**CONTRACT NO. 16-50-HEP**

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

**AGREEMENT FOR PROFESSIONAL SERVICES**

**WITH**

**NORTHWEST MICHIGAN COMMUNITY ACTION AGENCY**

**THIS AGREEMENT** is made and entered into as of the **1st day of July, 2016**, by and between the **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**, a public body corporate and politic, located at 735 E. Michigan Avenue, Lansing, Michigan 48912 **("Authority" or "MSHDA")** and **NORTHWEST MICHIGAN COMMUNITY ACTION AGENCY, 3963 Three Mile Rd., Traverse City, MI 49686 ("Contractor")** for the purpose of **responding to the housing education needs of Michigan residents and to offer a variety of services that will assist them towards achieving their housing goals. (The Authority and the Contractor are collectively referred to as the "Parties").**

**WITNESSETH THAT:**

The Authority and the Contractor do mutually agree as follows:

1. **Services Rendered/Scope of Work.** The Contractor shall, in a satisfactory and proper manner as determined by the Authority, render the services described in Exhibit A, which is attached and made a part of this Agreement.

2. **Term.** TIME IS OF THE ESSENCE to this Agreement in connection with the delivery of the products or services or both ("Products and Services") described in the Scope of Work attached and incorporated into this Agreement as Exhibit A. The performance of Products and Services shall begin on or after the execution of this Agreement by the Authority and will continue until funds have been exhausted or the Agreement ends on **June 30, 2017, whichever occurs first.**

3. **Contract.** Price and Payment.

   a. The total amount to be paid by the Authority to the Contractor under this Agreement shall not exceed **Twenty Eight Thousand Dollars ($28,000) for costs to facilitate Housing Education Services for clients seeking to purchase or retain a home.**

   b. Reimbursement for services will be based on Personnel Activity Reports (PAR), (a sample is attached and incorporated into this Agreement as Exhibit B), for each staff person. In order to receive reimbursement PARS must identify the staff name, hours and rate of pay (Salary and Benefits) as well as each service being reported. Out-of-pocket HEP costs must be evidenced by supporting documentation such as invoices and receipts for allowable expenses, such as workshop supplies, brochures, etc. All submittals must be uploaded in MATT 2.0 in order for contractor to receive payment.

   Final payment shall be made upon the satisfactory completion and submission of all required work and documents.

   d. **WORK PERFORMED OR PROVIDED PRIOR TO THE TERMS OF THIS AGREEMENT SHALL NOT BE ELIGIBLE FOR PAYMENT.**

4. **Permits and Licenses.** The Contractor shall be responsible for obtaining any and all permits, licenses, and other proper authorization or permission-related documents required for the performance of this Agreement.

5. **Insurance.** The Contractor shall maintain professional liability insurance sufficient in the amount to provide coverage for any errors or omissions arising out of the performance of this Agreement. If, during the term of this Agreement, changed conditions should, in the judgment of the Authority, render inadequate the Contractor's current insurance limits, the Contractor will furnish to the Authority proof of additional insurance as may be required. All insurance required under this Agreement shall be acquired at the Contractor's expense, under valid and enforceable policies, issued by insurers of recognized responsibility. The Authority reserves the right to reject as unacceptable any insurer.

6. **Record Keeping.** The Contractor and the Authority shall maintain such personnel records as are deemed necessary by the Authority to assure a proper account for all engagement costs. These records will be made available for audit purposes to the Authority and the Auditor General of the State of Michigan, or any authorized representative, and will be retained for three years after the expiration of the Agreement unless permission to destroy them is granted by both the Authority and the State of Michigan.

7. **Reports.** The Contractor shall promptly submit to the Authority's **Contract Administrator**/designated project representative (see Section 11) any monthly reports prescribed in Exhibit A, attached and incorporated into this Agreement. Such reports shall include but not be limited to: progress reports, a report of all receipts, expenditures, project

activities and accomplishments, and supporting documentation for claimed reimbursements. The Authority shall prescribe the requisite form and content of reports and shall designate the dates on which the reports are to be submitted by the Contractor and subcontractor. Before the occurrence of the project completion date prescribed in Section 2 of this Agreement, the Contractor shall submit to the Authority both a project completion report and a proper final claim for expenditure reimbursement, which shall be supported by documentation of the expenditures claimed.

