



Affordable Housing Development Fund – Round 2 Subrecipient Billing Guide

October 2022

Version History

Version #	Date	Page #	Description
1	3/23/2020	-	Initial Version
2	7/29/2022	-	Updated to remove reference to Salesforce and replace with instructions for SharePoint. Included Appendix G – Section 3 Requirements
3	10/06/2022	-	Updated to be inclusive to all Community Development Affordable Housing Development activities: MFRH; PHRF; and AHDF

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Purpose

The purpose of this guide is to assist Subrecipients with the reimbursement process. Under the Subrecipient Agreement, Subrecipients are able to receive reimbursement from the North Carolina Office of Recovery and Resiliency (NCORR) for incurred, allowable and eligible CDBG-DR expenses.

This guide is applicable specifically to Subrecipients funded in the Community Development Affordable Housing Development Programs.

Introduction

CDBG-DR funds are reimbursable to the Subrecipient by NCORR, if NCORR has found all of the expenses incurred by a Subrecipient to be eligible, necessary, reasonable, allowable and allocable to the CDBG-DR program.

It is the Subrecipient's responsibility to be knowledgeable and compliant with the following regulations, prior to incurring expenses:

- 2 CFR § 200, including all of Subpart E Cost Principles

Knowledge of 2 CFR 200 prior to incurring expenses will ensure the appropriate, effective, timely, and eligible use of CDBG-DR funds. Each Subrecipient is responsible for monitoring contractors¹ and project progress, in accordance with these requirements as well. It is the responsibility of the Subrecipient to pay each contractor. NCORR will reimburse Subrecipients only, not individual contractors.

Pursuant to 2 CFR § 200.302(a), the Subrecipient's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required to demonstrate the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Subrecipient Agreement and CDBG-DR grant.

Furthermore, Subrecipients must maintain accounting systems that provide for clear, real-time tracking of costs and targets related to the CDBG-DR grant, including by national objective, by most impacted and distressed geographies (MID), and by targets outlined in the Subrecipient Agreement (SRA).

¹ For the purpose of this guide the term *contractor(s)* is all-inclusive of any work performed by a company or individual outside of the Subrecipient's in-house staff.

Cost Allocations

Cost principles are those common principles detailed in 2 CFR §200.400 (Subpart E–Cost Principles). The information that follows describes how costs are classified. The Office of Management and Budget (OMB) and The US Department of Housing and Urban Development (HUD) identify three specific attributes related to costs:

- Allowability
- Reasonableness
- Allocability

Allowable Costs (2 CFR § 200.403)

All costs incurred by the Subrecipient must be eligible as described. Eligible costs are those that conform to HUD CDBG-DR requirements, including limitations and waivers described in applicable Federal Register Notices, comply with federal cost principles, and align with all associated cross-cutting federal requirements (Davis Bacons and Related Acts, Environmental requirements, etc.) and State and Local law.

Pursuant to 2 CFR § 200.403, costs must meet the following general criteria in order to be allowable as a charge against any Federal award:

- Costs must be necessary and reasonable for the performance of the Federal award and be allocable to that award and not to a different award;
- Costs must conform to any limitations or exclusions set forth in 2 CFR § 200 or in the Federal award as to types or amount of cost items;
- Costs must be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the Subrecipient;
- Costs must be accorded consistent treatment;
- Costs must be determined in accordance with generally accepted accounting principles (GAAP);
- Costs must be adequately documented

Federal requirements place limitations on specific items of costs, including prohibiting certain costs from being charged to a federal award (notable examples include expenditures for lobbying, alcohol, and payment on uncollectable debts). These requirements are specific and enumerated in 2 CFR § 200.420 – § 200.475. Subrecipients should reference these requirements and become familiar with them in order to carry out the CDBG-DR Federal program.

Costs must be necessary expenditures of Federal funding in order to meet program objectives. Unnecessary costs are those that are not required to achieve the objectives of the Subrecipient agreement or not related to the CDBG-DR program.

Reasonable Costs (2 CFR § 200.404)

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award;
- The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, and other laws and regulations; and terms and conditions of the Federal award;
- Market prices for comparable goods or services for the geographic area;
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the Subrecipient; and
- Whether the Subrecipient significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the cost.

Allocable Costs (2 CFR § 200.405 and § 200.406)

A cost is allocable to a particular grant, Subrecipient agreement, vendor contract, program or other cost objective if the goods or services involved are chargeable or assignable to that cost objective in accordance with relative benefits received. This standard is met if the cost:

- Is incurred specifically for that cost objective;
- Benefits both that cost objective and other work of the Subrecipient and can be distributed in proportions that may be approximated using reasonable methods; and
- Is necessary to the overall operation of the Subrecipient and is assignable in part to the specified cost objective in accordance with 2 CFR § 200.

Any cost allocable to a particular cost objective may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons.

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit.

