

Contract Review Permanent Legislative Oversight Committee
Alabama State House --- Montgomery, Alabama 36130

CONTRACT REVIEW REPORT
(Separate review report required for each contract)



Contractor Information

Name of Governmental Body or Purchasing Agency: Alabama Department of Economic and Community Affairs
Name of Contractor: Horne LLP
661 Sunnybrook Road, Suite 100 Ridgeland
Contractor's Physical Street Address (No P.O. Box Accepted) MS City
Is Contractor a Sole Source? YES NO (If Yes, Attach Sole Source Approval from the Chief Procurement Officer)
Is Contractor organized as an Alabama Entity in Alabama? YES NO
If No, is Contractor Registered with Alabama Secretary of State to do Business in Alabama? YES NO
List the Members/Owners (e.g. John Smith) of the Contracting Entity see attached
Is Contractor a minority-owned business? YES NO Is Contractor a woman-owned business? YES NO
Does Contractor have current member of Legislature or family member of Legislator employed? YES NO
Is a Lobbyist/Consultant Affiliated with this Contractor OR Used to Secure this Contract? YES NO
If Yes, Give Name: _____

Contract Information

Contract Number: C22066051 (See Fiscal Policies & Procedures Manual)
Contract Amount: \$ 63,239,323.00 (Put Amount You Are Asking For Today Only; See Fiscal Policies & Procedures Manual)
% State Funds: _____ % Federal Funds: % Other Funds: _____ **
**Please Specify Source of Other Funds (Fees, Grants, etc.) _____
Date Contract Effective: August 4, 2022 Date Contract Ends: December 31, 2025
Type of Contract: NEW: RENEWAL: AMENDMENT:
If AMENDMENT or RENEWAL, Complete A through C: If AMENDMENT, will it extend time? YES NO
[A] ORIGINAL contract amount total \$ 3,877,500.00
[B] Contract Amount Total prior to this amendment or renewal \$ 217,459,627.00
[C] Contract Amount Total after this amendment or renewal \$ 280,698,950.00

RFP:

Was Contract Secured through RFP Process? YES NO If RFQ, Answer RFQ Questions Below.
Date the RFP was solicited: _____ AND Date the RFP was awarded: June 21, 2022 RFP#22066051
Was Contract Posted to Statewide RFP Database at <http://rfp.alabama.gov/login.aspx>? YES NO
If NO, give a brief explanation, including any statutory exemption, as to why not: _____

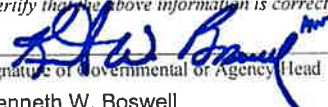
RFQ:

Was Contract Secured through RFQ Process? YES NO Date RFQ was solicited: _____ Date RFQ awarded: _____
Posted to Division of Construction Management Website? http://dcm.alabama.gov/ac_qualifications.aspx YES NO
If NO, give a brief explanation as to why not: _____

Summary of Contract Services to be Provided: Contractor is assisting ADECA by performing grant program coordination and program management services in the administration of the Community Development Block Grant Disaster Recovery program to address the impacts of Hurricanes Sally and Zeta.

Why Contract Necessary AND why this service cannot be performed by merit employee: ADECA is tasked with deploying approx. \$500,000,000.00 for the CDBG-DR program and does not have the capacity to administer the funds and implement the program without outside assistance. Contractor has vast experience in the administration of CDBG-DR programs.

I certify that the above information is correct.


Signature of Governmental or Agency Head
Kenneth W. Boswell
Printed Name of Governmental or Agency Head


Signature of Contractor
Marsha Dieckman
Printed Name of Contractor

Governmental or Agency Contact: Meg Williams Fiedler Phone: (334) 242-5255

HORNE Partners

Alethia Thomas

Jason Saulters

Jeff Aucoin

Nicholas Dubuisson

Melissa Poole

Bruce Walt

Joe Green

Patrick Gough

Cathy Denman

Rud Blumentritt

Chandler Croom

Joshua Edwards

S. Neil Forbes

Christina Street

Katherine Watts

Samir El Hage

Clint King

Lacy Lyons

Scott A. Keller

Dustin Taylor

Lauren Hanat

Timothy Morgan

Emly Parrish Miller

Lee Klein

Timothy Smith

J.Kade Moody

Marsha Dieckman

Wes Winborne

J.R.(Rusty) Butcher

Mary Kathryn Allen

**GOVERNOR'S ADDITIONAL CONTRACT QUESTIONS
FOR PROFESSIONAL AND PERSONAL SERVICES CONTRACTS**

PART I. Procurement method. Mark boxes as appropriate.

- Competitive sealed bids/ITBs (§ 41-4-132)**
 - This is a professional-services contract; CPO approval for use of ITB is attached.
Alabama Buys/STAARS solicitation number: _____
 - This is not a professional-services contract; no CPO approval for use of ITB required.
 - Adequate public notice of ITB was given for a reasonable time prior to bid opening.
 - Bids were opened publicly in the presence of one or more witnesses at time and place designated in the ITB.
- Competitive sealed proposals/RFPs (§ 41-4-133)**
 - Number of providers the RFP was distributed to: 327
 - Number of responses/proposals the agency reviewed: 10
 - RFP was posted to online database as required by § 41-4-66
Alabama Buys/STAARS solicitation number: RFP#22066051
 - A written determination was made that accepted proposal is "most advantageous to the state."
 - Public notice of award was given promptly after contract award.
 - This is a contract for services governed by a DCM fee schedule.
 - Contract fees are within the approved DCM fee schedule.
 - DCM Director's approval for exceeding DCM fee schedule is attached.
 - This is a contract for an architect, landscape architect, engineer, land surveyor, or geoscientist.
 - A competitive, qualifications-based process was used per § 41-4-133(j).
- Small purchases (§ 41-4-134)**
 - Contract fees are below the small-purchase thresholds set forth in [Rule 355-4-3-.05](#).
 - Lowest acceptable quote chosen from three written quotes solicited.
Solicitation number in Alabama Buys/STAARS is: _____
 - Per [Rule 355-4-3-.05](#), no quotes required because: _____
- Sole-source procurement (§ 41-4-135)**
 - Written determination by CPO that there is only one source for the required professional service is attached.
- Emergency procurements (§ 41-4-136)**
 - Written determination for basis of the emergency and selection of the contractor attached.
 - Approval attached from CPO or agency head (not subject to delegation).
- Special procurements (§ 41-4-137)**
 - Written determination for basis of the emergency and selection of the contractor attached.
 - Approval attached from CPO or agency head.
- Physicians (§ 41-4-125.01)** – provider selected from Medical Licensure Commission list.
- Attorneys (§ 41-4-125)**
 - Litigation (Hourly)
 - DAG appointment letter attached.
 - Governor's rate approval letter attached. (See [EO 726](#), ¶ 3.b.)
 - Litigation (Contingency Fee)
 - DAG appointment letter attached.
 - Written determination attached as required by § 41-4-125(d)(1).
 - Fee within limits prescribed by § 41-4-125(d)(2)-(3) or AG/Governor written authorization for exceeding limits is attached as required by § 41-4-125(d)(5).
 - AG's standard contract addendum attached per § 41-4-125(d)(7).
 - Non-litigation
 - Justification letter attached for not using in-house counsel or AG.

- Governor's approval attached. (See [EO 726](#), ¶ 3.b.)
- Attorney's scope of services is described with particularity. (See [EO 726](#), ¶ 3.c.)
- Litigation experts (§ 41-4-125(b))** – retained for litigation or avoidance of litigation.
- Exempt Contract.** Explanation of the exemption and citation to statutory authority:
The original contract was solicited and entered into prior to the effective date of Alabama Act 2021-296.

Ala. Code § 41-4-112. This contract was procured by RFP in accordance with Ala. Code § 41-6-72(4) in 2022.

PART II. IT (information technology) questions. Check one.

- Contract is for IT supplies or services and written approval of OIT attached per § 41-4-285.
- Contract is not for IT supplies or services.
- If exemption from OIT approval is claimed, please explain basis and provide citation to statutory authority:

PART III. Personal services (employer-employee relationship) questions. Check one.

- Approved by State Personnel Department or its Board in accordance with the [Alabama Fiscal Policy and Procedures Manual](#).
- Contract is not for personal services.

PART IV. Fiscal Policy and Procedures Manual requirements and additional questions. Complete for all contracts.

- Contract does not contain a waiver of sovereign immunity.
- Contract does not require the state to indemnify.
- Contract does not require a COVID-19 vaccination. (See [EO 724](#), ¶ 4.)
- Contract contains all required clauses:
 - Early termination clause on page: 2
 - Alternative Dispute Resolution clause on page: 4
 - Merit System Exclusion clause on page: 8
 - Beason-Hammon (immigration) clause on page: 7
 - No-boycott (free trade) clause on page: 7
 - Economic boycott clause (per § 8-1-251) on page: _____
 - If exempt from economic boycott clause, explain and cite statutory authority:
Original contract predates economic boycott clause requirement.

- This contract is for administrative services.
 - Ethics/nepotism clause (per [EO 726](#), ¶ 4) on page: _____
- Disclosure statement required by § 41-16-82 is attached (or contract is for \$5,000 or less).
- Immigration documentation attached (e.g., E-Verify/Certificate of Compliance). (See [FPPM](#).)

I certify that all the information provided on this form is true, correct, and complete to the best of my knowledge.



Agency/Department Head Signature

Kenneth W. Boswell

Name of Agency/Department

Name & Phone # of Agency Contact: Meg Williams Fiedler (334) 242-5255

IMMIGRATION STATUS

I hereby attest that all workers on this project are either citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.

Marsden Bideman
Signature of Contractor

Chelsea Blake
Witness





State of Alabama Disclosure Statement

Required by Article 3B of Title 41, Code of Alabama 1975

ENTITY COMPLETING FORM

HORNE LLP

ADDRESS

661 Sunnybrook Rd., Suite 100

CITY, STATE, ZIP

Ridgeland, MS 39157

TELEPHONE NUMBER

601-362-1000

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

Alabama Department of Economic and Community Affairs

ADDRESS

401 Adams Ave

CITY, STATE, ZIP

Montgomery, AL 36104

TELEPHONE NUMBER

334-242-5468

This form is provided with:

Contract Proposal Request for Proposal Invitation to Bid Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED
Alabama Department of Economic and Community Affairs	Program management services for CDBG-DR program	38,892,697.75
Alabama Housing Finance Authority	Professional Services for Rental Relief Program	37,484,877.38
Alabama Housing Finance Authority	Professional Services for Homeowner Assistance Program	6,173,053.95

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED

If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS

By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.

Manda Dickman _____ 5/22/24
Signature Date

Chelsea Blake _____ 5/22/2024 _____ 11/28/2025
Notary's Signature Date Date Notary Expires



Article 3B of Title 41, Code of Alabama requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.

AMENDMENT TO CONTRACT

This amendment to the contract is hereby made and agreed upon by the Alabama Department of Economic and Community Affairs, hereinafter referred to as the "Department," and the Horne LLP, hereinafter referred to as the "Contractor." The parties hereto agree to amend the original contract as follows:

Paragraph 3. TERM OF CONTRACT shall be amended to read:

"This Contract shall commence upon the Governor's signature and shall expire on December 31, 2025. This contract may be extended or renewed, with or without changes, but such extensions, renewals and/or changes must be in writing and must be agreed upon by both parties."

Paragraph 4. FUNDING shall be amended to read:

"In no event shall the total amount to be paid by the Department to the Contractor under this contract exceed \$280,698,950.00, for full and complete satisfactory performance. Of this amount, \$274,400,000.00 is allocated for the comprehensive implementation and delivery of the Home Recovery Alabama Program (of which, \$232,161,029.00 is allocated for direct construction costs and \$42,238,971.00 is allocated for program implementation), and \$6,298,950.00 is allocated for enhanced grant management and staff augmentation services. Costs and rates are further described in Attachment B, "Fee Schedule." The total amount is derived from federal funds, and any Department commitment of said funds herein shall be contingent on the appropriation, receipt, and availability by the Department of funds for which this contract is made."

Attachment B shall be replaced with the Attachment to this amendment.

All other terms and conditions of the original Contract shall remain in full force and effect.

IN WITNESS THEREOF, the parties hereto have executed this Amendment as of the date of the Governor's signature below.

Alabama Department of Economic and Community Affairs

Kenneth W. Boswell 5/23/24
Kenneth W. Boswell Date
Director

Horne LLP

Mansur Didman 5/24/24
Authorized Official Date
20-1941244
Federal Identification Number

This Agreement has been reviewed for content, legal form, and complies with all applicable laws, rules, and regulations of the State of Alabama governing these matters.

Meg Williams Fiedler 5/22/24
Meg Williams Fiedler Date
General Counsel

Kay Ivey 6/12/2024
Kay Ivey
Governor



Reviewed by Contract Review Committee
Contract # C22066051

JUN 06 2024

Alabama Legislature
Sunny Daugherty



CENTRALIZED HOUSING PROPOSAL

Costs presented below represent costs associated with comprehensive implementation and delivery of the \$280 million Home Recovery Alabama Program (HRAP). These services include overall program management and operations, including, but not limited to, creation of static program centers, systems development, reporting, initial applicant intake, application processing, construction management, environmental review, case management, and administration of all the tasks and services needed to implement the HRAP. This cost proposal also includes the direct costs of construction and oversight of general contractors carrying out construction activities.

Total costs are aggregated below for both a two (2)-year contract period, and for a period equal to three (3) years from date of program launch. Total costs represent the sum of the total costs associated with each functional area in the tables that follow. **All program implementation costs associated with delivery of HRAP are classified as Activity Delivery Costs¹. All direct construction costs are classified as awards to beneficiaries. None of the costs in this proposal will be categorized as administrative, and subject to ADECA's 5% administrative costs cap. This proposal contemplates 2% of the program budget being set-aside for ADECA activity delivery costs such as salaries and equipment.**

	Program Implementation	Direct Construction Costs	Total Cost
Total Cost (2 Years)	\$32,628,846	\$178,531,831	\$211,160,677
Total Cost (3 Years from Program Launch)	\$42,238,971	\$232,161,029	\$274,400,000

¹ While HUD does not prescribe a cap on ADCs, they must be supported as reasonable. Therefore, a 16%-20% ADC cap is applied as a general rule of thumb for comparable activities. This proposal reflects ADCs of approximately 17%, inclusive of HORNE and ADECA activity delivery costs.