In addition to the project completion report and other submissions, the Contractor shall submit to the Authority a quarterly Personnel Activity Report (PAR), (a sample is attached and incorporated into this Agreement as Exhibit B), in the form and containing the completion material prescribed by the Authority for that project period for each quarter this Agreement is in effect.

8. **Nondiscrimination.** In accordance with Acts No. 220 and 453 of the Public Acts of 1976, as amended, the Contractor hereby agrees in connection with the performance of Products and Services under this Agreement not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, familial status, or disability. Breach of this covenant may be regarded as a material breach of this Agreement.

9. **Failure to Perform.** In the event the Contractor fails to perform Products and Services required under this Agreement or performs Products and Services in an improper manner,

the Parties agree that the damage that the Authority will sustain as a result thereof will be substantial and difficult, if not impossible, to ascertain. Therefore, the Parties agree that in the event the Contractor either fails to completely perform Products and Services or performs Products and Services in an improper manner, the Authority shall be entitled to a credit against the Contractor's current unpaid billings for amounts previously paid to the Contractor after the Contractor's non-performance or improper performance. For the purposes of the foregoing, the Parties agree that the Authority shall have sole discretion in determining the adequacy of the Contractor's performance and the amount of credit to be taken. The damages for the Contractor's inadequate or improper performance, as provided in this Agreement, shall not be exclusive but shall be in addition to any other damages which the Authority may be entitled to for the Contractor's default under this Agreement.

10. **Assigned Personnel.** The Contractor warrants that the personnel it will assign to perform the Products and Services under this Agreement shall possess the requisite education, competence and experience. The Contractor further acknowledges and agrees that such personnel may be subject to the evaluation and approval of the Authority, who shall retain the right to determine the sufficiency of the education, competence and experience of the personnel assigned to perform the Products and Services identified in Exhibit A attached and incorporated into this Agreement.

11. **Project Representatives.** The Contractor designates the following individual as project representative for all matters concerning this Agreement:

The Authority designates the following individual as **Contract Administrator**/project representative to be the initial point of contact for all matters concerning this Agreement:

Libby Carpenter
Procurement Office
735 East Michigan Avenue
Lansing, MI 48912
CarpenterL3@michigan.gov

**The Contractor shall contact only the designated Contract Administrator with any Authority-related questions, work requests, etc., as described in this Agreement, as well as any Authority-related questions, work requests, etc., falling outside the scope of this Agreement.**

Except for changes to the performance schedule (not including the project's completion date), the designated project representatives shall have no authority to make promises or binding obligations on behalf of the Authority, as such authority rests with the duly authorized persons executing this Agreement.

12. **Employees of Contractor or Key Persons.**

a. Definition of Key Person. **"Key Persons"** shall be defined in this Agreement as individuals performing the Products and Services pursuant to this Agreement and

have signed this Agreement on behalf of the Contractor. Key Persons include the names of all employees, agents and independent contractors of the Contractor who perform or render Products and Services pursuant to this Agreement.

b. Performance of Products and Services. The Contractor acknowledges that only Key Persons shall perform the Products and Services under this Agreement.

c. **If the Contractor (or Subcontractor) wishes to add an agent, employee, or independent contractor as a Key Person during the term of this Agreement, the Contractor shall complete and submit to the Authority an additional or revised Certificate for that employee, agent, or independent contractor.**

d. 2007 PA 95, MCL 38.68c. The Contractor and its employees, agents, and independent contractors acknowledge 2007 PA 95, MCL 38.68c, as amended, requires retirees of the State Employees Retirement System (i.e., former state employees who have pensions with the State of Michigan) ("Pensioned Retirees") who become employed by the State, either directly or indirectly through a contractual arrangement with another party, on or after October 1, 2007, to forfeit their state pension for the duration of their reemployment. Effective October 2, 2010, "employed by the state" includes engagements of pensioned retirees as independent contractors.