Costs should only be charged net of all applicable credits. Applicable credits refer to those receipts or reduction-of-expenditure-type transactions that offset or reduce expense items allocable to the cost objective. Examples include:

- Purchase discounts;
- Rebates or allowances;
- Recoveries or indemnities on losses;
- Insurance refunds or rebates; and
- Adjustments of overpayments or erroneous charges

Subrecipient Payment Set-Up

NCORR is unable to process any request for reimbursement without first receiving the following information from the Subrecipient:

- Authorized Signatories Form (**Appendix A**)
- Direct Deposit Authorization Form (**Appendix B**) – if the Subrecipient elects to use direct deposit
- North Carolina Office of State Controller Tax ID form (**Appendix C**)

Authorized Signatories Form

The Subrecipient must identify the persons responsible for both contractual documents (executed Subrecipient agreement, associated amendments, and various program certifications) and financial documents (requests for payment, issuance of check) on the Authorized Signatories Form:

- Signatures of the persons authorized by the local governing body to sign these documents for the Subrecipient;
- A copy of the resolution passed by the city council or county commissioner's court authorizing the signatories (by job title is recommended);
- If an authorized signatory of the Subrecipient changes (due to elections, illness, resignations, etc.), the form and resolution must be updated

These documents must be submitted electronically in PDF format in SharePoint (instructions included in the *SharePoint instructions for submission* section of this guide). The Subrecipient must keep a hard copy of all documents on file for the purposes of record retention and monitoring.

Direct Deposit Authorization Form

The Subrecipient is strongly encouraged to authorize direct deposit to receive payments from a state agency posted directly to the local bank account. Subrecipients should complete the Direct Deposit Authorization Form (**Appendix B**) and submit electronically in PDF format in SharePoint (instructions included in the *SharePoint instructions for submission* section of this guide). After the form is submitted and subject to a 30-day processing period, grant payments will be deposited using this method. The Subrecipient must keep a hard copy of all documents on file for the purposes of record retention and monitoring.

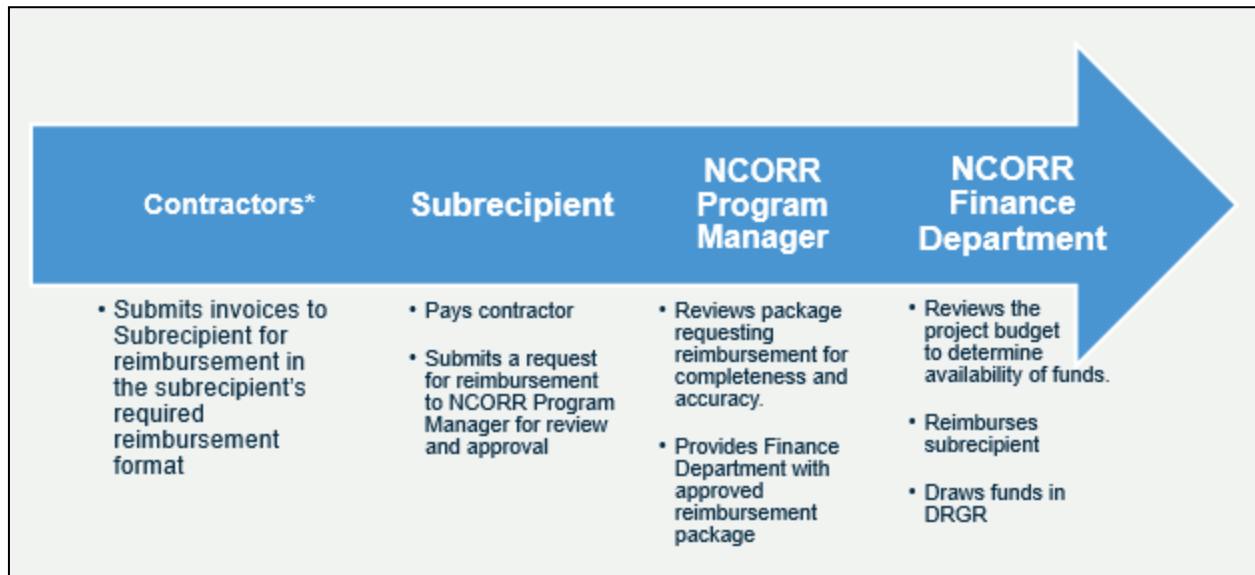
NC Office of State Controller Tax ID form

The Subrecipient must provide the appropriate Taxpayer Identification Number (EIN, SSN, or ITIN) type and enter the 9-digit ID number on this form (**Appendix C**). The U.S. Taxpayer Identification Number is being requested per U.S. Tax Law. The NC Office of the State Controller will not accept IRS Form W-9 in lieu of this form.

This form must be submitted electronically in PDF format in SharePoint (instructions included in the *SharePoint instructions for submission* section of this guide). The Subrecipient must keep a hard copy of all documents on file for the purposes of record retention and monitoring.

Reimbursement Process Flow

The following graphic depicts the process NCORR uses to reimburse Subrecipients:



*The use of the term contractors for the purpose of this guide is all inclusive of any work performed by a company outside of the Subrecipient's in-house staff.

