**CITY OF BILOXI**
**AGENDA ITEM**
**FACT SHEET**

**Item No.:** 5E

**Council Meeting Date:** September 22, 2026

**ITEM TITLE:** RESOLUTION

**INTRODUCED BY:** Mayor Andrew "FoFo" Gilich

**CONTACT PERSON:** Rick Weaver, CAO
Christy LeBatard, Director of Public Works and Engineering

**SUMMARY EXPLANATION:**

Resolution to Execute a funding agreement for the City of Biloxi's Program Year (PY) 2026 Action Plan for use of funds allocated to the City of Biloxi through the Community Development Block Grant (CDBG) Program.

**Resolution** ✓ **Ordinance** ____ **Public Hearing** ____ **Routine Agenda** ____

**Exhibits for Review**

**Contract** ____ **Minutes** ____ **Plans/Maps** ____ **Deed** ____ **Lease** ____

**Other (Specify):** PY 2026 HUD Formula Grant Agreement

**Submittal Authorization:** **Council President** ____ **Mayor** ✓

**STAFF RECOMMENDATION:** Staff recommends approval

**COUNCIL ACTION:** **Motion By:** ____________ **Second By:** ____________

| Vote: Councilmember | Yes | No | AFR | ABST | Councilmember | Yes | No | AFR | ABST |
|---|---|---|---|---|---|---|---|---|---|
| Gray | | | | | Tisdale | | | | |
| Marshall | | | | | Glavan | | | | |
| Nail | | | | | Shoemaker | | | | |
| Creel | | | | | | | | | |

**ACTION TAKEN:**

pds092226afsp

RESOLUTION NO._____

RESOLUTION TO EXECUTE A FUNDING AGREEMENT FOR THE CITY OF BILOXI'S 2026 ACTION PLAN FOR USE OF FUNDS ALLOCATED TO THE CITY OF BILOXI THROUGH THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

WHEREAS, the City of Biloxi, Mississippi is an "Entitlement City" under the terms of the United States Department of Housing and Urban Development (HUD), Community Development Block Grant Program (CDBG);

WHEREAS, the regulations of the CDBG program require the preparation and adoption of a Five-Year Consolidated Plan for Housing and Community Development and a One-Year Action Plan, which serves as the annual application for CDBG Entitlement funds; and

WHEREAS, the City has prepared the One-Year Action Plan, a component of the Five-Year Consolidated Plan for Housing and Community Development (2025-2029) for the 2026 CDBG Program Year (PY) in accordance with HUD rules and regulations governing the Consolidated Plan;

WHEREAS, on April 6, 2026 HUD informed the City of Biloxi of its PY2026 allocation in the total amount of $424,801.00;

WHEREAS, on August 4, 2026, the Biloxi City Council passed Resolution No. 495-26, adopting said PY2026 One-Year Action Plan and authorized the Mayor and/or Municipal Clerk to submit it to HUD for review and approval; and

WHEREAS, on September 16, 2026, HUD approved the City of Biloxi's PY2026 One-Year Action Plan that identifies use of its $424,801.00 CDBG allocation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, THAT:

SECTION 1: The findings, conclusions, and statements of fact contained in the preamble are adopted and ratified.

SECTION 2: A. M. Gilich, Jr., Mayor of the City of Biloxi, be and hereby is authorized to sign and submit to HUD the required HUD Funding Approval/Agreement Title I of the Housing and Community Development Act (Public Law 93-383), attached hereto as "Exhibit A."

