

EXHIBIT 1

MDEI Violations

1. Health Insurance Portability and Accountability Act (HIPPA);
2. 24 CFR §574.30-§574.665;

24CFR §574.605 regulation states:

24 §574.605- Applicability of OMB Circulars:

In part....OMB Circulars A-110 and A-122 apply with respect to the use of funds under the program by private non-profit entities. (OMB Circular A-122 – Principles of fiscal controls and accounting).

OMB Circular A-122 Attachment B

Selected Items of Cost (8)(m)

Addresses cost principles for salaries and wages indicated that all personnel cost, whether direct or indirect, are supported by verified and approved after-the-fact activity reports.

As further described in the *HOPWA Grantee Oversight and Monitoring Guide Chapter 9, Section 3: Salaries and Wages, Pages 175-179*

24 CFR §574.530 regulation states:

Each grantee must ensure that records are maintained for a four-year period to document compliance with the provisions of this part. Grantees must maintain current and accurate data on the race and ethnicity of program participants.

As further described in the *HOPWA Grantee Oversight and Monitoring Guide Chapter 3, Section 3: Record Retention Policy, page 73.*

24 CFR §574.3 regulation states:

HOPWA regulations (authorize grantees (COFL) to award sub-awards to sponsors (i.e., sub-recipients) through a non-competitive process. This authorization does not extend to the sponsors, however, who should use competitive processes of one sort or another for the procurement of goods.

To monitor a sponsor's procurement of goods and services, the monitor will first need to determine what kinds of goods and services have been procured using HOPWA funds. The monitor can then check for compliance with the appropriate procurement method.

As further described in the *HOPWA Grantee Oversight and Monitoring Guide Chapter 10, Section 1 Procurement Management, Section 2: Procurement Methods Pages 204-220.*

3. FY 12-13 Agreement:

Article I – Grant Activities, Section 1.2

1.2 The Participant will provide eligible people with Housing and / or Supportive Services in accordance with the Proposal and as provided in this Agreement.

Article III, Grant Activities, Section 3.2, 3.5

- 3.2 The Participant agrees if Funds are utilized wholly or in part for employee salaries, whether direct or indirect charges, activity reports will be submitted to the city reflecting real or reasonable activities that directly show the time each particular staff person spends on HOPWA activities.
- 3.5 The Participant is solely responsible for providing services in accordance with all applicable regulations. The City's Community Development Division will provide technical assistance to ensure compliance.

Article VIII– Procurement, Section 8.1

- 8.1 The Participant agrees to adhere to 24 CFR Part 84 with regard to the purchase of all equipment and furnishings. Procurement of all items shall be conducted through open competition that may include price or rate quotations or sealed bids from at least two or more qualified sources or responsive bidders. Sole source procurement shall be used only in instances where items to be purchased are not available through open competition. Participant must consult the Federal Government's "Excluded Parties List" (EPLS) before contracting with third parties for services to verify that the party has not been barred from receiving federal funds. Participant must provide documentation the EPLS was completed and be made available for City inspection.

Article XII- Reports and Record Keeping Section 12.3

- 12.3 All records shall be available for inspection by the City or HUD representatives during all normal business hours. Records pertaining to this Agreement shall be maintained by the Participant and made available, in Broward County, Florida, for the duration of the grant term and retained for a period of four (4) years beyond the last day of the grant term. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the four (4) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the four (4) year period, whichever is later. Records shall include but not be limited to client files, e-mails, memorandums, correspondence, accounting documents, receipts, invoices, minutes of meetings, surveys and any all other documents or data either electronic, paper or both, associated in any way to the administration and implementation of this Agreement and the receipt and disbursement of the HOPWA funds provided in this Agreement.

Article XIII – Funding and Method of Payment, Sections 13.1

- 13.1 The City will pay all reimbursement requests within thirty working days of approval. The City agrees to reimburse the Participant for Units of Service that were actually delivered and correctly invoiced. Invoices not properly submitted shall be cause for delay in receipt of reimbursement.

Article XV- General Conditions, Section 15.1

- 15.1 The Participant agrees to comply with all applicable federal regulations. including but not limited to the General HUD Program Requirements, identified at 24 CFR Part 574.3 - 574.655, as presently promulgated and as may be revised.

Article XVII- Termination of Agreement, Section 17.2

- 17.2 In accordance with 24 CFR 84.61, suspension or termination may occur if Participant materially fails to comply with any term of this Agreement.

4. FY 13-14 Agreement:

Article I – Grant Activities, Section 1.2

- 1.2 The Participant will provide eligible people with Housing and / or Supportive Services in accordance with the Proposal and as provided in this Agreement.

Article III, Grant Activities, Section 3.2, 3.5

- 3.2 The Participant agrees if Funds are utilized wholly or in part for employee salaries, whether direct or indirect charges, activity reports will be submitted to the city reflecting real or reasonable activities that directly show the time each particular staff person spends on HOPWA activities.
- 3.5 The Participant is solely responsible for providing services in accordance with all applicable regulations. The City's Community Development Division will provide technical assistance to ensure compliance.

Article IX– Procurement, Section 9.1

- 9.1 The Participant agrees to adhere to 24 CFR Part 84 with regard to the purchase of all equipment and furnishings. Procurement of all items shall be conducted through open competition that may include price or rate quotations or sealed bids from at least two or more qualified sources or responsive bidders. Sole source procurement shall be used only in instances where items to be purchased are not available through open competition. Participant must consult the Federal Government's "Excluded Parties List" (EPLS) before contracting with third parties for services to verify that the party has not been barred from receiving federal

funds. Participant must provide documentation the EPLS was completed and be made available for City inspection.

Article XII- Reports and Record Keeping Section 12.3

12.3 All records shall be available for inspection by the City or HUD representatives during all normal business hours. Records pertaining to this Agreement shall be maintained by the Participant and made available, in Broward County, Florida, for the duration of the grant term and retained for a period of four (4) years beyond the last day of the grant term. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the four (4) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the four (4) year period, whichever is later. Records shall include but not be limited to client files, e-mails, memorandums, correspondence, accounting documents, receipts, invoices, minutes of meetings, surveys and any all other documents or data either electronic, paper or both, associated in any way to the administration and implementation of this Agreement and the receipt and disbursement of the HOPWA funds provided in this Agreement.

Article XIV – Funding and Method of Payment, Sections 14.1

14.1 The City will pay all reimbursement requests within thirty working days of approval. The City agrees to reimburse the Participant for Units of Service that were actually delivered and correctly invoiced. Invoices not properly submitted shall be cause for delay in receipt of reimbursement.

Article XVI- General Conditions, Section 16.1

16.1 *The Participant agrees to comply with all applicable federal regulations, including but not limited to the General HUD Program Requirements, identified at 24 CFR Part 574.3 - 574.655, as presently promulgated and as may be revised.*

Article XVII- Termination of Agreement, Section 17.2

17.2 In accordance with 24 CFR 84.61, suspension or termination may occur if Participant materially fails to comply with any term of this Agreement.