Total costs associated with each functional area required to implement the HRAP are broken out in the tables below. Each of these departments plays an integral role in delivering the single-family housing repair program.

Program Leadership	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Program Leadership (Project Manager)	\$ 200.00	\$ 885,800	\$ 1,000,000
Program Leadership (Construction Director)	\$ 200.00	\$ 781,760	\$ 1,350,200
Program Leadership (Deputy Construction Director)	\$ 200.00	\$ 679,400	\$ 1,298,600
Subject Matter Expert	\$ 225.00	\$ 151,000	\$ 250,000
Grant Manager	\$ 165.00	\$ 1,134,440	\$ 1,134,440
Outreach Coordinator	\$ 110.00	\$ 44,600	\$ 66,560
Program Leadership (Deputy Project Manager)	\$ 200.00	\$ 700,400	\$ 1,341,600
Total Management Cost		\$ 4,377,400	\$ 6,441,400

Case Management	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Program Analyst (Admin)	\$ 75.00	\$ 490,200	\$ 954,600
Compliance Specialist (Eligibility Director)	\$ 160.00	\$ 536,640	\$ 536,640
Case Manager Lead	\$ 115.00	\$ 1,345,040	\$ 1,819,760
QA/QC Specialist	\$ 130.00	\$ 1,721,720	\$ 1,766,440
Case Manager	\$ 85.00	\$ 5,701,800	\$ 7,456,200
QA/QC Manager (Constituent Services)	\$ 150.00	\$ 451,500	\$ 761,100
DOB Analyst	\$ 95.00	\$ 1,830,080	\$ 1,830,080
Total Case Management Cost		\$ 12,076,980	\$ 15,124,820

Construction	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Construction Field Inspector (Construction Progress Inspectors)	\$ 95.00	\$ 1,225,500	\$ 1,772,890
Construction Cost Estimator (Damage Assessors)	\$ 135.00	\$ 2,205,900	\$ 3,018,600
Staff Engineer (Preconstruction Task Lead)	\$ 125.00	\$ 1,290,000	\$ 1,548,000
Construction Program Manager	\$ 175.00	\$ 2,979,900	\$ 4,710,650
Engineering Project Manager	\$ 200.00	\$ 653,600	\$ 739,600
Lead Based Paint Inspector	\$ 125.00	\$ 1,021,250	\$ 1,021,250
Staff Engineer (Survey)	\$ 125.00	\$ 360,125	\$ 553,625
Construction Analyst (Construction Admin)	\$ 79.00	\$ 516,344	\$ 516,344
Total Construction Cost		\$ 10,252,619	\$ 13,880,959

Environmental	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Tier I Environmental Review	NA	\$ 110,000	\$ 110,000
Environmental Manager	\$ 175.00	\$ 421,400	\$ 519,225
Environmental Analyst	\$ 130.00	\$ 1,766,440	\$ 1,911,780
Architectural Historian	\$ 165.00	\$ 312,180	\$ 397,320
Total Environmental Cost		\$ 2,610,020	\$ 2,938,325

Canopy		Total Cost (2 years)	Total Cost (3 years)
System Development		\$ 600,000	\$ 600,000
Licenses		\$ 150,000	\$ 150,000
Program Analyst (Help Desk)	\$ 75.00	\$ 122,550	\$ 238,650
Business Process Analyst	\$ 140.00	\$ 818,720	\$ 939,120
Total System Cost		\$ 1,691,270	\$ 1,927,770

Mobile Apps		Total Cost (2 years)	Total Cost (3 Years from Launch)
Intake Mobile/Web App		\$ 75,000	\$ 75,000
Construction Site Inspection App		\$ 75,000	\$ 75,000
Total Mobile Apps Cost		\$ 150,000	\$ 150,000

Reporting		Total Cost (2 years)	Total Cost (3 Years from Launch)
Reporting Analyst	\$ 110.00	\$ 463,540	\$ 548,680
Total Cost		\$ 463,540	\$ 548,680

Website	Year 1	Year 2	Year 3
Website Hosting	\$15,000	\$10,000	\$10,000
Website Development	\$85,000		
Total	\$100,000	\$10,000	\$10,000
Total Cost		\$110,000	\$120,000

Customer Service Centers	Year 1	Year 2	Year 3
Mobile County	\$220,000.00	\$120,000.00	\$120,000.00
Dallas County	\$131,000.00	\$45,000.00	\$45,000.00
Clark County	\$131,017.00	\$45,000.00	\$45,000.00
Baldwin County	\$190,000.00	\$0.00	\$0.00
Total	\$672,017.00	\$210,000.00	\$210,000.00
Total Cost		\$882,017.00	\$1,092,017.00

Outreach		Total Cost (2 Years)	Total Cost 3 Years
Publication, Print and Media	NA	\$ 15,000.00	\$ 15,000.00
Total Program Implementation Cost		Total Cost (2 Years)	Total Cost 3 Years
Total Program Implementation Cost		\$ 32,628,846.00	\$ 42,238,971.00

² Year 1 costs include costs of furniture, office buildout, and annual lease. Year 2 and 3 costs are annual lease only.

³ Calculated by subtracting HORNE's HRAP activity delivery costs (\$42,238,971) and ADECA HRAP activity delivery costs (2% of program budget or \$5,600,000) from total program budget (\$280,000,000).

Revised Grant Management Support Proposal

The price proposal below represents costs associated with enhanced grant management services that account for our current understanding of ADECA's administrative and grant management need. It is anticipated that a portion of the costs associated with enhanced grant management services will be classified as administrative costs subject to ADECA's 5% administrative cost cap, while some costs will be classified as activity delivery costs. The estimated administrative allocation for each position and corresponding administrative costs are included in the table below.

Costs included in the table below represent costs associated with a three (3) year contract term.

Title	Assumed Roles/Responsibilities	Rate	Total Cost	Admin %	Admin Cost
Program Leadership	Project Manager (No deputy) Manages subrecipient programs - ramp up to coincide with execution of SRA by Mobile/Baldwin Cty in Feb 2023; Additional Staff onboarded to coincide with competition launch in May/June 2023. MC/BC can help draft NOFA for competition with SME support.	\$ 200.00	\$ 295,600.00	0%	\$ -
Grant Manager (Grant Mgmt)	Envisioned to be versatile role. Lower bill rate than SME team. Can aid with procurement, policy development, subrecipient TA/training, monitoring/compliance, QA/QC, Davis Bacon, Section 3	\$ 165.00	\$2,617,320.00	35%	\$ 909,768.00
Compliance Specialist	SME - Highest FTE count is 2, but assumes the number of hours dedicated are split by several people with different specialties. Heavy SME support during ramp up, with minimal SME support after 6 months	\$ 160.00	\$1,622,160.00	62%	\$1,009,296.00
Subject Matter Expert	DRGR, Financial support, Subrecipient invoice review - with only a handful of subrecipients, assume one person can handle this load	\$ 225.00	\$1,209,600.00	65%	\$ 789,520.00
Financial Analyst	Environmental Review support for Tier I and II's. Assume front loaded workload, then tapers to an ad hoc basis after SF program is through ERR stages. Focus then on Direct Allocations and Competitions. Support the Req. for Release of Funds, ERR Tech. Assistance to local gov't.	\$ 135.00	\$ 90,720.00	0%	\$ -
Environmental Analyst	Provides technical assistance and direct support to ADECA and Subs, as needed	\$ 130.00	\$ 109,200.00	20%	\$ 21,840.00
Environmental Manager	Provides IT development and support of a subrecipient grant management system	\$ 175.00	\$ 154,350.00	10%	\$ 15,435.00
Business Process Analyst	Provides IT support on the creation and maintenance of reporting dashboards	\$ 140.00	\$ 70,000.00	100%	\$ 70,000.00
Reporting Analyst		\$ 120.00	\$ 20,000.00	100%	\$ 20,000.00
Action Plan, Unmet Needs Assessment, and Financial Certifications		NA	\$ 110,000.00	100%	\$ 110,000.00
Total Cost			\$6,298,950.00		\$2,945,859.00



Company ID Number: 1252141

THE E-VERIFY MEMORANDUM OF UNDERSTANDING FOR WEB SERVICES EMPLOYERS

ARTICLE I PURPOSE AND AUTHORITY

The parties to this Agreement are the Department of Homeland Security (DHS) and HORNE LLP (Web Services Employer). The purpose of this agreement is to set forth terms and conditions which the Web Services Employer will follow while participating in E-Verify.

A Web Services Employer is an Employer who verifies employment authorization for its newly hired employees using a Web Services interface.

E-Verify is a program that electronically confirms a newly hired employee's authorization to work in the United States after completion of the Form I-9, Employment Eligibility Verification (Form I-9). This MOU explains certain features of the E-Verify program and describes specific responsibilities of the Web Services Employer, DHS, and the Social Security Administration (SSA).

For purposes of this MOU, the "E-Verify browser" refers to the website that provides direct access to the E-Verify system: <https://E-Verify.uscis.gov/emp/>. You may access E-Verify directly free of charge via the E-Verify browser.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). The Federal Acquisition Regulation (FAR) Subpart 22.18, "Employment Eligibility Verification" and Executive Order 12989, as amended, provide authority for Federal contractors and subcontractors (Federal contractor) to use E-Verify to verify the employment eligibility of certain employees working on Federal contracts.

Before accessing E-Verify using Web Services access, the Web Services Employer must meet certain technical requirements. This will require the investment of significant amounts of resources and time. If the Web Services Employer is required to use E-Verify prior to completion and acceptance of its Web Services interface, then it must use the E-Verify browser until it is able to use its Web Services interface. The Web Services Employer must also maintain ongoing technical compatibility with E-Verify.

DHS accepts no liability relating to the Web Services Employer's development or maintenance of any Web Services access system.



Company ID Number: 1252141

ARTICLE II RESPONSIBILITIES

A. RESPONSIBILITIES OF THE WEB SERVICES EMPLOYER

1. By enrolling in E-Verify and signing the applicable MOU, the Web Services Employer asserts that it is a legitimate company which intends to use E-Verify for legitimate purposes only and in accordance with the laws, regulations, and DHS policies and procedures relating to the use of E-Verify.
2. The Web Services Employer agrees to display the following notices supplied by DHS in a prominent place that is clearly visible to prospective employees and all employees who are to be verified through the system:
 - a. Notice of E-Verify Participation
 - b. Notice of Right to Work
3. The Web Services Employer agrees to provide to the SSA and DHS the names, titles, addresses, and telephone numbers of the Web Services Employer representatives to be contacted about E-Verify. The Web Services Employer also agrees to keep such information current by providing updated information to SSA and DHS whenever the representatives' contact information changes.
4. The Web Services Employer agrees to grant E-Verify access only to current employees who need E-Verify access. Web Services Employers must promptly terminate an employee's E-Verify access if the employer is separated from the company or no longer needs access to E-Verify.
5. The Web Services Employer agrees to become familiar with and comply with the most recent version of the E-Verify User Manual. The Web Services Employer will ensure that outdated manuals are promptly replaced with the new version of the E-Verify User Manual when it becomes available.
6. The Web Services Employer agrees that any person accessing E-Verify on its behalf is trained on the most recent E-Verify policy and procedures.
7. The Web Services Employer agrees that any of its representatives who will create E-Verify cases will complete the E-Verify Tutorial before creating any cases.
 - a. The Web Services Employer agrees that all of its representatives will take the refresher tutorials when prompted by E-Verify in order to continue using E-Verify. Failure to complete a refresher tutorial will prevent the Employer Representative from continued use of E-Verify.
8. The Web Services E-Verify Employer Agent agrees to obtain the necessary equipment to use E-Verify as required by the E-Verify rules and regulations as modified from time to time.
9. The Web Services E-Verify Employer Agent agrees to, consistent with applicable laws, regulations, and policies, commit sufficient personnel and resources to meet the requirements of this MOU.
10. The Web Services Employer agrees to comply with current Form I-9 procedures, with two exceptions:



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a. If an employee presents a "List B" identity document, the Web Services Employer agrees to only accept "List B" documents that contain a photo. (List B documents identified in 8 C.F.R. § 274a.2(b)(1) (B)) can be presented during the Form I-9 process to establish identity.) If an employee objects to the photo requirement for religious reasons, the Web Services Employer should contact E-Verify at 888-464-4218.

b. If an employee presents a DHS Form I-551 (Permanent Resident Card), Form I-766 (Employment Authorization Document), or U.S. Passport or Passport Card to complete Form I-9, the Web Services Employer agrees to make a photocopy of the document and to retain the photocopy with the employee's Form I-9. The Web Services Employer will use the photocopy to verify the photo and to assist DHS with its review of photo mismatches that employees contest. DHS may in the future designate other documents that activate the photo screening tool.

Note: Subject only to the exceptions noted previously in this paragraph, employees still retain the right to present any List A, or List B and List C, document(s) to complete the Form I-9.

11. The Web Services Employer agrees to record the case verification number on the employee's Form I-9 or to print the screen containing the case verification number and attach it to the employee's Form I-9.

12. The Web Services Employer agrees that, although it participates in E-Verify, the Web Services Employer has a responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, including the obligation to comply with the anti-discrimination requirements of section 274B of the INA with respect to Form I-9 procedures.

a. The following modified requirements are the only exceptions to a Web Services Employer's obligation to not employ unauthorized workers and comply with the anti-discrimination provision of the INA: (1) List B identity documents must have photos, as described in paragraph 6 above; (2) When a Web Services Employer confirms the identity and employment eligibility of newly hired employee using E-Verify procedures, it establishes a rebuttable presumption that it has not violated section 274A(a)(1)(A) of the Immigration and Nationality Act (INA) with respect to the hiring of that employee; (3) If the Web Services Employer receives a final nonconfirmation for an employee, but continues to employ that person, the Web Services Employer must notify DHS and the Web Services Employer is subject to a civil money penalty between \$550 and \$1,100 for each failure to notify DHS of continued employment following a final nonconfirmation; (4) If the Web Services Employer continues to employ an employee after receiving a final nonconfirmation, then the Web Services Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A); and (5) no E-Verify participant is civilly or criminally liable under any law for any action taken in good faith based on information provided through the E-Verify.

b. DHS reserves the right to conduct Form I-9 compliance inspections, as well as any other enforcement or compliance activity authorized by law, including site visits, to ensure proper use of E-Verify.



