15 CHA Inspector General

It is the duty of the Contractor and its subcontractors to cooperate with the CHA Inspector General in any investigation or hearing undertaken. All of the Contractor's subcontracts must include this provision and require agreement and compliance with the same.

Section 2.16 CHA Minimum Wage Requirement

In accordance with CHA's Minimum Wage Requirements, Contractor shall (i) pay its employees no less than Thirteen Dollars per hour ($13.00/hr.) for work performed under the Contract; and shall (ii) require any subcontractors of the Contractor to pay its employees no less than Thirteen Dollars per hour ($13.00/hr) for work performed under the Contract. CHA's Minimum Wage Requirements may be found on CHA's website at http://www.thecha.org/assets/1/6/CHA_Minimum_Wage_Requirement.pdf.

Section 2.17 Compliance with CHA Policies

The Contractor shall comply with the applicable provisions of all CHA policies including, but not limited to:

- Ethics Policy
- Local Transportation & Mileage Reimbursement Policy
- CHA Travel Guidelines
- General Business Expense Policy
- CHA's Language Access Policy

ARTICLE 3. TERM OF AGREEMENT

Section 3.01 Term of Agreement

The term of this Agreement is for the period of November 1, 2017, through October 31, 2019, or until the Agreement is terminated in accordance with its terms, whichever occurs first.

Section 3.02 Contract Extension Options

The CHA, at its sole discretion, may extend this Agreement for three (3) additional one-year option periods, subject to CHA Board approval, if required. Each option term shall only be exercised at the time of the expiration of the prior contract term, and may only be exercised individually. Any extension shall be under the same terms and conditions as this original Agreement. The Agreement shall be modified to reflect the time extension in accordance with the provisions of Section 9.03 of this Agreement.

Section 3.03 Timeliness of Performance

The Contractor shall use its best efforts to provide the Services and Deliverables within the time limits required under this Agreement, or from time to time as otherwise required by the CHA. The Contractor and the CHA acknowledge that deadlines for certain Services provided for in this Agreement may be dictated by the requirements of agencies or events outside the control of the CHA and the Contractor, and the failure by the Contractor to meet deadlines may result in economic or other significant losses to the CHA. Therefore, except to the extent that the Contractor's inability to meet its deadlines is caused by the delay due to the CHA, by acts of God or other events outside the control of the Contractor, TIME IS OF THE ESSENCE, so that failure to perform in a timely manner shall be considered a material breach of the Agreement.

ARTICLE 4. COMPENSATION AND PAYMENT

Section 4.01 Compensation

This is a cost reimbursement agreement. During the two-year base term of the Agreement, the total cost reimbursement payable to the Contractor for Services performed satisfactorily under this Agreement shall be an amount not-to-exceed One Million Ninety-Seven Thousand Four Hundred Seventy-Two and 00/100 Dollars ($1,097,472.00). The Contractor agrees not to perform, and waives any and all claims for payment of work, materials, expenses, resources or other claims which would result in billings beyond these amounts, and in no event shall the CHA be responsible for any work, costs or expenses incurred in the performance of the Services other than those set forth in the Project Operating Budget, attached hereto as Exhibit IX.

It is mutually understood and agreed by the parties that the agreed upon compensation amounts, which include all reimbursable expenses, are the only compensation provided for in this Agreement and there will be no additional, costs, fees or other type of profit allowable or paid under this Agreement without an express written amendment to the Agreement authorizing said additional work or expenses. The Contractor acknowledges an affirmative duty to monitor its performance and billings to ensure that the scope of work is completed within the previously agreed compensation amount.

Section 4.02 Payment

Upon execution of the Agreement, CHA will make an initial mobilization payment to the Contractor of 10% of the Agreement's total not-to-exceed amount as set forth in Section 4.01 above ($1,097,472.00 x .10 = $109,747.20 mobilization payment). The Contractor shall submit

monthly invoices for reimbursement of costs as set forth in the Project Operating Budget to the CHA for approval within thirty (30) business days after the end of each month during the term of this Agreement. During the 20-month period of March 2018 to October 2019, the CHA will reduce the payments each month for the compensation owed to the Contractor by an amount of 5% of the advanced amount until 100% of the total advanced amount has been set off from the compensation owed to the Contractor. In the event of early termination of this Agreement, the Contractor shall immediately pay the CHA the outstanding balance of the mobilization payment. Each invoice shall contain back-up information as required by the CHA to support its request for cost reimbursement (Exhibit X), and only those costs that are set forth in the Project Operating Budget and that are allowable under 2 CFR Part 230 (Cost Principles for Not-For-Profit Organizations) and CHA's General Business Expense Policy, shall be considered for reimbursement. In the event of a conflict between any line items in the Project Operating Budget and 2 CFR Part 230 and CHA General Business Expense Policy, 2 CFR Part 230 and then CHA's General Business Expense Policy guidelines, in that order, shall prevail. The CHA shall not be required to give approval or make payments pursuant to a submitted invoice unless information required to be included with the invoice or that has been specifically requested by the CHA and all the reporting requirements and Deliverables as set forth in this Agreement, or other reasonable written requests by CHA for additional information, have been met.

It is mutually understood and agreed by the parties that the amount of compensation in Section 4.01 is the only compensation provided for in this agreement and there will be no additional costs, fees or other type of profit allowable or paid under this Agreement. Any costs incurred by the Contractor after the expiration date or after the earlier termination of the agreement will not be paid by the CHA.

CHA will make commercially reasonable efforts to make payment for services rendered under this Agreement within thirty (30) days after receipt and approval of each invoice submitted. All invoices shall be subject to review and approval by the CHA. If the CHA objects to all or any portion of any invoice, it shall notify the Contractor of its objection in writing and both parties shall make every effort to settle the disputed portion of the invoice. Notwithstanding the foregoing, the CHA may, at its option, pay the undisputed portion of any invoice without being deemed to have accepted the disputed portion. All disputes regarding invoices shall be handled in accordance with Paragraph No. 7 of the HUD General Conditions for Non-Construction Contracts (Exhibit V).

Section 4.03 Non-Appropriation

Funding for this Agreement is subject to: (1) availability of federal funds from HUD, (2) the approval of funding by the CHA's Board of Commissioners, and (3) the Contractor's satisfactory performance of this Agreement. Furthermore, in the event that no funds or insufficient funds are appropriated and budgeted or appropriated funds are rescinded by Congress in any fiscal period of the term of this Agreement for payments to be made under this Agreement, then the CHA may notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted.

ARTICLE 5. DISPUTES

Section 5.01 Disputes

In the event of a dispute between the CHA and the Contractor involving this Agreement, both parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation, either party shall, unless otherwise set forth herein, submit the dispute in writing to CHA's Chief Procurement Officer in accordance with the provision set forth in Paragraph No. 7 of the HUD General Conditions for Non-Construction Contracts (Exhibit V).

ARTICLE 6. RISK MANAGEMENT

Section 6.01 Insurance

The Contractor agrees to comply with and meet or exceed all of CHA's insurance requirements that are set forth in Exhibit VI, which is attached hereto and incoporated by reference herein as if fully set forth herein.

Section 6.02 Indemnification

The Contractor agrees to protect, defend, indemnify, keep safe, and hold the CHA, its officers, officials, employees and agents and contractors free and harmless from and against any and all liabilities, losses, penalties, damages, settlements, environmental liability, costs, charges, professional fees, including attorney fees, or other expenses or liabilities of every kind, nature and character arising out of or relating to any and all claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action of every kind, nature and character (collectively, "Claims") in connection with or arising directly or indirectly out of this Agreement and/or the acts and omissions of the Contractor, its agents, employees, and subcontractors, including but not limited to, the enforcement of this indemnification provision. Without limiting the foregoing, any and all such Claims, relating to personal injury, death, damage to property, defects in material or workmanship, actual or alleged infringement of any patent, trademark, copyright or any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, order, rule or regulation, or decree of any court, shall be included in the indemnity hereunder. The Contractor further agrees to investigate, handle, respond to, provide defense for and defend all suits for any and all Claims at its sole expense and agrees to bear all the costs and expenses related thereto, even if the Claims are considered groundless, false or fraudulent.

To the extent permissible by law, Contractor waives any limits on Contractor's liability that it would otherwise have by virtue of the Workers Compensation Act or any other law or judicial decision (specifically Kotecki v. Cyclops Welding Corporation, 146 Ill.2d 155 (1991)).

The CHA shall have the right, at Contractor's expense, to participate in the defense of any suit, without relieving the Contractor of any of its obligations under this indemnity provision. The Contractor expressly understands and agrees that the requirements set forth in this indemnity to protect, defend, indemnify, keep, save and hold the CHA free and harmless are separate from and not limited by the Contractor's responsibility to obtain, procure and maintain insurance pursuant

to any other section of this Agreement. Further, the indemnities contained in this section shall survive the expiration or termination of this Agreement.

ARTICLE 7. EVENTS OF DEFAULT, REMEDIES, TERMINATION, RIGHT TO OFFSET, SUSPENSION

Section 7.01 Events of Default Defined

Each of the following shall constitute an event of default:

A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the CHA.

B. The Contractor's failure to perform any of its obligations under this Agreement including, but not limited to, the following:

1. Failure to perform the Services with sufficient personnel or with sufficient material to ensure the performance of the Services or due to a reason or circumstance within the Contractor's control;

2. Failure to meet any of the performance standards set forth in this Agreement;

3. Failure to perform the Services in a manner reasonably satisfactory to the CHA, or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

4. Failure to promptly re-perform within a reasonable time Services or Deliverables that were rejected as erroneous or unsatisfactory;

5. Discontinuance of the Services for reasons or circumstances not beyond the Contractor's control;

6. Failure to comply with a material term of this Agreement, including, but not limited to, the provisions concerning compliance with HUD regulations, insurance, nondiscrimination, and CHA policies ; and

7. Any other acts specifically and expressly stated in this Agreement as constituting an event of default.

C. Any change in majority ownership or majority control of the Contractor without the prior written approval of the CHA, which written approval shall not be unreasonably withheld.

D. The Contractor's default under any other agreement it may presently have or may enter into with the CHA during this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement the CHA may also declare a default under any such other agreements.

Section 7.02 Remedies

The occurrence of any event of default which the Contractor fails to cure within thirty (30) calendar days after receipt of written notice given in accordance with the terms of this Agreement and specifying the event of default or, if such event of default cannot be reasonably cured within thirty (30) calendar days after notice, or if the Contractor has failed to commence and continue diligent efforts to cure such default within thirty (30) days, the CHA may, at its sole option, declare the Contractor in default. Whether to declare the Contractor in default is within the sole discretion of the CHA and neither that decision nor the factual basis for it is subject to review or challenge under the disputes provision of this Agreement. Written notification of the default, and any intention of the CHA to terminate the Agreement, shall be provided to the Contractor and such decision shall be final and effective upon the Contractor's receipt of such notice pursuant to Article10. Upon the giving of such notice, the CHA may invoke any or all of the following remedies:

A. The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the CHA.

B. The right to pursue any and all remedies, legal and/or equitable, available to the CHA.

C. The right to withhold all or any part of Contractor's compensation hereunder with respect to Services not completed in accordance with the terms hereof prior to the termination of this Agreement.

D. The right to deem Contractor non-responsible in future contracts to be awarded by the CHA.

E. The right to take over and complete the Services or any part thereof as agent for and at the cost of contractor, either directly or through others.

If the CHA considers it to be in its best interests, it may elect not to declare default or to terminate the Agreement hereunder. The parties acknowledge that this provision is solely for the benefit of the CHA and that if the CHA permits Contractor to continue to provide the Services despite one or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Agreement nor shall the CHA waive or relinquish any of its rights.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon any event of default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 7.03 Termination for Convenience

The CHA may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by written notice from the CHA to Contractor when the Agreement may be deemed to be no longer in the best interests of the CHA. If the CHA elects to terminate the Agreement in full, all Services to be performed hereunder shall cease effective ten (10) calendar days after the date written notice has been provided. The Contractor shall continue to render the services until the effective date of termination. No cost incurred by the Contractor after the effective date of termination shall be allowed. Subject to performance within the requisite performance standards and audits of invoices as set forth above, the CHA shall pay to Contractor on a pro-rata basis, costs incurred for Services rendered through the date of termination. This Section 7.03 is not subject to Article 5 of this Agreement.

The Contractor shall flow down the provisions of Section 7.03 in all of its contracts with its subcontractors, if any.

Section 7.04 Suspension

The CHA may at any time request that the Contractor suspend its Services, or any part thereof, by giving ten (10) days prior written notice to the Contractor or upon no notice in the event of an emergency. No costs incurred after the effective date of such suspension shall be allowed. The Contractor shall promptly resume its performance of such Services under the same terms and conditions as stated herein upon written notice by the CHA (Chief Procurement Officer).

