

CONTRACT #14
RFS # 330.04-30812
FA # NA
Edison # 29669

**Department of Economic and
Community Development**

VENDOR:
Customer Value Partners



Department of Economic and Community Development

William F. Hagerty
Commissioner

Bill Haslam
Governor

To: Ms. Leni Chick, Contract and Audit Coordinator, Fiscal Review Committee

From: Department of Economic and Community Development

Date: October 31, 2013

Re: Request for approval of contract amendment two with Customer Value Partners

Please consider the enclosed request for an amendment to contract # 29669 with Customer Value Partners. This contract for grant administration services for Community Development Block Grant Disaster Recovery Assistance Grants related to the 2010 floods was procured via RFP in 2011, and was effective beginning November 15, 2011. The funding for this grant program comes from the United States Department of Housing and Urban Development ("HUD"). The original contract was written for a period of 25 months with an end date of December 31, 2013. At the time the RFP was issued, ECD expected administration of the 2010 flood-related disaster grants to be completed within a period of approximately two years. The maximum liability of the contract reflected this assumption. However, significant delays in the processing of grants by HUD has resulted in the necessity of extending the contract an additional six months, until June 30, 2014. The HUD grant agreement with ECD allows for the additional funding in the amount of \$388,400 to provide the remaining grant administration services under the grant. HUD has also provided an updated timeline for completion of deliverables under the grant. The amendment updates the schedule of services in Section A, Scope of Services, and also updates the maximum liability and grant budget to include additional funds to allow the contractor to provide an additional six months of grant administration services. Therefore, ECD respectfully requests approval of this contract renewal by the Fiscal Review Committee.

If you have any further questions, please contact Summer Carr at 615-253-1944 or summer.carr@tn.gov.

Attachments:

- Supplemental Documentation Required for Fiscal Review Committee
- Original Edison Contract
- Amendment 1
- Approved Rule Exception for Amendment 1
- RFP for Grant Administration Services (2011)
- Non-Competitive Amendment Request – Draft
- Proposed Contract Amendment—Draft

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Summer Carr	*Contact Phone:	615-253-1944		
*Original Contract Number:	29669	*Original RFS Number:	33004-30812		
Edison Contract Number: <i>(if applicable)</i>	29669	Edison RFS Number: <i>(if applicable)</i>	33004-30812		
*Original Contract Begin Date:	November 15, 2011	*Current End Date:	December 31, 2013		
Current Request Amendment Number: <i>(if applicable)</i>	2				
Proposed Amendment Effective Date: <i>(if applicable)</i>	12/31/13				
*Department Submitting:	Economic and Community Development				
*Division:	Federal Programs				
*Date Submitted:	10/30/13				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	Customer Value Partners				
*Current Maximum Liability:	\$1,514,856				
*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2013	FY: 14	FY: 15	FY: 16	FY	FY
\$1,514,856.00	\$	\$	\$	\$	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)					
FY: 2013	FY: 14 (through 9/30/13)	FY:	FY:	FY	FY
\$ 1,022,186.34	\$ 166,110.20	\$	\$	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:	n/a				
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:	n/a				
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:	n/a				
*Contract	State:	\$0	Federal:	\$1,514,856	

**Supplemental Documentation Required for
Fiscal Review Committee**

Funding Source/Amount:				
Interdepartmental:			<i>Other:</i>	
If "other" please define:				
Dates of All Previous Amendments or Revisions: (if applicable)		Brief Description of Actions in Previous Amendments or Revisions: (if applicable)		
3/5/13		Contract was amended according to HUD recommendations to add performance measures to the contract.		
Method of Original Award: (if applicable)		RFP		
*What were the projected costs of the service for the entire term of the contract prior to contract award?		\$1,514,856.00		

Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY: 2014	FY:	FY:	FY:	FY:
Grants Management	388,400.00				

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

Deliverable description:	FY: 2014	FY:	FY:	FY:	FY:
Grants Management	At least \$286,600 based on RFP responses				

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

Proposed Vendor Cost: (name of vendor)	FY: 2014	FY:	FY:	FY:	FY:
CDM (Additional RFP response)	\$286,600				
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