Pensioned retirees who provide or render Products and Services under this Agreement as key persons must forfeit their pensions during the term of this Agreement if the pensioned retiree (a) is employed by the State, (b) is employed by the Contractor, (c) is a holder of an ownership interest in the Contractor, (d) is a subcontractor of the Contractor, or (e) is an employee of a subcontractor.

The Contractor acknowledges and agrees to secure the Authority's prior written consent before retaining, employing or subcontracting with a pensioned retiree to perform Products and Services under this Agreement. Retaining, employing or subcontracting with a pensioned retiree to perform Products and Services under this Agreement without the Authority's prior written consent shall be (a) a material breach of this Agreement and (b) grounds for the Authority to terminate this Agreement and provide notice to the Office of Retirement Services that the retiree has received pension payments and payments directly or indirectly through this Agreement.

**If the Contractor employs or retains a pensioned retiree as a key person or subcontracts with a pensioned retiree, the Contractor must submit a copy of the pensioned retiree's directions to the Office of Retirement Services ("ORS"), to withhold the retiree's pension payments during the term of this Agreement.**

The Contractor and the pensioned retirees it employs acknowledge and agree that neither the State, nor the Authority, nor its employees, directors, agents nor board shall be liable to the Contractor or pensioned retiree for the forfeiture of the retiree's pension payments during or after the term of this Agreement. The Contractor and pensioned retiree acknowledge that the Authority has no responsibility to confirm whether the ORS has or will forfeit the retiree's pension.

13. **Conflicts of Interest**. The Contractor acknowledges that its employees, members, shareholders, agents, or independent contractors, or subcontractors and their employees, members, shareholders and agents, prior to or during the term of this Agreement are not employees of the State of Michigan or its units. Prior to the execution of this Agreement, the Contractor acknowledges and confirms that it has delivered to the Authority a written list of all interests of the Contractor, or its officers and employees, which may create conflicts between the interests of those entities or parties and the interests of the Authority. Should a constructive or actual conflict of interest arise during the term of this Agreement, the Contractor shall contact the Authority's Director of Legal Affairs immediately and describe in detail the conflict of interest.

**The following examples are provided to illustrate conflicts under this Agreement**:

a. Contractor receives a fee for counseling the purchaser of a home and an employee of the Contractor receives a brokerage fee for the sale of the same home: Conflict.
b. Contractor receives a fee for counseling a purchaser of a home and the Contractor's agent, retained by the Contractor to provide counseling services, receives a brokerage fee for the sale of the same home: Conflict.
c. Contractor receives a fee for counseling the purchase of a home and the Contractor's agent, retained by the Contractor to provide consulting services with no connection to homeownership counseling, receives a brokerage fee for the sale of another home: No Conflict.

Prior to the counseling of a purchaser, the Contractor shall confirm with its employee or agent providing the counseling that the employee will not receive a brokerage fee for the sale of the house. The Contractor shall inform the Authority of any conflicts that may arise involving the Contractor or its Employee. If the Contractor and Authority disagree on whether a particular situation is a conflict, the opinion of the Authority shall control.

14. **Prohibited Methods and Procedures.** The Contractor and its agents, subcontractors, employees, and representatives, in the course of the performance of Products and Services under this Agreement, shall not specify, recommend, use, or permit the use of any system, method, plan, design, process, procedure, patent, or copyright which, if used, infringes upon a proprietary interest or necessitates the payment of any royalty, fee, or commission. The Contractor shall not use or permit the solicitation for or securing of any agreement or employment in connection with this Agreement upon an agreement or arrangement for payment, either directly or indirectly, of a commission, percentage, brokerage, or contingent fee.

If Federal funds are used to pay the Contractor under this Agreement, no part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or

agencies from communicating to members of Congress on the request of any member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business. 18 U.S.C. § 1913 (2002).

15. **Participation in Other Authority Programs.** With the exception of providing Products and Services to the Authority as described in Exhibit A of this Agreement, neither the Contractor nor the Contractor's employees, agents, officers, directors, shareholders, members or subcontractors will participate in Authority housing programs or do business with the Authority under any program in which the Authority has a direct or indirect relationship without securing approval from the Authority's Director of Legal Affairs.