Section 7.05 No Damages for Delay

The Contractor agrees that it shall make no claims against the CHA for damages, charges, interest, additional costs or fees incurred by reason of delays or suspension of work caused by the CHA in the performance of its obligations under this Agreement. The Contractor's sole and exclusive remedy for delays or suspension of work caused by the CHA is an extension of time equal to the duration of delay or suspension to allow the Contractor to perform its obligation under this Agreement.

Section 7.06 Right to Offset

To the extent permitted by applicable law:

A. In connection with performance under the Agreement, the CHA may offset any incremental costs and other damages the CHA incurs in any and all of the following circumstances:

   i. If the CHA terminates the Agreement for default or any other reason resulting from the Contractor's performance or non-performance;

   ii. If the CHA exercises any of its remedies under Section 7.02 of the Agreement;

   iii. If the CHA has any credits due or has made any overpayments under the Agreement.

   The CHA may offset these incremental costs and any other damages by use of any payment due for Services completed before the CHA terminated the Agreement or before the CHA

exercised any remedies. If the amount offset is insufficient to cover those incremental costs and other damages, the Contractor shall be liable for and must promptly remit to the CHA the balance upon written demand for it. The right to offset is in addition to and not a limitation of any other remedies available to the CHA.

B. Without breaching this Agreement, the CHA may set off a portion of the compensation due under this Agreement in an amount equal to the amount of any liquidated or un-liquidated damages or claims that the CHA has against the Contractor arising out of any other agreements between the CHA and the Contractor or otherwise unrelated to this Agreement. If and when the CHA's claims against the Contractor are finally adjudicated in a court of competent jurisdiction or otherwise resolved, the CHA will reimburse the Contractor to the extent of the amount the CHA has offset against this Agreement inconsistently with the determination or resolution.

ARTICLE 8. WARRANTIES, REPRESENTATIONS AND SPECIAL CONDITIONS

Section 8.01 Warranties, Representations and Covenants

In connection with the execution of this Agreement, the Contractor warrants and represents to CHA:

A. That it is financially solvent; and that it and each of its employees or agents of any tier are competent to perform the Services required under this Agreement; and that Contractor is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein.

B. That no officer, agent or employee of the CHA is employed by the Contractor or has a financial interest directly or indirectly in this Agreement or the compensation to be paid hereunder, except as may be permitted in writing by the CHA and HUD, and that no payment, gratuity or offer of employment shall be made in connection with this Agreement by or on behalf of the Contractor to any employee of the CHA; and the Contractor further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions set forth herein shall be voidable as to the CHA.

C. That Contractor and its subcontractors, if any, are not in default at the time of the execution of this Agreement, or deemed by the CHA's Chief Procurement Officer to have, within the last five (5) years, been found to be in default on any contract awarded by the CHA.

D. That, except only for those representations, statements, or promises expressly contained in this Agreement, and any exhibits attached hereto and incorporated by reference herein, no representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officials, officers, agents, or employees, has induced the Contractor to enter into this Agreement or has been relied upon by the Contractor.

E. That the Contractor has carefully examined and analyzed the provisions and requirements of this Agreement and that it understands the nature of the Services required;

F. That the Contractor acknowledges that the CHA, in its selection of the Contractor to perform the Services hereunder, materially relied upon the Contractor's Proposal, that the Proposal was accurate at the time it was made and that no material changes in it have been nor will be made without the express consent of the CHA;

G. That except only for those representations, statements, or promises expressly contained in this Agreement, and any exhibits attached hereto and incorporated by reference herein, no representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officials, officers, agents, or employees, has induced Contractor to enter into this Agreement or has been relied upon by Contractor.

H. That the Contractor and, to the best of its knowledge, its subcontractors are not in violation of the provisions of 18 U.S.C. § 666 (a)(2) and other Federal criminal laws applicable to public contracts funded with federal government funds, the Illinois Criminal Code, 720 ILCS 5/33E-1 et seq. (1989), as amended; and the CHA's Ethics Policy, as amended (see http://www.thecha.org/pages/forms___documents/66.php) and during the term of the Agreement will not violate the provisions of such laws and policies.

I. That the Contractor has disclosed any and all relevant information to the CHA and the Contractor understands and agrees that any certification, affidavit or acknowledgment made under oath or failure to disclose in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination of this Agreement.

J. That the Contractor is a duly organized and validly existing corporation under the laws of the State of Illinois and has and will continue to have at all times during the term of this Agreement, all licenses necessary to render the Services required hereunder.

K. That the Contractor has the power and authority to enter into and perform all of its obligations under this Agreement, and that this Agreement, when executed will constitute the duly authorized, valid and legally binding obligation of the Contractor.

Section 8.02 Joint and Several Liability

In the event that the Contractor, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof), then and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by the Contractor shall be the joint and several obligation or undertaking of each individual or other legal entity.

Section 8.03 Business Documents and Contractor's Affidavit

The Contractor shall provide to the CHA evidence of its authority to conduct business in the State of Illinois, including without limitation, registrations of assumed names or limited partnerships and certifications of good standing with the Office of the Secretary of the State of Illinois. The Contractor's Affidavit, Contractor's Certifications and Representations of Offerors – Non-Construction Contracts (HUD Form 5369-C) and Equal Opportunity Certificate are attached hereto as Exhibit VII and incorporated by reference as if fully set forth herein. The Contractor shall at all times comply with, and be in compliance with the Contractor's Affidavit, Contractor's Certifications and Representations of Offerors – Non-Construction Contracts (HUD Form 5369-C) and Equal Opportunity Certificate.

Section 8.04 Conflict of Interest

A. No member of the governing body of the CHA or other units of government and no other officer, employee, or agent of the CHA or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains, shall have any personal interest, direct, or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly or CHA employee shall be entitled to any share or part of this Agreement or to any financial benefit to arise from it.

B. The Contractor covenants that it and its employees, or sub-contractors, presently have no interest and shall acquire no interest, direct or indirect, in this Agreement which would conflict in any manner or degree with the performance of the Services hereunder. The Contractor further covenants that during the performance of this Agreement, no person having any such interest shall be employed. Contractor agrees that if the CHA determines that any of Contractor's services for others conflict with the Services that the Contractor is to render for the CHA under this Agreement; Contractor shall terminate such other services immediately upon request of the CHA.

C. Additionally, pursuant to the conflict of interest provisions in 2 C.F.R. §200.318 (c), no person who is an employee, agent, consultant, officer, or appointed official of the CHA and who exercises or has exercised any functions or responsibilities with respect to HUD assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to HUD activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds hereunder, either for himself or herself or for those whom he or she has family or business ties, during his or her tenure or for one year thereafter.

D. Furthermore, the Contractor represents that it currently is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. Subsection 1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended.

Section 8.05 Non-Liability of Public Officials

No official, employee or agent of the CHA shall be personally liable to the Contractor or the Contractor's successor in interest for: (i) any default or breach by the CHA under this Agreement, (ii) any fee due to the Contractor or the Contractor's successor in interest or (iii) any other obligation arising under this Agreement.

Section 8.06 Independent Contractor

The Contractor and the CHA recognize that Contractor is an independent contractor and not an employee, agent, partner, joint venturer, covenantor, or representative of the CHA and that CHA will not incur any liability as the result of Contractor's actions. Contractor and its employees, representatives, and agents shall at all times represent and disclose that they are independent contractors of the CHA and shall not represent to any third party that they are an employee, agent, covenantor, or representative of the CHA. The CHA shall not be obligated to withhold any funds

from Contractor for tax or other governmental purposes, with respect to its employees, agents, representatives or subcontractors. Contractor and its employees, representatives, and agents shall not be entitled to receive any employment benefits offered to employees of the CHA including workers' compensation insurance coverage.

ARTICLE 9. GENERAL CONDITIONS

Section 9.01 Entire Agreement

This Agreement and the Exhibits attached hereto shall constitute the entire agreement between the parties hereto relating to the subject matter hereof and no other warranties, inducements, considerations, covenant, conditions, promises or interpretations shall be implied between the parties that are not set forth herein. In the event of a conflict between the Agreement and any Exhibits that have been incorporated by reference, the terms of the Agreement shall control.

Section 9.02 Counterparts

This Agreement may be executed in several identical counterparts, each of which shall be deemed an original and constitute one Agreement binding on the parties hereto.

Section 9.03 Amendments

No changes, amendments, modifications, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of the Contractor and by the CEO of the CHA or his/her respective designees. The CHA shall incur no liability for additional Services without a written amendment to this Agreement pursuant to this Section.

Whenever in this Agreement the Contractor is required to obtain prior written approval, the effect of any approval which may be granted pursuant to the Contractor's request shall be prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event may approval apply retroactively to a date before the approval was granted.

Section 9.04 Compliance with All Laws and Regulations

A. The Contractor shall at all times observe and comply with all applicable laws, ordinances, rules, regulation and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement, including but not limited to Section 6 of the Housing Act of 1937, 42 U.S.C. §1437, the Privacy Act of 1974, 5 U.S.C. §552(a), The Freedom of Information Act ("FOIA"), 5 U.S.C. §552, and Section 208 of the E-Government Act, and 24 CFR Part 5 and all other applicable HUD regulations; the Uniform Administrative Requirements, Cost Principles, and Audit Requirements contained in 2 C.F.R. Part 200, (2014), as amended; Title VI of the Civil Rights Act of 1967 (42 U.S.C. 2000d et seq.); Fair Housing Act (42 U.S.C. 3601-20 et seq.); Executive Order 11063, as amended by Executive Order 12259; Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); Rehabilitation Act of 1973 (29 U.S.C. 794); Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5); Contract Work Hours and Safety Standards Act (40

U.S.C. 327 et seq.); National Environmental Policy Act of 1969 (24 C.F.R. Part 58); Clean Air Act (42 U.S.C. § 7401/et seq.); Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), as amended; Executive Order 11246, as amended by Executive Orders 12086 and 11375; Executive Order 12372; Copeland "Anti-Kickback" Act (18 U.S.C. § 874 and 40 U.S.C. § 276); Byrd "Anti-Lobbying" Amendment (31 U.S.C. § 1352); and Debarment and Suspension (Executive Orders 12549 and 12689). Additionally, the Contractor shall comply with the applicable provisions of OMB Circulars A-133, A-102, A-122, A-110 and A-87, as amended, succeeded or revised; and the Mandatory Standards and Policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with Energy Policy and Conservation Act (Pub. L 94-163, 89 Stat. 871).

B. The Contractor shall take such actions as may be necessary to comply promptly with any and all governmental orders imposed by any duly constituted government authority whether imposed by Federal, state, county or municipal authority.

Section 9.05 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations or executive orders to be included in this Agreement are deemed inserted in this Agreement whether or not they appear in the Agreement or, upon application of either party, the Agreement shall be amended to make this insertion; however, in no event shall the failure to insert the required provisions before or after the Agreement is signed prevent its enforcement.

Section 9.06 Severability

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 9.07 Jurisdiction

This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois. The Contractor hereby irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement. The Contractor agrees that service of process on the Contractor may be made, at the option of the CHA, either by registered or certified mail addressed to the applicable office as provided for in this Agreement and to the office actually maintained by the Contractor, or by personal delivery on any managing partner, partners and principals of the Contractor. If the Contractor brings any action against the CHA concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

Section 9.08 Interpretation

Any headings of this Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of any gender shall be deemed and construed to include correlative words of the other genders. Words importing the singular number shall include the plural number and vice versa, unless the context shall otherwise indicate. All references to any exhibit or document shall be deemed to include all supplements and/or amendments to any such exhibits or documents entered into in accordance with the terms and conditions hereof and thereof. All references to any person or entity shall be deemed to include any person or entity succeeding to the rights, duties, and obligations of such persons or entities in accordance with the terms and conditions of this Agreement.

Section 9.09 Assigns

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and assigns.

Section 9.10 Cooperation

The Contractor agrees at all times to cooperate fully with the CHA and to act in the CHA's best interests. If this Agreement is terminated for any reason, or if it is to expire on its own terms, the Contractor shall make every effort to assure an orderly transition to another Contractor, the uninterrupted provision of Services during any transition period and shall otherwise comply with the reasonable requests and requirements of the CHA in connection with the termination or expiration of this Agreement.

Section 9.11 Waiver

Whenever under this Agreement the CHA, by a proper authority, expressly waives the Contractor's performance in any respect or expressly waives a requirement or condition to either the CHA's or the Contractor's performance, the waiver so granted, shall only apply to the particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the Agreement regardless of the number of times the CHA may have waived the performance of a requirement or condition.

Section 9.12 Flow - Down Provisions

The Contractor shall flow down the following provisions of the Agreement and General Conditions to its contracts with subcontractors: Section 2.04, Section 2.05, Section 2.06, Section 2.07, Section 2.08, Section 2.09, Section 2.10, Section 2.11, Section 2.12, Section 2.13, Section 2.14, Section 2.15, Section 2.16, Section 7.03, Section 7.03, Section 7.04, and Section 9.04 of the Agreement and paragraph numbers 2, 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21 and 22 of the General Conditions.