Supplemental Documentation Required for
Fiscal Review Committee

Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

Total Payments to a Vendor

Unit	Voucher	Invoice	Remit Vndr	Name	Gross Amt	Reference	Pymnt Date	Recon Status	Reconciled Date	Method	Message
33001	00005263	196001	0000146771	Customer Value Partners Inc	17,149.52	0001231284	3/27/2012	REC	3/27/2012	EFT	
33001	00005650	196003	0000146771	Customer Value Partners Inc	42,666.00	0000065763	5/17/2012	REC	5/17/2012	EFT	For period 02/28/12-03/13/12
33001	00005648	196002	0000146771	Customer Value Partners Inc	31,069.29	0000065763	5/17/2012	REC	5/17/2012	EFT	For period 01/29/12-02/25/12
33001	00005760	196004	0000146771	Customer Value Partners Inc	75,156.08	000083517	6/1/2012	REC	6/1/2012	EFT	For Period 04/01/12-04/28/12
33001	00006277	196005	0000146771	Customer Value Partners Inc	74,656.26	0000192868	8/17/2012	REC	8/17/2012	EFT	196005
33001	00006537	196006	0000146771	Customer Value Partners Inc	80,566.64	0000236753	9/20/2012	REC	9/20/2012	EFT	196006
33001	00006527	196007	0000146771	Customer Value Partners Inc	64,470.85	0000236753	9/20/2012	REC	9/20/2012	EFT	196007
33001	00006900	196008	0000146771	Customer Value Partners Inc	64,239.88	0000301222	11/8/2012	REC	11/8/2012	EFT	196008
33001	00006907	196009	0000146771	Customer Value Partners Inc	64,776.97	0000304315	11/13/2012	REC	11/13/2012	EFT	Invoice 196009
33001	00007375	196010	0000146771	Customer Value Partners Inc	67,149.11	0000402666	1/28/2013	REC	1/28/2013	EFT	Invoice #196010
33001	00007991	196011	0000146771	Customer Value Partners Inc	57,676.12	0000515884	4/16/2013	REC	4/16/2013	EFT	196011
33001	00008010	196014	0000146771	Customer Value Partners Inc	76,144.25	0000517209	4/17/2013	REC	4/17/2013	EFT	196014
33001	00007997	196013	0000146771	Customer Value Partners Inc	70,328.79	0000517209	4/17/2013	REC	4/17/2013	EFT	196013
33001	00007995	196012	0000146771	Customer Value Partners Inc	77,895.40	0000517209	4/17/2013	REC	4/17/2013	EFT	196012
33001	00008242	196015	0000146771	Customer Value Partners Inc	95,845.40	0000559505	5/16/2013	REC	5/16/2013	EFT	INV # 196015 / Inv date 04/04/2013
33001	00008393	196016	0000146771	Customer Value Partners Inc	62,395.78	0000589648	6/11/2013	REC	6/11/2013	EFT	Inv # 196016 / Inv date 05/03/2013
33001	00008633	196017	0000146771	Customer Value Partners Inc	53,217.44	0000649410	7/18/2013	REC	7/18/2013	EFT	Inv # 196017 / Inv date 06/03/2013
33001	00008829	196018	0000146771	Customer Value Partners Inc	60,780.91	0000675683	8/9/2013	REC	8/9/2013	EFT	INV # 196018 / Inv date 07/08/2013
33001	00008938	196019	0000146771	Customer Value Partners Inc	52,111.85	0000686187	8/23/2013	REC	8/23/2013	EFT	Invoice # 196019 / Inv date 07/30/2013

1,188,296.54



GRANT CONTRACT

(cost reimbursement grant contract with an individual, business, non-profit, or governmental entity of another state)



Begin Date 11/15/2011	End Date 12/31/2013	Agency Tracking # 33004-30812	Edison ID 29669
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Contractor Legal Entity Name Customer Value Partners, Inc.	Edison Vendor ID 146771
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Subrecipient or Vendor <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Vendor	CFDA # 14.228
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Service Caption (one line only)
Funds shall be utilized to administer Disaster Recovery Assistance Funds to communities declared disaster areas.

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2012		\$1,514,856.00			\$1,514,856.00
TOTAL:		\$1,514,856.00			\$1,514,856.00

American Recovery and Reinvestment Act (ARRA) Funding: YES NO

Ownership/Control

African American
 Asian
 Hispanic
 Native American
 Female
 Person w/Disability
 Small Business
 Government
 NOT Minority/Disadvantaged
 Other:

Selection Method & Process Summary (mark the correct response to confirm the associated summary)

Alternative Competitive Method The predefined, competitive, impartial, procurement process was completed in accordance with the associated, approved procedures and evaluation criteria.
 Non-Competitive Negotiation The non-competitive contractor selection was completed as approved, and the procurement process included a negotiation of best possible terms & price.
 Other The contractor selection was directed by law, court order, settlement agreement, or resulted from the state making the same agreement with all interested parties or all parties in a predetermined "class."

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

James L. Johnson 12/1/11

OCR USE - GR
GR1237550

Speed Chart (optional)	Account Code (optional)
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**GRANT CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
AND
CUSTOMER VALUE PARTNERS**

This Grant Contract, by and between the State of Tennessee, Department of Economic and Community Development, hereinafter referred to as the "State" and Customer Value Partners, hereinafter referred to as the "Grantee," is for the provision of administrative services for Disaster Recovery Assistance funds, as further defined in the "SCOPE OF SERVICES."

The Grantee is a for-profit corporation.