Subrecipient's Responsibility

Prior to submitting a request for reimbursement to NCORR, the Subrecipient, **at a minimum**, is responsible for taking the following steps:

- Review the financial management systems in place to determine if changes need to be made to conform to Federal standards prior to incurring costs.
- Confirm there are sufficient internal controls and procedures within the financial system with the proper segregation of duties. No single person is able to have control over the entire payment process. NCORR recommends the Subrecipient have a programmatic approval and a financial approval over each payment.
- Create (or review the existing) payment process for contractors. NCORR does not require a specific process or timeline for a Subrecipient to pay contractors. NCORR does however require Subrecipients to submit a request for reimbursement to NCORR for payment within 60 days of payment to the contractor. NCORR reimburses the Subrecipient only, not individual contractors.
- Providing NCORR with a copy of the entire procurement file for the contractor(s) performing work. These documents must be submitted electronically in PDF format in SharePoint (instructions included in the SharePoint instructions for submission section of this guide). The Subrecipient must keep a hard copy of all documents on file for the purposes of record retention and monitoring. All procurements must be supported by an independent cost estimate or price analysis in accordance with 2 CFR 200.323.
- Ensuring all of the contractors included in the request for reimbursement were procured in compliance with 2 CFR 200.
- Checking all contractors included in the request for reimbursement for current and active status in on SAM.gov.
- Reviewing Davis-Bacon certified payrolls submitted by the contractors for accuracy (if applicable to the project type).
- Conducting on-site Davis-Bacon interviews (if applicable to the project type).
- Reporting compliance with Section 3 (if applicable to the project type).
- Reporting compliance with minority- and women-owned businesses (*MBE/WBE*).
- Determining costs included in the request for reimbursement are supported, reasonable and eligible.

Request for Reimbursement

Once the above stated responsibilities have been met, the Subrecipient is able to submit electronically in PDF format in SharePoint (instructions included in the *SharePoint instructions for submission* section of this guide), a **CDBG-DR Subrecipient Payment Request Cover Page (Appendix D)**. The completed cover page must be signed by the authorized signatory.

NCORR will accept one request for reimbursement per Subrecipient, per month; exceptions may be made with prior approval from NCORR.

All supporting documents must be submitted electronically in PDF format in SharePoint (instructions included in the *SharePoint instructions for submission* section of this guide). The Subrecipient must keep a hard copy of all documents on file for the purposes of record retention and monitoring.

- All documents attached to the CDBG-DR Subrecipient Payment Request Cover Page must have Personal Identifying Information redacted to preserve Subrecipient and contractor confidentiality. Bank account numbers, checking account numbers, etc. should all be redacted. The Subrecipient must keep an un-redacted hard copy on file for the purposes of record retention and monitoring.

Requests for reimbursement are processed in the order received. Once the request has been processed through the Finance Department, they cannot be amended or recalled.

All questions regarding requests for reimbursement should be submitted to the NCORR Program Manager.

All requests for reimbursement submitted to NCORR will be paid within 30 days of receipt of a complete request for reimbursement package. NCORR has up to 21 days to approve, withdraw and/or reject any Subrecipient requests.

Supporting Documentation

At a minimum, the following are required to be attached to each CDBG-DR Subrecipient Payment Request Cover Page:

- A copy of the invoice received by the Subrecipient from the Contractor requesting payment
- Proof of payment by the Subrecipient for each vendor/contractor included in the Request for Payment is attached (copy of a check, bank statement showing funds debited, electronic fund transfer approval)
- Contractor Certified Davis Bacon Payrolls (if applicable – Construction Projects) on US Department of Labor Payroll Form WH-347 (**Appendix E**)

- Time and Effort Reports for the Subrecipient (if applicable) on approved NCORR Time and Effort sheet (**Appendix F**)
- Time and Effort Reports for the contractor/vendor (if applicable)
- Permits, Certifications or Inspection Reports received during the period covering payment (if applicable)
- Project Progress Report (covering the Period of Payment)
- Approved Change Order(s) (if applicable) with updated Budget
- Any communication received from Federal Agencies (ex. FEMA, HUD, USACE) in regards to the project (if applicable)

Time and Effort Reporting

Subrecipient Staff

Subrecipients seeking reimbursement for personnel costs, for employees performing work on the grant are required to provide timekeeping reports and effort reports. Timekeeping reports may come in the form of a weekly timesheet or reporting from a timekeeping system and the reports must include the following:

- Employee's name
- Position / Title
- Dates of the pay period reported
- Total hours worked by date for the entire pay period - *including all non-grant hours worked*
- Employee and Employee's Supervisor signature and certification

Effort reports must provide sufficient information such that NCORR staff and future auditors are able to confirm a subrecipient employee's work was tied to the specific grant charged. The NCORR Time Allocation Report Form (Appendix F) is provided for use by the subrecipient to record effort. When completing the NCORR form or providing a *NCORR-approved* substitute effort form, the following information must be provided:

- Employee's name
- Position / Title
- Dates of the pay period reported
- Hourly Rate
- Contact Information
- Detailed Description of the Work – **This is the effort statement.** The statement should provide sufficient detail to trace work back to the specific grant. Statements should vary with the work performed and not be generic or repetitive. *Do not include hours worked on non-NCORR subrecipient agreement activities.*
- Work or Task Type – Employee will select the *Project Delivery Number* of the specific project for the work performed under the grant agreement. For subrecipient organizations with multiple NCORR awarded projects, employees will select *Administration* in certain circumstances. For more information, please see the Time Allocation section below.
- Hours worked for each day of the week for the particular effort statement for each CDBG-DR grant
- Employee and Employee's Supervisor signatures and certifications.

Subrecipient's Vendors

If the subrecipient has a contract with a vendor to provide professional services charged by hourly rate, with an overall not-to-exceed amount or, where tangible deliverables are not evident, the contractor must provide the same timekeeping and effort reports, as subrecipient employees. These timekeeping and effort reports must be provided to the subrecipient as part of the invoice package. Subrecipients will be unable to submit to NCORR for reimbursement if vendor timekeeping and effort reports are missing. Subcontractors of vendors are not required to provide timekeeping reports reflecting all hours worked during a pay period, however, subcontractors must complete effort reports for time worked on the specific grant.