ARTICLE 10. COMMUNICATION AND NOTICES

Section 10.01 Communication Between the Parties

All verbal and written communication, including required reports and submissions between the Contractor and the CHA shall be through the CHA's Senior Director, Resident Services Operations, 60 E. Van Buren St., Chicago, IL 60605, when required. No verbal communication between the parties shall change any of the terms and conditions of this Agreement. Nothing stated herein shall be construed as a waiver or modification of the requirements for notice or service of process of litigation, as set forth in the Illinois Code of Civil Procedure, the Federal Rules of Civil Procedure, the local rules of the Circuit Court of Cook County, and the local rules governing the U.S. District Court for the Northern District of Illinois.

Section 10.02 Notices

Any notices sent to the Contractor shall be mailed by certified mail, return receipt requested, postage prepaid to:

Centers for New Horizons, Inc.
4150 South King Drive
Chicago, Illinois 60653
Attention: Christa Hamilton, Executive Director

Notices sent to the CHA shall be mailed by certified mail, return receipt requested, postage prepaid to:

Chicago Housing Authority
60 E. Van Buren St., 10th Floor
Chicago, Illinois 60605
Attention: Senior Director,
Resident Services Operations

Copy to: Chicago Housing Authority
60 E. Van Buren St., 12th Floor
Chicago, Illinois 60605
Attention: Chief Legal Officer

ARTICLE 11. AUTHORITY

Section 11.01 CHA's Authority

Execution of this Agreement by the CHA is pursuant to the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by HUD, and the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

Section 11.02 Contractor's Authority

The signature of the person signing on behalf of the Contractor has been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

IN WITNESS WHEREOF, the CHA and the Contractor have executed this Agreement as of the date first written above.

CHICAGO HOUSING AUTHORITY

By: _____
Dionna Brookens
Chief Procurement Officer

CENTERS FOR NEW HORIZONS, INC.

By: _____

Print Name: _____

Title: _____

Approved as to Form and Legality
Chicago Housing Authority
Office of the General Counsel

By: _____
James L. Bebley
Chief Legal Officer

EXHIBIT I

STATEMENT OF WORK

The Target Population consists of unemployed, work-eligible CHA public housing residents and Housing Choice Voucher participants, ages 18 and older. Priority will be given to public housing residents who are not currently meeting CHA's work requirement, and have not participated in subsidized or unsubsidized employment for four (4) or more consecutive quarters.

1. **Recruitment & Enrollment**
   a. The Contractor shall be responsible for recruiting and enrolling members of the target population in the Transitional Jobs program ("Participants").
   b. The Contractor shall utilize a variety of media to promote and recruit Participants for the programs including, but not limited to, flyers, job fairs, social media, school and community events, etc. Promotional materials are subject to CHA approval and should be informative, supportive and encourage individuals to pursue careers in high demand industries.
   c. The Contractor shall coordinate with CHA and its contracted service providers to receive referrals for services and to distribute marketing materials promoting the program and services.
   d. The Contractor shall host informational sessions to introduce the target population to the Transitional Jobs program, eligibility requirements, and program benefits and expectations.
   e. The Contractor shall conduct interviews and implement job matching strategies for Transitional Job placement.
   f. The Contractor shall utilize CHA's Client Management Tracking System to ensure that program applicants are not currently engaged in other Transitional Jobs programs and to verify that applicants have not participated in a CHA funded Transitional Jobs program two (2) years prior to program application.

2. Program Framework
   a. Orientation
      i. The Contractor shall host orientations for all Participants regularly. Orientations shall provide an overview of the program model and inform Participants of individual accountability and staff roles and responsibilities. Participants shall be required to sign a commitment letter.
      ii. During orientation, or prior to beginning the program, the Contractor shall ensure each Participant completes the following:
         1. An enrollment form and the necessary documentation to participate in a job placement (e.g. state identification card, social security card, etc.);
         2. An Individualized Employment Plan ("IEP") tailored to the individual educational needs and barriers to employment, including additional assessment for job readiness training ("JRT") and/or literacy training, if applicable;
         3. An assessment of numeracy and literacy (e.g. The Test of Adult Basic Education or similar assessment), unless an assessment has been completed within six (6) months prior to applying for enrollment in the Transitional Jobs program, or unless deemed unnecessary by the Contractor; and
         4. Any additional screening tools or processes that the Contractor deems necessary prior to making a placement in a training program.

b. Job Readiness Training
    i. The Contractor shall facilitate job readiness activities and workshops to promote soft skill development, customer service and workforce preparedness. The Contractor shall provide a comprehensive job readiness training curriculum that includes, but is not limited to:
        1. Resume Development;
        2. Interviewing;
        3. Professional Attire;
        4. Customer Service Skills Training;
        5. Communication in the Workplace;
        6. Job Retention;
        7. Financial Literacy;
        8. Anger Management; and
        9. Conflict Resolution.
    ii. The Contractor shall ensure that a workplace situation simulation is provided for Participants.
    iii. The Contractor shall provide Participants, who successfully complete job readiness training, with a certificate of completion.
    iv. If the Contractor identifies a Participant that has exhibited low-literacy levels during assessment and/or job readiness training that are beyond the scope of the Contractor's available services, the Contractor shall refer the Participant to an adult literacy and/or adult basic education program.
c. Subsidized Employment
    i. The Contractor shall utilize employer relationships to place Participants in a subsidized work experience matching the skill set of the Participant and high demand career interests.
    ii. The Contractor shall ensure that the subsidized employment consists of actual tasks and responsibilities related to the position and work environment.
    iii. The Contractor shall enter into a Memorandum of Agreement with employers that specifies the responsibilities of the Contractor, Participant and employer.
    iv. The Contractor shall maintain contact with the employer during subsidized employment in order to monitor each Participant's performance related skills and behaviors, including but not limited to:
        1. Attendance and Punctuality;
        2. Attitude and Behavior;
        3. Teamwork;
        4. Ability to Follow Instructions;
        5. Critical Thinking, and
        6. Problem Solving
    v. Participants shall participate in approximately 160 hours of subsidized employment.
    vi. Participants shall receive training wages in the amount of $10.00 per hour during subsidized employment. The Contractor shall serve as the employer of record for Participants in subsidized employment. The Contractor shall operate a payroll and timekeeping system that assures that all Participants are paid on time according to an established schedule. The Contractor shall facilitate payroll through its internal standard business practices and must offer electronic payments to participants through the use of debit cards and direct deposit to a

personal bank account. At the end of each calendar year, the Contractor must send tax forms directly to individuals that participated in the Transitional Jobs program and respond to inquiries or issues during the program period.

vii. Participants should receive regular meaningful feedback from the Contractor and Employer about their performance.

d. Unsubsidized Employment

i. The Contractor shall assist Participants in transitioning from subsidized employment to unsubsidized employment in the private market through employer relationships. Participants who successfully complete subsidized employment shall not be placed in another subsidized work experience.

ii. The Contractor shall match participants with opportunities equal to their skill levels and career interests to the greatest extent feasible.

iii. The Contractor shall coordinate with Participants on unsubsidized employment throughout the subsidized employment component, including but not limited to:

1. Job coaching;
2. Scheduling and preparing for interviews;
3. Organizing transportation to interviews and employment fairs; and
4. Screening for relevant opportunities.

iv. The Contractor shall utilize job orders that detail the requirements of each available position. The Contractor shall discuss unsuccessful referrals with the prospective employer to determine the reason therefore to:

1. More accurately screen for and prepare future referrals; and
2. Obtain feedback as to why the placement was not successful and assist the Participant in strengthening skills and to focus on existing strengths and address interviewing challenges.

v. If a Participant exhibits skills during assessment and/or job readiness training that indicate preparedness for work, the Contractor may provide direct unsubsidized placement at any time after enrollment in the Transitional Jobs program.

vi. The Contractor shall ensure that the appropriate CHA FamilyWorks provider is aware of all Participant job placements.

e. Retention Services

i. The Contractor shall provide both employers and Participants placed in unsubsidized employment with an overview of retention strategies and information on best practices.

ii. The Contractor shall coordinate with CHA's contracted service providers and other community services to provide retention and supportive services to Participants who enter the private job market (e.g. childcare, transportation).

iii. The Contractor shall follow-up with Participants to provide job coaching weekly during the first 30 days of unsubsidized employment.

iv. The Contractor shall follow-up with Participants via phone or in person at 30 and 90 days after placement and verify continued retention in employment.

3. Coordination & Collaboration

a. The Contractor may be requested to coordinate with CHA to screen potential candidates for positions within CHA and/or its contracted vendors as opportunities become available and services are requested.

b. The Contractor shall collaborate with CHA's staff, contracted service providers, Local Advisory Councils ("LACs"), employers and other entities where appropriate to ensure that services are effectively coordinated. Collaborations with appropriate service providers and other entities are required to adhere to all rules, regulations and best practices regarding confidentiality.
c. The Contractor shall ensure all staff are familiar with and utilize existing CHA partnerships to make appropriate referrals of Participants (e.g. City Colleges of Chicago, Chicago Department of Family and Support Services, Adult Literacy Programs, etc.).
d. The Contractor may be required to participate in ongoing learning and continuing education (e.g. classes, seminars, conferences, etc.) about employment and psychological self- sufficiency.

4. Reporting & Data Management
   a. The Contractor shall maintain a file for each Participant. The Contractor shall ensure that files are maintained in a uniform fashion and include support documentation including, but not limited to: timesheets, IEP, job readiness training participation, employment placement, employment retention, etc. All files shall be located in a secured environment (e.g. locked file cabinets, locked file room, etc.) that ensure confidentiality of Participant information. All Participant files must be returned to CHA at the time of contract termination.
   b. The Contractor, where appropriate, shall document Participant activities on forms provided or approved by CHA. The Contractor is prohibited from re-creating or altering these forms without prior written approval from CHA.
   c. The Contractor shall utilize CHA's Client Management Tracking System to document Participant program outcomes. The Contractor shall record information that may include, but is not limited to, Literacy assessments job readiness training, subsidized and unsubsidized employment placement, retention verification, etc. The Contractor is prohibited from altering the database or function in any way.
   d. The Contractor shall utilize data from CHA's Client Management Tracking System to measure agency performance and progress towards performance objectives. No other data systems or tracking method may be considered, unless directed by CHA. CHA may, at its sole discretion, determine satisfactory progress toward the Contractor's performance outcomes.
   e. The Contractor shall participate in file reviews with CHA staff at least semi-annually to verify data reported in CHA's Client Management Tracking System.
   f. The Contractor shall comply with CHA's requests to complete its monitoring and evaluation procedures. This may include, but is not limited to:
      i. Monthly performance reports to track progress towards program outcomes and metrics;
      ii. Monthly reports submitted by the Contractor;
      iii. Monthly financial review of each invoice submitted by the Contractor and review of any applicable performance based payments; and
      iv. Quarterly reporting on leveraged resources and in-kind services and funding.

EXHIBIT II

ILLINOIS EQUAL OPPORTUNITY CLAUSE

TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY MANAGEMENT
SUBTITLE B: SUPPLEMENTAL PROCUREMENT RULES
CHAPTER X: DEPARTMENT OF HUMAN RIGHTS
PART 750 PROCEDURES APPLICABLE TO ALL AGENCIES
SECTION 750.APPENDIX A EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

Section 750.APPENDIX A Equal Employment Opportunity Clause

EQUAL EMPLOYMENT OPPORTUNITY

In the event of the contractor's non-compliance with the provisions of this Equal Employment Opportunity Clause or the Act, the contractor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be cancelled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the contractor agrees as follows:

1) That he or she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service; and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.

2) That, if he or she hires additional employees in order to perform this contract or any portion of this contract, he or she will determine the availability (in accordance with this Part) of minorities and women in the areas from which he or she may reasonably recruit and he or she will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.

3) That, in all solicitations or advertisements for employees placed by him or her or on his or her behalf, he or she will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.

4) That he or she will send to each labor organization or representative of workers with which he or she has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the contractor's obligations under the Act and this Part. If any labor organization or representative fails or refuses to cooperate with the contractor in his or her efforts to comply with the Act and this Part, the contractor will promptly notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations under the contract.

5) That he or she will submit reports as required by this Part, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Act and this Part.

6) That he or she will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Act and the Department's Rules and Regulations.

7) That he or she will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply with the provisions. In addition, the contractor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

(Source: Amended at 35 Ill. Reg. 3695, effective February 18, 2011)

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

PRIME/GENERAL CONTRACTOR'S NAME: Centers for New Horizons, Inc.