Grantee Place of Incorporation or Organization: Virginia

Grantee Edison Vendor ID # 146771

A. SCOPE OF SERVICES:

- A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant Contract.
- A.2. The Grantee shall administer Disaster Recovery Assistance Funds to communities declared disaster areas by the President of the United States through:
- (i) conducting a needs assessment of the affected communities and development of a project plan and budget for the Housing, Economic Development and Public Infrastructure programs;
 - (ii) working with the State to develop and deliver each of the program activities (Housing, Economic Development, Public Infrastructure) for subgrantees/recipients including developing application forms and scoring criteria for the applications; reviewing and ranking applications; developing other necessary forms for reporting, etc; assisting with contract preparation; assisting in completion of environmental reviews; ensuring subgrantee/recipient compliance with state and federal requirements; and providing technical assistance to subgrantees/recipients;
 - (iii) completing general administration tasks for funding, including delivery of quarterly reports to HUD and ECD, completion of draw-down requests from HUD, tracking technical assistance and marketing to subgrantees and potential subgrantees;
 - (iv) assisting with marketing and outreach for the program and initiatives to communities, businesses, individuals and other interested parties by responding to public inquiries, holding informational sessions, workshops, etc; and
 - (v) assisting the State and disaster recovery subgrantees with closeout activities connected with the funding as well as assisting with preparation for monitoring visits by HUD or other federal organizations.

B. CONTRACT PERIOD:

This Grant Contract shall be effective for the period beginning November 15, 2011, and ending on December 31, 2013. The Grantee hereby acknowledges and affirms that the State shall have no obligation for Grantee services or expenditures that were not completed within this specified contract period.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed One Million Five Hundred Fourteen Thousand Eight Hundred Fifty-Six Dollars (\$1,514,856.00). The Grant Budget, attached and incorporated hereto as Attachment 1, shall



constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.

- C.2. Compensation Firm. The maximum liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

ECD Budget/Fiscal Division
312 Rosa L. Parks Avenue, 9th floor
Nashville, TN 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
 - (1) Invoice/Reference Number (assigned by the Grantee).
 - (2) Invoice Date.
 - (3) Invoice Period (to which the reimbursement request is applicable).
 - (4) Grant Contract Number (assigned by the State).
 - (5) Grantor: Department of Economic and Community Development, Division of Federal Programs.
 - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
 - (7) Grantee Name.
 - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
 - (9) Grantee Remittance Address.
 - (10) Grantee Contact for Invoice Questions (name, phone, and/or fax).
 - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
 - ii. The amount reimbursed by Grant Budget line-item to date.
 - iii. The total amount reimbursed under the Grant Contract to date.
 - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
 - (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of



service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.

- (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
- (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.

C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date and in form and substance acceptable to the State.

- a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract, the Grantee shall refund the difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.
- b. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
- c. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
- d. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.

C.8. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate to amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the contract period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.

C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.



- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Unallowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment theretofore made, which are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.
- C.12. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Grantee under this or any contract between the Grantee and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Grantee.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following documentation properly completed.
- a. The Grantee shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once said form is received by the State, all payments to the Grantee, under this or any other contract the Grantee has with the State of Tennessee shall be made by Automated Clearing House (ACH).
 - b. The Grantee shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Federal Employer Identification Number or Social Security Number referenced in this Grant Contract or the Grantee's Tennessee Edison Registration.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. Except as specifically provided herein, this Grant Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service which has not been rendered. The final decision as to the amount, for which the State is liable, shall be determined by the State. Should the State exercise this provision, the Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract,



the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.

D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.

D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.

The Grantee acknowledges, understands, and agrees that this Grant Contract shall be null and void if the Grantee is, or within the past six months has been, an employee of the State of Tennessee or if the Grantee is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code.

D.8. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee



shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.9. Public Accountability. If the Grantee is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee shall display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

- D.10. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Grantee shall be approved by the State.
- D.11. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.12. Records. The Grantee (and any approved subcontractor) shall maintain documentation for all charges under this Contract. The books, records, and documents of the Grantee (and any approved subcontractor), insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the state agency, the Comptroller of the Treasury, or duly appointed representatives. The records of not-for-profit entities shall be maintained in accordance with the *Accounting and Financial Reporting for Not-for-Profit Recipients of Grant Funds in Tennessee*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/finreptmanual.asp>. The records for local governments shall be maintained in accordance with the *Internal Control and Compliance Manual for Tennessee Municipalities*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/citymanual.asp> and in accordance with GFOA's publication, *Governmental Accounting, Auditing and Financial Reporting*.
- D.13. Prevailing Wage Rates. All grants and contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*.
- D.14. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.15. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.16. Annual Report and Audit. The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this Grant Contract to the commissioner or head of the Granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that



receives five hundred thousand dollars (\$500,000) or more in aggregate federal and state funding for all its programs shall include audited financial statements. All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the *Audit Manual for Governmental Units and Recipients of Grant Funds* published by the Tennessee Comptroller of the Treasury. The Grantee shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the State Granting Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.

- D.17. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for such decision and non-competitive procurement. Further, and notwithstanding the foregoing, if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

- D.18. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

- D.19. Independent Contractor. The parties hereto, in the performance of this Grant Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Grant Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Grantee, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Grantee's employees, and to pay all applicable taxes incident to this Grant Contract.

- D.20. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.