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13. The Web Services Employer is strictly prohibited from creating an E-Verify case before the employee has been hired, meaning that a firm offer of employment was extended and accepted and Form I-9 was completed. The Employer agrees to create an E-Verify case for new employees within three Employer business days after each employee has been hired (after both Sections 1 and 2 of Form I-9 have been completed), and to complete as many steps of the E-Verify process as are necessary according to the E-Verify User Manual. If E-Verify is temporarily unavailable, the three-day time period will be extended until it is again operational in order to accommodate the Employer's attempting, in good faith, to make inquiries during the period of unavailability. If, however, the Web Services interface is unavailable due to no fault of E-Verify, then the three day time period is not extended. In such a case, the Web Services Employer must use the E-Verify browser during the outage.

14. The Web Services Employer agrees not to use E-Verify for pre-employment screening of job applicants, in support of any unlawful employment practice, or for any other use that this MOU or the E-Verify User Manual does not authorize.

15. The Web Services Employer must use E-Verify for all new employees. The Web Services Employer will not verify selectively and will not verify employees hired before the effective date of this MOU. Employers who are Federal contractors may qualify for exceptions to this requirement as described in Article II.B of this MOU.

16. The Web Services Employer agrees to follow appropriate procedures (see Article III below) regarding tentative nonconfirmations. The Web Services Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Web Services Employer agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Web Services Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of the letter to the SSA. The Web Services Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending. Further, when employees contest a tentative nonconfirmation based upon a photo mismatch, the Employer must take additional steps (see Article III.B below) to contact DHS with information necessary to resolve the challenge.

17. The Web Services Employer agrees not to take any adverse action against an employee based upon the employee's perceived employment eligibility status while SSA or DHS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Web Services Employer understands that an initial inability of the SSA or DHS automated verification system to verify work authorization, a tentative nonconfirmation, a case in continuance (indicating the need for additional time for the government to resolve a case), or the finding of a photo mismatch, does not establish, and should not be interpreted as, evidence that the employee is not work authorized. In any of such cases, the employee must be provided a full and fair opportunity to contest the finding, and if he or she does so, the employee may not be terminated or suffer any adverse employment consequences based upon the employee's perceived employment eligibility status (including denying, reducing, or extending



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work hours, delaying or preventing training, requiring an employee to work in poorer conditions, withholding pay, refusing to assign the employee to a Federal contract or other assignment, or otherwise assuming that he or she is unauthorized to work) until and unless secondary verification by SSA or DHS has been completed and a final nonconfirmation has been issued. If the employee does not choose to contest a tentative nonconfirmation or a photo mismatch or if a secondary verification is completed and a final nonconfirmation is issued, then the Web Services Employer can find the employee is not work authorized and terminate the employee's employment. Employers or employees with questions about a final nonconfirmation may call E-Verify at 1-888-464-4218 (customer service) or 1-888-897-7781 (worker hotline).

18. The Web Services Employer agrees to comply with Title VII of the Civil Rights Act of 1964 and section 274B of the INA as applicable by not discriminating unlawfully against any individual in hiring, firing, employment eligibility verification, or recruitment or referral practices because of his or her national origin or citizenship status, or by committing discriminatory documentary practices. The Web Services Employer understands that such illegal practices can include selective verification or use of E-Verify except as provided in part D below, or discharging or refusing to hire employees because they appear or sound "foreign" or have received tentative nonconfirmations. The Web Services Employer further understands that any violation of the immigration-related unfair employment practices provisions in section 274B of the INA could subject the Web Services Employer to civil penalties, back pay awards, and other sanctions, and violations of Title VII could subject the Web Services Employer to back pay awards, compensatory and punitive damages. Violations of either section 274B of the INA or Title VII may also lead to the termination of its participation in E-Verify. If the Web Services Employer has any questions relating to the anti-discrimination provision, it should contact OSC at 1-800-255-8155 or 1-800-237-2515 (TDD).

19. The Web Services Employer agrees that it will use the information it receives from E-Verify only to confirm the employment eligibility of employees as authorized by this MOU. The Web Services Employer agrees that it will safeguard this information, and means of access to it (such as PINS and passwords), to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person other than employees of the Web Services Employer who are authorized to perform the Web Services Employer's responsibilities under this MOU, except for such dissemination as may be authorized in advance by SSA or DHS for legitimate purposes.

20. The Web Services Employer agrees to notify DHS immediately in the event of a breach of personal information. Breaches are defined as loss of control or unauthorized access to E-Verify personal data. All suspected or confirmed breaches should be reported by calling 1-888-464-4218 or via email at E-Verify@uscis.dhs.gov. Please use "Privacy Incident – Password" in the subject line of your email when sending a breach report to E-Verify.

21. The Web Services Employer acknowledges that the information it receives from SSA is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)). Any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.



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22. The Web Services Employer agrees to cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, which includes permitting DHS, SSA, their contractors and other agents, upon reasonable notice, to review Forms I-9 and other employment records and to interview it and its employees regarding the Employer's use of E-Verify, and to respond in a prompt and accurate manner to DHS requests for information relating to their participation in E-Verify.

a. The Web Services Employer agrees to cooperate with DHS if DHS requests information about the Web Services Employer's interface, including requests by DHS to view the actual interface operated by the Web Services Employer as well as related business documents. The Web Services Employer agrees to demonstrate for DHS the functionality of its interface to E-Verify upon request.

23. The Web Services Employer shall not make any false or unauthorized claims or references about its participation in E-Verify on its website, in advertising materials, or other media. The Employer shall not describe its services as federally-approved, federally-certified, or federally-recognized, or use language with a similar intent on its website or other materials provided to the public. Entering into this MOU does not mean that E-Verify endorses or authorizes your E-Verify services and any claim to that effect is false.

24. The Web Services Employer shall not state in its website or other public documents that any language used therein has been provided or approved by DHS, USCIS or the Verification Division, without first obtaining the prior written consent of DHS.

25. The Web Services Employer agrees that E-Verify trademarks and logos may be used only under license by DHS/USCIS (see [M-795 \(Web\)](#)) and, other than pursuant to the specific terms of such license, may not be used in any manner that might imply that the Employer's services, products, websites, or publications are sponsored by, endorsed by, licensed by, or affiliated with DHS, USCIS, or E-Verify.

26. The Web Services Employer agrees to complete its Web Services interface no later than six months after the date the Web Services Employer signs this MOU. E-Verify considers the interface to be complete once it has been built pursuant to the Interface Control Agreement (ICA), submitted to E-Verify for testing, and approved for system access.

27. The Web Services Employer agrees to perform sufficient maintenance on the Web Services interface in accordance with the requirements listed in the ICA. These requirements include, but are not limited to, updating the Web Services interface to ensure that any updates or enhancements are incorporated no later than six months after the issuance of an ICA. Web Services Employers should be aware that this will require the investment of time and resources. Compliance with the requirements of the ICA must be carried out to the satisfaction of DHS and or its assignees.

28. The Web Services Employer agrees that any system or interface it develops will follow the steps for creating E-Verify cases and processing tentative nonconfirmations, as laid out in the ICA, this MOU and the User Manual, including but not limited to allowing an employer to close an invalid case where appropriate, allowing an employer to refer a tentative nonconfirmation only when an employee chooses to contest a tentative nonconfirmation (no automatic referrals), and referring a tentative nonconfirmation



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to the appropriate agency at the time the employer prints the referral letter and provides the letter to the employee. The Web Services Employer understands that any failure to make its system or interface consistent with proper E-Verify procedures can result in DHS terminating the Web Services Employer's agreement and access.

29. The Web Services Employer understands that if it uses E-Verify procedures for any purpose other than as authorized by this MOU, the Web Services Employer may be subject to appropriate legal action and termination of its participation in E-Verify according to this MOU.

B. EMPLOYERS THAT ARE FEDERAL CONTRACTORS WITH THE FAR E-VERIFY CLAUSE

NOTE: If you do not have any Federal contracts at this time, this section does not apply to your company. In the future, if you are awarded a Federal contract that contains the FAR E-Verify clause, then you must comply with each provision in this Section. [See 48 C.F.R. 52.222.54](#) for the text of the FAR E-Verify clause and the E-Verify Supplemental Guide for Federal Contractors for complete information.

1. If the Web Services Employer is a Federal contractor with the FAR E-Verify clause subject to the employment verification terms in Subpart 22.18 of the FAR, it will become familiar with and comply with the most current version of the E-Verify User Manual for Federal Contractors as well as the E-Verify Supplemental Guide for Federal Contractors.
2. In addition to the responsibilities of every employer outlined in this MOU, the Web Services Employer understands that if it is a Federal contractor subject to the employment verification terms in Subpart 22.18 of the FAR it must verify the employment eligibility of any "employee assigned to the contract" (as defined in FAR 22.1801). Once an employee has been verified through E-Verify by the Web Services Employer, the Employer may not create a second case for the employee through E-Verify.
 - a. A Web Services Employer that is not enrolled in E-Verify as a Federal contractor at the time of a contract award must enroll as a Federal contractor in the E-Verify program within 30 calendar days of contract award and, within 90 days of enrollment, begin to verify employment eligibility of new hires using E-Verify. The Web Services Employer must verify those employees who are working in the United States, whether or not they are assigned to the contract. Once the Web Services Employer begins verifying new hires, such verification of new hires must be initiated within three business days after the hire date. Once enrolled in E-Verify as a Federal contractor, the Web Services Employer must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.
 - b. Web Services Employers enrolled in E-Verify as a Federal contractor for 90 days or more at the time of a contract award must use E-Verify to begin verification of employment eligibility for new hires of the Employer who are working in the United States, whether or not assigned to the contract, within three business days after the date of hire. If the Web Services Employer is enrolled in E-Verify as a Federal contractor for 90 calendar days or less at the time of contract award, the Web Services Employer must, within 90 days of enrollment, begin to use E-Verify to initiate verification of new hires



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of the contractor who are working in the United States, whether or not assigned to the contract. Such verification of new hires must be initiated within three business days after the date of hire. A Web Services Employer enrolled as a Federal contractor in E-Verify must begin verification of each employee assigned to the contract within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever is later.

c. Federal contractors that are institutions of higher education (as defined at 20 U.S.C. 1001(a)), state or local governments, governments of Federally recognized Indian tribes, or sureties performing under a takeover agreement entered into with a Federal agency under a performance bond may choose to only verify new and existing employees assigned to the Federal contract. Such Federal contractors may, however, elect to verify all new hires, and/or all existing employees hired after November 6, 1986. Web Services Employers in this category must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.

d. Upon enrollment, Web Services Employers who are Federal contractors may elect to verify employment eligibility of all existing employees working in the United States who were hired after November 6, 1986, instead of verifying only those employees assigned to a covered Federal contract. After enrollment, Web Services Employers must elect to verify existing staff following DHS procedures and begin E-Verify verification of all existing employees within 180 days after the election.

e. The Web Services Employer may use a previously completed Form I-9 as the basis for creating an E-Verify case for an employee assigned to a contract as long as:

- i. That Form I-9 is complete (including the SSN) and complies with Article II.A.6,
- ii. The employee's work authorization has not expired, and
- iii. The Web Services Employer has reviewed the Form I-9 information either in person or in communications with the employee to ensure that the employee's Section 1, Form I-9 attestation has not changed (including, but not limited to, a lawful permanent resident alien having become a naturalized U.S. citizen).

f. The Web Services Employer shall complete a new Form I-9 consistent with Article II.A.10 or update the previous Form I-9 to provide the necessary information if:

- i. The Web Services Employer cannot determine that Form I-9 complies with Article II.A.10,
- ii. The employee's basis for work authorization as attested in Section 1 has expired or changed, or
- iii. The Form I-9 contains no SSN or is otherwise incomplete.

Note: If Section 1 of Form I-9 is otherwise valid and up-to-date and the form otherwise complies with Article II.A.10, but reflects documentation (such as a U.S. passport or Form I-551) that expired after completing Form I-9, the Web Services Employer shall not require the production of additional documentation, or use the photo screening tool described in Article II.A.5, subject to any additional or superseding instructions that may be provided on this subject in the E-Verify User Manual.



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g. The Web Services Employer agrees not to require a second verification using E-Verify of any assigned employee who has previously been verified as a newly hired employee under this MOU or to authorize verification of any existing employee by any Web Services Employer that is not a Federal contractor based on this Article.

3. The Web Services Employer understands that if it is a Federal contractor, its compliance with this MOU is a performance requirement under the terms of the Federal contract or subcontract, and the Web Services Employer consents to the release of information relating to compliance with its verification responsibilities under this MOU to contracting officers or other officials authorized to review the Employer's compliance with Federal contracting requirements.

C. RESPONSIBILITIES OF SSA

1. SSA agrees to allow DHS to compare data provided by the Web Services Employer against SSA's database. SSA sends DHS confirmation that the data sent either matches or does not match the information in SSA's database.

2. SSA agrees to safeguard the information the Web Services Employer provides through E-Verify procedures. SSA also agrees to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security numbers or responsible for evaluation of E-Verify or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

3. SSA agrees to provide case results from its database within three Federal Government work days of the initial inquiry. E-Verify provides the information to the Web Services Employer.

4. SSA agrees to update SSA records as necessary if the employee who contests the SSA tentative nonconfirmation visits an SSA field office and provides the required evidence. If the employee visits an SSA field office within the eight Federal Government work days from the date of referral to SSA, SSA agrees to update SSA records, if appropriate, within the eight-day period unless SSA determines that more than eight days may be necessary. In such cases, SSA will provide additional instructions to the employee. If the employee does not visit SSA in the time allowed, E-Verify may provide a final nonconfirmation to the employer.

Note: If a Web Services Employer experiences technical problems, or has a policy question, the Web Services Employer should contact E-Verify at 1-888-464-4218.

D. RESPONSIBILITIES OF DHS

1. After SSA verifies the accuracy of SSA records for employees through E-Verify, DHS agrees to provide the Web Services Employer access to selected data from DHS databases to enable the Web Services Employer to conduct, to the extent authorized by this MOU:

- a. Automated verification checks on employees by electronic means, and
- b. Photo verification checks (when available) on employees.