- A typical vendor contract that results in the need for time and effort reporting is a Program Management Organization (PMO) contract.
- If the vendor contract is for the delivery of specific deliverables, such as design or engineering documents or performing construction, then no time and effort reporting is required.

It should be noted - timekeeping and effort reporting **does not** replace required Davis Bacon

Payroll reporting for construction contractors and subcontractors.

Time Allocation

Subrecipients with only one awarded project will allocate time to that single project. Employees will always select the *Project Delivery Number* for that specific project under *Work or Task Type*. Subrecipients with Multiple Awarded Projects will record their effort, to the whole hour, for each specific project.

- For example, a county employee acting as a project manager will select the specific Project Delivery Number for the specific project worked on at a given time. The effort (broken into whole hours) for each day will be divided among multiple effort statements, with each line capturing time spent on a specific project. Some subrecipient employees, such as an assistant county manager, may need to oversee multiple projects, but cannot easily assign their time to each project. For these general management employees, the employee would select *Administration* to allocate their time.²

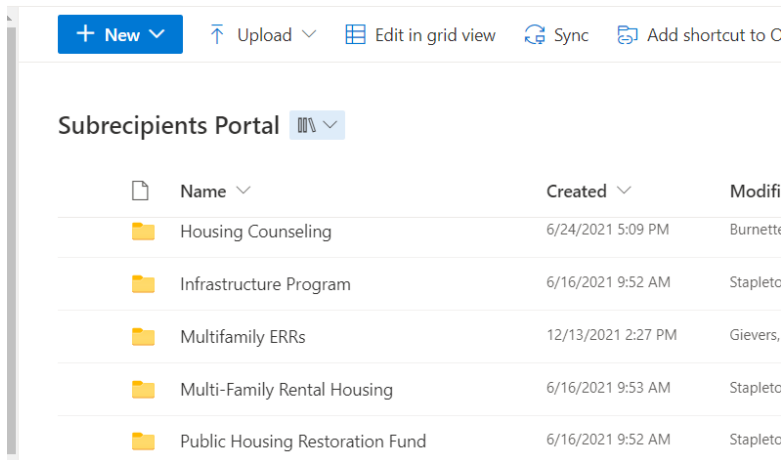
Vendors and subcontractors will always select the Project Delivery Number for recording effort. Vendor and subcontractors never have access to *Administration* funds.

² To determine a subrecipient organization's *Project Delivery* and *Administration* budgets, please refer to the subrecipient agreement.

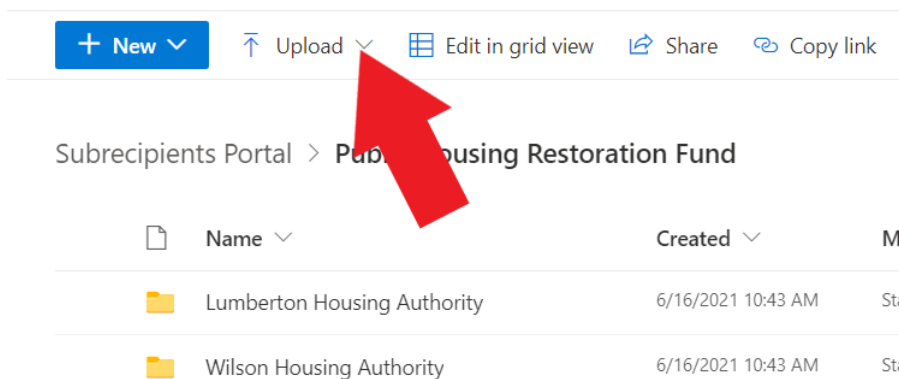
SharePoint Instructions for Submission

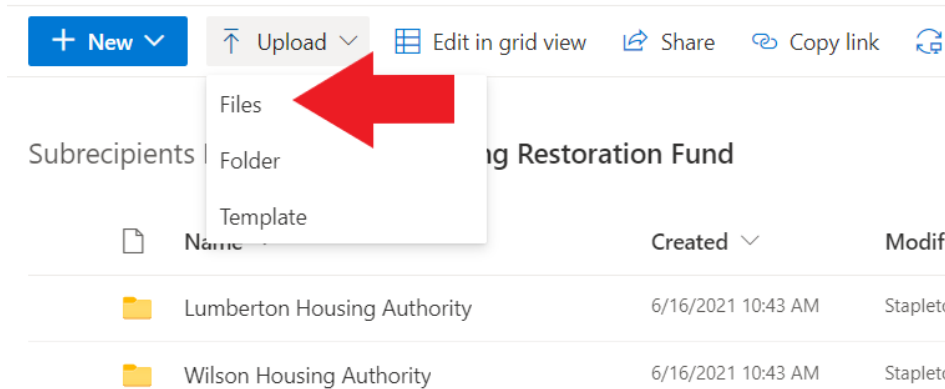
SharePoint is the vehicle for uploading all documents referenced within this guide. The Subrecipient must use SharePoint as the only means to upload financial documents for NCORR’s review. The SharePoint site is the repository for all requests for reimbursement. The process for uploading requests for reimbursement is as follows:

1. Click on the SharePoint link emailed to you to access the SharePoint main landing page. When the main landing page opens, you will see only the folders accessible to you.
2. Click on the folder corresponding to your program (“Multi-Family Rental Housing”; “Public Housing Restoration Fund”; etc.)