- D.21. Force Majeure. The obligations of the parties to this Grant Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.22. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract.
- D.23. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.24. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.25. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.26. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Brooxie Carlton, Director, Federal Programs
Department of Economic and Community Development
312 Rosa L. Parks Avenue, 10th floor, Nashville, TN 37243
Brooxie.carlton@tn.gov
Telephone # 615-741-2994
FAX # 615-253-1870

The Grantee:

Chuck Schmidt, Director



Customer Value Partners
3701 Pender Drive, Suite 200, Fairfax, VA 22030
cschmidt@cvpcorp.com
Telephone # 303-883-7361
FAX # 703-991-5639

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Grant Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Grant Contract upon fifteen (15) days written notice to the Grantee. Said termination shall not be deemed a breach of contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Insurance. The Grantee shall carry adequate liability and other appropriate forms of insurance.
- a. The Grantee shall maintain, at minimum, the following insurance coverage:
- (1) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater.
 - (2) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) aggregate.
 - (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.
 - (4) Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) aggregate.
- b. At any time State may require the Grantee to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Grant Contract.
- E.5. No Equipment Acquisition. This Grant Contract does not involve the acquisition and disposition of equipment acquired with funds provided under this Grant Contract.
- E.6. Work Papers Subject to Review. The Grantee shall make all audit, accounting, or financial analysis work papers, notes, and other documents available for review by the Comptroller of the Treasury or his representatives, upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Grant Contract.
- E.7. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:



- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
- b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

E.8. Federal Funding Accountability and Transparency Act (FFATA). This Grant requires the Grantee to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

- a. Reporting of Total Compensation of the Grantee's Executives.
 - (1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:
 - i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub awards); and
 - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub awards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

Executive means officers, managing partners, or any other employees in management positions.



- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant is awarded.
- c. If this Grant is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant becomes effective.
- d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant. More information about obtaining a DUNS Number can be found at: <http://fed.gov.dnb.com/webform/> The Grantee's failure to comply with the above requirements is a material breach of this Grant for which the State may terminate this Grant for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

IN WITNESS WHEREOF,

CUSTOMER VALUE PARTNERS:

Gustavo Vazquez 12/1/11
 GRANTEE SIGNATURE DATE

Gustavo Vazquez, Principal, Customer Value Partners

PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT:



William F. Hagerty / SK

12-7-11

WILLIAM F. HAGERTY, COMMISSIONER

DATE



GRANT BUDGET				
Customer Value Partners				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period: BEGIN: 11/15/2011 END: 12/31/2013				
POLICY 03 Object Line-Item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1-2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4-15	Professional Fee, Grant & Award ²	1,392,896.00	0.00	1,392,896.00
6, 7, 8 9-13	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	44,760.00	0.00	44,760.00
11-12	Travel, Conferences & Meetings	77,200.00	0.00	77,200.00
13	Interest ²	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation ²	0.00	0.00	0.00
18	Other Non-Personnel ²	0.00	0.00	0.00
20	Capital Purchase ²	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	GRAND TOTAL	1,514,856.00	0.00	1,514,856.00

¹ Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*, (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

² Applicable detail follows this page if line-item is funded.



ATTACHMENT 1 (page 2)

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Needs assessment and development of a project plan	165,221.33
Development and delivery of each of the program activities (Housing, Economic Development, Public Infrastructure) including completing environmental reviews, assisting with contract preparation, developing application forms, reviewing and ranking applications, monitoring for compliance	712,604.80
General administration tasks, including delivery of quarterly reports to HUD and ECD	178,151.20
Marketing of the program and technical assistance to public and grantees	178,151.20
Assistance with closeout activities	118,767.47
Contingency fees (audit)	40,000.00
TOTAL	1,392,896.00



GRANT AMENDMENT

Agency Tracking # 33004-30812	Edison ID 29669	Contract # 29669	Amendment # 1
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Contractor Legal Entity Name Customer Value Partners	Edison Vendor ID 146771
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Amendment Purpose & Effect(s)
Contract language added and Attachment 1 is deleted and replaced with new Attachment 1

Amendment Changes Contract End Date: YES NO **End Date:** 12/31/2013

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **\$ 0**

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2013		\$1,514,856.00			\$1,514,856.00
TOTAL:		\$1,514,856.00			\$1,514,856.00

American Recovery and Reinvestment Act (ARRA) Funding: YES NO

<p>Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.</p> <p><i>Jenna L. Johnson</i> 8/5/13</p>	<p>OCR USE</p>
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Speed Chart (optional)	Account Code (optional)
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**AMENDMENT 1
OF GRANT CONTRACT 29669**

This Amendment is made and entered by and between the State of Tennessee, Department of Economic and Community Development, hereinafter referred to as the "State" and Customer Value Partners, hereinafter referred to as the "Grantee." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1 The Following is added as Contract section A 3

A 3 The Grantee shall meet the following performance measures:

(i) Round 1.

- (1) January 18, 2013 Resolution of all Failure to Function Forms
- (2) March 15, 2013 Update DRGR
- (3) January 15, 2013 Grant agreements received by the State
- (4) February 28, 2013: Process initial draw downs
- (5) April 30, 2013 Update DRGR
- (6) July 30, 2013: Update DRGR
- (7) October 30, 2013 Update DRGR.