RFP/IFB/RFQ/CONTRACT or PO NUMBER: ~~#1003~~ 2110 **DATE FORM COMPLETED:** September 22, 2017

PROJECT TITLE: Transitional Jobs

CONTACT NAME/TITLE: Christa A. Hamilton

E-MAIL ADDRESS: christah@cnh.org **CONTRACT AMOUNT:** $548,736

PLEASE READ CAREFULLY AND SIGN THE ACKNOWLEDGMENT ON PAGE 4 PRIOR TO COMPLETING AND SUBMITTING SCHEDULE B

Overview:

The contractor hereby agrees to comply with all the provisions of Section 3 as set forth in 24 CFR 135 and the CHA's Section 3 Policy. The Contractor hereby submits Schedule B to identify employment, subcontracting, and other opportunities for Chicago Housing Authority residents and low income Chicago area residents during the term of the contract between the Contractor and CHA. Any changes to this Utilization Plan must be approved by the Contract Compliance Specialist, via an amended Schedule B and Section 3 Change Form, when requested.

Type of Contract	Contract Amount	Section 3 Requirements		
		Hiring	Contracting	Other Economic Opportunities
Construction	All Contract Values	30% *Of all **new** hires*	10% *Of total contract value subcontracted*	See Instructions
Other Contracts *(Including Professional Service)*	All Contract Values	30% *Of all **new** hires*	3% *Of total contract value subcontracted*	See instructions

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

Instructions:

Part I: Hiring

- Per 24 CFR 135.30, Section 3 requires at least 30% of the contractor's new hires be Section 3 residents.
- The prime contractor is required to fill out the **Table I.b Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors** in **Part I: Hiring**. This chart includes Section 3 hires, *AS WELL AS* all other non-section 3 hires for the scope of work.
- **Table I.a SAMPLE Hiring Chart Entire Workforce for both Prime and all Subcontractors** is provided to you as a sample.
- **Table I.b Hiring Chart Entire Workforce for both Prime and all Subcontractors** will require you to indicate the total workforce that you and your subcontractors already have in place and those you need to hire. You will need to list their (1) Job Titles, (2) Total Employees Needed at each Job Title, (3) Total Number of Employees Currently Employed at each Job Title, (4) Total New Hires Needed for each Job Title, (5) Total Section 3 Hires for each Job Title, (6) Anticipated Hiring Date Section 3 Hires for Each Job Title, (7) Total Columns (1) through (5) individually, and (8) Total New Section 3 Hires Required and (9) Percentage of New Hires that are Section 3.
- By filling out the hiring chart, the Contractor affirms that the jobs identified for Section 3 residents shall be for meaningful employment.
- A Prime Contractor may satisfy the CHA Resident Hiring Requirements through the hiring of Section 3 residents through his/her subcontractors.
- The Hiring Chart must be completed in its entirety, including a response for each column, in addition to proper calculations in each field where totals are required.
- If any proposed Section 3 positions cannot be filled, a Section 3 Change Form is required under the Section 3 Policy.
- Prime Contractors and Subcontractors are required to use CHA's Section 3 Job Opportunities website to fill all Section 3 positions.

Part II: Contracting

- Per 24 CFR 135.30, Section 3 requires Construction contracts to subcontract at least 10% of the work to Section 3 Business Concerns and 3% of the work for all Other Contracts.
- ***The definition of 'Section 3 Business Concern' under HUD Regulations is:***
  (1) 51 percent or more owned by section 3 residents; or
  (2) Whose permanent, full-time employees include persons, at least 30 percent 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 percent 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 subcontracting refers to direct participation (only subcontracts for work that is included in the scope of the project).
- Contractors shall direct their efforts to award Section 3 covered contracts, to the greatest extent feasible, to Section 3 Business Concerns in the order of priority provided in 24 CFR 135.36.
- The Prime Contractor is required to fill out the contracting information in Table II: Contracting Commitments, Table II.a: Section 3 Business Concern Contracts, Table II.b.: Contracting Shortfall (if necessary), and/or Table II.c: Outreach Efforts (if necessary) of Part II.
- **Table II: Contracting Commitments** requires you to indicate the Total Dollar Value being subcontracted to Section 3 Business Concerns and the percentage of the total contract value, to which the total of all Section 3 Business Concern subcontracts is equivalent.

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

- **Table II.a. Section 3 Business Concern Contracts** requires you to Identify each Section 3 Business Concern that will hold a subcontract under this Contract. The Company's Name, Contract Value, and Scope of Work to be Performed must be identified in order for the plan to be considered complete. A corresponding Schedule C must be submitted with the Schedule B.
- **Table II.b. Contracting Shortfall or Table II.c. Outreach Efforts** must be completed when the Prime Contractor is unable to meet the full minimum subcontracting requirements under 24 CFR 135.
    - When there is no plan or need to subcontract, please outline the reason(s) why in Table II.b. Contracting Shortfall
    - If the prime contractor is unable to contract to a Section 3 Business Concern, all outreach efforts must be documented in Table II.c. Outreach Efforts You must document all of the companies that have been contacted for subcontracting opportunities. If there are limited companies available who perform the necessary duties under this scope of work, please indicate in the 'reasons for not subcontracting'.
    - This is required before Other Economic Opportunities are proposed.
- PRIME CONTRACTOR MUST USE CHA'S SECTION 3 JOB OPPORTUNITIES WEBSITE TO IDENTIFY AND HIRE ANY AND ALL SECTION 3 EMPLOYEES. CHA WILL NOT CONSIDER OR AUTHORIZE ANY ALTERNATE PROPOSALS TO IDENTIFY SUCH EMPLOYEES.

Part III: Other Economic Opportunities

- In the event that a Prime Contractor has demonstrated no plan or need to hire and/or subcontract or is unable to meet the hiring and/or subcontracting requirements in Part I and Part II, the Prime Contractor is required to provide other economic opportunities by completing the **Table III: Other Economic Opportunities Plan(s).**
- PLEASE NOTE THAT THE INABILITY TO MEET THE HIRING AND/OR SUBCONTRACTING REQUIREMENT MUST BE DOCUMENTED COMPLETELY IN PART I: HIRING AND PART II: CONTRACTING BEFORE COMPLETING PART III: OTHER ECONOMIC OPPORTUNITIES.
- Other Economic Opportunities could include indirect subcontracting with a Section 3 Business Concern (subcontracting for work not included in the scope of work), training programs, mentorship program participation, or other economic opportunities directed towards section 3 residents and businesses. Any Other Economic Opportunities must be proposed on pages 10 through 12 in Part III: OTHER ECONOMIC OPPORTUNITIES.
- If the other forms of Other Economic Opportunities are not feasible, the Prime Contract may propose a contribution to the Section 3 Fund. Guidance on how to contribute to the Section 3 Fund is outlined below:
    - **Hiring Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full hiring requirements (30% of new hires), and cannot provide other economic opportunities outlined above, then the contractor must pay 5% of the total dollar amount of the contract for building, trade work or 1.5% for all other contracts will be paid to the Section 3 fund. ***NOTE: The amount shall not exceed $100,000 for any one contract.***
    - **Contracting Requirements Contribution:** If a Prime Contractor chooses to contribute to the Section 3 Fund as its Other Economic Opportunity, because they cannot meet the full Section 3 Business Concern subcontracting requirements, and cannot provide other economic opportunities outlined above, the difference between 10% of the covered contract (building, trade work) or 3% (non-construction) and the actual amount provided to Section 3 Business Concerns must be paid to the Section 3 Fund. ***NOTE: The amount shall not exceed $500,000 for any one contract.***
    - A Prime Contractor may also pay the entire 10% of the covered contract (building, trade work) or 3% (non-construction) if they have documented the infeasibility of offering any Other Economic Opportunities. ***NOTE: The amount shall not exceed $500,000 for any one contract.***

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

- Charts have been provided for each category accepted under Other Economic Opportunities. You must outline the actual proposed opportunity, how you will measure the success of this opportunity, and the anticipated results. You will only need to complete the tables that apply to your Section 3 Plan.
- Please reference the Section 3 Policy for more details.
- **NOTE: The Chicago Housing Authority (CHA) observes a $13 per hour Minimum Wage Requirement on solicitations advertised by the CHA on or after January 2, 2015. A copy of the CHA Minimum Wage Requirement may be downloaded from the CHA website at:** http://www.thecha.org/assets/1/22/CHA_Minimum_Wage_Requirement.pdf. **Please note that Federal wage determinations (either Davis-Bacon or HUD-Determined Wage Rates) preempt any conflicting State prevailing wage rate or the Minimum Wage Requirement when the State prevailing wage rate or the Minimum Wage Requirement is higher than the Federally-imposed wage rate (24 CFR 965).**

This page (page 4) must be signed by a Principal of the Contractor. The last page (page 12) must be signed and notarized. This document is subject to change, by the CHA, at any time.

Prime Contractor Acknowledgement of Section 3 Requirements:

Signature of Principal of Contractor

9/22/17

Date

Christa A. Hamilton

Print Name

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

Part I: Hiring

SAMPLE HIRING CHART

Table I.a: SAMPLE Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

(1) Job Titles	(2) Total Number of Employees Needed at each Job Title	(3) Total Number of Employees Currently Employed at each Job Title	(4) Total New Hires Needed for each Job Title	(5) Total Section 3 Hires for Each Job Title	(6) Anticipated Hiring Date Section 3 Hires for Each Job Title
List the Job Titles that are needed to complete your scope of work- including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.	*List how many employees are needed to complete the Scope of Work for each Job Title.*	*List how many employees are currently employed at this position.*	*List how many of these positions are currently open.*	*List the number of Section 3 hires you will commit to for each position.*	*List the anticipated hiring date of Section 3 hires you will commit to for each position.*
Painters	10	8	2	0	n/a
Laborers	20	19	1	1	10/01/2017
Carpenters	15	15	0	0	n/a
Bricklayers	4	4	0	0	n/a
Sprinkler Fitter	3	3	0	0	n/a
Marble Mason	1	1	0	0	n/a
Electrician	6	5	1	0	n/a
Power Equipment Operator	2	2	0	0	n/a
Iron Worker	5	5	0	0	n/a
Cement Mason	2	2	0	0	n/a
Plumber	4	4	0	0	n/a
Roofer	10	10	0	0	n/a
Administrative Assistant	2	1	1	1	08/01/2017
Superintendent	1	1	0	0	n/a
Payroll Coordinator	1	0	1	1	08/01/2017
(7) Totals:	**86**	**80**	**6**	**3**	

SAMPLE HIRING CHART

(8) Total New Section 3 Hires Required: *(Total of column (4) x 0.3) round up to the nearest whole number*	**2**
(9) Percentage of New Hires that are Section 3: *(Total of column (5) ÷ Total of column (4)) x 100= % of New Hires*	**50%**

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

In the Section below, complete the hiring chart in accordance with the instructions on page 2. Please reference the Sample Hiring Chart.

Table I.b: Hiring Chart- ENTIRE WORKFORCE for both Prime and all Subcontractors

(1)	(2)	(3)	(4)	(5)	(6)
Job Titles	**Total Number of Employees Needed at each Job Title**	**Total Number of Employees Currently Employed at each Job Title**	**Total New Hires Needed for each Job Title**	**Total Section 3 Hires for Each Job Title**	**Anticipated Hiring Date Section 3 Hires for Each Job Title**
List the Job Titles that are needed to complete your scope of work- including the entire workforce for the Prime and any Subcontractors. This includes all Section 3 and non-Section 3 job titles.	***List how many employees are needed to complete the Scope of Work for each Job Title.***	***List how many employees are currently employed at this position.***	***List how many of these positions are currently open.***	***List the number of Section 3 hires you will commit to for each position.***	***List the anticipated hiring date of Section 3 hires you will commit to for each position.***
Workforce Director	1	1	0	0	0
Workforce Coordinator	1	1	0	0	0
Business Service Representative	1	1	0	0	0
Employment Specialist	1	1	0	0	0
Intake Specialist	1	1	0	0	0
(7) Totals:					

(8) Total New Section 3 Hires Required: *(Total of column (4) x 0.3) round up to the nearest whole number*	0
(9) Percentage of New Hires that are Section 3: *(Total of column (5) ÷ Total of column (4)) x 100= % of New Hires*	0

NOTE: Effective January 2, 2015, the Chicago Housing Authority (CHA) observes a $13 per hour Minimum Wage Requirement to be paid to employees of CHA Contractors, and of any subcontractors of such CHA Contractors, performing work on CHA contracts.

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part II: CONTRACTING

Table II: Contracting Commitments

In the section below, outline the total dollar value and percentage of the total contract value that will be subcontracted with Section 3 Business Concerns.