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2. DHS agrees to provide to the Web Services Employer appropriate assistance with operational problems that may arise during the Web Services Employer's participation in the E-Verify program. DHS agrees to provide the Web Services Employer names, titles, addresses, and telephone numbers of DHS representatives to be contacted during the E-Verify process.
3. DHS agrees to make available to the Web Services Employer at the E-Verify Web site www.E-Verify.gov and on the E-Verify Web browser (<https://e-verify.uscis.gov/emp/>), instructional materials on E-Verify policies, procedures and requirements for both SSA and DHS, including restrictions on the use of E-Verify. DHS agrees to provide training materials on E-Verify.
4. DHS agrees to provide to the Web Services Employer a notice that indicates the Web Services Employer's participation in the E-Verify program. DHS also agrees to provide to the Web Services Employer anti-discrimination notices issued by the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC), Civil Rights Division, U.S. Department of Justice.
5. DHS agrees to issue the Web Services Employer a user identification number and password that permits the Employer to verify information provided by its employees with DHS.
6. DHS agrees to safeguard the information provided to DHS by the Web Services Employer, and to limit access to such information to individuals responsible for the verification of employees' employment eligibility and for evaluation of the E-Verify program, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security Numbers and employment eligibility, to enforce the Immigration and Nationality Act (INA) and Federal criminal or anti-discrimination laws, and to administer Federal contracting requirements.
7. DHS agrees to provide a means of automated verification that is designed (in conjunction with SSA verification procedures) to provide confirmation or tentative nonconfirmation of employees' employment eligibility within three Federal Government work days of the initial inquiry.
8. DHS agrees to provide a means of secondary verification (including updating DHS records as necessary) for employees who contest DHS tentative nonconfirmations and photo non-match tentative nonconfirmations that is designed to provide final confirmation or nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to DHS, unless DHS determines that more than 10 days may be necessary. In such cases, DHS will provide additional verification instructions.
9. DHS agrees to provide the Web Services Employer with an Interface Control Agreement (ICA). This document will provide technical requirements that the Web Services Employer must meet to create and maintain a Web Services interface to the Verification Information System (VIS). VIS is a composite information system that provides immigration status verification for government agencies and verification of employment authorization for employers participating in E-Verify.
10. DHS agrees to provide periodic system enhancements to improve the ease and accuracy of E-Verify, as needed. DHS will also provide E-Verify enhancements to comply with applicable laws and regulations. As enhancements occur, Web Services Employers must update their Web Services interface to reflect



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system changes within the timelines specified in Article V.A.1. DHS will provide the Web Services Employer with an ICA to support the E-Verify release whenever system enhancements are required.

11. DHS agrees to provide to the Web Services Employer guidance on breach notification and a means by which the Web Services Employer can report any and all suspected or confirmed breaches of owned or used systems or data spills related to E-Verify cases. At this time, if the Employer encounters a suspected or confirmed breach or data spill, it should contact E-Verify at 1-888-464-4218.

12. In the event the Web Services Employer is subject to penalties, DHS will issue a Notice of Adverse Action that describes the specific violations if it intends to suspend or terminate the employer's Web Services interface access. The Web Services Employer agrees that DHS shall not be liable for any financial losses to the Web Services Employer, its employees, or any other party as a result of your account suspension or termination and agrees to hold DHS harmless from any such claims.

ARTICLE III REFERRAL OF INDIVIDUALS TO SSA AND DHS

A. REFERRAL TO SSA

1. If the Web Services Employer receives a tentative nonconfirmation issued by SSA, the Web Services Employer must print the notice and promptly provide it to the employee so that the employee may determine whether he or she will contest the tentative nonconfirmation. The Web Services Employer must review the tentative nonconfirmation with the employee in private. After the notice has been signed, the Web Services Employer must give a copy of the signed notice to the employee and attach a copy to the employee's Form I-9.
2. The Web Services Employer will refer employees to SSA field offices only as directed by the automated system based on a tentative nonconfirmation, and only after the Web Services Employer records the case verification number, reviews the input to detect any transaction errors, and determines that the employee contests the tentative nonconfirmation. The Web Services Employer will transmit the Social Security Number to SSA for verification again if this review indicates a need to do so. The Web Services Employer will determine whether the employee contests the tentative nonconfirmation as soon as possible after the Employer receives it.
3. If the employee contests an SSA tentative nonconfirmation, the Web Services Employer will provide the employee with a system-generated referral letter and instruct the employee to visit an SSA office within eight Federal Government work days. SSA will electronically transmit the result of the referral to the Web Services Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary. The Employer agrees to check the E-Verify system regularly for case updates.
4. The Web Services Employer agrees not to ask the employee to obtain a printout from the Social Security Number database (the Numident) or other written verification of the Social Security Number from the SSA.



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B. REFERRAL TO DHS

1. If the Web Services Employer receives a tentative nonconfirmation issued by DHS, the Web Services Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Web Services Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Web Services Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.
2. The Web Services Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Web Services Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.
3. The Web Services Employer agrees to refer individuals to DHS only when the employee chooses to contest a tentative nonconfirmation.
4. If the employee contests a tentative nonconfirmation issued by DHS, the Web Services Employer will instruct the employee to contact DHS through its toll-free hotline (as found on the referral letter) within eight Federal Government work days.
5. If the Web Services Employer finds a photo mismatch, the Web Services Employer must provide the photo mismatch tentative nonconfirmation notice and follow the instructions outlined in paragraph 1 of this section for tentative nonconfirmations, generally.
6. The Web Services Employer agrees that if an employee contests a tentative nonconfirmation based upon a photo mismatch, the Web Services Employer will send a copy of the employee's Form I-551, Form I-766, U.S. Passport, or passport card to DHS for review by:
 - a. Scanning and uploading the document, or
 - b. Sending a photocopy of the document by express mail (furnished and paid for by the employer).
7. The Web Services Employer understands that if it cannot determine whether there is a photo match/mismatch, the Employer must forward the employee's documentation to DHS as described in the preceding paragraph. The Employer agrees to resolve the case as specified by the DHS representative who will determine the photo match or mismatch.
8. DHS will electronically transmit the result of the referral to the Web Services Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.
9. While waiting for case results, the Web Services Employer agrees to check the E-Verify system regularly for case updates.
10. DHS agrees to provide the Web Services Employer with an Interface Control Agreement (ICA).



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This document will provide technical requirements that the Web Services Employer must meet to create and maintain a Web Services interface to the Verification Information System (VIS). VIS is a composite information system that provides immigration status verification for government agencies and verification of employment authorization for employers participating in E-Verify.

11. DHS agrees to provide periodic system enhancements to improve the ease and accuracy of E-Verify, as needed. DHS will also provide E-Verify enhancements to comply with applicable laws and regulations. As enhancements occur, Web Services Employers must update their Web Services interface to reflect system changes within the timelines specified in Article V.A.1. DHS will provide the Web Services Employer with an ICA to support the E-Verify release whenever system enhancements are required.

ARTICLE IV SERVICE PROVISIONS

A. NO SERVICE FEES

1. SSA and DHS will not charge the Employer or the Web Services E-Verify Employer Agent for verification services performed under this MOU. The Employer is responsible for providing equipment needed to make inquiries. To access E-Verify, an Employer will need a personal computer with Internet access.

ARTICLE V SYSTEM SECURITY AND MAINTENANCE

A. DEVELOPMENT REQUIREMENTS

1. Software developed by Web Services Employers must comply with federally-mandated information security policies and industry security standards to include but not limited to:

- a. Public Law 107-347, "E-Government Act of 2002, Title III, Federal Information Security Management Act (FISMA)," December 2002.
- b. Office of Management and Budget (OMB) Memorandum (M-10-15), "FY 2010 Reporting Instructions for the Federal Information Security Management Act and Agency Privacy Management," April 2010.
- c. National Institute of Standards and Technology (NIST) Special Publication (SP) and Federal Information Processing Standards Publication (FIPS).
- d. International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 27002, Information Technology — Security Techniques — Code of Practice for Information Security Management.

2. The Web Services Employer agrees to update its Web Services interface to the satisfaction of DHS or its assignees to reflect system enhancements within six months from the date DHS notifies the Web Services User of the system update. The Web Services User will receive notice from DHS in the form



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of an Interface Control Agreement (ICA). The Web Services Employer agrees to institute changes to its interface as identified in the ICA, including all functionality identified and all data elements detailed therein.

3. The Web Services Employer agrees to demonstrate progress of its efforts to update its Web Services interface if and when DHS requests such progress reports.
4. The Web Services Employer acknowledges that if its system enhancements are not completed to the satisfaction of DHS or its assignees within six months from the date DHS notifies the Web Services Employer of the system update, then the Web Services Employer's E-Verify account may be suspended, and support for previous releases of E-Verify may no longer be available to the Web Services Employer. The Web Services Employer also acknowledges that DHS may suspend its account after the six-month period has elapsed.
5. The Web Services Employer agrees to incorporate error handling logic into its development or software to accommodate and act in a timely fashion should an error code be returned.
6. The Web Services Employer agrees to complete the technical requirements testing which is confirmed upon receiving approval of test data and connectivity between the Web Services Employer and DHS.
7. DHS will not reimburse any Web Services Employer or software developer who has expended resources in the development or maintenance of a Web Services interface if that party is unable, or becomes unable, to meet any of the requirements set forth in this MOU.
8. Housing, development, infrastructure, maintenance, and testing of the Web Services applications may take place outside the United States and its territories, but testing must be conducted to ensure that the code is correct and secure.
9. If the Web Services Employer includes an electronic Form I-9 as part of its interface, then it must comply with the standards for electronic retention of Form I-9 found in 8 CFR 274a.2(e).

B. INFORMATION SECURITY REQUIREMENTS

Web Services Employers performing verification services under this MOU must ensure that information that is shared between the Web Services Employer and DHS is appropriately protected comparable to the protection provided when the information is within the DHS environment [OMB Circular A-130 Appendix III].

To achieve this level of information security, the Web Services Employer agrees to institute the following procedures:

1. Conduct periodic assessments of risk, including the magnitude of harm that could result from the unauthorized access, use, disclosure, disruption, modification, or destruction of information and information systems that support the operations and assets of the DHS, SSA, and the Web Services Employer;



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2. Develop policies and procedures that are based on risk assessments, cost-effectively reduce information security risks to an acceptable level, and ensure that information security is addressed throughout the life cycle of each organizational information system;
3. Implement subordinate plans for providing adequate information security for networks, facilities, information systems, or groups of information systems, as appropriate;
4. Conduct security awareness training to inform the Web Services Employer's personnel (including contractors and other users of information systems that support the operations and assets of the organization) of the information security risks associated with their activities and their responsibilities in complying with organizational policies and procedures designed to reduce these risks;
5. Develop periodic testing and evaluation of the effectiveness of information security policies, procedures, practices, and security controls to be performed with a frequency depending on risk, but no less than once per year;
6. Develop a process for planning, implementing, evaluating, and documenting remedial actions to address any deficiencies in the information security policies, procedures, and practices of the organization;
7. Implement procedures for detecting, reporting, and responding to security incidents;
8. Create plans and procedures to ensure continuity of operations for information systems that support the operations and assets of the organization;
9. In information-sharing environments, the information owner is responsible for establishing the rules for appropriate use and protection of the subject information and retains that responsibility even when the information is shared with or provided to other organizations [NIST SP 800-37].
10. DHS reserves the right to restrict Web Services calls from certain IP addresses.
11. DHS reserves the right to audit the Web Services Employer's application.
12. Web Services Employers agree to cooperate willingly with the DHS assessment of information security and privacy practices used by the company to develop and maintain the software.

C. DATA PROTECTION AND PRIVACY REQUIREMENTS

1. Web Services Employers must practice proper Internet security; this means using HTTP over SSL/TLS (also known as HTTPS) when accessing DHS information resources such as E-Verify [NIST SP 800-95]. Internet security practices like this are necessary because Simple Object Access Protocol (SOAP), which provides a basic messaging framework on which Web Services can be built, allows messages to be viewed or modified by attackers as messages traverse the Internet and is not independently designed with all the necessary security protocols for E-Verify use.
2. In accordance with DHS standards, the Web Services Employer agrees to maintain physical, electronic, and procedural safeguards to appropriately protect the information shared under this MOU



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against loss, theft, misuse, unauthorized access, and improper disclosure, copying use, modification or deletion.

3. Any data transmission requiring encryption shall comply with the following standards:
 - Products using FIPS 197 Advanced Encryption Standard (AES) algorithms with at least 256-bit encryption that has been validated under FIPS 140-2.
 - NSA Type 2 or Type 1 encryption.
4. User ID Management (Set Standard): All information exchanged between the parties under this MOU will be done only through authorized Web Services Employer representatives identified above.
5. The Web Services Employer agrees to use the E-Verify browser instead of its own interface if it has not yet upgraded its interface to comply with the Federal Acquisition Regulation (FAR) system changes. In addition, Web Services Employers whose interfaces do not support the Form I-9 from 2/2/2009 or 8/7/2009 agree to use the E-Verify browser until the system upgrade is completed.
6. The Web Services Employer agrees to use the E-Verify browser instead of its own interface if it has not completed updates to its system to the satisfaction of DHS or its assignees within six months from the date DHS notifies the Web Services Employer of the system update. The Web Services Employer can resume use of its interface once it is up-to-date, unless the Web Services Employer has been suspended or terminated from continued use of the system.

D. COMMUNICATIONS

1. The Web Services Employer agrees to develop an electronic system that is not subject to any agreement or other requirement that would restrict access and use by an agency of the United States.
2. The Web Services Employer agrees to develop effective controls to ensure the integrity, accuracy and reliability of its electronic system.
3. The Web Services Employer agrees to develop an inspection and quality assurance program that regularly (at least once per year) evaluates the electronic system, and includes periodic checks of electronically stored information. The Web Services Employer agrees to share the results of its regular inspection and quality assurance program with DHS upon request.
4. The Web Services Employer agrees to develop an electronic system with the ability to produce legible copies of applicable notices, letters, and other written, photographic and graphic materials.
5. All information exchanged between the parties under this MOU will be in accordance with applicable laws, regulations, and policies, including but not limited to, information security guidelines of the sending party with respect to any information that is deemed Personally Identifiable Information (PII), including but not limited to the employee or applicant's Social Security number, alien number, date of birth, or other information that may be used to identify the individual.
6. Suspected and confirmed information security breaches must be reported to DHS according to Article V.C.1. Reporting such breaches does not relieve the Web Services Employer from further



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requirements as directed by state and local law. The Web Services Employer is subject to applicable state laws regarding data protection and incident reporting in addition to the requirements herein.