(ii) Round 2.

- (1) January 18, 2013 Recommendations for Round 2 Awards to the Governor's Office
- (2) March 15, 2013 Update DRGR with new grant information
- (3) May 29, 2013: ERRs submitted, reviewed and approved by Grantee
- (4) April 30, 2013 Update DRGR
- (5) May 1, 2013: All subgrantee grant agreements received by State
- (6) July 30, 2013: Update DRGR.
- (7) August 9, 2013 Process initial drawdowns.
- (8) October 30, 2013 Update DRGR

2. Grant Contract Attachment 1 is deleted in its entirety and replace with the new attachment 1 attached hereto.

Required Approvals The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date The revisions set forth herein shall be effective December 1, 2012. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CUSTOMER VALUE PARTNERS:

SIGNATURE

2-14-2013

DATE



GRANT BUDGET				
Customer Value Partners				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period: BEGIN: 11/15/2011 END: 12/31/2013				
POLICY 03 Object Line-item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
01	Salaries, Benefits & Taxes	0.00	0.00	0.00
02	Professional Fee, Grant & Award ²	1,372,896.00	0.00	1,372,896.00
03	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	41,760.00	0.00	41,760.00
04	Travel, Conferences & Meetings	100,200.00	0.00	100,200.00
05	Interest ²	0.00	0.00	0.00
06	Insurance	0.00	0.00	0.00
07	Specific Assistance To Individuals	0.00	0.00	0.00
08	Depreciation ²	0.00	0.00	0.00
09	Other Non-Personnel ²	0.00	0.00	0.00
10	Capital Purchase ²	0.00	0.00	0.00
11	Indirect Cost	0.00	0.00	0.00
12	In-Kind Expense	0.00	0.00	0.00
	GRAND TOTAL	1,514,856.00	0.00	1,514,856.00

¹ Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A* (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

² Applicable detail follows this page if line-item is funded.



ATTACHMENT 1

Page 2

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Needs assessment and development of a project plan	165,221.33
Development and delivery of each of the program activities (Housing, Economic Development, Public Infrastructure) including completing environmental reviews, assisting with contract preparation, developing application forms, reviewing and ranking application, monitoring for compliance	1,079,718.00
General administration tasks, including delivery of quarterly reports to HUD and ECD	39,350.00
Marketing of the program and technical assistance to public and grantees	21,100.00
Assistance with closeout activities	47,507.00
Contingency Fees (Audit)	20,000.00
TOTAL	1,372,896.00

Rule Exception Request

Route completed request, as one file in PDF format, via e-mail attachment sent to: AgSprs.Agspr@sate.tn.us

APPROVED

Jessica Robertson

-COMMISSIONER OF FINANCE & ADMINISTRATION *CPO*

Request Tracking #	33004-30812		
1. Contract #	29669		
2. Service Caption	Funds shall be utilized to administer Disaster Recovery Assistance Funds to communities declared disaster areas		
3. Contractor	Customer Value Partners		
4. Contract Period <i>(with ALL options to extend exercised)</i>	11/15/2011—12/31/2013		
5. Contract Maximum Liability <i>(with ALL options to extend exercised)</i>	\$1,514,856.00		
6. Rule <i>(for which the exception is requested)</i>	<input type="checkbox"/> 0620-3-3-.03(2)(a) OR 0620-3-3-.05 requiring compliance with relevant model guidelines (only if required by oversight authorities) <input type="checkbox"/> 0620-3-3-.05(5) requiring the prescribed Nondiscrimination contract provision <input type="checkbox"/> 0620-3-3-.07(5) prohibiting a contract term greater than five (5) years <input type="checkbox"/> 0620-3-3-.07(8) prohibiting a contract with a former state employee in within six (6) months of termination <input type="checkbox"/> 0620-3-3-.07(22) requiring contractor travel reimbursement in accordance with state travel regulations <input checked="" type="checkbox"/> OTHER <i>(cite the relevant rule below)</i> 0620-3-3.07(15)		
7. Explanation of Rule Exception Requested	An exception the "backdating" rule is being requested for this amendment.		

Request Tracking #	33004-30812
8. Justification	<p>This contract between ECD and Customer Value Partners is for the purpose of administering federal disaster recovery funds to communities declared to be disaster areas. Amendment 1 to this contract updates the schedule for the project in the scope of services in accordance with the updated schedule requirements from HUD. The amendment was backdated to December 1, 2012 because the scope of services prior to the signing of the amendment was updated as well in accordance with the updated schedule ECD recently received from HUD.</p> <p>This amendment does not increase the maximum liability of the contract or extend the dates for the provision of services.</p>
<p>Agency Head Signature and Date (contracting agency head/ or authorized signatory)</p> <p>William F. Highty / SK 3/11/13</p>	

REQUEST FOR GRANT PROPOSALS

Tennessee Department of Economic and Community Development
Disaster Recovery Assistance Funds
Request for Proposals
Administrative and Consulting Services

BACKGROUND

In early May 2010, a record amount of rainfall fell in western Tennessee leading to unprecedented flooding in half of the state. President Obama declared a Federal Disaster Area in 49 Tennessee counties in the days following the flood. Community Development Block Grant Disaster Recovery (CDBG-DR) Funding in the amount of \$30,906,517 was designated for these 49 counties to provide disaster relief for unmet needs, long term recovery, and restoration of infrastructure, housing and economic revitalization.