EXHIBIT A

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT
**FEDERAL AWARD AGREEMENT**

**Formula Grant**

**A. General Federal Award Information**

| | |
|---|---|
| 1. Recipient name (must match Unique Entity Identifier name) and address:<br>Biloxi<br>PO Box 429<br>Biloxi, MS 39533-0429 | 12. Assistance listing number and title:<br>14.218, Community Development Block Grant Program for Entitlement Communities |
| 2. Recipient's Unique Entity Identifier:<br>G2AVZFS51NK4 | 13. Amount of federal funds obligated by this action:<br>$424,801.00 |
| 3. Tax identification number:<br>646000153 | 14. Total amount of federal funds obligated:<br>$424,801.00 |
| 4. Federal Award Identification Number (FAIN):<br>B26MC280001 | 15. Total approved cost sharing (if applicable):<br>N/A |
| 5. Instrument type:<br>Grant ☒ Cooperative agreement ☐<br>Loan Guarantee ☐ | 16. Total federal award amount, including approved cost sharing:<br>$424,801.00 |
| 6. Period of performance start and end date:<br>10/1/2025 - See Addendum 2 | 17. Budget approved by HUD: |
| 7. Budget period start and end date:<br>10/1/2025 - See Addendum 2 | 18. Fiscal year:<br>2026 |
| 8. Initial Agreement ☒ Amendment ☐ # | 19. Statutory authority:<br>42 U.S.C. 5301 et seq. |
| 9. Indirect cost rate (per § 200.414):<br>Recipients must complete Addendum 3: Indirect Cost Rate Schedule | 20. Applicable appropriations act(s):<br>Public Law 119-75<br>Public Law 119-4 |
| 10. Is this award for research and development (per 2 C.F.R. § 200.1)? Yes ☐ No ☒ | 21. Notice/notice of funding opportunity this award is made under (if applicable):<br>N/A |
| 11. Awarding official name and title: | 22. Program regulations (if applicable):<br>24 C.F.R. Part 570 |

23. Federal award description:
The CDBG program provides funding to eligible grantees for the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

- Addendum 1. Policy Requirements
- Addendum 2. Program-Specific Requirements
- Addendum 3. Indirect Cost Rate Schedule

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth herein, the parties hereto hereby agree as follows:

*Authority and Agreement.* This U.S. Department of Housing and Urban Development, Office of Community Planning and Development, Federal Award Agreement (Agreement) between the U.S. Department of Housing and Urban Development (HUD) and the grant recipient hereinabove named (Recipient), collectively (the parties hereto or the Parties), regarding the award of Federal funding hereinabove described (Federal

Award) is made pursuant to the statutory authority above (box 19) and is subject to the applicable appropriations act(s) (box 20). This Agreement incorporates by reference program statute (box 19), the program regulations (box 22) (as now in effect and as may be amended from time to time), the Recipient's consolidated plan/action plan, any attached Specific Terms and Conditions, and the attached addenda (box 23).

## B. Terms and Conditions

1. *General terms and requirements.* The Recipient must comply with all applicable federal laws, regulations, and requirements, unless otherwise provided through HUD's formal waiver authorities. This Agreement, including any attachments and addenda, may only be amended in writing executed by parties to this Agreement and any addenda.
2. *Compliance with Administrative Requirements.* The Recipient shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Unique Entity Identifier (UEI); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 C.F.R. part 25, Universal Identifier and General Contractor Registration; and 2 C.F.R. part 170, Reporting Subaward and Executive Compensation Information. The Recipient is responsible for updating and maintaining current and accurate information in SAM.gov, including updating the UEI or Employer Identification Number (EIN), as necessary, if administration of the award is transferred to a different subcomponent, division, or location within the Recipient's organization that uses a different UEI or EIN. Recipients must require Subrecipients to comply with the requirements in this paragraph, as applicable. "Subrecipient" for purposes of this agreement has the same meaning as it is used in 2 CFR § 200.1 and means an entity that receives a subaward from a pass-through entity to carry out part of a Federal award. The term subrecipient does not include a beneficiary or participant. A subrecipient may also be a recipient of other Federal awards directly from a Federal agency.
3. *Compliance with 2 C.F.R. part 200.* The Recipient must comply with the applicable requirements at 2 C.F.R. part 200, as may be amended from time to time. If any previous or future amendments to 2 C.F.R. part 200 replace or renumber any part 200 section cited in HUD's regulations in Title 24 of the Code of Federal Regulations, the amended part 200 requirements will govern award activities carried out after the amendments' effective date.
4. *Future budget periods.* If the period of performance spans multiple budget periods, subsequent budget periods are subject to the availability of funds, program authority, satisfactory performance, and compliance with the terms and conditions of the Federal Award.
5. *Indirect Cost Rate.* If the Recipient intends to use a negotiated or de minimis rate for indirect costs, the Recipient must submit an Indirect Cost Rate form to HUD, with this Agreement using Addendum #3 "Indirect Cost Rate Schedule". The submitted form/addendum will be incorporated into and made part of this Agreement, provided that the rate information is consistent with the applicable requirements under 2 C.F.R. § 200.414. If there is any change in the Recipient's indirect cost rate, it must immediately notify HUD and execute an amendment to this Agreement to reflect the change if necessary.
6. *Recipient integrity and performance matters.* If the Federal share of this award is more than $500,000 over the period of performance (box 6), the terms and conditions in 2 C.F.R. part 200 Appendix XII apply to this Agreement.
7. *Recordkeeping and Access to Records*:
    a. *Generally:* The Recipient hereby agrees to maintain complete and accurate documentation for this Federal Award and related activities to include, without limitation, financial records, supporting documentation, statistical records, books of account, ledgers, financial and