E. SOFTWARE DEVELOPMENT RESTRICTIONS

- 1. DHS reserves the right to terminate the access of any software developer with or without notice who creates or uses an interface that does not comply with E-Verify procedures.
- 2. Employers are prohibited from Web Services Software development unless they also create cases in E-Verify to verify their new hires' work authorization. Those pursuing software development without intending to use E-Verify are not eligible to receive an ICA. At this time, E-Verify does not permit Web Services software development without also being a Web Services Employer or Web Services E-Verify Employer Agent.

F. PENALTIES

- 1. The Web Services Employer agrees that any failure on its part to comply with the terms of the MOU may result in account suspension, termination, or other adverse action.
- 2. DHS is not liable for any financial losses to Web Services Employer, its clients, or any other party as a result of account suspension or termination.

**ARTICLE VI
MODIFICATION AND TERMINATION**

A. MODIFICATION

- 1. This MOU is effective upon the signature of all parties and shall continue in effect for as long as the SSA and DHS operates the E-Verify program unless modified in writing by the mutual consent of all parties.
- 2. Any and all E-Verify system enhancements by DHS or SSA, including but not limited to E-Verify checking against additional data sources and instituting new verification policies or procedures, will be covered under this MOU and will not cause the need for a supplemental MOU that outlines these changes.

B. TERMINATION

- 1. The Web Services Employer may terminate this MOU and its participation in E-Verify at any time upon 30 days prior written notice to the other parties.
- 2. Notwithstanding Article V, part A of this MOU, DHS may terminate this MOU, and thereby the Web Services Employer's participation in E-Verify, with or without notice at any time if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or DHS that there has been a breach of system integrity or security by the Web Services Employer, or a failure on the part of either party to comply with established E-Verify procedures and/or legal requirements. The Web Services Employer understands that if it is a Federal contractor, termination of this MOU by any party for any reason may negatively affect



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the performance of its contractual responsibilities. Similarly, the Web Services Employer understands that if it is in a state where E-Verify is mandatory, termination of this by any party MOU may negatively affect the Web Services Employer's business.

3. A Web Services Employer that is a Federal contractor may terminate this MOU when the Federal contract that requires its participation in E-Verify is terminated or completed. In such cases, the Web Services Employer must provide written notice to DHS. If the Web Services Employer fails to provide such notice, then that Web Services Employer will remain an E-Verify participant, will remain bound by the terms of this MOU that apply to non-Federal contractor participants, and will be required to use the E-Verify procedures to verify the employment eligibility of all newly hired employees.
4. The Web Services Employer agrees that E-Verify is not liable for any losses, financial or otherwise, if the Web Services Employer or the Employer is terminated from E-Verify.

ARTICLE VII PARTIES

- A. Some or all SSA and DHS responsibilities under this MOU may be performed by contractor(s), and SSA and DHS may adjust verification responsibilities between each other as necessary. By separate agreement with DHS, SSA has agreed to perform its responsibilities as described in this MOU.
- B. Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against the Web Services Employer, its agents, officers, or employees.
- C. The Web Services Employer may not assign, directly or indirectly, whether by operation of law, change of control or merger, all or any part of its rights or obligations under this MOU without the prior written consent of DHS, which consent shall not be unreasonably withheld or delayed. Any attempt to sublicense, assign, or transfer any of the rights, duties, or obligations herein is void.
- D. Each party shall be solely responsible for defending any claim or action against it arising out of or related to E-Verify or this MOU, whether civil or criminal, and for any liability wherefrom, including (but not limited to) any dispute between the Web Services Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Web Services Employer.
- E. The Web Services Employer understands that its participation in E-Verify is not confidential information and may be disclosed as authorized or required by law and DHS or SSA policy, including but not limited to, Congressional oversight, E-Verify publicity and media inquiries, determinations of compliance with Federal contractual requirements, and responses to inquiries under the Freedom of Information Act (FOIA).
- F. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Web Services Employer and DHS respectively. The Web Services Employer understands that any inaccurate statement, representation, data or other information provided to DHS may subject the Web Services Employer,



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its subcontractors, its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001 and/or; (2) immediate termination of its MOU and/or; (3) possible debarment or suspension.

G. The foregoing constitutes the full agreement on this subject between DHS and the Web Services Employer.

Approved by:

Web Services Employer	
HORNE LLP	
Name (Please Type or Print) Tracy Cunningham	Title
Signature Electronically Signed	Date 12/05/2017
Department of Homeland Security – Verification Division	
Name (Please Type or Print) USCIS Verification Division	Title
Signature Electronically Signed	Date 12/12/2017



Company ID Number: 1252141

Information Required for the E-Verify Program	
Information relating to your Company:	
Company Name	HORNE LLP
Company Facility Address	661 Sunnybrook Road Ste 100 Ridgeland, MS 39157
Company Alternate Address	
County or Parish	MADISON
Employer Identification Number	201941244
North American Industry Classification Systems Code	541
Parent Company	
Number of Employees	1,000 to 2,499
Number of Sites Verified for	21 site(s)



Company ID Number: 1252141

Are you verifying for more than 1 site? If yes, please provide the number of sites verified for in each State:

AL	1
AR	1
CA	1
DC	1
FL	6
LA	1
MS	4
PR	1
TN	3
TX	2



Company ID Number: 1252141

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name Heather Chase
Phone Number 6013261221
Fax
Email heather.chase@hornellp.com

Name Jynger Morris
Phone Number 6013261163
Fax
Email jynger.morris@hornellp.com



Company ID Number: 1252141



This list represents the first 20 Program Administrators listed for this company.

State of Mississippi)

County of Madison)

CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by Act 2012-491)

DATE: May 22, 2024

RE Contract/Grant/Incentive (describe by number or subject): C22066051 by and between HORNE LLP (Contractor/Grantee) and Alabama Department of Economic and Community Affairs (State Agency or Department or other Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

- The undersigned holds the position of Partner with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
- Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

BUSINESS ENTITY. Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

EMPLOYER. Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

- (a) The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.
- (b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

- As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
- Contractor/Grantee is enrolled in E-Verify unless it is not eligible to enroll because of the rules of that program or other factors beyond its control.

Certified this 22 day of May 2024.

HORNE LLP
Name of Contractor/Grantee/Recipient

By: Mansin Dickman

Its Partner

The above Certification was signed in my presence by the person whose name appears above, on

this 22 day of May 2024.

WITNESS: Chelsea Blake

Chelsea Blake
Print Name of Witness



Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. Horne LLP		
	2 Business name/disregarded entity name, if different from above		
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small>		Exempt payee code (if any) _____
	<input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Other (see instructions) ▶ _____		Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.) See instructions. 661 Sunnybrook Rd, Ste 100		Requester's name and address (optional)
	6 City, state, and ZIP code Ridgeland MS 39157		
7 List account number(s) here (optional)			

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number											
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Employer identification number											
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2	0	-	1	9	4	1	2	4	4		

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶ 1-12-2024
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (Interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

OFFICE OF THE GOVERNOR

KAY IVEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

KENNETH W. BOSWELL
DIRECTOR

July 20, 2022

To Whom It May Concern:

RE: ADECA's Justification for Selecting a Professional Service Provider Whose Proposal Exceeded by More Than 10 Percent the Professional Service Fee Offered by the Lowest Qualified Proposal

The United States Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery Program (CDBG-DR) distributes federal funds to States to aid areas impacted by natural disasters. As the State agency designated to administer this program, ADECA is set to receive \$501,252,000 in funds to ameliorate damage caused by Hurricanes Sally and Zeta of 2020. Due to the vast scope and complexity of administering this program, ADECA issued a Request for Proposals (RFP) for professional consulting services on March 4, 2022, and thereafter received ten responsive proposals.

The proposals were rated by ADECA staff, who considered multiple factors in the RFP. These factors included capacity, cost, and experience—particularly with HUD's CDBG-DR Program. Although cost was considered, it was not the sole determinant in selecting a consultant.

Ultimately, ADECA determined that HORNE, LLP will provide the best value to the State because of their vast and relevant experience. Specifically, HORNE's proposal demonstrated a legacy of expertise and client success in administering CDBG-DR programs in other states. HORNE's proposal further showed that their abundant, qualified staff has a successful track record working with HUD.

For these reasons, ADECA selected HORNE's proposal of \$7,210,000, which exceeded by more than 10 percent the professional service fee offered by the lowest qualified proposal.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth W. Boswell".

Kenneth W. Boswell
Director

KWB:TW:

PROFESSIONAL SERVICES CONTRACT

This Professional Services Contract, hereinafter referred to as the "Contract", is entered into by and between the **Alabama Department of Economic and Community Affairs**, hereinafter referred to as the "Department", and **HORNE LLP**, hereinafter referred to as the "Contractor". The Department and Contractor, hereinafter collectively referred to as the "Parties", hereto agree as follows:

1. **PURPOSE:** The United States Department of Housing and Urban Development ("HUD") allocated \$501,252,000 in Community Development Block Grant Disaster Recovery ("CDBG-DR") funds to the State of Alabama to assist in long term recovery from disasters occurring in 2020. These CDBG-DR funds are for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C., 5301 et seq.) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a qualifying major disaster in 2020. The Department is the State of Alabama's agency designated to receive and/or otherwise administer certain federal grant program funds awarded to the State from HUD, to include the administration of CDBG-DR funds. The purpose of this contract is for Contractor to provide grant management consultant services for the CDBG-DR Grant Program.
2. **SCOPE:** This Agreement incorporates by reference as if set forth herein the Contractor's proposal dated April 4, 2022, and any subsequently submitted documents, communications and representations utilized by the Department in evaluating for award of this Contract.

The services to be provided by the Contractor will include, but are not limited to, the services set forth in Attachment A, "Scope of Work", and as described in each Work Order as authorized by ADECA. Professional services to be provided for each task will be detailed in a fully executed Work Order. Each Work Order will indicate the specific tasks and functions to be performed and deliverables to be provided.

The Department agrees to compensate the Contractor for its performance of the services under any proper and fully executed Work Order as the schedule set forth in the applicable Work Order and at the rates established in Attachment B, "Fee Schedule".

Contractor shall ensure that all work performed under this Contract complies with any and all applicable federal, state, and local rules and regulations, which may include but is not limited to, the Disaster Relief Supplemental Appropriations Act, 2022 (Publ. L. 117-43), title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), implementing regulations at 24 CFR part 570, as modified by waivers, alternate requirements, and other requirements published in the Allocation Announcement Notice and other applicable Federal Register notices, any and all other applicable HUD regulations and rules, and 2 CFR part 200, as may be amended from time to time.

3. **TERM OF CONTRACT:** This Contract shall commence **upon the Governor's signature** and shall expire **two (2) years after the date of the Governor's signature**. This Contract may be extended or renewed, with or without changes, but such extensions, renewals and/or changes must be in writing and must be agreed upon by both parties.
4. **FUNDING:** In no event shall the total amount to be paid by the Department to the Contractor under this Contract exceed **\$3,877,500.00**, for full and complete satisfactory performance. This amount is derived from federal funds, and any Department commitment of said funds herein shall be contingent upon the appropriation, receipt, and availability by the Department of funds for which this Contract is made.

5. METHOD OF PAYMENT:

- A. Payment will be made by the Department upon receipt and approval of an accurate and complete invoice from the Contractor for services rendered, in conformance with the Work Order's payment schedule. The invoices shall show a detailed description of the Contractor's services completed during the billing period. The Contractor shall periodically submit the invoices for payment to the Department during the duration of this Contract's period, as and when the Contractor performs the work described herein.
- B. Except as may be specifically provided in the Work Order, the Contractor is solely responsible for all the Contractor's costs and any other expenses necessarily and incidentally incurred in order to complete the services.
- C. The Department reserves the right to refuse payment on any portion thereof, until such portion is acceptably presented.

6. OFFICE OF MANAGEMENT AND BUDGT UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENT FOR FEDERAL AWARDS:

For any and all contracts made by a non-Federal entity under a Federal award, 2 CFR 200.326 requires the following contract provisions (as found in Appendix II to Part 200) be included and adhered to as applicable and unless specifically excluded by other Federal regulations:

A. TERMINATION/CANCELLATION:

- i. **FOR CAUSE:** If, through any cause, the Contractor shall fail to fulfill in a timely manner its obligations under this Contract, or if the Contractor shall violate any of the covenants of this Contract and such failure or violation is not corrected within fifteen (15) days after such notice is given by the Department in writing to the Contractor, the Department shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least fifteen (15) days before the effective date of such termination.
 - ii. **FOR CONVENIENCE:** This Contract may be terminated by either party with thirty (30) days written notice. If the Department determines that continuation of the work will serve no useful public purpose, this Contract may be terminated by the Department and the Contractor shall be entitled to necessary expenses incurred through the date of termination or the date services are last provided, whichever occurs first.
 - iii. In the event of termination, all property and finished or unfinished reports purchased or prepared by the Contractor under this Contract shall, at the option of the Department, become its property and the Contractor shall be entitled to receive the prorated value of any expenses not reimbursed, but necessarily incurred in the proper and satisfactory performance of the Contract.
 - iv. In the event of termination, or cancellation, the Contractor will comply with Department directives regarding the return of advanced funds, if applicable.
- B. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT: If the Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the Contractor wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment of performance of experimental, developmental, or research work under that "funding agreement," the Contractor must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

- C. CLEAN AIR ACT and FEDERAL WATER POLLUTION CONTROL ACT: In the event this contract is for an amount in excess of \$150,000, the Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401-7671q, and the Federal Water Pollution Control Act, 33 U.S.C. 1251-1387. ADECA shall report any suspected or reported violation to the Federal awarding agency and to the Environmental Protection Agency.
- D. ENERGY CONSERVATION: The Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. 6201 *et seq.*
- E. DEBARMENT AND SUSPENSION: The Contractor is prohibited from using any contractor or subcontractor that has been debarred, suspended, or otherwise excluded from participation in federal assistance programs (Executive Orders 12549 and 12689).