The Tennessee Department of Economic and Community Development is requesting proposals for provision of administrative and consulting services for these funds to include a needs assessment for the funds, development of a program plan for all funds that includes a budget for each of the activities and timeline, assistance with grant applications and review/ranking of the applications, completing environmental reviews, monitoring of all Subgrantees, reporting to HUD and ECD, marketing, providing technical assistance, and assisting with grant close-out activities.

QUALIFICATIONS

1. Provide documentation of experience with the administration of Community Development Block Grant Disaster Recovery (CDBG-DR) Assistance Grants as well as information on other projects with a similar focus the company has successfully completed. Documentation could be program plans, descriptions of activities administered, etc.
2. Submit at least three (3) references from government agencies (at least 2 references from this category) and/or private firms that attest to your experience and ability to perform the activities involved in this solicitation.
3. Provide information on flood-related disaster assistance the company has provided in the past three (3) years.
4. Submit the qualifications, resumes and list of relevant past projects of the senior staff who are expected to work on the project that show experience with administering funding from HUD, working with communities affected by flooding and other disasters, grant management experience, etc. Also provide an organizational chart delineating corporate office organizational structure and include a project organizational chart showing proposed service team structure for this contract.
5. Provide information on your company including size, years in service, number of employees, locations, ability to locate an office in Tennessee, characteristics that make your company uniquely qualified for the proposed project and any other relevant information.

6. Provide a statement ensuring that you meet the following qualifications:

- Minimum of three (3) years experience working with the Community Development Block Grant program
- Minimum of five (5) years experience working with state and local governments
- Capacity to immediately deploy sufficient qualified personnel to quickly start up (within one (1) month) the programs

7. Develop a plan of action and timeline for the administration of the activities listed below. This should include completing a needs assessment in the affected communities to assist in determining specific programs and program budgets, staffing the programs, marketing the programs, soliciting applications, selecting subgrantees, providing technical assistance, monitoring the progress of the subgrantees, etc.

Activities:

- Housing
- Economic Development
- Public Infrastructure

8. Complete the attached proposed budget which will outline cost to the State for the following activities (to be included under the Professional Fee, Grant & Award line item):

- a. Needs assessment and development of a project plan
- b. Development and delivery of the program activities (Housing, Economic Development and Public Infrastructure) including completing environmental reviews, assisting with contract preparation, developing application forms, reviewing and ranking applications, monitoring for compliance:
- c. Delivery of quarterly reports to HUD and ECD
- d. Marketing of the program and technical assistance to public and grantees
- e. Assistance with closeout activities
- f. Any other costs to the state

DATES

Responses must be received on or before September 9, 2011, 5:00 p.m. CST.

If emailed, the subject line of the email should read "CDBG-DR Response to RFP".

All questions regarding this RFP or procurement procedures should be emailed to Brooxie Carlton, brooxie.carlton@tn.gov, by Friday, September 2, 2011 at noon, CST.

CONTACT INFORMATION

Responses must be submitted in written format via mail or email to:

Brooxie Carlton, Director, Policy and Federal Programs

Tennessee Tower, 10th Floor

312 Rosa L. Parks Avenue

Nashville, TN 37243

brooxie.carlton@tn.gov

Office: (615) 741-8806

Responses to this Request for Proposals will be reviewed by a team of ECD employees in the Community Development Division. In determining and evaluating the best proposal, the cost to the state as well as information requested above will be considered.

GRANT BUDGET				
Administrative and Consulting Services for CDBG Disaster Recovery Grants				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable				
Period:	BEGIN: DATE	END: DATE		
POLICY 03 Object Line-Item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY 1	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1. 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4. 15	Professional Fee, Grant & Award ²	0.00	0.00	0.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	0.00	0.00	0.00
11. 12	Travel, Conferences & Meetings	0.00	0.00	0.00
13	Interest ²	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation ²	0.00	0.00	0.00
18	Other Non-Personnel ²	0.00	0.00	0.00
20	Capital Purchase ²	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	GRAND TOTAL	0.00	0.00	0.00

¹ Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies*, Appendix A. (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

² Applicable detail follows this page if line-item is funded.