Total Dollar Value of Section 3 Business Concern Contracts:	$
Total Percentage of Section 3 Business Concern Contracts:	%

Table II.a.- Section 3 Business Concern Contracts: In the table on the next page, outline the Section 3 Business Concerns that will be working on this contract. *(Note: Each subcontractor listed below must submit a corresponding Schedule C)*

Contracts to Section 3 Business Concerns

COMPANY NAME: Centers for New Horizons, Inc.
ADDRESS: 4150 S. King Drive, Chicago, IL 60653
CONTACT PERSON: Christa A. Hamilton **TELEPHONE:** 773-373-5700
E-MAIL ADDRESS: christah@cnh.org
ORIGINAL CONTRACT DOLLAR VALUE: $548,736
AMENDED CONTRACT DOLLAR VALUE:
***NOTE:** Amended Dollar Value only used when changes are made and approved by Compliance during a contract.*
WORK TO BE PERFORMED/MATERIALS SUPPLIED: Implement Transitional Jobs Program
****Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**
Anticipated Start Date: October 1, 2017 **Anticipated End Date:** September 30, 2018

COMPANY NAME:
ADDRESS:
CONTACT PERSON: **TELEPHONE:**
E-MAIL ADDRESS:
ORIGINAL CONTRACT DOLLAR VALUE:
AMENDED CONTRACT DOLLAR VALUE:
***NOTE:** Amended Dollar Value only used when changes are made and approved by Compliance during a contract.*
WORK TO BE PERFORMED/MATERIALS SUPPLIED:
****Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**
Anticipated Start Date: **Anticipated End Date:**

(if more space is needed, you can use page 8 multiple times)

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

Contracts to Section 3 Business Concerns (continued)

COMPANY NAME: _____

ADDRESS:_____

CONTACT PERSON:_____ **TELEPHONE:**_____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE:_____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

****Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date:_____ **Anticipated End Date:**_____

COMPANY NAME: _____

ADDRESS:_____

CONTACT PERSON:_____ **TELEPHONE:**_____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE:_____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

****Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date:_____ **Anticipated End Date:**_____

COMPANY NAME: _____

ADDRESS:_____

CONTACT PERSON:_____ **TELEPHONE:**_____

E-MAIL ADDRESS: _____

ORIGINAL CONTRACT DOLLAR VALUE: _____

AMENDED CONTRACT DOLLAR VALUE:_____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____

****Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):**

Anticipated Start Date:_____ **Anticipated End Date:**_____

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Table II.b: Contracting Shortfall

If the Prime Contractor cannot meet the minimum contracting requirements, outlined on pages 2 through 4, provide the reasoning below. You must include the scope of work and why you cannot meet the requirements. For additional space, please attach a document on your company's letterhead.

Table II.c: Outreach Efforts

If the Prime Contractor is unable to find subcontractors, after exhausting all good faith efforts, to perform under this scope of work, list the Companies that were contacted for subcontracting opportunities for this contract.

Outreach Efforts	
Business Name:	
Primary Contact:	
Phone Number:	
E-Mail Address:	
Reason for not subcontracting:	
Business Name:	
Primary Contact:	
Phone Number:	
E-Mail Address:	
Reason for not subcontracting:	

SCHEDULE B - SECTION 3 UTILIZATION PLAN
(To Be Completed by Prime Contractor)

Part III: OTHER ECONOMIC OPPORTUNITIES *(NOTE: Beginning on January 2, 2015, the Chicago Housing Authority (CHA) observes a $13 per hour Minimum Wage Requirement. This policy affects paid mentorship and internship programs, among others).*

Table III: Other Economic Opportunities Plan(s)

THIS SECTION MUST BE COMPLETED IF YOUR PLAN DOES NOT MEET THE MINIMUM HIRING *(30% OF NEW HIRES)* AND/OR CONTRACTING *(10%/3%)* REQUIREMENTS.

In the space provided below, please outline your plan to provide other economic opportunities to a Section 3 or low-income person (if more space is needed, please provide an attachment to this Schedule B). Examples of plans may include internship programs, mentorship programs, and teaming agreements. Please note that any indirect subcontracting should also be described in the section below. Refer to the Instruction page for more information.

Indirect Participation (subcontracting to a Section 3 business for work outside the scope) Note: An indirect subcontractor should still submit a Schedule C to correspond with this information.
COMPANY NAME: _____ ORIGINAL CONTRACT DOLLAR VALUE: _____ WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____ Anticipated Start Date:_____ Anticipated End Date:_____
COMPANY NAME: _____ ORIGINAL CONTRACT DOLLAR VALUE: _____ WORK TO BE PERFORMED/MATERIALS SUPPLIED: _____ Anticipated Start Date:_____ Anticipated End Date:_____

Mentorship Program Participation	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

Training Program	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

Internship Program	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

Other Results-Oriented Economic Opportunities (Please Describe)	
Note: Any part-time hires can be represented here.	
Describe in detail the work that will be performed by the Section 3 Resident or Business Concern	
Quantifiable Goals	
Anticipated Results	

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts- Compliance Division

SCHEDULE B - SECTION 3 UTILIZATION PLAN

(To Be Completed by Prime Contractor)

Please select which type of contribution is being paid into the Section 3 Fund, according to your Schedule B- Section 3 Utilization Plan. If a contribution is being made for Hiring and Contracting, you should indicate that in the chart below.

Section 3 Fund Note: Please refer to page three (3) Part III: Other Economic Opportunities for more details on contributions.		
Hiring	☐ **5% of total contract value (Construction)- Not to Exceed $100,000** ☐ **1.5% of total contract value (Professional Service)- Not to Exceed $100,000**	
Contracting	☐ **Contributing the difference between the actual subcontracting dollar amount and the minimum subcontracting requirement** **Not to Exceed $500,000**	☐ **10% of total contract value (Construction) Not to Exceed $500,000** ☐ **3% (Other Contracts- including Professional Service) Not to Exceed $500,000**

Contribution to Section 3 Fund *(this is the total of all hiring and Contracting contributions identified in the Section 3 Fund chart above)*	
Dollar Value of Contribution	$

How will I contribute the funds?	☐ **CHA can deduct portions from each of my purchase orders**

By signing below, the Contractor hereby agrees to comply with the Section 3 requirements indicated above. To the extent that the completion of this form is contingent upon future information, for example price negotiations, request for specific services, etc., the undersigned hereby affirms and agrees to fully adhere to the CHA Section 3 Policy. Furthermore, the undersigned acknowledges and affirms responsibility for completion and submission of this form at the time the bid or proposal is due.

Centers for New Horizons, Inc.

NAME OF PRIME CONTRACTOR (Print or Type)

Christa Hamilton - Centers For New Horizons

NAME OF AUTHORIZED OFFICER

Evelina Marion Robertson Date 9-22-17

NAME OF NOTARY (Print or Type)

STATE OF Illinois **COUNTY OF** Cook **ON THIS** 22nd **DAY OF** September **20** 17 **BEFORE ME APPEARED (NAME)** Christa Hamilton **TO ME PERSONALLY KNOWN WHO, BEING DULY SWORN, DID EXECUTE THE FOREGOING AFFIDAVIT, AND DID STATE THAT HE OR SHE WAS PROPERLY AUTHORIZED BY THE PRIME CONTRACTOR TO EXECUTE THIS AFFIDAVIT AND DID SO AS HIS OR HER FREE ACT AND DEED.**

NOTARY PUBLIC: Evelina Marion Robertson **(SEAL):**

COMMISSION EXPIRES: 9/27/20

OFFICIAL SEAL
EVELINA MARION ROBERTSON
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/27/20

INTERNAL CHA APPROVAL: _____

COMPLIANCE MANAGER'S SIGNATURE **DATE**

INTERNAL CHA APPROVAL: _____

SECTION 3 ADMINISTRATOR **DATE**

(Applicable when Other Economic Opportunities are proposed)

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

RFP/IFB/CONTRACT/PURCHASE ORDER NO: ~~11333~~ 2110 DATE FORM SUBMITTED: September 22, 2017

PROJECT TITLE: Transitional Jobs

PRIME CONTRACTOR NAME(S): Centers for New Horizons, Inc.

ADDRESS: 4150 S. King Drive, Chicago, IL TELEPHONE: (773) 373-5700

CONTACT NAME/TITLE: Christa A. Hamilton/CEO and Executive Director

E-MAIL ADDRESS: christah@cnh.org

Certification Status: MBE ☐ WBE ☐ DBE ☐ Certified By: _____

Ethnicity: African American Gender: Female

FEDERAL TAX IDENTIFICATION OR SOCIAL SECURITY NO. : 362-72-9721

CONTRACT AMOUNT: $ 548,736.00

M/W/DBE TOTAL: $ 90,000.00

M/W/DBE TOTAL PERCENTAGE: 16.40 %

NOTE: The M/W/DBE Total represents the sum of all of the subcontracts listed on this Schedule A, including Self-Performing Prime's portion.

PRIME SELF-PERFORMER? Yes ☐ NO ☑ IF YES, SELF-PERFORMANCE AMOUNT: $ _____ % 0.00%

The Contractor shall in determining the manner of M/W/DBE participation, first consider **Direct Participation** with M/W/DBE companies as subcontractors, suppliers of goods and services, or as joint venture partners, directly related to the performance of this contract. After exhausting reasonable good faith efforts and with prior CHA approval, the bidder/proposer may also meet all or part of the CHA's M/W/DBE commitment goals, through **Indirect Participation**, by contracting with M/W/DBEs for the provision of goods and services not directly related to the performance of the contract/scope of work. Indirect participation can be demonstrated by providing copies of canceled checks (both front and back) paid to the certified subcontractors, and a Letter of Certification that was current at the time the checks were issued to the subcontractor (must be entered into B2Gnow and Contract Compliance Specialist will approve). Indirect participation must occur within this contract period and will not be considered as acceptable participation on multiple contracts.

Firms seeking M/W/DBE subcontracting credit via Direct or Indirect participation must include **one (1) current certification** from a CHA approved certifying agency. A copy of a current Letter of Certification is required. Applications for certified status will not be accepted. M/W/DBEs utilized for direct or indirect participation must be currently certified by one of the following agencies: City of Chicago, METRA, PACE, Cook County, State of Illinois - Central Management Services (CMS), Women Business Development Center (WBDC), Chicago Transit Authority (CTA), the Chicago Minority Supplier Development Council (CMSDC), Illinois Department of Transportation (IDOT), and/or the Small Business Administration (SBA 8(a)). For contractors whose principal business address is located outside of the metropolitan Chicago area, certification of comparable agencies will be considered.

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

I. DIRECT PARTICIPATION

A. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

B. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

C. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

CHICAGO HOUSING AUTHORITY (CHA)
Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

D. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

E. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

F. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

G. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

H. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

I. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

II. INDIRECT PARTICIPATION

A. COMPANY NAME: C&C Diary

ADDRESS: PO Box 474, Palos Heights, IL 60463

CONTACT PERSON: Christine Stajszozak TELEPHONE: (708) 596-3436

E-MAIL ADDRESS: chris@ccdiary.com

ORIGINAL M/W/DBE DOLLAR VALUE: 15,000.00 % of Total Contract Value: 2.73%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:
Dairy vendor for childcare centers.

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):
October 1, 2017 - September 30, 2018

B. COMPANY NAME: Arrow Supply Company

ADDRESS: 7830 S. Oakley, Chicago, IL 60620

CONTACT PERSON: Joe Rojas TELEPHONE: ( )

E-MAIL ADDRESS: joe@arrowsupplycompany.com

ORIGINAL M/W/DBE DOLLAR VALUE: 25,000.00 % of Total Contract Value: 4.55%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:
Office and janitorial supplies.

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):
October 1, 2017 - September 30, 2018

C. COMPANY NAME: S.V. Enterprises of ILL., DBA Micro-Tech USA

ADDRESS: 19 South LaSalle Street, Suite 505, Chicago, IL 60603

CONTACT PERSON: Mike Gillani TELEPHONE: (312) 377-5932

E-MAIL ADDRESS: mike.gillani@mtusa.com

ORIGINAL M/W/DBE DOLLAR VALUE: 50,000.00 % of Total Contract Value: 9.11%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:
Technology support and manage network services.

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):
October 1, 2017 - September 30, 2018

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

D. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: _____

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: _____

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

E. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

F. COMPANY NAME: _____

ADDRESS: _____

CONTACT PERSON: _____ TELEPHONE:( ) _____

E-MAIL ADDRESS: _____

ORIGINAL M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

AMENDED M/W/DBE DOLLAR VALUE: _____ % of Total Contract Value: 0.00%

NOTE: Amended Dollar Value only used when changes are made and approved by Compliance during a contract.

WORK TO BE PERFORMED/MATERIALS SUPPLIED:

_____

Anticipated Performance Timeframe (When will the contractor be onsite performing the work and for how long):

_____

CHICAGO HOUSING AUTHORITY (CHA)

Department of Procurement and Contracts Contract Compliance Division

SCHEDULE A – M/W/DBE UTILIZATION PLAN
(To Be Completed by PRIME CONTRACTOR)

AFFIDAVIT OF PRIME CONTRACTOR

To the best of my knowledge, information and belief, the facts and representations contained in this Schedule A are true and no material facts have been omitted.

The undersigned will enter into agreements with the above listed companies for work as indicated on this Schedule A within five (5) days after receipt of a signed contract executed by the Chicago Housing Authority. Copies of agreements including but not limited to joint ventures, subcontracts supplier agreements, purchase orders referencing the SPEC., RFP, or Purchase Order Number shall be forwarded to the Procurement & Contracts Department, Contract Compliance Section, 60 East Van Buren, 13th Floor, Chicago, IL 60605.