3. Each Subrecipient has their own folder. Click on the folder for your Agency.
4. To upload a new document into the folder, click the “Upload” button in the top banner. Choose “Files” from the dropdown options.





5. When the window opens up, select the files you want to upload. Alternatively you can click on the document you want to upload and move your cursor over to the SharePoint screen, then unclick. This action will also upload a document.

6. Following upload, SharePoint will ask if you would like to notify your team. Clicking on “Notify your team” will send an automated email to the Program Manager, facilitating timely processing.

NCORR staff will review all requests for payment for completeness, accuracy, and eligibility on a first in, first out basis. Subrecipients must ensure that all CDBG-DR funding is spent only on eligible, necessary, reasonable, and allocable costs associated with project activities within their Subrecipient agreement.

Recalling Submission

If an error or omission is discovered after a request for reimbursement is submitted, the Subrecipient should:

- Send an email to the NCORR Program Manager requesting the submission be deactivated;
- Wait for notification from NCORR that the requisition is able to be deactivated in SharePoint by the Subrecipient;
- Resubmit the full reimbursement request including the corrected or additional information

Minimizing the Time between Payment and Disbursement

Subrecipients may submit a payment request for eligible costs once per month, subject to limitations in their Subrecipient agreement and at least quarterly throughout the life of their Subrecipient agreement. Subrecipients must remit payment to developers within five (5) days of receipt of reimbursement from NCORR.

Reimbursement Best Practices

- Review the entire request for reimbursement before submission to NCORR.
- Compile all required documents in the order outlined on the CDBG-DR Subrecipient Payment Request Cover Page and scan the entire package as a PDF file.
- Review the scanned PDF to ensure the file is legible and in the proper order.

- For each expense, review to ensure it is allowable, necessary, eligible and reasonable.

Final Request for Reimbursement

Subrecipients must submit final reimbursement requests to NCORR no later than 60 days after the Subrecipient agreement expires or is terminated. NCORR in its sole discretion may deny payment and de-obligate remaining funds from the Subrecipient agreement 60 days after expiration.

Appendix A: Authorized Signatures Form

NCORR CDBG-DR SUBRECIPIENT AUTHORIZED SIGNATORIES FORM

Mailing Address:
Post Office Box 110465
Durham, NC 27709



Telephone: 984.833.5350
www.ncdps.gov
www.rebuildnc.gov

Subrecipient Name: _____

Address: _____

Signatures of individuals authorized to sign requests for reimbursement from NCORR.

Electronic signatures and stamps will not be accepted.

(Signature)

(Typed Name) (Typed Title)

(Signature)

(Typed Name) (Typed Title)

(Signature)

(Typed Name) (Typed Title)

(Signature)

(Typed Name) (Typed Title)

CERTIFICATION

I certify that the signatures above are of the individuals authorized to sign requests for reimbursement from NCORR.

Certifying Official + Title

**NCORR CDBG-DR SUBRECIPIENT
AUTHORIZED SIGNATORIES FORM**

INSTRUCTIONS FOR COMPLETING SIGNATORY FORM AND CERTIFICATION

1. Indicate name and address of the subrecipient.
2. Two authorized signatures are required on all requests for reimbursement forms. NCORR will check the signatures on each submission to ensure that they match the authorized signatures on the Signatory Form. Only the signatures of persons shown on the Signatory Form will be accepted. **Electronic signatures and stamps will not be accepted.**
3. To allow for flexibility in making reimbursement requests, it is recommended that four authorized signatures appear on the Signatory Form.
4. If the recipient wishes to change the persons authorized to sign the request for reimburse form a new Signatory Form must be submitted to NCORR.



Appendix B: Direct Deposit Authorization Form

Office of the State Controller
Return to: OSC Support Services Center
 Address: 1410 Mail Service Center
 Raleigh, NC 27699-1410
 Email: osc.support.services@osc.nc.gov
 Telephone: 919-707-0793



Vendor Electronic Payment Form
 New Add Request
 Change/Update Existing Account
 Inactivate Existing Account
***Denotes a required field**

The State of North Carolina offers payees the opportunity to receive payments electronically through U.S. based banks. In addition to having the funds deposited electronically, you will also receive remittance information by e-mail.

We require you to submit a copy of a voided check, bank statement, or a bank authorization letter on bank letterhead for account verification.

*TAX ID # or SSN										
*PAYEE NAME										
*REMITTANCE ADDRESS (AS PRINTED ON YOUR INVOICE)	STREET							SUITE/ROOM #		
*CONTACT	CITY					STATE		ZIP CODE		
	NAME & TITLE					PHONE NUMBER				

NEW FINANCIAL INFORMATION

*FINANCIAL INSTITUTION NAME:										
*NAME ON ACCOUNT:										
*NEW ROUTING NUMBER:										
*NEW ACCOUNT NUMBER:										
*ACCT TYPE:	<input type="checkbox"/> Checking					<input type="checkbox"/> Savings				
*REMIT E-MAIL ADDRESS										

New add requests MUST include contact information for the state agency with which you are doing business.