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Needs assessment and development of a project plan	Amount
Development and delivery of each of the program activities (Housing, Economic Development, Public Infrastructure) including completing environmental reviews, assisting with contract preparation, developing application forms, reviewing and ranking applications, monitoring for compliance:	Amount
General administration including delivery of quarterly reports to HUD and ECD	Amount
Marketing of the program and technical assistance to public and grantees	Amount
Assistance with closeout activities	Amount
Other (Repeat Row As Necessary)	Amount
TOTAL	

INTEREST	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

DEPRECIATION	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

OTHER NON-PERSONNEL	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

CAPITAL PURCHASE	AMOUNT
Specific, Descriptive, Detail (Repeat Row As Necessary)	Amount
TOTAL	Amount

Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED

COMMISSIONER OF FINANCE & ADMINISTRATION

Request Tracking #	
1. Procuring Agency	Department of Economic and Community Development
2. Contractor	Customer Value Partners
3. Contract #	29669
4. Proposed Amendment #	2
5. Edison ID #	29669
6. Contract Begin Date	11/15/2011
7. Current Contract End Date – with ALL options to extend exercised	12/31/2013
8. Proposed Contract End Date – with ALL options to extend exercised	6/30/2014
9. Current Maximum Contract Cost – with ALL options to extend exercised	\$ 1,514,856
10. Proposed Maximum Contract Cost – with ALL options to extend exercised	\$ 1,903,256
11. Office for Information Resources Endorsement – information technology service (N/A to THDA)	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
12. eHealth Initiative Support – health-related professional, pharmaceutical, laboratory, or imaging	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
13. Human Resources Support – state employee training service	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
14. Explanation Need for the Proposed Amendment	
<p>This contract for grant administration services for Community Development Block Grant Disaster Recovery Assistance Grants related to the 2010 floods was procured via RFP in 2011 and was effective beginning November 15, 2011. The funding for this grant program comes from the United States Department of Housing and Urban Development (“HUD”). The original contract was written for a period of 25 months with an end date of December 31, 2013.</p> <p>This amendment reflects an extension of the contract for six (6) months (with additional funding) to ensure project completion as well as an updated timeline for completion of</p>	

Request Tracking #	
<p>services. At the time the RFP was issued, ECD expected administration of the 2010 flood-related disaster grants to be completed within a period of approximately two years. The maximum liability of the contract reflected this assumption. However, significant delays in the processing of grants by HUD has resulted in the necessity of extending the contract an additional six months, until June 30, 2014. The HUD grant agreement with ECD allows for the additional funding in the amount of \$388,400 to provide the remaining grant administration services under the grant. HUD has also provided an updated timeline for completion of deliverables under the grant. The amendment updates the schedule of services in Section A, Scope of Services, and also updates the maximum liability and grant budget to include additional funds to allow the contractor to provide an additional six months of grant administration services.</p>	
<p>15. Name & Address of the Contractor's Principal Owner(s) <i>– NOT required for a TN state education institution</i></p> <p>Customer Value Partners 3701 Pender Drive, Suite 200 Fairfax, VA 22030</p>	
<p>16. Evidence Contractor's Experience & Length Of Experience Providing the Service</p> <p>Contractor has provided grants management services for 2010 Disaster Grants for ECD since November 2011.</p>	
<p>17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives</p> <p>This contract was procured competitively via RFP in 2011. The original contract was not intended to be extended as all parties expected grant administration services to be completed within two years. The RFP stated that the contract would end on December 31, 2013. However, due to delays in the grant process at the federal level, the projects are not complete and a six month extension is needed. The ECD agreement with HUD allows for additional funding to ensure completion of the projects by June 30, 2014. If the State was required to competitively procure services with a different grantee upon expiration of this contract, significant delays would result, and ECD would be unable to provide the remaining grant funds in a timely manner to communities that were affected by the 2010 floods. Additionally, delays by the State in administering these grants could jeopardize federal funding from HUD.</p>	
<p>18. Justification – <i>specifically explain why non-competitive negotiation is in the best interest of the state</i></p> <p>The grantee has provided grants management services for the 2010 disaster grants (related to 2010 floods) since November 2011. If the State was required to competitively procure services with a different grantee upon the expiration of this contract, significant delays would result, and ECD would be unable to provide the remaining grant funds in a timely manner to communities who were affected by the 2010 floods. Additionally, delays by the State in administering these grants could jeopardize federal funding from HUD.</p>	
<p>Agency Head Signature and Date – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</i></p>	

**AMENDMENT 2
OF CONTRACT #29669**

This Amendment is made and entered by and between the State of Tennessee, Department of Economic and Community Development, hereinafter referred to as the "State" and Customer Value Partners, hereinafter referred to as the "Grantee." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. Grant Contract section A.3. is deleted in its entirety and replaced with the following:

A.3. The Grantee shall meet the following performance measures:

(i) Round 1

- | | |
|-----------------------|--|
| (1) December 21, 2012 | Resolution of all Failure to Function Forms. |
| (2) January 30, 2013 | Update DRGR. |
| (3) January 15, 2013 | Grant agreements received by the State. |
| (4) February 28, 2013 | Process initial drawdowns. |
| (5) April 30, 2013 | Update DRGR. |
| (6) July 30, 2013 | Update DRGR. |
| (7) October 30, 2013 | Update DRGR. |
| (8) January 30, 2014 | Update DRGR. |
| (9) April 30, 2014 | Update DRGR. |
| (10) June 30, 2014 | Provide updates for DRGR. |