I do solemnly declare and affirm under the penalty of perjury that the contents of the forgoing document are true and correct, and that I am authorized on behalf of the Prime Contractor to make this affidavit.

NAME OF PRIME CONTRACTOR (Print or Type)

CENTERS FOR NEW HORIZONS, INC

AUTHORIZED OFFICER

CHRISTA HAMILTON		9/22/17
Name	Signature	Date

NAME OF NOTARY (Print or Type)

EVELINA MARION ROBERTSON

STATE OF ILLINOIS COUNTY OF COOK ON THIS 22nd DAY OF SEPTEMBER 2017 BEFORE ME APPEARED (NAME) CHRISTA HAMILTON TO ME PERSONALLY KNOWN WHO, BEING DULY SWORN, DID EXECUTE THE FOREGOING AFFIDAVIT, AND DID STATE THAT HE OR SHE WAS PROPERLY AUTHORIZED BY (NAME OF COMPANY) CENTERS FOR NEW HORIZONS TO EXECUTE THIS AFFIDAVIT AND DID SO AS HIS OR HER FREE ACT AND DEED. NOTARY PUBLIC Evelina Marion Robertson (SEAL) COMMISSION EXPIRES:

9-27-20

OFFICIAL SEAL
EVELINA MARION ROBERTSON
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/27/20

EXHIBIT V

GENERAL CONDITIONS FOR NON-CONSTRUCTION CONTRACTS
HUD FORM 5370-C (1/2014)

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. 1/31/2017)

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 $100,000 - use Section I**;
2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than $2,000 but not more than $100,000 - use Section II**; and
3) **Maintenance contracts** (including nonroutine maintenance), **greater than $100,000 – use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than $100,000

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 been titled 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.

(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:
appeals under the clause titled Disputes;
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.

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

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.

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 pubic 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:

The awarding of any Federal contract;

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.

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

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.

EXHIBIT VI

INSURANCE REQUIREMENTS

Insurance

Prior to the commencement of this Agreement, the Contractor agrees to procure and maintain at all times during the term of this Agreement, the types of insurance specified below in order to protect the CHA from the acts, omissions and negligence of the Contractor, its officers, officials, subcontractors, joint ventures, partners, agents or employees. The insurance carriers used by the Contractor must be authorized to conduct business in the State of Illinois and shall have a BEST Rating of not less than an "A". The insurance provided shall cover all operations under the Agreement, whether performed by the Contractor or by its subcontractor, joint ventures, partners, agents, officers or employees.

A. Required Insurance Coverage

1. Workers Compensation and Occupational Disease Insurance

   Workers Compensation and Occupational Disease Insurance in accordance with the laws of the State of Illinois (Statutory) Coverage A, and Employer's Liability, Coverage B, in an amount of not less than $500,000/$500,000/$500,000.

2. Commercial/General Liability Insurance written on an occurrence form (Primary and Excess Liability)

   Commercial/General Liability Insurance provided is to have limits of not less than One Million Dollars ($1,000,000) per occurrence with an Aggregate of not less than Two Million Dollars ($2,000,000) (i.e. $1,000,000/$2,000,000). In addition to the stipulations outlined above, the insurance policy is to include coverage for Contractual Liability, Products-Completed Operations, Personal & Advertising Injury and will also cover injury to Consultants agents, subcontractors, invitees and guests and their personal property. The CHA is to be endorsed as an additional insured on the Consultants policy **and** such insurance will be endorsed as primary and non-contributory with any other insurance available to the CHA.

3. Automobile Liability Insurance

   When any motor vehicles (owned, non-owned and hired) are used in connection with the Services to be performed, the Contractor shall provide Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars ($1,000,000) per occurrence CSL, for bodily injury and property damage. The CHA is to be endorsed as an additional insured on the Contractor's policy and such insurance will be endorsed as primary and non-contributory with any other insurance available to the CHA.

4. Professional Liability

   Whenever any architects, engineers, construction managers, property managers or other professionals perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits

of not less than Two Million Dollars ($2,000,000) per occurrence. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, the start of Services under the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5. Excess Liability

Excess liability coverage, if applicable, is to follow form of the Primary Insurance requirements outlined above.

B. Related Requirements

The Contractor shall furnish the CHA, Department of Procurement and Contracts, 60 E. Van Buren, 13th Floor., Chicago, Illinois 60605, original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of the Contract. In addition, copies of the endorsement(s) adding the CHA to Contractor's policy as an additional insured are required. The required documentation must be received prior to the Contractor commencing work under this Agreement. Renewal Certificates of Insurance, or such similar evidence, is to be received by the Procurement and Contracts Department prior to expiration or renewal date occurring during the term of this Agreement or extensions thereof. At the CHA's option, non-compliance will result in (1) all payments due the Contractor being withheld until the Contractor has complied with the Agreement; or (2) the Contractor will be assessed Five Hundred Dollars ($500.00) for every day of non-compliance; or (3) the Contractor will be immediately removed from the premises and the Agreement will be terminated for default. The receipt of any certificates does not constitute agreement by the CHA that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate comply with all Agreement requirements. The insurance policies shall provide for thirty (30) days prior written notice to be given to the CHA in the event coverage is substantially changed, canceled or non-renewed.

THE REQUIRED DOCUMENTATION MUST BE RECEIVED PRIOR TO THE CONTRACTOR COMMENCING WORK AT THE DESIGNATED CHA LOCATION.

If any of the required insurance is underwritten on a claims made basis, the retroactive date shall be prior to or coincident with the date of the Agreement and the Certificate of Insurance shall state the coverage is "claims made" and also the Retroactive Date. The Contractor shall maintain coverage for the duration of the Agreement. Any extended reporting period premium (tail coverage) shall be paid by the Contractor. The Contractor shall provide to the CHA, annually, a certified copy of the insurance policies obtained pursuant hereto. It is further agreed that the Contractor shall provide the CHA a thirty (30) day notice in the event of the occurrence of any of the following conditions: aggregate erosion in advance of the Retroactive Date, cancellation and/or non renewal.

The Contractor shall require all subcontractors to carry the insurance required herein or the Contractor may provide the coverage for any or all of its subcontractors, and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions as outlined above.

The Contractor expressly understands and agrees that any insurance or self-insurance programs maintained by the CHA shall apply in excess of and will not contribute with insurance provided by the Contractor under the Agreement.

EXHIBIT VII

CONTRACTOR'S AFFIDAVIT AND CONTRACTOR'S CERTIFICATIONS, REPRESENTATIONS OF OFFERORS – NON-CONSTRUCTION CONTRACTS (HUD FORM 5369-C) AND EQUAL OPPORTUNITY COMPLIANCE CERTIFICATE

EXHIBIT VIII

PERFORMANCE GOALS AND OBJECTIVES

Category	Measure	Base Term Year 1 Goal	Base Term Year 2 Goal
Training and Subsidized Placement	Number of residents that attended an orientation session	Tracking Only	Tracking Only
	Number of participants enrolled in Job Readiness Training	Tracking Only	Tracking Only
	Number of participants that completed Job Readiness Training (90% of participants enrolled in Job Readiness Training)	155	155
	Number of participants placed in a subsidized job (90% of Job Readiness Training completers)	140	140
Unsubsidized Placement	Number of participants placed in an unsubsidized job (75% of those who complete subsidized)	104	104
	Average length of time between successful completion of subsidized placement and start of unsubsidized placement	21 days	21 days
	Average wage of unsubsidized jobs to help participants on their path to economic self-sufficiency	$12.00/hour	$12.00/hour
	Percent of participants placed in an unsubsidized job in a high demand industry	80%	80%
Job Retention	Percent of participants who received an unsubsidized job placement that are retained in the workforce for 30 days	85%	85%
	Percent of participants who received an unsubsidized job placement that are retained in the workforce for 90 days	75%	75%

EXHIBIT IX

PROJECT OPERATING BUDGET

BASE TERM YEAR 1

Cost Category	Narrative	Amount
Personnel		
Workforce Director	20% of $70,000 Annual Salary for 12 months	$14,000
Workforce Coordinator	75% of $50,000 Annual Salary for 12 months	$37,500
Employment Specialist	100% of $40,000 Annual Salary for 12 months	$40,000
Business Service Representative	100% of $45,000 Annual Salary for 12 months	$45,000
Intake and Retention Specialist	50% of $45,000 Annual Salary for 12 months	$22,500
Subtotal Personnel		$159,000
Fringe Benefits		
401(k) Plan Contributions	4% of Salaries	$6,360
Dental Insurance	.05 % of salaries	$795
Employee Assistance Program		$0
FICA Taxes	7.65% of Salaries	$12,164
SUTA Taxes	3% of salaries	$4,770
Health Insurance	9% of Salaries	$14,310
Life/LTD Insurance	.09% of salaries	$1,431
Workers Compensation Insurance	2.5% of Salaries	$3,975
Other: Disability	.08% of Salaries	$1,272
Subtotal Fringe Benefits		**$45,077**
Operating Expenses		
Telephone	Communication cost @ $260 per month for 12 months	$3,120
Utilities	HVAC, Lighting, Water @ 210 per month for 12 months	$2,520
Scavenger Service	Garbage Service @ $50 per month for 12 months	$600
Exterminating Services	Pest Management @ $12 a month for 12 months	$144
Building Maintenance	Janitorial, equipment and general building repair @$175 per month for 12 months	$2,100
Security Monitoring Service	Monitoring @ $145 per month for 12 months	$1,740
Copier Lease Rental	Duplicating and printing cost @ $150 per month for 12 months	$1,800
Subtotal Operating Expenses		$12,024
Materials & Supplies		
Office Supplies	Cost of pens, copier paper, staples, files folders @$250 per month for 12 months	$3,000
Janitorial/Cleaning	Cleaning supplies for good hygiene@ $75 a month for 12 months	$900
Subtotal Materials & Supplies		$3,900

Client Support		
Subsidized Wages	100 participants @$10 an hour for 20 hours per week for 8 weeks plus 10 % fringe	$246,400
Transportation	Bus cards for program participants @ $28.50 per week for 5 weeks per participant	$19,950
Training/Certification Fees	Fees for program participants to obtain certain licenses for employment estimated for 15 participants	$12,500
Subtotal Client Support		$278,850
Professional & Technical		$ -
Subtotal Professional & Technical		$ -
Indirect Costs		
Indirect Cost Amount		$49,885
Subtotal Indirect Costs		$49,885
Total Budget		$548,736

BASE TERM YEAR 2

Cost Category	Narrative	Amount
Personnel		
Workforce Director	20% of $70,000 Annual Salary for 12 months	$14,000
Workforce Coordinator	75% of $50,000 Annual Salary for 12 months	$37,500
Employment Specialist	100% of $40,000 Annual Salary for 12 months	$40,000
Business Service Representative	100% of $45,000 Annual Salary for 12 months	$45,000
Intake Specialist	50% of $45,000 Annual Salary for 12 months	$22,500
Subtotal Personnel		$159,000
Fringe Benefits		
401(k) Plan Contributions	4% of Salaries	$6,360
Dental Insurance	.05 % of salaries	$795
Employee Assistance Program		$0
FICA Taxes	7.65% of Salaries	$12,164
SUTA Taxes	3% of salaries	$4,770
Health Insurance	9% of Salaries	$14,310
Life/LTD Insurance	.09% of salaries	$1,431
Workers Compensation Insurance	2.5% of Salaries	$3,975
Other: Disability	.08% of Salaries	$1,272
Subtotal Fringe Benefits		**$45,077**
Operating Expenses		

Telephone	Communication cost @ $260 per month for 12 months	$3,120
Utilities	HVAC, Lighting, Water @ 210 per month for 12 months	$2,520
Scavenger Service	Garbage Service @ $50 per month for 12 months	$600
Exterminating Services	Pest Management @ $12 a month for 12 months	$144
Building Maintenance	Janitorial, equipment and general building repair @$175 per month for 12 months	$2,100
Security Monitoring Service	Monitoring @ $145 per month for 12 months	$1,740
Copier Lease Rental	Duplicating and printing cost @ $150 per month for 12 months	$1,800
Subtotal Operating Expenses		$12,024
Materials & Supplies		
Office Supplies	Cost of pens, copier paper, staples, files folders @$250 per month for 12 months	$3,000
Janitorial/Cleaning	Cleaning supplies for good hygiene@ $75 a month for 12 months	$900
Subtotal Materials & Supplies		$3,900
Client Support		
Subsidized Wages	100 participants @$10 an hour for 20 hours per week for 8 weeks plus 10 % fringe	$246,400
Transportation	Bus cards for program participants @ $28.50 per week for 5 weeks per participant	$19,950
Training/Certification Fees	Fees for program participants to obtain certain licenses for employment estimated for 15 participants	$12,500
Subtotal Client Support		$278,850
Professional & Technical		$ -
Subtotal Professional & Technical		$ -
Indirect Costs		
Indirect Cost Amount		$49,885
Subtotal Indirect Costs		
Total Budget		$548,736

EXHIBIT X

CHA RESIDENT SERVICES COST REIMBURSEMENT PROCEDURES

Chicago Housing Authority

RESIDENT SERVICES COST REIMBURSEMENT PROCEDURES

PURPOSE OF PROCEDURE
Updated January 2017

The purpose of the Resident Services Cost Reimbursement Procedure is to:

1. Ensure Resident Services Contractors are aware of and adhere to CHA guidelines and applicable federal policies and codes.
2. Provide a framework for the efficient submission and reimbursement of program expenses.
3. Provide a foundation for analyzing expenditures, enabling both CHA's Resident Services Division and its Contractors, to monitor expenditure and take timely corrective measures.