*North Carolina Agency Name:	*North Carolina Agency Contact Name:
*North Carolina Agency Contact Email Address:	*North Carolina Agency Contact Phone Number:

PRIOR FINANCIAL INFORMATION (only required for updates)

FINANCIAL INSTITUTION NAME:										
NAME ON ACCOUNT:										
ROUTING NUMBER:										
ACCOUNT NUMBER:										
ACCT TYPE:	<input type="checkbox"/> Checking					<input type="checkbox"/> Savings				
REMIT E-MAIL ADDRESS										

* ALL BOXES BELOW MUST BE REVIEWED AND CHECKED	
<input type="checkbox"/>	I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, and the requirements of the Office of Foreign Assets Control (OFAC). I affirm the entire amount of the payment will not be transferred to a foreign bank account.
<input type="checkbox"/>	I authorize the Office of the State Controller to initiate ACH payments, and if necessary, adjustments for any ACH payments in error, to the financial institution and account identified on the attached certification document. This authority will remain in effect until I, the vendor, cancel it in writing or the authority is terminated by the NC Office of the State Controller.
<input type="checkbox"/>	I have attached a copy of a current voided check, current bank statement, or a bank authorization letter on bank letterhead.
*PRINT NAME:	*DATE:
*SIGNATURE:	*PHONE NUMBER:

Revised January 2019

Instructions

*** Denotes a required field on the form**

1. *Check the appropriate box at the top of the form:
 - New Add Request – Vendor would like to begin receiving payments via ACH.
 - Change/Update Existing Account – Vendor's account number, routing number, or remittance email address has changed.
 - Inactivate Existing Account – Vendor no longer wants to receive payments via ACH.
2. *Enter the vendor's Tax Identification Number or Social Security Number.
3. *Enter the Payee Name – The name of the person or business receiving payment.
4. *Enter the vendor's remittance address. The remittance address is the address printed on your invoice where payments should be sent.
5. *Enter the vendor's contact name, title, and phone number.
6. *Enter the vendor's financial information:
 - Financial Institution Name – Name of the financial institution.
 - Name on Account – The account owner's name.
 - Routing Number – Nine-digit number identifying the financial institution.
 - Account Number – The bank account number where the funds should be deposited.
 - Account Type – Is this a checking or savings account? Check the appropriate box.
 - Remit E-mail address - Enter the email address to which the remittance advices should be sent.
7. *For a **new add request only**, provide the following:
 - North Carolina State Agency Name – The state agency the vendor is doing business with.
 - North Carolina State Agency Contact Name – The vendor's contact person name at the state agency.
 - North Carolina State Agency Contact Email Address – The contact person's email address at the state agency.
 - North Carolina State Agency Contact Phone Number – The contact person's phone number at the state agency.

NOTE: New add requests MUST include contact information for the state agency with which you are doing business.

8. Prior Financial Information – this is required if the vendor's bank account, routing number, or remittance email address has changed.
 - Financial Institution Name – Name of the prior financial institution.
 - Name on Account – The account owner's name.
 - Routing Number – Nine-digit number identifying the prior financial institution.
 - Account Number – The bank account number where the funds were being deposited.
 - Account Type – Is this a checking or savings account? Check the appropriate box.
 - Remit E-mail address - Enter the email address to which the remittance advices were being sent.
9. *Review all the information in the 3 attestation boxes located above the signature area. All 3 boxes must be checked – **otherwise the form will not be processed.**
10. *Print Name – Print the name of the authorized signee on the form.
 - *Date – Date of signature.
 - *Signature – The authorized signee's signature.
 - *Phone Number – The authorized signee's phone number.

Return to: OSC Support Services Center

Address:


1410 Mail Service Center
Raleigh, NC 27699-1410

Email: osc.support.services@osc.nc.gov

Please allow up to 30 days for processing.

Appendix C: NC Controller Tax ID Form

REV 01/2019

NC Office of the State Controller (IRS Form W-9 will not be accepted in lieu of this form) *Denotes a Required Field		STATE OF NORTH CAROLINA SUBSTITUTE W-9 FORM Request for Taxpayer Identification Number		
Section 1 – Taxpayer Identification	*1. <input type="checkbox"/> Social Security Number (SSN), OR <input type="checkbox"/> Employer Identification Number (EIN), OR <input type="checkbox"/> Individual Taxpayer Identification Number (ITIN) *2. (PRESS THE TAB KEY TO ENTER EACH NUMBER)		Please select the appropriate Taxpayer Identification Number (EIN, SSN, or ITIN) type and enter your 9-digit ID number. The U.S. Taxpayer Identification Number is being requested per U.S. Tax Law. Failure to provide this information in a timely manner could prevent or delay payment to you or require The State of NC to withhold 24% for backup withholding tax.	
	*4. Legal Name (as shown on your income tax return):		3. Dunn & Bradstreet Universal Numbering System (DUNS) (see instructions) (PRESS THE TAB KEY TO ENTER EACH NUMBER)	
	5. Business Name/DBA/Disregarded Entity Name, if different from Legal Name:			
	Contact Information			
	*6. Legal Address (DO NOT TYPE OR WRITE IN THIS FIELD)		7. Remittance Address (Location specifically used for payment that is different from Legal Address, if applicable)	
	*Address Line 1:		Address Line 1:	
	Address Line 2:		Address Line 2:	
	*City	*State	*Zip (9 digit)	City State Zip (9 digit)
	*County		County	
	*8. Contact Name:			
	*9. Phone Number:			
10. Fax Number:				
11. Email Address:				
*12. Entity Type		*13. Entity Classification	14. Exemptions (see instructions)	
<input type="checkbox"/> Individual/Sole Proprietor/Single-member LLC <input type="checkbox"/> C-Corporation <input type="checkbox"/> S-Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/Estate <input type="checkbox"/> Other _____ <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.		<input type="checkbox"/> Medical Services <input type="checkbox"/> Legal/Attorney Services <input type="checkbox"/> NC Local Govt <input type="checkbox"/> Federal Govt <input type="checkbox"/> NC State Agency <input type="checkbox"/> Other Govt <input type="checkbox"/> Other (specify) _____	Exempt payee code (if any): Exemption from FATCA reporting code (if any):	
Under penalties of perjury, I certify that: 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding because of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a U.S. citizen or other U.S. person (defined later in general instructions), and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.				
Certification instructions: Please refer to the IRS Form W-9 located on the IRS Website (https://www.irs.gov/):				
*Printed Name:		*Printed Title:		
*Authorized U.S. Signature:		* Date:		