project reports, records, statements, data, the originals of all agreements between the Recipient and any and all individuals or entities which receive funding pursuant to or arising out of this Agreement, whether directly from Recipient or from individuals or entities to whom Recipient has provided funding, any and all data on any individual or entity that receives money, in-kind assistance or services, or any benefit of any kind from or as a direct or indirect result of the Federal Award, including, without limitation, a Subrecipient or other entity that receives a subaward from a pass-through entity to carry out part of the Federal Award; contractor, vendor, consultant, any other entity performing activities funded in whole or in part under this Federal award; and any beneficiaries, participants, and other end-users of the funds, to the fullest extent permitted by law, and all such other documentation in such a manner as to permit the Recipient to prepare statements and reports in compliance with applicable HUD requirements and OMB requirements in 2 CFR part 200 for recordkeeping and reporting, which may be amended from time to time, (Grant Documentation). Recipient further agrees that the term "Grant Documentation" includes all Subrecipient data consistent with the above and 2 CFR 200.332 and to ensure that it obtains and maintains access to such Subrecipient data. Recipient agrees that the creation, maintenance, preservation, and disclosure by Recipient of Grant Documentation is fundamental to the prevention of fraud, waste, and abuse and to the satisfaction of its obligations to prevent fraud, waste, and abuse and the performance of its obligations under this Agreement and applicable HUD rules and regulations.

b. *Access to Records and Personnel*: In addition to the foregoing, and in no way a limitation of anything contained in the foregoing or in this Agreement, or of HUD's rights and remedies available to it under the terms of this Agreement, applicable statutes, laws and regulations, and otherwise at law or equity, HUD, Inspectors General, the Comptroller General of the United States, or any of their authorized representatives shall have the right of prompt, full, and complete access to any and all records of the Recipient and any other entities doing business with Recipient or otherwise receiving funds or benefits from Recipient, as specified in subsection a, and that are pertinent to the Federal Award to the fullest extent permitted by law, including records relevant to the administration, receipt, and use of this award and award activities, in order to perform audits, reviews and investigations, execute site visits, make or obtain copies thereof, or for any other official use. Such records include those that identify the source and application of funds, including relevant Grant Documentation data to the extent disclosure is not prohibited by law, in such a manner as to allow HUD to determine that all funds are and have been expended in accordance with program requirements and in a manner consistent with applicable law. The right of access includes prompt, full, and complete access as HUD may require to the Recipient and other entities and persons identified in subsection and their personnel, for the purpose of interview and discussion at such dates, times, and locations as HUD may require related to such documents or the Federal Award in general, to the fullest extent permitted by law. In lieu of or in addition to an on-site inspection, Recipient also agrees to furnish HUD such financial and project reports, records, statements, data, and documents in such form, from Recipient or other entity or person identified above, and accompanied by such reporting data as required by HUD. Recipient shall supply to HUD any and all Grant Documentation in legible and usable form as HUD may specify and within the time specified by HUD and at Recipient's expense. Recipient shall also make certifications, as HUD may request at such times and in such manner and format as required by HUD, that all Documentation which Recipient supplies to HUD is true, accurate, and complete in all aspects and regards.