16. **Indemnity and Non-Limitation. Mich. Const. art. IX, § 18.** The Contractor agrees to defend, indemnify and hold harmless the Authority from any claims, damages or expenses, including reasonable attorneys' fees, arising or alleged to arise in whole or in part from damage or injury caused by or resulting from any action or inaction of the Contractor, its agents or employees, or sustained in connection with the violation of any law, statute, ordinance or regulation by the Contractor, its agents or employees, or sustained in connection with the performance of this Agreement by the Contractor, its agents or employees, or sustained as a result of any breach of this Agreement by Contractor.

In any and all claims against the Authority or any of its officers, agents, or employees by an employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification

obligation under this section shall not be limited in any way by any limitation in the amount or type of damages, compensation, or benefits payable by or for the Contractor or by or for any subcontractor under worker's compensation acts, disability benefit acts, or other employee benefit acts.

17. **Nonassignability and Delegation.**

a. The Contractor shall not assign or otherwise transfer any interest in this Agreement or in the project in any manner not provided for in this Agreement.

b. The Contractor shall not delegate any duties or obligations under this Agreement to a subcontractor or independent contractor unless the Authority's Contract Administrator and Director of Legal Affairs has given written consent to the delegation. When submitting the request to subcontract, the Contractor shall include the following information about the subcontractor:

i. **Name of Subcontracting Firm;**
ii. **Work that will be subcontracted;**
iii. **Names of individuals who will perform the subcontracted work;**
iv. **Subcontractors project representative and/or Key Person (See Section 12); and**
v. **List any and all Authority programs through which the subcontractor or the subcontractor's employees, officers, directors, members, shareholders or officeholders participate.**

c. In the event the Contractor retains a subcontractor in accordance with Section 17b above, the Contractor shall insert into each subcontract executed in connection with this Agreement appropriate and enforceable provisions requiring compliance with this Agreement by the subcontractor and the persons acting for it. Throughout the performance of any subcontracts, the Contractor shall monitor and verify the compliance of all subcontractors and persons acting for them and shall

immediately take any affirmative or remedial measures prescribed by the Authority or otherwise deemed necessary in the opinion of the Contractor for enforcing compliance under such subcontracts.

d. **Delegation of duties or obligations under this Agreement to a subcontractor or independent contractor without the prior written consent of the Authority's Contract Administrator or Director of Legal Affairs shall be a material breach of this Agreement.** In the event a subcontractor is approved by the Authority's Contract Administrator and Director of Legal Affairs, the Key Persons for the subcontractor shall be subject to the requirements set forth in Section 12 (Employees of Contractor or Key Persons) of this Agreement, including, but not limited to, the restrictions on pension payments if a pensioned retiree is a Key Person of the subcontractor or an independent contractor retained by the Contractor.

**Subcontracting work to be performed under this Agreement without the prior written consent of the Authority's Contract Administrator and Director of Legal Affairs shall be a material breach of this Agreement.**

18. **Suspension and Debarment.** Pursuant to 1980 PA 278; MCL 423.322 *et seq.*, the Contractor, in performing this Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name has been listed in the register maintained by the State of Michigan, Department of Licensing and Regulatory Affairs, of employees who have been found in contempt of court by a federal court of appeals, on not less than three occasions involving different violations during the preceding seven years, for failing to correct an unfair labor practice as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 U.S.C § 158.

**The Authority may void this Agreement if the name of the Contractor or the name of a subcontractor, manufacturer, or supplier used by the Contractor in performing this Agreement subsequently appears in the register during the period of this Agreement.**

The Contractor certifies, by signing this Agreement, that it possesses business integrity and that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in grants or contracts by any federal, state, or local department or agency.

The suspension of the Contractor by the State of Michigan, an agency of the State or a department of the Federal Government, shall be at the option of the Authority, a material breach and grounds for the immediate termination of this Agreement.