Please complete the "Modification to Existing Vendor Records" section below if there have been any changes to the following: Tax Identification Number (TIN), Legal Name, Business Name, Remittance Address

Return to the NC State Agency from which you are requesting payment.

NC Office of the
State Controller
***Denotes a Required Field**
This form is to be
completed by the vendor.

**STATE OF NORTH CAROLINA
SUBSTITUTE W-9 FORM
Modification to Existing Vendor Records**



This form is to be completed by the vendor if one or more of the following have changed:

1. Change of remittance address.
2. Change of Social Security Number (SSN), or Employer Identification Number (EIN), or Individual Taxpayer Identification Number (ITIN).
3. Change of Vendor Name.

Please complete the applicable sections below.

Section 1:

CHANGE FROM: Remittance Address	CHANGE TO: Remittance Address
*Address Line 1:	*Address Line 1:
Address Line 2:	Address Line 2:
*City *State *Zip (9 digit)	*City *State *Zip (9 digit)
*County	*County

NOTE: If you would like to receive your payments electronically, please complete the [Vendor Electronic Payment Form](#)

Section 2:

* CHANGE FROM: SSN, or EIN, or ITIN	* CHANGE TO: SSN, or EIN, or ITIN
-------------------------------------	-----------------------------------

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

Section 3:

CHANGE FROM: Vendor Name	CHANGE TO: Vendor Name
*Legal Name:	*Legal Name:
Business Name/DBA/Disregarded Entity Name, if different from Legal Name:	Business Name/DBA/Disregarded Entity Name, if different from Legal Name:

*Printed Name:		*Printed Title:	
*Authorized U.S. Signature:		* Date:	

General Instructions

For General Instructions, please refer to the IRS Form W-9 located on the IRS Website (<https://www.irs.gov/>).

Specific Instructions**Section 1 -Taxpayer Identification**

1. **Taxpayer Identification Type.** Check the type of identification number provided in box 2.
2. **Taxpayer Identification Number (TIN).** Enter taxpayer's nine-digit Employer Identification Number (EIN), Social Security Number (SSN), or Individual Taxpayer Identification Number (ITIN) without dashes.

Note: If an LLC has one owner, the LLC's default tax status is "disregarded entity". If an LLC has two owners, the LLC's default tax status is "partnership". If an LLC has elected to be taxed as a corporation, it must file IRS Form 2553 (S Corporation) or IRS Form 8832 (C Corporation).

3. **Dunn and Bradstreet Universal Numbering System (DUNS).** Vendors are requested to enter their DUNS number, if applicable.
4. **Legal Name.** Enter the legal name as registered with the IRS or Social Security Administration. In general, enter the name shown on your income tax return. Do not enter a Disregarded Entity Name on this line.
5. **Business Name.** Business, Disregarded Entity, trade, or DBA ("doing business as") name.

Contact Information

6. Enter your **Legal Address.**
7. Enter your **Remittance Address, if applicable.** A **Remittance Address** is the location in which you or your entity receives business payments.
8. Enter the **Contact Name.**
9. Enter your **Business Phone Number.**
10. Enter your **Fax Number, if applicable.**
11. Enter your **Email Address, if applicable.**

For clarification on IRS Guidelines, see www.irs.gov.

12. **Entity Type.** Select the appropriate entity type.
13. **Entity Classification.** Select the appropriate classification type.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the Exemptions box, any code(s) that may apply to you. See Exempt payee code and Exemption from FATCA reporting code below.

14. **Exempt payee code.** Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1 - An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2 - The United States or any of its agencies or instrumentalities
- 3 - A state, the District of Columbia, a possession of the United States, or any of their political subdivisions, or instrumentalities
- 4 - A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5 - A corporation
- 6 - A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7 - A futures commission merchant registered with the Commodity Futures Trading Commission
- 8 - A real estate investment trust
- 9 - An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10 - A common trust fund operated by a bank under section 584(a)
- 11 - A financial institution
- 12 - A middleman known in the investment community as a nominee or custodian
- 13 - A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

If the payment is for...	THEN the payment is exempt for...
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A - An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B - The United States or any of its agencies or instrumentalities
- C - A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- D - A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
- E - A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
- F - A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G - A real estate investment trust
- H - A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I - A common trust fund as defined in section 584(a)
- J - A bank as defined in section 581
- K - A broker
- L - A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M - A tax exempt trust under a section 403(b) plan or section 457(g) plan

Section 2 - Certification

To establish to the paying agency that your TIN is correct, you are not subject to backup withholding, or you are a U.S. person, or resident alien, sign the certification on NC Substitute Form W-9. You are being requested to sign by the State of North Carolina.