The Contractor shall require participants in lower tier covered transactions to include the certification on Government-wide Debarment and Suspension (Non-Procurement) for it and its principals in any proposal submitted in connection with such lower tier covered transactions (See Code of Federal Regulations, 2 CFR Part 180.300). The Excluded Parties List System is available for access from the System of Award Management website at <https://www.SAM.gov>.

The Contractor certifies, by entering into this Agreement, that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed from debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or by any department, agency, or political subdivision of the State. The term "principal" for purposes of this Agreement means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Recipient.

The Contractor certifies that it has verified the suspension and debarment status for all subcontractors receiving funds under this Agreement and shall be solely responsible for any recoupments or penalties that might arise from non-compliance. Contractors shall immediately notify ADECA if any subcontractor becomes debarred or suspended, and shall, at ADECA's request, take all steps required by ADECA to terminate its contractual relationship with the sub-contractor for work to be performed under this Agreement.

- F. BYRD ANTI-LOBBYING ACT: Contractors shall comply with the Byrd Anti-Lobbying Act, 31 U.S.C. 1352, and shall file the required certification. Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award.
- G. PROCUREMENT OF RECOVERED MATERIALS: 2 CFR 200.322 provides that a non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency ("EPA") at 40 CFR 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of completion, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

7. **ADDITIONAL TERMS.** In addition to the above terms, the Contractor agrees with, and shall adhere to, the following:

- A. **TRANSPARENCY ACT:** Awards under Federal programs are included under the provisions of P.L. 109-282, the "Federal Funds Accountability and Transparency Act of 2006" ("FFATA"). Under this statute, the State is required to report information regarding executive compensation and all subgrants, contracts and subcontracts in excess of \$25,000 through the Federal Subaward Reporting System (<https://www.fsr.gov/>) and in accordance with the terms found in Federal regulations at 2 CFR Part 170, including Appendix A. Therefore, all Contractors, who meet this threshold, will be required to furnish this information to the division within ADECA which is funding the Contractor agreement. Specific reporting processes will be provided by the applicable ADECA division to Contractors.
- B. **POLITICAL ACTIVITY:** The Contractor shall comply with the Hatch Act (5 U.S.C. 1501, *et seq.*) regarding political activity by public employees or those paid with Federal funds. None of the funds, materials, property, or services contributed by the Contractor or ADECA under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate in public office.
- C. **MANDATORY DISCLOSURES:** Pursuant to 2 CFR 200.113, the Contractor must disclose, in a timely manner, in writing to ADECA all violations of Federal criminal law involving fraud, bribery, or gratuity violations.
- D. **NOT TO CONSTITUTE A DEBT OF THE STATE:** It is agreed that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment No. 26.
- E. **CONFLICTING PROVISION:** If any provision of this Agreement shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this Agreement, be enacted, then that conflicting provision in the Agreement shall be deemed null and void.
- F. **IMMUNITY AND DISPUTE RESOLUTION:** The parties to this agreement recognize and acknowledge that ADECA is an instrumentality of the State of Alabama, and as such, is immune from suit pursuant to Article I, Section 14, Constitution of Alabama 1901. It is further acknowledged and agreed that none of the provisions and conditions of this Agreement shall be deemed to be or construed to be a waiver by ADECA of such Constitutional Immunity.

In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama.

For any and all other disputes arising under the terms of this contract which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center For Dispute Resolution of the Alabama State Bar.

- G. **DISCLAIMER:** ADECA specifically denies liability for any claim arising out of any act or omission by any person or agency receiving funds from ADECA whether by contract, grant, loan, or by any other means. No subrecipient, contractor, or agency performing services under any agreement, contract, grant or any other understanding, oral or written, other than an actual employee of ADECA, shall be considered an agent or employee of the State of Alabama or ADECA or any division thereof. The State of Alabama, ADECA, and their agents and employees assume no liability to any subrecipient, contractor or agency, or any third party, for any damages to property, both real and personal, or personal injuries, including death, arising out of or in any way connected with the acts or omissions of any subrecipient, contractor or agency, or any other person.

- H. **RECORDS MANAGEMENT:** The Contractor gives assurances to maintain such data and information and submit such reports, in such form, at such times, and containing such information as the State/Federal grantor may require. The Director of ADECA, the Comptroller General of the United States (if Federal funds), the Chief Examiner of Public Accounts, or any of their duly authorized representatives shall have the right of access for the purpose of audit and examinations to any books, documents, papers, and records of the Contractor and sub-contractors, as provided in section 521 of P.L. 94-503. Records of the Contractor and sub-contractors includes books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, canceled checks, and related documents. The right also includes timely and reasonable access to Contractor personnel for the purpose of interview and discussion related to such agreement. This right of access is not limited to the required retention period, but shall last as long as the records are retained.
- I. **RECORD RETENTION:** Financial records, supporting documents, statistical records, and all other non-Federal entity (to include ADECA, the Subrecipient, Contractors, Subcontractors and Vendors) records pertinent to a Federal award (to include the CDBG project under this Agreement) must be retained for a period of at least three years from the date of ADECA's submission of the final expenditure report on this Federal Award to HUD, or for Federal awards that are renewed quarterly or annually, from the date of ADECA's submission of the quarterly or annual financial report, respectively, as reported to HUD (as the Federal awarding agency) or pass-through entity (the State, and ADECA) in the case of the Subrecipient.

When applicable, the Contractor shall comply with the Alabama Competitive Bid Law (codified at §41-16-54, *Code of Alabama 1975*), which requires that all original bids, together with all documents pertaining to the award of a contract, shall be retained in accordance with a record retention period of at least seven years.

- J. **ASSIGNABILITY:** The Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of ADECA thereto. Provided, however, that claims for money due, or to become due to the Contractor from ADECA under this Agreement may be assigned to a bank, a trust company, or other financial institution through a valid court order and without such approval. Notice of such assignment or transfer shall be furnished promptly to ADECA.
- K. **CONTINGENCY CLAUSE:** It is expressly understood and mutually agreed that any Department commitment of funds herein shall be contingent upon receipt and availability by ADECA of funds under the program for which this Contract is made. If this agreement involves Federal funds, the amount of this Contract will be adjusted by the amount of any federal recessions and/or deferrals.

Payments made by ADECA under the terms of this Agreement shall not constitute final approval of documents submitted by the Contractor or of procedures used in formulating requests for payment to the Contractor. Funds appropriated and obligated to this award are available for reimbursement of costs until the end of the performance period set forth in the Contract.

- L. **CONFLICT OF INTEREST:** A conflict of interest, real or apparent, will arise when any of the following has a financial or other interest in the firm or organization selected for award: (1) the individual, (2) any member of the individual's immediate family, (3) the individual's partner, or (4) an organization which employs or is about to employ any of the above. The Contractor certifies by signing this agreement that no person under its employ or control who presently performs functions, duties, or responsibilities in connection with ADECA of grant-funded projects or programs has any personal and/or financial interest, direct or indirect, in this agreement nor will the Contractor hire any person having such conflicting interest. The Contractor further certifies that it will maintain a written code of standards governing the performance of persons engaged in the award and administration of contracts and subgrants.

- M. **AUDITS:** All subrecipients of Federal funds must follow the Audit Requirements in the Office of Management and Budget Uniform Administrative Requirements (2 C.F.R. Part 200, subpart F). Subrecipients that expend \$750,000 or more during their fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 C.F.R. Part 200. All entities that have a single audit must submit the reporting package and data collection form to the Federal Audit Clearinghouse in accordance with 2 C.F.R. § 200.512. Additionally, if any subrecipient receives more than \$500,000, collectively, in State General Fund appropriations in its fiscal year, from ADECA, it must have an audit in accordance with Government Auditing Standards (the Yellow Book) and Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants.

Nothing contained in this Agreement shall be construed to mean that ADECA cannot utilize its auditors regarding limited scope audits of various ADECA funds. Audits of this nature shall be planned and carried out in such a way as to avoid duplication or not to exceed the audit coverage limits as stated in the said Uniform Administrative Requirements.

Copies of all required audits must be submitted to ADECA and the Alabama Department of Examiners of Public Accounts. Copies may be transmitted by email or traditional mail, at the following addresses:

audit@adeca.alabama.gov

Alabama Department of Economic and Community Affairs
ATTENTION: Chief Auditor
401 Adams Avenue
P.O. Box 5690
Montgomery, AL 36103-5690

central.records@examiners.alabama.gov Alabama Department of Examiners of Public Accounts
ATTENTION: Audit Report Repository
P.O. Box 302251
Montgomery, AL 36130-2251

All entities that have a single audit must submit the reporting package and data collection form to the Federal Audit Clearinghouse in accordance with 2 CFR Part 200, Subpart F §200.512.

- N. **AUDIT EXCEPTIONS/UNRESOLVED QUESTIONED COSTS/OUTSTANDING DEBTS:** The Contractor certifies by signing this agreement that it does not have any unresolved audit exceptions, unresolved questioned costs or finding of fiscal inadequacy as a result of project monitoring. It further certifies that no money is owed to any division of ADECA or to the Federal government under any program where it has not arranged a repayment plan.
- O. **SUSPENSION OF PAYMENTS:** Payments under this Agreement may be suspended in the event that there is an outstanding audit exception under any program administered by any division of ADECA on which Contractor is working, or in the event there is an amount owing to any division of ADECA by Contractor, or an amount owing to the Federal government under any program administered by any division of ADECA that is not received in a reasonable and timely manner from Contractor.

Should the Contractor incur an unresolved audit exception or have unresolved questioned costs or finding of fiscal inadequacy as a result of any project monitoring by any division of ADECA, then ADECA shall not enter into any other contract, agreement, grant, etc., with said Contractor until the audit exception or questioned cost or finding of fiscal inadequacy has been resolved.

ADECA shall not enter into another contract, agreement, grant, etc., with any individual, agency, company, or government under any program administered by any division of ADECA that has not arranged a repayment schedule.

- P. **DISCLOSURE STATEMENT:** Unless otherwise exempt under § 41-16-82, Code of Alabama 1975, a disclosure statement must be submitted to ADECA for any and all proposals, bids, contracts or grant proposals in excess of \$5,000.
- Q. **COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS:** In addition to the provisions provided herein, the Contractor shall be responsible for complying with any and all other applicable laws, ordinances, codes and regulations of the Federal, State and local governments, including, but not limited to, the Alabama Competitive Bid Law (§ 41-16-1 *et seq.*, Code of Alabama 1975), the Alabama Public Works Law (§ 39-1-1 *et seq.*, Code of Alabama 1975), any State permitting requirements, the Alabama Open Meetings Act (§ 36-25a-1 *et seq.*, Code of Alabama 1975), and the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (§ 31-13-1, *et seq.*, Code of Alabama 1975).

In compliance with Act 2016-312, the contractor hereby certifies that it is not currently engaged in, and will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

By signing this contract, the parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

- R. **NONDISCRIMINATION:** The Contractor shall be and is prohibited from discriminating based on race, color, religion, sex, age, handicap, or national origin.
- S. **AMENDMENTS:** This Contract may be modified, altered, or amended from time to time throughout the duration of this Contract only by a written agreement duly executed by the parties hereto or their duly authorized representatives.
- T. **REPORTING REQUIREMENTS:** The Contractor shall timely submit any and all reports that may be required by any Work Order issued under this Contract.
- U. **NOTICES:** All notices and other communications required by this Contract shall be personally served or sent by U.S. Mail and/or email addressed to the parties as follows:

The Department:

Mr. Shabbir Olia, Division Chief
Alabama Department of Economic and Community Affairs
Community and Economic Development Division
401 Adams Avenue, Room 500
Post Office Box 5690
Montgomery, Alabama 36103-5690
Phone: 334-242-5468
Fax: 334-353-3527
Email: Shabbir.olia@adeca.alabama.gov

The Contractor:

Ms. Anna Stroble
HORNE LLP
661 Sunnybrook Road, Suite 100
Ridgeland, Mississippi 39157
Phone: 601-326-1000
Email: Anna.Stroble@horne.com

U. **ACKNOWLEDGMENT:** Contractor acknowledges and understands that this Contract is not effective until it has received all requisite state and government approvals, and Contractor shall not begin performing work under this Contract until notified to do so by the Department. Contractor is entitled to no compensation for work performed prior to the effective date of this Contract.

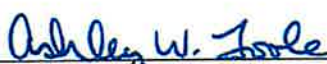
V. **MERIT SYSTEM EXCLUSION:** The Contractor is not to be considered a State of Alabama merit system employee and is not entitled to any benefits of the State Merit System.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date last signed below.

**ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS**


KENNETH W. BOSWELL 7/20/22
DIRECTOR DATE

This contract has been reviewed for content, legal form, and complies with all applicable laws, rules, and regulations of the State of Alabama governing these matters.


ASHLEY W. TOOLE
GENERAL COUNSEL


KAY IVEY, GOVERNOR 8/4/2022
DATE

HORNE LLP

 7/18/22
AUTHORIZED OFFICIAL DATE

TITLE Partner

20-1941244

FEDERAL IDENTIFICATION NO.

Anna Stroble / 601-326-1000

CONTACT PERSON / PHONE NO.

661 Sunnybrook Rd., Suite 100

Ridgeland, MS 39157

MAILING ADDRESS

Reviewed by Contract
Review Committee
Contract # C 22066051

AUG 04 2022

Alabama Legislature


Scope of Work
Grant Management Consultant Services for
Community Development Block Grant - Disaster Recovery Grant Program
Alabama Department of Economic and Community Affairs (ADECA)
Community and Economic Development Division

During the course of this Contract, ADECA may authorize performance of specific tasks via issuance of a work order. A work order is an individually negotiated document authorizing specific work under this contract, if any. Work orders shall include a detailed scope of services, schedule, and any other conditions deemed necessary.

Contractor shall ensure that all work performed under this Scope of Work and any subsequent work orders complies with any and all applicable federal, state, and local rules and regulations, which may include but is not limited to, the Disaster Relief Supplemental Appropriations Act, 2022 (Publ. L. 117-43), title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), implementing regulations at 24 CFR part 570, as modified by waivers, alternate requirements, and other requirements published in the Allocation Announcement Notice and other applicable Federal Register notices, and 2 CFR part 200, as may be amended from time to time.