GUIDELINES

- Contractors shall submit invoices for each month (unless otherwise agreed upon), using the invoicing guidance and forms provided by CHA. CHA shall make all efforts to reimburse Contractors within 30 days of receiving the invoice. Reimbursement of expenses will be limited to the budgeted funds for a specified line item.
- Financial Analysts in Resident Services will review all invoices, including the payroll registers and other supporting documentation, to verify eligibility for reimbursement.
- Contractors must utilize budget revisions to ensure that funding is allocated efficiently for each expense category. **Budget revisions should be used as preemptive measures because expenses in excess of the Cost Category budget will not be reimbursed.**
- Financial Analysts will ensure that Contractors adhere to guidelines for the purchase of assets and renovations.

Contents

Invoice Submission Overview 1
- Invoice Cover Sheet 1
- Monthly Invoice Summary (CHA FORM) 1
- Cost Reconciliation Worksheet (CHA FORM) 1

Guidelines for Personnel Expenses 2
- Summary of Personnel Salaries and Benefits (CHA FORM) 2
- Fringe Benefits (CHA FORM) 3

Guidelines for Non-Personnel Expenses 3
- Summary of Non-Personnel Expenditures for Project (CHA FORM) 3
- Occupancy Expenses 3
- Employee Mileage/Travel 4
- Communication Expenses 5
- Office Supplies 5
- Client Support 6
  - Transit Cards 6
  - Gift Cards 6
  - Food Purchases 7
  - Housing Assistance 7
  - College Tuition 7
  - CHA Directed Client Support Requests 7
  - Hardships 7
- Indirect Rates/M &G 8
- Subcontractors 8
- Budget Revisions 8
- Leverage (CHA FORM) 9
- Asset Purchases or Renovations (CHA FORM) 9
- CFDA Numbers 9
- Year End Accrual Process 10
- Contact Information 10

Invoice Submission Overview

An invoice summary shall be submitted by the Contractor detailing the reimbursement request. Documentation shall be submitted **no later than** 45 business days following the end of the month for which the reimbursement is being requested, unless otherwise agreed upon in the Contract. For example, the invoice for the month ending January 31, 2017 is due no later than April 4, 2017. All invoice cover sheets must be submitted electronically to RSInvoicing@thecha.org. Supporting documentation must also be submitted electronically to RSInvoicing@thecha.org. When submitting electronically, the Contractor must include the Cost Reconciliation Worksheet in excel and ensure that all scanned documents are clear and legible. The following CHA forms must be submitted with each reimbursement request including, but not limited to:

- Invoice Cover Sheet
- Monthly Invoice Summary
- Cost Reconciliation Worksheet
- Summary of Personnel Salaries and Benefits
- Fringe Benefit Worksheet
- Summary of Non-Personnel Expenditures for Project
- Support Documentation of all expenses including, but not limited to invoices, proof of payment and allocation sheets

If CHA pays a Contractor's invoice but denies one or more expenses of that invoice because additional supporting documentation is required, the Financial Analyst will notify the Contractor in writing of the specific expenses that were denied. Accordingly, the Contractor must resubmit the denied expenses as a separate invoice within 30 calendar days of receiving notice of denied expenses. CHA is not required to pay previously denied expenses that are not resubmitted within 30 calendar days.

Invoice Cover Sheet

Each invoice must include an Invoice Cover Sheet on the Contractor's letterhead or standard invoicing format that includes the 1) Organization Name, 2) Program Name, 2) Contract Number, 4) Purchase Order Number, 5) Invoice Amount, 6) Invoice Number, 7) Invoice Date and 8) Signature of Preparer.

Monthly Invoice Summary (CHA FORM)

The Monthly Invoice Summary provides a summary of the invoice request, including the requested reimbursement amount, contract budget total, and contract budget outstanding. The information as shown in the 'Current Request' should match the Cost Category information in the Cost Reconciliation.

Cost Reconciliation Worksheet (CHA FORM)

The Cost Reconciliation Worksheet provides an overview of the budget and expenses according to the Cost Categories outlined in the contract budget. This template should be used to track past and current monthly expenditure, total expenditure and the balance remaining on the budget. Additional lines cannot

be added to this template and changes cannot be made to Cost Categories, unless written approval has been given by CHA (See Budget Revision).

Contractors should use this template as means of analyzing expenditure, with specific attention to any expenses that exceed or are projected to exceed the budget amounts. CHA will not reimburse expenses that exceed the budget for a Cost Category (e.g. Personnel, Fringe, Operating/Technical, etc.). Accordingly, agencies must carefully monitor expenses and request budget revisions when necessary.

Guidelines for Personnel Expenses

Summary of Personnel Salaries and Benefits (CHA FORM)

The Summary of Personnel Salaries and Benefits provides a breakdown of the salary rate and time allocated to the program for each employee. The amount allocated to the program should be the personnel's total salary multiplied by their allocation to the program. This information must be supported by third party payroll registers or checks issued to the employee.

For instance, if Employee A earns $2,000 per pay period according to the payroll register and dedicates 20 % of their time to the program.

Incorrect Entry:

Employee Name	Title	Total Pay Rate	Total Fringe Benefits	% of Time Spent	Payroll Total	Fringe Total
Employee A	Trainer	$ 400.00	$100.00	100.00%	$400.00	$100.00

The primary source document is the payroll register, which must be documented. Therefore, 'The Total Pay Rate' is $2,000.00 as shown by the payroll register. The allocation of the employee also needs to be included. It is also known that the employee only devoted part of their time to the program and thus, '% of Time Spent' is 20%.
The 'Payroll Total' = 'Total Pay Rate X '% of Time Spent'

Correct Entry:

Employee Name	Title	Total Pay Rate	Total Fringe Benefits	% of Time Spent	Payroll Total	Fringe Total
Employee A	Trainer	$2,000.00	$500	20.00%	$400.00	$100.00

It is assumed that the salary rates are consistent across entire contract period unless otherwise specifically stated in the original budget submission. Therefore, any salary increases or changes in allocation should be addressed in the budget and narrative of the Contractor's original proposal. Any planned salary increases must be addressed within the budget prior to contract award. Please note the CHA reserves the right to limit the increase of salaries. Additionally, tenure or performance based bonuses are not reimbursable without written, advance CHA approval.

In the event an individual is assigned to multiple programs, their salaries should be allocated according to the time devoted to each program. If an individual spends less than 10% on any CHA program, their salary expenses is considered an Indirect Cost and therefore should be charged to CHA within the parameters of the Indirect Rate.

If a third party payroll register is not available and the amount paid to the employee does not match the amount invoiced to CHA due to benefit deductions from employee payments, CHA will require bank statements to demonstrate that specific employees were paid.

Note: CHA Contractors are subject CHA's policy related to minimum wage requirements.

Fringe Benefits (CHA FORM)

The method used for the reimbursement of fringe must be proposed by the Contractor, and agreed upon by CHA prior to contract award. Respondents to Request for Proposals (RFPs) must propose which expenses will be requested for reimbursement (i.e. FICA, SUTA, Workman's Compensation, etc.). These expenses will not be interchangeable during the contract period. CHA will work with each Selected Respondent to determine if fringe benefits will be reimbursed based on actual expenses or based on a percentage of salaries that is established prior to contract award.

If a Contractor is reimbursed based on a percentage of salary, the percentage will be established based on a review of support documentation prior to contract award. The support documentation may include, but is not limited to, proof of payment to the third party vendors providing the benefit, allocation to the specific program and basis of the allocation. The established percentage will dictate reimbursement for the entire contract period, unless otherwise agreed upon in the contract. Periodically, CHA may request to review supporting documentation during the contract term to ensure the percentage being used is reasonable.

If the Contractor is being reimbursed based on actual expenses, documentation including invoices from 3rd party fringe benefit providers, proof of payment and the allocation to the specific program must be provided on a monthly basis.

Guidelines for Non-Personnel Expenses

Summary of Non-Personnel Expenditures for Project (CHA FORM)

The Summary of Non-Personnel Expenditures provides an itemization of all non-personnel expenses related to the contract. Contractors are required to include support documentation for all expenses. This includes but is not limited to invoices, proof of payment and allocation sheets when necessary.

Occupancy Expenses

Prior to the contract award, it will be determined if the proposed program locations enable the Contractor to effectively execute the Scope of Work. Factors to be examined include the activities being offered at each site, location of site in relation to the resident target population and staff distribution. Occupancy

Expenses are final once the contract has been signed; proposed budget revisions to increase this line item for the purpose of capital improvements or other additional occupancy costs will not be accepted.

Occupancy Expenses must be tracked separately for each location. For buildings owned by a Contractor, occupancy expenses may include mortgage and maintenance of a building. For buildings that are leased by a Contractor, occupancy expenses may include rent and utilities (if applicable) paid to a third party. CHA will not reimburse for security deposits. CHA will only reimburse occupancy expenses for space which is used to provide services to residents. Consequently, expenses for office locations that house only administrative staff are not eligible for reimbursement.

Eligible occupancy expenses will be determined during the contracting process. If an allocation is being used, all expenses included in the total occupancy costs and the method of allocation must be detailed in the Respondent's budget and proposal during the contracting process. Once the expenses being included in Occupancy Costs have been approved, additional expenses cannot be included without prior written approval.

If occupancy expenses are allocated to the program at less than 100%, an allocation sheet is required. The allocation sheet should clearly detail the expenses being allocated to the program with the basis of allocation clearly stated.

For all office locations, leased and owned, the square footage and use of the location must be included with the RFP to determine viability of the location.

Note: CHA is not required to reimburse expenses that result from a lease term that extends beyond the term of the contract with CHA. This includes leases for both equipment and office space.

Employee Mileage/Travel

CHA will only reimburse local travel expenses on a mileage basis. Mileage rates cannot exceed the standard mileage rates published by the Internal Revenue Services. Contractor's employees are expected to use their own vehicles or contractor pool vehicles for local travel. CHA has the sole discretion to determine the Contractor's home office location; CHA will not reimburse a Contractor traveling from their corporate office location to another primary office location owned by CHA.

Employee Vehicles

To be eligible for reimbursement for local travel, Contractor employees must maintain a mileage log signed by both the employee and manager. These mileage logs must be submitted with the invoice in order for the contractor to be reimbursed.

Gas Cards

The Contractor may provide gas cards to employees to use for personal or pool vehicles. However, CHA will only reimburse local travel on a mileage basis. If gas cards are used by employees, please **do not submit gas card receipts** since CHA will only use Mileage Reports as the support for reimbursement. CHA

does not support the use of gas cards for clients and these will not be reimbursed. Transit cards – CTA and Pace, should be distributed to clients. (See Transit Cards)

Leased Vehicles

CHA will not reimburse Contractors for leased vehicles. Allowances can be approved for programs that require transportation for participants as part of the Statement of Work (i.e. CHA's Mobility Program).

Parking

CHA will not reimburse parking expenses for staff to park full-time at their primary office locations. These parking expenses are not considered occupancy expenses and should not be included in that category. However, parking reimbursement is allowable when staff need to attend meetings at their primary office locations following their work in the field. For example, if a case coordinator makes home visits during the morning and needs to return for a 2-hour meeting at a downtown office location, this reimbursement is allowable. Parking reimbursements are also allowable for CHA meetings and events.

Out of Town Travel

Travel expenses for air and hotel accommodations are not allowable unless travel is specifically requested by CHA. If the Contractor's location is outside the Chicago area, every effort must be made to conduct meetings via conference calls to reduce the need for travel. Travel expenses for air and hotel accommodations will not be reimbursed without prior written approval from CHA.

Communication Expenses

The use of site telephones and other communication devices are integral to the success of resident programs. CHA will reimburse site telephones according to the invoices for the specific locations. Additional communication expenses such as cellphones, Internet and other technology will also be reimbursed based on supporting documentation and needs of program staff. Phone rates being used for employees must be appropriate for the individual's responsibilities. Reimbursement will be denied for directory assistance, entertainment lines and other expenses deemed unreasonable or extraneous.

If an allocation is being used, all expenses included in the communication costs and the method of allocation must be detailed in the Contractors' original proposed budget and agreed to prior to contract award. Once an allocation has been approved for communication expenses, it cannot be increased without prior written approval.