(ii) Round 2

- | | |
|-----------------------|--|
| (1) December 21, 2012 | Recommendations for Round 2 Awards to the Governor's Office. |
| (2) January 30, 2013 | Update DRGR with new grant information. |
| (3) May 29, 2013 | ERRs submitted, reviewed and approved by Grantee. |
| (4) April 30, 2013 | Update DRGR. |
| (5) May 1, 2013 | All subgrantee grant agreements received by State. |
| (6) July 30, 2013 | Update DRGR. |
| (7) August 9, 2013 | Process initial drawdowns. |
| (8) January 30, 2014 | Update DRGR. |
| (9) April 30, 2014 | Update DRGR. |
| (10) January 30, 2014 | Provide updates for DRGR. |

(iii) Additional Performance Measures

- | | |
|-------------------|---|
| (1) June 1, 2014 | Provide transition plan to ECD with information on how open projects will be transitioned and what is remaining for contracts to close-out. |
| (2) June 20, 2014 | Conduct monitoring visits of projects that have received equipment or have reached 50% completion of construction. |
| (3) June 30, 2014 | Complete reviews of RFPs that have been submitted by June 15, 2014. |
| (4) June 30, 2014 | Provide updated status on all open projects. |
| (5) June 30, 2014 | Complete reviews of all plans/specifications, bid tabulations, change orders, budget revisions, addenda and wage requests submitted by June 20, 2014. |

2. Grant Contract section B is deleted in its entirety and replaced with the following:

- B.1. This Grant Contract shall be effective for the period beginning November 1, 2011, and ending on June 30, 2014. The Grantee hereby acknowledges that the State shall have no obligation for grantee services or expenditures that were not completed within this specified time period.
 - B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than five (5) years, provided that such an extension of the contract term is effected prior to the current, contract expiration date by means of a contract amendment. If a term extension necessitates additional funding beyond that which was included in the original Contract, an increase of the State's maximum liability will also be effected through contract amendment, and shall be based upon payment rates provided in the original Contract.
3. Grant Contract section C.1. is deleted in its entirety and replaced with the following:
- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed One Million Nine Hundred Three Thousand Two Hundred Fifty-Six Dollars and No/100 (\$1,903,256.00). The Grant Budget, attached and incorporated hereto as Attachment 1, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs to be incurred by the Grantee.
4. Grant Contract Attachment 1 is deleted in its entirety and replaced with the new attachment 1 attached hereto.

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective December 31, 2013. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

CUSTOMER VALUE PARTNERS:

SIGNATURE	DATE
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PRINTED NAME AND TITLE OF SIGNATORY (above)

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT:

WILLIAM F. HAGERTY, COMMISSIONER

DATE

GRANT BUDGET				
CUSTOMER VALUE PARTNERS				
The grant budget line-item amounts below shall be applicable only to expense incurred during the following				
Applicable Period: BEGIN: 11/15/2011				
END: June 30, 2014				
POLICY 03 Object Line-Item Reference	EXPENSE OBJECT LINE-ITEM CATEGORY ¹	GRANT CONTRACT	GRANTEE PARTICIPATION	TOTAL PROJECT
1, 2	Salaries, Benefits & Taxes	0.00	0.00	0.00
4, 15	Professional Fee, Grant & Award ²	1,747,296.00	0.00	1,747,296.00
5, 6, 7, 8, 9, 10	Supplies, Telephone, Postage & Shipping, Occupancy, Equipment Rental & Maintenance, Printing & Publications	57,760.00	0.00	57,760.00
11, 12	Travel, Conferences & Meetings	98,200.00	0.00	98,200.00
13	Interest ²	0.00	0.00	0.00
14	Insurance	0.00	0.00	0.00
16	Specific Assistance To Individuals	0.00	0.00	0.00
17	Depreciation ²	0.00	0.00	0.00
18	Other Non-Personnel ²	0.00	0.00	0.00
20	Capital Purchase ²	0.00	0.00	0.00
22	Indirect Cost	0.00	0.00	0.00
24	In-Kind Expense	0.00	0.00	0.00
25	GRAND TOTAL	1,903,256.00	0.00	1,903,256.00

¹ Each expense object line-item shall be defined by the Department of Finance and Administration Policy 03, *Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies, Appendix A*. (posted on the Internet at: <http://www.state.tn.us/finance/act/documents/policy3.pdf>).

² Applicable detail follows this page if line-item is funded.

GRANT BUDGET LINE-ITEM DETAIL:

PROFESSIONAL FEE, GRANT & AWARD	AMOUNT
Needs assessment and development of a project plan	165,221.33
Development and delivery of each of the program activities (Housing, Economic Development, Public Infrastructure) including completing environmental reviews, assisting with contract preparation, developing application forms, reviewing and ranking applications, monitoring for compliance.	1,024,004.80
General administration tasks, including delivery of quarterly reports to HUD and ECD	178,151.20
Marketing of the program and technical assistance to public and grantees	178,151.20
Assistance with closeout activities	161,767.47
Contingency fees (audit)	40,000.00
TOTAL	1,747,296.00