Services to be Provided. The Scope of Services to be provided under this Contract include the following, each of which shall be further defined by the subsequent work orders:

1. Action Plan and Financial Certifications

- a. Assist ADECA with establishing and/or maintaining policies and procedures as required to comply with Action Plan Certifications. Topics include:
Financial Management
 - i. Procurement
 - ii. Duplication of Benefits
 - iii. Timely Expenditures
 - iv. Disaster Recovery Website
 - v. Policies for the prevention of fraud, waste, and abuse
- b. Support ADECA in preparation and/or modification of Implementation Plan materials.
- c. Assist with development of an Action Plan, including unmet needs assessment and stakeholder outreach
- d. Support ADECA through HUD comment and review period and assist with incorporation of edits to the Action Plan to address HUD feedback.

- e. Assist with Action Plan Amendments
 - f. Perform other reasonable services as it relates to the Action Plan
2. Financial Management
- a. Planning for the timely expenditure of CDBG-DR grant funds assistance
 - b. Financial compliance requirements and local financial support
 - c. Support ADECA with overall budget development and management
 - d. Financial system support
 - e. Provide ADECA with invoice review support for vendor and/or subrecipient invoices and draw requests
 - f. Assist ADECA with HUD required financial reporting
 - g. Procurement support for goods and services
 - h. Support ADECA in internal or external audits, monitoring, or other quality oversight engagements
 - i. Perform other reasonable financial management duties
3. Grant Administration and Compliance
- a. CDBG-DR grant compliance requirement support
 - b. Production and maintenance of grant documents and related services
 - c. Development of timelines, goals, performance metrics, and program deliverables
 - d. Document control and record management
 - e. Management of program operations
 - f. Compliance with federal, state, and local rules and regulations support
 - g. Monitoring and audit support
 - h. Anti-Fraud, Waste and Abuse (AFWA) support
 - i. Internal Quality Assurance/Quality Control support
 - j. Creation, monitoring and management of project schedules
 - k. Perform other reasonable grant administration related services
4. Policies and Procedures
- a. Assist with development, review, and update of grant policies and procedures
 - b. Development and maintenance of support materials such as training aides, desktop guides, or technical manuals
 - c. Perform other reasonable policy and procedure related services

5. Subrecipient Management

- a. Create and execute monitoring plans for CDBG-DR programs managed through subrecipients
- b. Development support for monitoring plans, policies, and procedures
- c. Subrecipient capacity assessment and risk assessment support
- d. Review of subrecipient programs, plans, and project submissions
- e. Provide technical assistance to subrecipients
- f. Create and execute capacity building plans, as needed
- g. Other reasonable subrecipient management services

6. Information Technology and Reporting

- a. Produce compliance and evaluation reports
- b. Information technology management oversight support
- c. Management support of HUD Integrated Disbursement and Information System (IDIS) and Disaster Recovery and Grant Reporting System (DRGR)
- d. Develop and maintain disaster recovery website
- e. Deploy and maintain applicant- and program-level data collected for through a web-based CDBG-DR Grants Management System, referred to as "Canopy"
- f. Provide ADECA and its designees with access to Canopy and Canopy Help Desk
- g. Deploy and maintain progress, production, and/or pipeline reports and web-based dashboards.
- h. Deploy and maintain IT solutions for applicant self-service, such as but not limited to web-based or mobile compatible applications for assistance, public facing "portals" to allow individuals to obtain status of an application for assistance, etc.
- i. Perform other reasonable information technology and reporting services

7. Environmental Services

- a. Project description review assistance to determine level of environmental review required
- b. Preparation, completion and submission of required HUD forms for environmental review with supporting documentation
- c. Environmental advisory and support services related to environmental clearance

- d. Support for the preparation and submission of all required sequence, public notices for publication, including but not limited to Notice of Finding of No Significant Impact, Request for the Release of Funds and any other required notices
 - e. Assist any other reasonable activity related to environmental services
8. Technical Assistance, Training and Capacity Building
- a. Provide technical assistance and / or group training to ADECA, its subrecipients, vendors, and other stakeholders
 - b. Training and outreach support services
 - c. Development support for subrecipient programs, plans and project
 - d. Perform other reasonable technical assistance, training and capacity related services
9. Communications, Outreach and Engagement
- a. Support and advisory services for communication and engagement strategies
 - b. Development of marketing and outreach collateral materials
 - c. Coordination with community-based organizations to maximize reach of outreach activities
 - d. Perform other reasonable communications, outreach and engagement services
10. Other Advisory and Support Services
- a. Subject Matter Expertise (SME) support, guidance and/or recommendations as related to applicable regulations, guidance or laws. Topics may include, but are not limited to:
 - i. CDBG-DR laws and regulations;
 - ii. Affirmatively Furthering Fair Housing (AFFH);
 - iii. Uniform Relocation Assistance (acquisition/relocation);
 - iv. Davis-Bacon and related acts;
 - v. Financial management laws and regulations;
 - vi. Federal and state procurement laws and rules;
 - vii. Program income rules;
 - viii. Anti-Fraud, Waste, and Abuse;
 - ix. Environmental Review Regulations;
 - x. Section 3 economic opportunities;
 - xi. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and

xii. Other related topics

11. Program Implementation and Management Services (as needed)

- a. Program needs assessment, design, procurement, application review, environmental compliance, construction management, engineering services, construction inspections, damage assessment, applicant services, appeals processing, reporting, closeout, and any other reasonable program implementation-related needs

FEE SCHEDULE

LOCALLY DIRECTED, LOCALLY MANAGED, STATE RESOURCED

Core Grant Management Services

To support ADECA's decision to implement recovery through local subrecipients, HORNE proposes a flexible and proven solution to guide your communities to a successful and compliant recovery. We recommend our Core Grant Management Solution to provide ADECA with:

- A dedicated Program Manager to lead recovery operations statewide and oversee grant compliance. Your Program Manager is fully committed to ADECA and will be accountable to your team's vision for Alabama's recovery.
- A team of four (4) Grant Managers will be available for assignment to subrecipients as determined by ADECA. Grant Managers will coordinate subrecipient agreements and collaborate with local stakeholders to design compliant projects that align with the State's Action Plan. Grant Managers will provide compliance solutions that clear barriers to recovery and ensure each subrecipient's success. As projects evolve and subrecipients deploy grant funds, we will realign grant management staffing to minimize budget impacts.
- A bullpen of Subject Matter Experts available at ADECA's discretion to support HUD audits, policy and procedure development, and subrecipient support for technical solutions.
- HORNE's Canopy Grant Management Technology to support a unified system of record statewide. Canopy is widely recognized by CDBG-DR grantees nationwide as a premier solution for navigating CDBG-DR compliance, managing program and subrecipient documentation, and providing critical insights to program delivery.

We believe these services set the foundation for ADECA to provide quality support to subrecipients as they administer a locally directed recovery solution. Our team's experiences in Puerto Rico and BP Oil Spill in Alabama, suggest that each subrecipient will have different capacities to administer these funds and ADECA can support their local vision by offering HORNE resources through this procurement.

PRE-AWARD SUPPORT SERVICES	
Financial Certification & Implementation	\$10,000
Unmet Needs Assessment	\$25,000
Action Plan	\$75,000
Total Pre-Award Support Services (Lump Sum)	\$110,000
CORE GRANT MANAGEMENT SERVICES	

FEE SCHEDULE

CORE GRANT MANGEMENT & TECHNOLOGY SERVICES	Total Cost Over 2 Years
Program Leadership	\$700,000
Grant Management	\$1,980,000
Subject Matter Expert Support	\$337,500
Canopy Grants Management Technology*	\$600,000
Canopy Grants Management Licenses**	\$150,000
Total Core Grant Management Cost	\$3,767,500
Total Cost	\$3,877,500

*Includes Canopy development and ADECA Dashboard Reporting

**Canopy Licenses are \$1,500 per user per year. 50 Licenses estimated

FEE SCHEDULE

Enhanced Grant Management with Centralized Programmatic Functions

Oftentimes, the needs and conditions on the ground can change quickly, requiring a thoughtful yet nimble approach to laying the groundwork. We also understand that there is no “one-size-fits-all” approach to recovery implementation; in reality, there are many implementation models that can be utilized when implementing a CDBG-DR recovery program. Therefore, in addition to the Core Grant Management Services described above, HORNE offers ADECA an optional enhanced approach that is available as needs on the ground change to meet recovery challenges. This approach aligns with the State’s decision to distribute funds locally, while providing flexible resources to ensure every subrecipient is positioned for success. Optional services would likely emphasize areas of compliance risk or technical scopes such as:

- Intake/eligibility review,
- Duplication of benefits (DOB) oversight,
- Cost estimation, inspections, and construction coordination,
- Environmental review,
- Architecture, engineering, or surveying support, and
- Other services to support CDBG-DR implementation.

Offering flexible support resources as part of a subrecipient method of distribution has a proven precedent. For example, in the case of the CDBG-DR City Revitalization Program in Puerto Rico, HORNE and the Puerto Rico Department of Housing leveraged centralized program services such as intake, eligibility review, duplication of benefits and technology systems for 78 municipal subrecipients with a variety of needs and capacities across the entire island. Offering these flexible resources across subrecipients and various eligible activities resulted in a streamlined management of applications, consistent program delivery and compliance risk reduction.

More locally, our teaming partner Volkert, Inc, has directly supported the State of Alabama - Department of Conservation and Natural Resources with its oil spill recovery program through program launch, grant and project oversight, subrecipient monitoring, reporting and compliance. Thus far, the Volkert team has helped provide assistance to numerous subrecipients along the Gulf Coast, including some of the Most Impacted and Distressed areas impacted by Zeta and Sally, including but not limited to Mobile County, the City of Mobile and Baldwin County. Through those efforts they supported municipalities through flexible scope arrangements that best meet their needs.

It is difficult to predict how or if your subrecipients will need these optional, enhanced grant management services, but we recommend incorporating a flexible contract scope that allows ADECA to evaluate those needs on a case-by-case basis and support the subrecipients as you see fit. We have seen how these flexible solutions streamline recovery, improve compliance outcomes, reduce local procurement burdens and maximize recovery impacts.

FEE SCHEDULE

The table below outlines discounted hourly rates, should ADECA request our assistance to support a state-run initiative and/or support subrecipients as they implement programs. The rates proposed represent fully burdened hourly rates for staff time to support ADECA and its subrecipients in obtaining exactly what they need. The positions proposed in the table offer a mix of experience, expertise, and training levels so we can scale to meet your needs for any disaster recovery program, project, or initiative.

OPTIONAL ENHANCED GRANT MANAGEMENT SERVICES AS NEEDED	HOURLY RATE
Compliance Specialist	\$160
Procurement Coordinator	\$125
Reporting Analyst	\$120
Business Process Analyst	\$140
Outreach & Communications Coordinator	\$130
Financial Analyst	\$135
Program Analyst	\$75
Legal Counsel	\$195 <i>KUB</i> <i>AG</i>
Program Leadership	\$200
Grant Management	\$165
Subject Matter Expert	\$225

FEE SCHEDULE

ENVIRONMENTAL, ARCHITECTURE, ENGINEERING & CONSTRUCTION	HOURLY RATE
Environmental Manager	\$175
Architectural Historian	\$165
Environmental Analyst	\$130
Lead Based Paint Inspector	\$125
Construction Program Manager	\$175
Engineering Project Manager	\$200
Staff Engineer	\$125
Construction Inspection Manager	\$165
Construction Cost Estimator	\$135
Construction Field Inspector	\$95
Construction Analyst	\$79
IMPLEMENTATION SUPPORT SERVICES	HOURLY RATE
Case Manager Lead	\$115
Case Manager	\$85
Call Center Representative Lead	\$110
Call Center Representative	\$65
QA/QC Manager	\$150
QA/QC Specialist	\$130
Duplication of Benefits Lead	\$115
Duplication of Benefits Analyst	\$95

OFFICE OF THE GOVERNOR

KAY IVEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

KENNETH W. BOSWELL
DIRECTOR

December 14, 2022

To Whom It May Concern:

RE: ADECA's Justification for Selecting a Professional Services Provider Whose Proposal Exceeded by More Than 10 Percent the Professional Service Fee Offered by the Lowest Qualified Proposal

The United States Department of Housing and Urban Development's (HUD) Community Development Block Grant Program for Disaster Recovery (CDBG-DR) distributes federal funds to States to aid areas negatively impacted by natural disasters. ADECA, as the State agency designated to administer Alabama's CDBG-DR Program, was awarded \$501,252,000 in federal grant funds to ameliorate damage caused by Hurricanes Sally and Zeta in 2020. Due to the vast scope and complexity of administering this program, ADECA issued a Request for Proposals (RFP) seeking professional consulting services on March 4, 2022. At the time the RFP was issued, ADECA was uncertain as to whether ADECA itself would directly administer a housing program for the impacted areas, or whether it would task program subrecipients with this role. Therefore, the RFP was written in a broad manner to address an array of services from minimal grant management services to full turn-key services, which included those associated with direct administration of a housing program. ADECA thereafter received ten responsive proposals.

In April and May 2022, ADECA staff rated and scored the ten proposals. The rating scores were assigned based on those proposals' responses to multiple factors that the RFP requested be addressed. Principal rating factors included each proposing consultant's (i) capacity to work with a State agency in administering such a large grant award, (ii) cost to perform the work, and (iii) previous experience with managing federal grants awarded to States through HUD's CDBG-DR Program. Although cost was considered as part of the ADECA staff's review, cost was not the staff's sole consideration for selecting a consultant. Further, several proposals did not offer the same breadth of services that other proposals offered, which resulted in a wide range of costs and cost estimations.

As noted above, because ADECA was not certain at the time as to how the portion of the program involving housing would be managed, ADECA's staff conducted multiple rounds of proposal reviews and ratings. One round of review considered ADECA directly administering a housing program, which would require enhanced grant management services and staff augmentation, while another round considered that the housing program would be managed by subrecipients and ADECA would therefore need more minimal grant management services. In both rounds, HORNE received the highest score.