19. **Independence of Contractors.** The Authority shall retain the Contractor as an independent contractor, and the Contractor hereby accepts such independent contractor relationship, upon the terms and conditions set forth in this Agreement. Nothing in this Agreement shall be construed to create the relationship of employer and employee between the Authority and the Contractor or any of its employees or agents. **The Contractor, its employees and subcontractors, shall be deemed at all times and for all purposes to be independent contractors.** The Contractor acknowledges and agrees that all payments by the Authority to the Contractor shall be made without deduction for federal, state or local income taxes, social security taxes and similar items, and that the

Contractor shall be solely responsible to report income under this Agreement to the Internal Revenue Service and other appropriate taxing authorities and to pay such taxes (including, without limitation, being solely responsible to make periodic estimated payments of such taxes in accordance with applicable law). The Contractor further acknowledges and agrees that all payments under this Agreement to the Contractor by the Authority shall be reported to the Internal Revenue Service and other appropriate taxing authorities on Form 1099 (or equivalent or replacement forms). Finally, the Authority acknowledges that the manner and means of producing the Products and Services described in Exhibit A are under the control and at the discretion of the Contractor.

20. **Ownership of Documents, Reports and Other Products.** All documents, reports and any other products developed and/or delivered to the Authority under this Agreement shall become and be the property of the Authority.

21. **Disclosure of Information.** Other than as contemplated by this Agreement, the Contractor, its agents, and subcontractors, without the prior consent of the Authority shall not:

a. disclose information or documents created or maintained in connection with this Agreement to anyone;

b. use information or documents created or maintained in connection with this Agreement to further any private interest.

**Use or disclosure of documents or information without the prior written consent of an authorized officer of the Authority shall be a material breach of this Agreement.**

22. **Modifications.** The Authority or the Contractor may request modification of the scope of work, products, budget, or project work schedule to be performed by the Contractor. Modifications shall comport with the intent and purpose of this Agreement and shall be consistent with applicable state and federal regulations, limitations, guidelines, policies, and interpretations prescribed by the Authority pursuant to law. All requests for modification shall be submitted in written form by the duly authorized representative, as specified in Section 11, of the party requesting modification prior to modification implementation. Failure to obtain prior approval will result in the disallowance of expenditures.

**No verbal representation, understanding, agreement, or interpretation of any officer, agent, employee of the Authority or Contractor, either before or after execution of this Agreement, shall modify any of the terms of this Agreement, unless such representation, understanding, agreement, or interpretation is expressly stated in this Agreement or an amendment to this Agreement executed by both parties.**

23. **Termination of Agreement.** Termination is the cancellation of this Agreement, in whole or in part, at any time prior to the date of completion.

a. Termination for cause. The Authority may terminate this Agreement, in whole or in part, at any time before the date of completion, whenever it is determined that the Contractor has failed to comply with the terms and conditions of this Agreement. The Authority will promptly notify the Contractor in writing of the termination and the reasons for the termination, together with the effective date. Payments made to the

Contractor or recoveries by the Authority under this Agreement when it is terminated for cause will be in accordance with the legal rights and liabilities of the parties.

b. Termination for convenience. The Authority or the Contractor may terminate this Agreement in whole or in part when the Parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The Parties will agree upon the termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. An amendment of the terms of this Agreement is required for all terminations for convenience.

c. Termination by Contractor. At any time prior to the first payment on the Agreement, the Contractor may, with written notification to the Authority, unilaterally cancel this Agreement. Once initiated, no Product or Services financed with Authority assistance shall be terminated by the Contractor prior to satisfactory completion without approval of the Authority. After the first payment, the Product or Services may be terminated, modified, or amended by the Contractor only by mutual agreement of the Parties. Termination requests prior to completion of the Product or Services must fully explain the reasons for the action and detail the proposed disposition of the uncompleted Product or Services.

d. Termination of Agreement for Unavailability of Authority or Federal Funds.

It is the intent and understanding of the Parties that this Agreement is contingent upon the availability of Authority or Federal funds or the receipt by the Authority of Federal funds. If Authority funds or Federal funds approved or obligated by the Authority in connection with this Agreement are at any time rendered unavailable, the Authority shall then have the right to terminate this Agreement by the giving of a

written notice, the basis, and the effective date of the termination to the Contractor. Should this Agreement be terminated by reason of the unavailability of Authority or Federal funds for the purposes of this Agreement, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of the termination shall be delivered in a format specified by the Authority.