c. *New Reporting Tools*: Further, the Recipient hereby acknowledges that HUD is in the process of implementing new grants management and reporting tools for all Documentation and other documents and records pertinent to the Federal Award. Recipient agrees to report on grant performance and financial activities (including vendor and cash disbursement supporting details for the Recipient and its Subrecipients) using these new tools when they are released, and as updated, and to satisfy all requests for records pertinent to the Federal Award as described above. HUD will work with the Recipient to support the Recipient's transition to the new reporting tools. Once such new tools are implemented, Recipient shall make timely reporting utilizing such new reporting tools and such other reporting as is required by this Agreement and applicable statutes, laws, and regulations. HUD reserves the right to exercise all of its available rights and remedies for any noncompliance with these grants management and financial reporting requirements, to include, without limitation, requiring 100% review, additional or more detailed reports, suspension or termination of disbursements, and all other legally available remedies, to the furthest extent permitted by law. Recipient shall also make certifications at such times and in such manner and format as required by HUD that its reporting and the information contained therein is true, accurate, and complete in all aspects and regards.

8. *Noncompliance.* If the Recipient fails to comply with the provisions of this Agreement, HUD may take any and all remedial actions authorized by applicable statutes, regulations, or 2 C.F.R. § 200.339, as applicable. Nothing in this Agreement shall limit any remedies otherwise available to HUD in the case of noncompliance by the Recipient. No delay or omissions by HUD in exercising any right or remedy available to it under this Agreement shall impair any such right or remedy or constitute a waiver of or acquiescence in any Recipient noncompliance.
9. *Termination provisions.* Unless superseded by program statutes or regulations, the termination provisions in 2 C.F.R. § 200.340 apply.
10. *Build America, Buy America.* The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 U.S.C. § 8301 note, and all applicable rules and notices, as may be amended, if applicable. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 Fed. Reg. 17001), BABA requirements apply to any infrastructure projects HUD has obligated funds for after the effective dates, unless excepted by a waiver.
11. *Fiduciary Relationship*. Recipient acknowledges and agrees that it stands in a fiduciary relationship to HUD and the American people with respect to the Federal Award. Recipient shall act solely for the benefit of HUD and the American people with respect to the Federal Award, and undertakes a duty of absolute loyalty, trust, and confidence. In performing its obligations under this Agreement, Recipient shall act in good faith, avoid all conflicts of interest, exercise the due care required of a fiduciary, and make full and complete disclosure of all material facts and business opportunities and other matters required to be disclosed by this Agreement and applicable law relating to this Agreement, the Federal Award and all funds derived therefrom.
12. *Waste, Fraud, and Abuse*. Recipient acknowledges and agrees that the prevention, discovery, exposure, and prosecution of waste, fraud, and abuse in Federal grant programs and procurement and the activities which Federal funding supports, and recoveries therefrom, are in the best interests of Recipient and the American people. Accordingly, Recipient agrees to cooperate fully with HUD and the Task Force to Eliminate Fraud established in Executive Order 14395 of March 16, 2026, *Establishing the Task Force To Eliminate Fraud*, in all manners and respects as required by HUD.