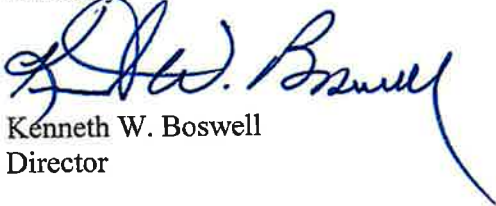
Initially, ADECA entered into a contract with HORNE based on the more minimal grant management services. ADECA determined that HORNE would provide the best value to the State because of HORNE's vast and relevant experience. Specifically, HORNE's proposal demonstrated a legacy of expertise and client success in administering CDBG-DR programs in other states. HORNE's proposal further showed that its abundant, qualified staff has a successful track record working with HUD.

After ADECA entered into a contract with HORNE and was able to gain a better understanding of the needs of the citizens in the most impacted areas, ADECA determined that those citizens would be best served if ADECA directly administered the housing program. Because of this decision, ADECA looked at the round of scoring which considered a vast array of services, including the direct administration of a housing program. As noted above, HORNE's proposal received the highest score overall, and for the same reasons that it originally selected HORNE, ADECA determined that HORNE would provide the best value for the State, which necessitated the current contract amendment.

Of the contract amendment total, \$35,050,296 will go to HORNE for enhanced grant management and staff augmentation, while \$178,531,831 will be distributed by HORNE for direct construction costs.

It is for these reasons that ADECA is now increasing HORNE's contracted amount which exceeds by more than 10 percent the professional service fee offered by the lowest qualified proposal.

Sincerely,

A handwritten signature in blue ink, appearing to read "K.W. Boswell", with a long, sweeping underline that extends to the right.

Kenneth W. Boswell
Director

KWB:TW:

AMENDMENT TO CONTRACT

This Amendment to the Contract is hereby made and agreed upon by the Alabama Department of Economic and Community Affairs, hereinafter referred to as the "Department," and HORNE LLP, hereinafter referred to as the "Contractor." The parties hereto agree to amend the original contract as follows:

Paragraph 1. PURPOSE shall be amended to read:

"The United States Department of Housing and Urban Development ("HUD") allocated \$501,252,000 in Community Development Block Grant Disaster Recovery ("CDBG-DR") funds to the State of Alabama to assist in long term recovery from disasters occurring in 2020. These CDBG-DR funds are for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C., 5301 et seq.) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a qualifying major disaster in 2020. The Department is the State of Alabama's agency designated to receive and/or otherwise administer certain Federal grant program funds awarded to the State from HUD, to include the administration of CDBG-DR funds. The purpose of this contract is for Contractor to provide services for the implementation, administration, and close out of a direct housing program, as well as to provide enhanced grant management and staff augmentation services, for the CDBG-DR Grant Program."

Paragraph 3. TERM OF CONTRACT shall be amended to read:

"This Contract shall commence upon the Governor's signature and shall expire on December 31, 2024. This contract may be extended or renewed, with or without changes, but such extensions, renewals and/or changes must be in writing and must be agreed upon by both parties."

Paragraph 4. FUNDING shall be amended to read:

"In no event shall the total amount to be paid by the Department to the Contractor under this Contract exceed \$217,459,627, for full and complete satisfactory performance. Of this amount, \$211,160,677 is allocated for the comprehensive implementation and delivery of the Home Recovery Alabama Program (of which, \$178,531,831 is allocated for direct construction costs and \$32,628,846 is allocated for program implementation), and \$6,298,950 is allocated for enhanced grant management and staff augmentation services. Costs and rates are further described in Attachment B, "Fee Schedule." The total amount is derived from Federal funds, and any Department commitment of said funds herein shall be contingent upon the appropriation, receipt, and availability by the Department of funds for which this Contract is made."

Due to the addition of the direct housing program and aspects pertaining to construction, the following terms shall be added to Paragraph 7. Additional Terms:

"W. **CONSTRUCTION.** Contractor agrees to comply with any and all terms pertaining to contractors and/or subrecipients, including those relating to construction, which are agreed upon by HUD and the Department in a forthcoming grant agreement. Additionally, Contractor shall comply with any and all State of Alabama laws and any and all local laws that pertain to construction contracting.

X. **EQUAL EMPLOYMENT OPPORTUNITY.** In accordance with 41 C.F.R. § 60-1.4(b) and Executive Order 11246 (as amended by Executive Order 11375), for any Federally assisted construction contract as defined by 41 C.F.R. § 60-1.3, the Contractor, during the performance of this agreement, hereby agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, 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 in accordance with procedures authorized in Executive Order 11246 and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 so that such provisions will be binding upon each subcontractor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor

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

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in Federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, subpart D of the Executive order.

In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this Agreement; refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

Y. DAVIS-BACON ACT and COPELAND "ANTI-KICKBACK" ACT. In the event this Agreement or grant award is for an amount which exceeds \$2,000 and is a prime construction contract, the Contractor and any Subcontractors shall comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141-48, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5, which includes provisions providing for the payment of mechanics and laborers at a rate not less than the prevailing wages specified in a wage determination issued by the United States Secretary of Labor, and provides for the payment of wages to mechanics and laborers not less than once a week. Additionally, for all prime construction contracts in excess of \$2,000, the Contractor and any Subcontractor shall comply with the Copeland "Anti-Kickback" Act, 40 U.S.C. § 3145, as supplemented by Department of Labor regulations (29 C.F.R. Part 3), which prohibits a Contractor or Subcontractor from inducing any person employed in the construction, completion, or repair of a public work from giving up any compensation to which he or she is entitled to receive. In the event of a suspected or reported violation of either the Davis-Bacon Act or the Copeland "Anti-Kickback" Act, ADECA shall report such violation to the Federal awarding agency.

Z. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT. In the event this Agreement or grant award is for an amount in excess of \$100,000 and involves the employment of mechanics and laborers, the Contractor and any Subcontractor shall comply with the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3701-08, specifically §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Said Act includes provisions which provide that a contractor must compute the wages of mechanics and laborers on the basis of a standard 40-hour work week. If an employee

FEE SCHEDULE

CENTRALIZED HOUSING PROPOSAL

Costs presented below represent costs associated with comprehensive implementation and delivery of the \$280 million Home Recovery Alabama Program (HRAP). These services include overall program management and operations, including, but not limited to, creation of static program centers, systems development, reporting, initial applicant intake, application processing, construction management, environmental review, case management, and administration of all the tasks and services needed to implement the HRAP. This cost proposal also includes the direct costs of construction and oversight of general contractors carrying out construction activities.

Total costs are aggregated below for both a two (2)-year contract period, and for a period equal to three (3) years from date of program launch. Total costs represent the sum of the total costs associated with each functional area in the tables that follow. **All program implementation costs associated with delivery of HRAP are classified as Activity Delivery Costs¹. All direct construction costs are classified as awards to beneficiaries. None of the costs in this proposal will be categorized as administrative, and subject to ADECA's 5% administrative costs cap. This proposal contemplates 2% of the program budget being set-aside for ADECA activity delivery costs such as salaries and equipment.**

	Program Implementation	Direct Construction Costs	Total Cost
Total Cost (2 Years)	\$32,628,846	\$178,531,831	\$211,160,677
Total Cost (3 Years from Program Launch)	\$42,238,971	\$232,161,029	\$274,400,000

¹ While HUD does not prescribe a cap on ADCs, they must be supported as reasonable. Therefore, a 16%-20% ADC cap is applied as a general rule of thumb for comparable activities. This proposal reflects ADCs of approximately 17%, inclusive of HORNE and ADECA activity delivery costs.

FEE SCHEDULE

Total costs associated with each functional area required to implement the HRAP are broken out in the tables below. Each of these departments plays an integral role in delivering the single-family housing repair program.

Program Leadership	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Program Leadership (Project Manager)	\$200	\$885,800	\$1,195,400
Program Leadership (Construction Director)	\$200	\$834,200	\$1,350,200
Program Leadership (Deputy Construction Director)	\$200	\$679,400	\$1,298,600
Subject Matter Expert	\$225	\$1,161,000	\$1,161,000
Outreach Coordinator	\$110	\$94,600	\$94,600
Program Leadership (Deputy Project Manager)	\$200	\$722,400	\$1,341,600
Total Management Cost		\$4,377,400	\$6,441,400

Case Management	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Program Analyst (Admin)	\$75	\$490,200	\$954,600
Compliance Specialist (Eligibility Director)	\$160	\$536,640	\$536,640
Case Manager Lead	\$115	\$1,345,040	\$1,819,760
QA/QC Specialist	\$130	\$1,721,720	\$1,766,440
Case Manager	\$85	\$5,701,800	\$7,456,200
QA/QC Manager (Constituent Services)	\$150	\$451,500	\$761,100
DOB Analyst	\$95	\$1,830,080	\$1,830,080
Total Case Management Cost		\$12,076,980	\$15,124,820

Construction Management	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Construction Field Inspector (Construction Progress Inspectors)	\$95	\$1,225,500	\$1,772,890
Construction Cost Estimator (Damage Assessors)	\$135	\$2,205,900	\$3,018,600
Staff Engineer (Preconstruction Task Lead)	\$125	\$1,290,000	\$1,548,000
Construction Program Manager	\$175	\$2,979,900	\$4,710,650
Engineering Project Manager	\$200	\$653,600	\$739,600
Lead Based Paint Inspector	\$125	\$1,021,250	\$1,021,250
Staff Engineer (Survey)	\$125	\$360,125	\$553,625
Construction Analyst (Construction Admin)	\$79	\$516,344	\$516,344
Total Construction Management Cost		\$10,252,619	\$13,880,959

FEE SCHEDULE

Environmental	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Tier I Environmental Review	NA	\$110,000	\$110,000
Environmental Manager	\$175	\$421,400	\$519,225
Environmental Analyst	\$130	\$1,766,440	\$1,911,780
Architectural Historian	\$165	\$312,180	\$397,320
Total Environmental Cost		\$2,610,020	\$2,938,325

Canopy (Grant Management System)	Rate	Total Cost (2 years)	Total Cost (3 years from Launch)
System Development	NA	\$600,000	\$600,000
Licenses	NA	\$150,000	\$150,000
Program Analyst (Help Desk)	\$75	\$122,550	\$238,650
Business Process Analyst	\$140	\$818,720	\$939,120
Total System Cost		\$1,691,270	\$1,927,770

Mobile Apps	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Intake Mobile/Web App	NA	\$75,000	\$75,000
Construction Site Inspection App	NA	\$75,000	\$75,000
Total Mobile Apps Cost		\$150,000	\$150,000

Reporting	Rate	Total Cost (2 years)	Total Cost (3 Years from Launch)
Reporting Analyst	\$110	\$463,540	\$548,680
Total Cost		\$463,540	\$548,680

Website	Year 1	Year 2	Year 3	Total Cost (2 years)	Total Cost (3 Years from Launch)
Website Hosting	\$15,000	\$10,000	\$10,000		
Website Development	\$85,000				
Total	\$100,000	\$10,000	\$10,000	\$110,000	\$120,000

FEE SCHEDULE

Customer Service Centers	Year 1 ²	Year 2	Year 3	Total Cost (2 years)	Total Cost (3 Years from Launch)
Mobile County	\$220,000	\$120,000	\$120,000	\$340,000	\$460,000
Dallas County	\$131,000	-	-	\$131,000	\$131,000
Clark County	\$131,017	-	-	\$131,017	\$131,017
Baldwin County	\$190,000	\$90,000	\$90,000	\$280,000	\$370,000
Total	\$672,017	\$210,000	\$210,000	\$882,017	\$1,092,017

Outreach	Rate	Total Cost (2 Years)	Total Cost 3 Years
Publication, Print and Media	NA	\$15,000	\$15,000
Total	NA	\$15,000	\$15,000

Total Contractor Construction Direct Costs ³	Rate	Total Cost (2 Years)	Total Cost 3 Years
Construction Direct Costs	NA	\$178,531,831	\$232,161,029
Total	NA	\$178,531,831	\$232,161,029

² Year 1 costs include costs of furniture, office buildout, and annual lease. Year 2 and 3 costs are annual lease only. It is assumed that Dallas County and Clark County centers will close after one year, as intake and eligibility wane.
³ Calculated by subtracting HORNE's HRAP activity delivery costs (\$42,238,971) and ADECA HRAP activity delivery costs (2% of program budget or \$5,600,000) from total program budget (\$280,000,000).

FEE SCHEDULE

Revised Grant Management Support Proposal

The price proposal below represents costs associated with enhanced grant management services that account for our current understanding of ADECA's administrative and grant management need. It is anticipated that a portion of the costs associated with enhanced grant management services will be classified as administrative costs subject to ADECA's 5% administrative cost cap, while some costs will be classified as activity delivery costs. The estimated administrative allocation for each position and corresponding administrative costs are included in the table below.

Costs included in the table below represent costs associated with a two (2) year contract term.

Title	Assumed Roles/Responsibilities	Rate	Total Cost	Estimated Admin %	Admin Cost
Program Leadership	Project Manager, serves as primary point of contact for ADECA and directs all grant management activities	\$ 200	\$705,600	50%	\$ 352,800
Grant Manager	Manages subrecipient programs. Serves as subrecipient primary point of contact. Provides technical assistance and ongoing support to awarded subrecipients.	\$ 165	\$2,134,440	20%	\$ 426,888
Compliance Specialist	Provides as needed support with technical items such as, but not limited to procurement, policy development, subrecipient training, monitoring/compliance, QA/QC, Davis Bacon, Section 3	\$ 160	\$1,532,160	60%	\$ 919,296
Subject Matter Expert	Provides subject matter expertise on a wide range of CDBG-DR compliance topics. Drafts and maintains policies and procedures.	\$ 225	\$1,209,600	70%	\$ 846,720
Financial Analyst	Provides DRGR and financial support. Conducts subrecipient invoice reviews.	\$ 135	\$ 453,600	80%	\$ 362,880
Environmental Analyst	Provides support to deliver required subrecipient Release of Funds. Advises and provides technical assistance regarding all manner of environmental review included in 24 CFR Part 58.	\$ 130	\$ 109,200	20%	\$ 21,840
Environmental Manager	Provides technical assistance and direct support to ADECA and subrecipients on 24 CFR Part 58.	\$ 175	\$ 154,350	10%	\$ 15,435
Total Cost			\$6,298,950		\$2,945,859