In the event of termination under this section for lack of Authority or Federal funds, the Contractor shall be entitled to receive payment for Products and Services incurred under this Agreement prior to the effective date of termination.

e. Commitments. If this Agreement is terminated, the Contractor will not incur new obligations for the terminated portion after the effective termination date. The Contractor will at its own expense cancel any outstanding obligations. Costs incurred after the effective date of the termination will be disallowed. In the event of termination, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of termination shall become the property of the Authority. The Contractor will provide all finished and unfinished material as previously described within 30 days of terminating. However, the Contractor will be entitled to retain copies. The Contractor, in the event of termination under this provision, is entitled to receive reimbursement for Products and Services satisfactorily performed under this Agreement prior to the effective date of such termination. Notwithstanding the foregoing, the Contractor shall not be relieved of its liability to the Authority for the

damages sustained by the Authority as the result of any breach of this Agreement until the Authority so releases the Contractor and has determined for the purpose of set-off the exact amount of damages due the Authority.

24. **Severability of Provisions.** It is declared to be the intent of the parties that if any provision of this Agreement executed by both parties or its application to any persons or circumstances is adjudged by any court of competent jurisdiction to be invalid, the court's judgment shall not affect or invalidate the remainder of this Agreement nor its application to other persons or circumstances, unless so provided by the court or unless the severance of the invalid provision alters the basic intent or purpose of this Agreement, would cause an increase of the Authority's financial obligation, or renders impossible the compliance with any applicable statute, regulation, limitation, guideline, policy.

25. **Michigan Law.** This Agreement shall be governed by the laws of the State of Michigan and shall be binding upon the Contractor's successors, assigns, and legal representatives. All records pertinent to this Agreement are subject to public disclosure under the Michigan Freedom of Information Act; 1976 PA 442; MCL 15.231 *et seq.* The Contractor shall insert the provisions of this section into any subcontract entered into to accomplish the terms of this Agreement.

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

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

**By:** [redacted]

Kevin Eisenheimer
Executive Director
OR
Brian Mills
Chief Operating Officer

**NORTHWEST MICHIGAN COMMUNITY ACTION AGENCY**

**By:** [redacted]

John K. Stephenson
Executive Director

# MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

## EXHIBIT A

## SCOPE OF WORK

### I. Overview

A. *The purpose of the Michigan State Housing Development Authority's ("MSHDA" or "Authority") Housing Education Program (HEP) is to facilitate education for clients seeking to purchase or retain a home. Services include Homebuyer Education, Pre-Purchase Individual services, Financial Capability services and Foreclosure services.*

Funds received through this opportunity will allow an agency to provide assistance to first-time and repeat homebuyers by providing education on the many facets of the home purchase process, which may include overcoming challenges they may encounter throughout the process. Additionally the agency may provide current homeowner's assistance who are in need of foreclosure counseling and other related counseling.

### II. Objectives, Tasks & Activities, and Deadlines

A. **Objectives.** To successfully perform the services described in Section I above, the selected contractor must satisfy the following objectives:

1. To provide housing education to meet the pre and post purchase needs of Michigan residents who are seeking to become a homeowner or who are current homeowners.

B. **Activities/Responsibilities Necessary to Complete Scope of Work.** To achieve the objectives, the selected contractor shall perform the following activities required to achieve the objectives:

1. To provide education services to clients seeking to purchase their home with the intent of utilizing a MSHDA mortgage product.

2. Provide comprehensive foreclosure services to individuals in Michigan impacted by foreclosure.

3. Provide Financial Self Sufficiency (FSS) and Key to Own (KTO) services to eligible clients.

C. **Products or Milestones to be Met.** Products or Milestones include:

**1. Homebuyer Education**

Homebuyer Education (HBE) includes but is not limited to providing clients an understanding of preparing for homeownership, maintaining finances, and preventing foreclosure.

**2. Pre-Purchase Individual Services**

a. These services are intended to assist clients that have completed Homebuyer Education and want to continue with their housing goal of homeownership. Services may include steps to remedy current obstacles preventing them from obtaining a safe affordable mortgage product.