If communication expenses are allocated to the program at less than a 100% of the invoice/payment, an allocation sheet is required. This allocation sheet should clearly detail the expenses being allocated to the program with the basis of allocation clearly stated.

Office Supplies

Invoices for Office Supplies that are specifically related to the performance of a contract will be reimbursed with supporting documentation. Expenses related to coffee or water service for staff is

considered an indirect cost and will not be reimbursed. Coffee or water service may be reimbursed if it is available for use by program participants (i.e. office waiting areas).

Client Support

Depending on the services provided, Contractors may be required to provide various types of Client Support, including, but not limited to:

Transit Cards

If transit cards are included in the program budget, Contractors must have them available for residents upon request at all offices and locations where residents receive services. Gas cards cannot be provided to participants without advanced prior approval from CHA. Participants who are not engaged but seek transportation assistance should be accommodated, provided that the resident has documentation that supports their request (e.g. school registration, interview, etc.). Transit cards must be distributed under the following circumstances:

1. Participation in employment preparation, placement, and retention as outlined in the resident's goals. This includes providing transit cards to residents who are conducting a job search, participating in job readiness preparation or training, scheduled for an interview, or employed but require assistance until receiving his/her first pay check.
2. Participation in youth programming to ensure youth and/or parents are able to participate in a CHA program (i.e. Summer Youth Employment Program), Chicago Public Schools, Chicago Park District program, After School Matters or other youth activity designed to promote academic success.
3. Participation at City Colleges or other local colleges: residents attending adult education, certificate, or other education programs should receive transportation assistance as requested and needed. Full-time students must first apply for a U-Pass. If ongoing support is requested, considerations should be made if a hardship exists and no other means of transportation are available.
4. Medical/mental health appointments.
5. Emergency situations.

Gift Cards

Gift Cards should never be used as an incentive in exchange for information needed to document an achieved outcome (e.g. complete an assessment in exchange for a gift card). Gift cards may be purchased and distributed to residents under the following circumstances:

1. As part of a CHA funded initiative.
2. As an established incentive for completing an employment training program.
3. To assist the resident in purchasing work or school related items such as uniforms or other materials.

4. As an incentive for participation in a group activity. For example, a group of 10-15 residents may be entered into a drawing for one gift card.

Food Purchases

The use of Client Support for food for resident events and activities should be judicious. CHA will not reimburse expenses, including on-site resident events and tickets for events (e.g. food, movies, circus, sporting events, etc.), without prior written approval from CHA.

Only food purchased directly from a vendor will be reimbursed; food purchased by Contractor staff will not be reimbursed. Food will only be reimbursed for residents, not Contractor's staff. Support documentation in the form of invoices, receipts, proof of payment and proof of written approval from CHA will be required for reimbursement. Participant sign-in sheets do not need to be submitted for reimbursement but must be maintained by the Contractor and shall be subject to CHA review upon request. Entertainment (e.g. event tickets) may be reimbursed for staff if they are accompanying residents. Food purchases may not be made by Contractor staff; all food related payments must be made by the Contractor to a vendor.

Housing Assistance

Contractor's budget should not be utilized to pay a resident's current or delinquent rent or utility bills. Contractors should assist residents with delinquent rent or utilities by referring them to appropriate resources. Emergency requests for rent or utilities require prior written approval from CHA in order to be eligible for reimbursement. In addition, CHA funds shall not be used to provide assistance to HCV landlords in any manner, including potential landlords in Opportunity Areas who need to obtain documentation to meet HCV program requirements (e.g. warranty deeds).

College Tuition

The Contractor's budget should not be utilized to directly pay current or past due college tuition. The Contractor should assist residents with Free Application for Federal Student Aid (FAFSA), other financial aid applications, scholarships or CHA sponsored programs.

CHA Directed Client Support Requests

There may be occasions when CHA will direct support service dollars for unforeseen events or services. Contractors will utilize Client Support dollars at the direction of CHA when requested.

Hardships

If Contractors wishes to provide gift cards, transit cards or financial support for any reasons not listed in this procedure document, Contractors must have prior written approval from CHA if the amount exceeds $250 before Contractors are eligible for reimbursement. On a quarterly basis, CHA will review all hardship approvals granted, and may review incidents of supportive service dollar usage on the monthly invoice if a supportive item is flagged for review by CHA's Financial Analyst. Examples of hardships that may be considered by CHA upon request include, but are not limited to: medical, military, senior in-home care,

disability, funeral expenses, loss of employment, loss of income, etc. CHA reserves the right to limit the amount of hardships, revise dollar amounts, etc. based on review.

Indirect Rates/M &G

An Indirect Rate which will be used for the duration of the contract must be agreed upon prior to contract award. This rate encapsulates all expenses which have not been directly identified in the contract budget. This may include salaries of employees allocated at less than 10%, bonuses, occupancy for administrative staff, depreciation, profit etc.

The Contractor should negotiate the Indirect Rate during the contract process. Non-profit organizations can use their Federal Approved Indirect Rate or the standard rate of 10% of Direct Expenses may be used. For-profit organizations can propose to use an indirect cost rate based upon a cost allocation plan or the standard rate of 10% of Direct Expenses may be used. The Indirect Rate will be a percentage applied to each month's expenses and the Contractor will not be reimbursed beyond the approved rate.

Subcontractors

Subcontractors may be used to effectively execute the scope of work. Subcontractors must be presented during the RFP process, including the proposed budget terms and scope of work. In addition, an executed copy of the subcontract must be presented to CHA prior to reimbursement of subcontractor expenses. It is the Contractor's responsibility to ensure that subcontract agreements structured as cost reimbursement adhere to Resident Services cost reimbursement procedures.

Subcontractors may also be used to meet CHA's Section 3 requirements (i.e. Section 3 subcontracting, M/W/DBE compliance). Any proposed changes to a Section 3 subcontractor must be presented simultaneously to 1) Resident Services for written approval and budget revisions, and 2) CHA's compliance department for approval of a change in Section 3 subcontractors.

Contractors can structure subcontract agreements as either fixed fee or cost reimbursement. However, if a proposed subcontractor has an existing cost-reimbursement contract with CHA, any subcontracts must also be cost reimbursement. This will ensure that CHA has the ability to appropriately monitor the personnel and non-personnel expenditures for both the direct contract with CHA and any subcontracts.

Budget Revisions

It is imperative that Contractors review their budget and expenses consistently and submit requests for budget revisions to ensure that funding is appropriately allocated for each expense category. Contractors shall also ensure that services which directly benefit clients are adequately funded (e.g. Client Support).

When needed, the Contractor shall submit budget revision requests, subject to CHA approval, utilizing CHA's budget revision request form. A narrative must also be provided to detail the necessity for the budget revision and its impact on services to residents.

Procedures for submitting a budget revision are as follows:

1. Budget Revisions should be submitted prior to the Contractor exceeding the amount stipulated for the Cost Category.
2. Budget revisions must be signed by both the Contractor's program and finance staff.
3. CHA will respond to budget revision requests within ten (10) business days.
4. Contractors cannot make reductions in non-personnel line items prior to the end of the contract to fund personnel expenses such as unused vacation time, sick leave, or other employee benefits for other staff. Contractors will continue to fulfill the scope of work and contract requirements through the end of the contract term; this includes the staffing outlined in the Project Operating Budget.

Leverage (CHA FORM)

Leverage refers to the use of non-CHA funds that benefit CHA residents. This may include direct monetary or non-monetary contributions used to support the cost of programs and services for CHA residents. Contractors must submit a quarterly leverage report to detail the leverage contributed by the Contractor during the previous quarter. The leverage report must be submitted according to the timelines provided by CHA, and using CHA's leverage reporting form. This form details the addition reporting procedures. Leverage forms must be submitted to lpaparti@thecha.org.

Asset Purchases or Renovations (CHA FORM)

Any renovations or any purchase in excess of $2,000 requires prior written approval from CHA. The request should include the item, the business purpose and how it will add value to the program. CHA will not reimburse contractors for assets purchased without prior written approval.

Contractors must demonstrate a competitive bidding process for any purchase in excess of $2,000 by providing three separate quotes to CHA in advance of the purchase.

If a M/W/DBE or Section 3 subcontractor, that has been included and approved in the Compliance Plan, is being used, the three competitive bid requirement is waived. However, prior written approval from CHA is still required for all renovations or purchases in excess of $2,000.

Any asset which is purchased utilizing CHA funds, including computers and furniture is considered the property of CHA. As such, if the contract is terminated for any reason, CHA has the authority to recover all assets purchased with CHA funds.

CFDA Numbers

The Catalog of Federal Domestic Assistance (CFDA) is a government-wide compendium of Federal programs, projects, services and activities that provide assistance or benefits to the public. Each program is assigned a unique number by agency and program that follows the program throughout the assistance lifecycle enabling data and funding transparency. The complete CFDA number is a five-digit number, XX.XXX, where the first two digits represent the Funding Agency and the second three digits represent the program.

CFDA numbers commonly used for Resident Services programs are outlined below. Several programs utilize multiple funding sources. Contractors are responsible for accurately reporting CFDA numbers and should contact their Financial Analysts to identify the appropriate CFDA numbers related to their reimbursements.

- MTW Funding: CFDA 14.881
- HOPE VI Grant Funding: CFDA 14.866
- Family Self Sufficiency Grant Funding: CFDA 14.896
- ROSS for Education: CFDA 14.898
- JRAP: CFDA 14.897
- Jobs Plus Grant Funding: CFDA 14.895

Year End Accrual Process

CHA operates on a fiscal year of January 1 through December 31. Toward the end of each year, CHA will communicate information about its financial year end closing and accrual process. The dates below are approximate and should serve as a general guideline. Contractors should check with their Financial Analysts for the specific dates each year.

- **Final Year End Invoices:** Final invoices for the year must be submitted by December 1 in order to receive payment by December 31. Any invoices submitted after this time will not be processed until mid to late January. **CHA expects that Contractors will submit all January through October expenses for reimbursement by December 1.** CHA will make all efforts to ensure that these expenses are paid to Contractors by December 31.
- **Accrual Amounts:** Any expenses not reimbursed to the Contractor prior to the end of the year must be accrued in CHA's budget. Therefore, Contractor's must estimate all unpaid expenses (i.e. the accrual amount) and submit this estimated accrual amount to CHA by January 1. **CHA expects that only November and December expenses will need to be accrued.**

Contact Information

If you have any questions about these procedures, please contact your financial analyst with a copy to Lucas Fopma and your program liaison/coordinator:

- Beverly Ward: (email) bward@thecha.org; (p) 312.913.7702 (f) 312.913.7703
- Joelle Bobb: (email) jbobb@thecha.org; (p) 312.913.7570 (f) 312.913.7571
- Lucia Papartis: (email) lpaparti@thecha.org; (p) 312.786.4036 (f) 312.786.4037
- Lucas Fopma: (email) lfopma@thecha.org; (p) 312.913.5898 (f) 312.913.5899

EXHIBIT XI

MONITORING AND EVALUATION ERROR RATE ACTION CHART

MONITORING & EVALUATION ERROR RATE ACTION CHART

As part of CHA Resident Services' Monitoring & Evaluation Procedures, Quality Assurance staff will determine the Contractor's error rates by reconciling the Contractor's files with the records entered into CHA's client management tracking system or other records as necessary. After the conclusion of a file review, if Contractor's error rates exceed the thresholds set forth in the chart below, CHA will take action as prescribed by the chart*:

Level	Error Rate	Action
Compliant	0-10%	Compliant – No action needed.
At Risk	11-15%	At Risk – No action needed, however a subsequent site visit that does not meet Compliant status may result in a Corrective Action Plan ("CAP").
Corrective Action Plan	16-35%	CHA shall prepare a CAP, which will be followed-up with an on-site review within 30 days from date of issuance of the CAP, unless a separate timeline is provided in the CAP. If after the second review, the Contractor's error rate is not reduced to the compliant level set forth in this chart, or if the Contractor is not in compliance with the instructions set forth in the CAP, CHA may, at its sole discretion, place the Contractor in default of contract, and upon written notice to the Contractor of such default, the CHA shall withhold payment to the Contractor until the error rate is brought down to the compliant level set forth in the CAP. If the Contractor fails to bring the error rate down to the compliant level set forth in the CAP within thirty (30) days of receipt of the written notice, the CHA may terminate the agreement for default in accordance with the provisions of the current agreement.
Withhold Payment	>35%	An error rate greater than 35% shall be a material default, and upon written notice to the Contractor of such default, the CHA shall withhold payment to the Contractor until the error rate is brought to the Compliant level (0-10%). If the Contractor fails to bring the error rate into the Compliant level within thirty (30) of the receipt of the written notice, the CHA may, within its sole discretion, terminate the Agreement for default in accordance with the provisions of the current agreement.

*CHA reserves the right to issue a Corrective Action Plan for a variety of reasons including, but not limited to, accuracy of documentation, contract compliance and overall performance.