13. *Whistleblower Protections.* Any person who becomes aware of the existence or apparent existence of fraud, waste, or abuse of any HUD award must report such incidents to both the HUD official responsible for the award and to HUD's Office of Inspector General (OIG). Allegations of fraud, waste, and abuse related to HUD programs can be reported to the HUD OIG hotline via phone at 1-800-347-3735 or online hotline form. The Recipient must comply with 41 U.S.C. § 4712, which includes informing employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, recipient, and Subrecipient—as well as a personal services contractor—who make a protected disclosure about a Federal Award or contract cannot be discharged, demoted, or otherwise discriminated against if they reasonably believe the information they disclose is evidence of (1) gross mismanagement of a Federal contract or award; (2) waste of Federal funds; (3) abuse of authority relating to a Federal contract or award; (4) substantial and specific danger to public health and safety; or (5) violations of law, rule, or regulation related to a Federal contract or award.
14. *Third-Party Claims.* Nothing in this Agreement shall be construed as creating or justifying any claim against the federal government or the Recipient by any third party.
15. *Rule of Construction and No Construction Against Drafter.* Notwithstanding anything contained in this Agreement, the terms and conditions hereof are to be construed to have full and expansive effect in both interpretation and application, and the parties agree that the principle of interpretation that holds that ambiguities in terms or conditions are construed against the drafter shall not apply in interpreting this Agreement.
16. *Miscellaneous Provisions.*
    a. Headings are for convenience of reference only and shall not affect the construction, meaning, or interpretation of this Agreement.
    b. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties. Further, the Recipient agrees to not change, edit, or modify this Agreement or its terms before or after executing it and returning it to HUD. The Recipient agrees that any such changes shall be null and void and not binding upon HUD.
    c. If any part or provision of this Agreement is enjoined or held to be void or unenforceable in any jurisdiction, it shall be ineffective as to such jurisdiction and only to the extent of such prohibition or enjoinment and shall not invalidate or affect the legality or enforceability of the remaining provisions and applications of this Agreement. In the event the enjoinment of such provisions is stayed, dissolved, or reversed, the full terms of this Agreement, including such provisions, will automatically become effective. This clause is self-executing and will become effective, binding, and enforceable automatically upon execution of this Agreement.

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**C. Federal Award Performance Goals**

The Recipient must meet any applicable performance goals, indicators, targets, and baseline data as required by applicable program requirements.

**D. Specific Terms and Conditions** Not applicable ☒ Attached ☐

| | | |
|---|---|---|
| For the U.S. Department of HUD<br>(name and title of authorized official) | Signature | Date |
| For the Recipient<br>(name and title of authorized official) | Signature | Date |

**ADDENDUM 1. POLICY REQUIREMENTS**

If applicable:

1. The Recipient shall not use grant funds to promote "gender ideology," as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.

2. The Recipient agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.

3. The Recipient certifies that it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964.

4. The Recipient shall not use any grant funds to fund or promote elective abortions, as required by E.O. 14182, Enforcing the Hyde Amendment.

5. This Grant shall not be governed by Executive Orders revoked by E.O. 14154, including E.O. 14008, or any requirements implementing Executive Orders that have been revoked.

6. The Recipient must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) (PRWORA) and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.

7. No state or unit of general local government that receives funding under this grant may use that funding in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of federal immigration statutes and regulations.

8. The Recipient must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.

9. Faith-based organizations may be Subrecipients for funds on the same basis as any other organization. Recipients may not, in the selection of Subrecipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.

10. Awards to Subrecipients made under, relating to or arising out of the Federal Award will not be used to engage in illegal racial discrimination, including racial preferences.

11. Awards to Subrecipients made under, relating to, or arising out of the Federal Award will not be distributed in a way that violates or otherwise is used to interfere with constitutional protections guaranteed for speech and religious beliefs and the free exercise of religion.

12. Awards made under, relating to, or arising out of the Federal Award will not be used to fund any project, service provider, or organization that operates illegal drug injection sites or "safe consumption sites" in violation of 21 U.S.C. § 856, knowingly permits the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2), or knowingly distributes drug paraphernalia in violation of 21 USC 863. This is not a requirement that program participants must be sober in order to receive assistance, participate in treatment in order to receive assistance, or be evicted or exited from assistance for a first-time violation of a drug-related program policy or lease requirement.

13. All agreements or contracts made under, relating to, or arising out of the Federal Award must contain the same terms and conditions as those in the grant agreement issued by HUD. Any conflicting terms and conditions must be approved by HUD.