**3. Financial Capability Services**

The eight components making up this service may be provided in a group or individual setting and must be in compliance with MSHDA guidelines:

a. Mastering money management
b. Develop a spending plan
c. Improve credit ratios
d. Consumer protection
e. Banking basics and savings
f. Debt Reduction
g. Insurance
h. Fair Housing and Fair Lending

**4. Foreclosure Services**

Clients will be educated on the basic understanding of foreclosure, including the Michigan Foreclosure Timeline. A review of their mortgage and/or property tax delinquency will be provided along with possible options available to them.

**B. Deadlines for Completing Objectives.**

The term of this Contract shall commence on July 1, 2016 and will continue until funds have been depleted and/or the Contract ends on June 30, 2017.

## III. Standards for Performance

The selected contractor shall perform the tasks/activities and complete the objectives in accordance with the following standards:

A. Be compliant with MSHDA/HUD/NFMC The Contractor agrees to provide the services incorporated into this Agreement and further agrees to comply with the Authority's HEP Policies and Service Guideline Manual subject to the terms and conditions of this Agreement.

**B.** Be an adopter and provide services in accordance with the National Industry Standards for Homeownership Education and Counseling.

**C.** Have the ability to report activity and accomplishments using a HUD 9902, upload information in MSHDA MATT 2.0 and Personnel Activity Reports, as well as documents (e.g. invoices) in accordance with MSHDA's requirements.

The Contractor shall provide quarterly and cumulative reports indicating the status and effectiveness of activities performed utilizing HEP funds as requested by MSHDA. Reports and related activities shall include but are not limited to:

1. Personnel Activity Reports for all housing counseling staff salaries and benefits.
2. Uploaded information in MATT 2.0 shall include but is not limited to:
   i. number of homeowners assisted
   ii. household demographics
   iii. type and level of service provided and the outcomes achieved
3. Administrative Costs **must** have documentation such as invoices and/or negotiated indirect cost rate agreement (NICRA) to back up amounts and **must** be maintained by Contractor for audit purposes.
4. Invoices of actual use of funds as well as any additional reports the Authority requests.
5. Meet with Authority staff to discuss programs progress and content of reports
6. Incorporate any reporting changes MSHDA may deem necessary throughout the Agreement.

Deposit MSHDA Housing Education Program funds into a separate account at its financial institution, and utilize funds appropriately based on their HEP Application for funding. If the account is interest bearing, the Grantee may use the earned interest for administrative expenses.

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**E. Schedule/Timeline**

Monthly reports are required by the dates listed in the table below. All work must be completed no later than June 30, 2017.

| ***Completed Service/Project Components*** | ***Estimated Completion Dates*** |
|---|---|
| Monthly Report | August 15, 2016 |
| Monthly Report | September 15, 2016 |
| Monthly Report | October 14, 2016 |
| Monthly Report | November 15, 2016 |
| Monthly Report | December 15, 2016 |
| Monthly Report | January 13, 2017 |
| Monthly Report | February 15, 2017 |
| Monthly Report | March 15, 2017 |
| Monthly Report | April 14, 2017 |
| Monthly Report | May 15, 2017 |
| Monthly Report | June 15, 2017 |
| Final Report | June 30, 2017 |

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# MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

## EXHIBIT B

## Sample Personnel Activity Report Form

MSHDA HEP 2016-2017
PERSONNEL ACTIVITY REPORT

**Agency Name:** **Period of Activity:**

| Staff Name | Number of Hours per day *Please note the expenditure reported must be based upon approved eligible activities. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | Total Hours | Rate of Pay (include Salary & Benefits) | Total applied to HEP Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | | | |
| Homebuyer Education Workshop | 7.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7.00 | $ 20.00 | $ 140.00 |
| Lender Referral | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Pre-Purchase Individual Counseling | 1.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | $ 20.00 | $ 30.00 |
| Financial Capability | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Foreclosure Intake | 1.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.10 | $ 20.00 | $ 22.00 |
| Foreclosure Education Workshop | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Foreclosure Individual Counseling | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Workshop Preparation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Record Keeping | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Billing | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Program Management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Other (must identify) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | $ 20.00 | $ - |
| Total Hours | 9.60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.60 | | $ 192.00 |

**Certified by signature of Executive Director or Counseling Program Manager:**

Signature: _____ Date: _____