14. Recipient shall comply with all applicable workforce management requirements, regulations and statutes, including, without limitation, Title VII of the Civil Rights Act of 1964, 8 U.S.C. § 1324a, the Copeland "Anti-Kickback" Act, and the Drug-Free Workplace Act of 1988, as they may apply.

## ADDENDUM 2. PROGRAM-SPECIFIC REQUIREMENTS

*14.218, Community Development Block Grant Program for Entitlement Communities*

1. *Environmental Review.* The Recipient agrees to assume all the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to section 104(g) of title I of the Housing and Community Development Act of 1974 and published in 24 C.F.R. part 58; except that if the Recipient is a state, the Recipient must require the unit of general local government to assume that responsibility and must comply with the state's responsibilities under 24 C.F.R. 58.4.

2. *Public Use.* The Recipient shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport, or highway projects as well as utility projects that benefit or serve the general public (including energy-, communication-, water-, and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. Law No. 107–118) shall be considered a public use for purposes of eminent domain.

3. *Prohibition on Selling, Trading, and Transferring Funds.* The Recipient or unit of general local government that directly or indirectly receives CDBG funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Housing and Community Development Act of 1974.

4. *Construction of Water and Sewer Facilities.* Notwithstanding any other provision of this agreement, the Recipient may not obligate or expend award funds to plan or construct water or sewer facilities, including any new or revised activities, until after 1) it completes the review procedures required under Executive Order 12372, Intergovernmental Review of Federal Programs, and 24 C.F.R. part 52 and 2) HUD provides written notice of the release of funds.

5. *Funds for For-Profit Entities.* Under 42 U.S.C. § 5305(a)(17), CDBG funds may not be provided to a for-profit entity unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 C.F.R. § 570, *Guidelines and Objectives for Evaluating Project Costs and Financial Requirements*.

6. *Violence Against Women Act.* The Recipient will comply with the right to report crime and emergencies protections at 34 U.S.C. § 12495 of the Violence Against Women Act.

7. Funding Information and Period of Performance and Budget Period End Dates

| Source of Funds | Amount | Period of Performance End Date | Budget Period End Date |
|---|---|---|---|
| 2026 | $424,798.00 | 9/30/2034 | 9/30/2034 |
| 2025 | $ 3.00 | 9/30/2033 | 9/30/2033 |

**ADDENDUM 3. INDIRECT COST RATE SCHEDULE**

As the duly authorized representative of the Recipient, I certify that the Recipient:

- ☑ Will not use an indirect cost rate to calculate and charge indirect costs under the grant.
- ☐ Will calculate and charge indirect costs under the grant by applying a *de minimis* rate as provided by 2 C.F.R. § 200.414(f), as may be amended from time to time.
- ☐ Will calculate and charge indirect costs under the grant using the indirect cost rate(s) listed below, and each rate listed is included in an indirect cost rate proposal developed in accordance with the applicable appendix to 2 C.F.R. part 200 and, *if required*, was approved by the cognizant agency for indirect costs.

| Agency/department/major function | Indirect cost rate | Type of Direct Cost Base |
|---|---|---|
| | % | |
| | % | |
| | % | |

<u>Instructions for the Recipient</u>:
The Recipient must mark the one (and only one) checkbox above that best reflects how the Recipient's indirect costs will be calculated and charged under the grant. Do not include indirect cost rate information for Subrecipients.

The table following the third box must be completed only if that box is checked. When listing a rate in the table, enter both the percentage amount (e.g., 10%) and the type of direct cost base to be used. For example, if the direct cost base used for calculating indirect costs is Modified Total Direct Costs, then enter "MTDC" in the "Type of Direct Cost Base" column.

If using the Simplified Allocation Method for indirect costs, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

If using the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.

If the Recipient is a government and more than one agency or department will carry out activities under the grant, enter each agency or department that will carry out activities under the grant, the indirect cost rate(s) for that agency or department, and the type of direct cost base to which each rate will be applied.

To learn more about the indirect cost requirements, see 2 C.F.R. part 200, subpart E and Appendix VII to Part 200 (for state and local governments).