For additional information please refer to the IRS Form W-9 located on the IRS Website (<https://www.irs.gov/>).



Appendix D: NCORR Reimbursement Cover Sheet



North Carolina Department of Public Safety
Office of Recovery and Resiliency

Roy Cooper, Governor
 Eddie M. Buffaloe, Jr., Secretary

Laura H. Hogshead, Chief Operating Officer

CDBG-DR Request for Payment Cover Sheet / Checklist

This cover sheet must be completed and attached to each request for payment submitted to NCORR. Please direct questions to Tracey Colores, NCORR Community Development Director, or designee.

SECTION 1				
Name of Subrecipient:				
Amount of Payment Requested:	\$			
Project Name:		Federal Tax ID #:		Date Submitted:
Percentage of Project Complete:		Period of Payment (date range):		
Payment Request Number:		Subrecipient Agreement Effective Dates From _____ to _____		
Contact Name:		Contact Phone #:		
Contact Email:				
SECTION 2				
<i>Additional information and instructions for completion can be found in the NCORR Billing Guide</i>				Check if attached
Request for Payment Cover Sheet is signed by the Subrecipient's authorized signatory				<input type="checkbox"/>
Expenditures are appropriate and allowable under the contract between the Subrecipient and the vendor/developer*				<input type="checkbox"/>
Expenditures were incurred after the Subrecipient executed a contract/MOU with the vendor/developer				<input type="checkbox"/>
Expenditures conform to the current approved budget				<input type="checkbox"/>
Contractor Certified Davis Bacon Payrolls (if applicable – Construction Projects) – Form WH-347				<input type="checkbox"/>
Permits, Certifications or Inspection Reports received during the period covering payment				<input type="checkbox"/>
Reports on Status of Mitigation Efforts Required in MOA, if applicable				<input type="checkbox"/>
Project Progress Report Covering the Period of Payment				<input type="checkbox"/>
Approved Change Order(s) (if applicable) with updated Budget				<input type="checkbox"/>
Any communication received from Federal Agencies (ex. FEMA, HUD, USACE) regarding the project				<input type="checkbox"/>

***Cost Allowability.** (2 CFR Part 2.00) The Cost is necessary and reasonable; allocable to program; authorized and not prohibited; conforms to rules and requirements; and has been allocated correctly.

Mailing Address:
 Post Office Box 110465
 Durham, NC 27709



Telephone: 984.833.5350
www.ncdps.gov
www.rebuildnc.gov

An Equal Opportunity Employer

Vendor/Contractor Name	Business is a Section 3 Business	Business is Certified HUB or WMBE	Invoice Number	Total Amount of Invoice	Amount of Invoice Requesting Reimbursement
				TOTAL \$	
Printed Name and Title			Signature		

State Use Only		
Comments:		
NCORR Printed Name and Title	Signature	Date



Appendix E: WH-347 (Davis Bacon Wage Sheet)

U.S. Department of Labor
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)



Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>	ADDRESS	OMB No.: 1235-0008 Expires: 04/30/2021
---	---------	---

PAYROLL NO.	FOR WEEK ENDING	PROJECT AND LOCATION	PROJECT OR CONTRACT NO.
-------------	-----------------	----------------------	-------------------------

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF EMPLOYING EMPLOYERS	(3) WORK CLASSIFICATION	DT OR ST	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK
				HOURS WORKED EACH DAY										FICA	WITH- HOLDING TAX		OTHER	TOTAL DEDUCTIONS	
				S	S	S	S	S	S	S									
			O																
			S																
			O																
			S																
			O																
			S																
			O																
			S																
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			S																
			O																
			S																

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(i) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room 83502, 200 Constitution Avenue, N.W., Washington, D.C. 20210

(over)

Date _____

I, _____ (Name of Signatory Party) _____ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

_____ on the
(Contractor or Subcontractor)

_____ ; that during the payroll period commencing on the
(Building or Work)

_____ day of _____, _____, and ending the _____ day of _____, _____

all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE
----------------	-----------

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

Wage and Hour Division

Instructions For Completing Payroll Form, WH-347

- [WH-347](#) (PDF)

OMB Control No. 1235-0008, Expires 04/30/2021.

General: Form WH-347 has been made available for the convenience of contractors and subcontractors required by their Federal or Federally-aided construction-type contracts and subcontracts to submit weekly payrolls. Properly filled out, this form will satisfy the requirements of Regulations, Parts 3 and 5 (29 C.F.R., Subtitle A), as to payrolls submitted in connection with contracts subject to the Davis-Bacon and related Acts.

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) Regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Under the Davis-Bacon and related Acts, the contractor is required to pay not less than prevailing wage, including fringe benefits, as predetermined by the Department of Labor. The contractor's obligation to pay fringe benefits may be met either by payment of the fringe benefits to bona fide benefit plans, funds or programs or by making payments to the covered workers (laborers and mechanics) as cash in lieu of fringe benefits.

This payroll provides for the contractor to show on the face of the payroll all monies to each worker, whether as basic rates or as cash in lieu of fringe benefits, and provides for the contractor's representation in the statement of compliance on the payroll (as shown on page 2) that he/she is paying for fringe benefits required by the contract and not paid as cash in lieu of fringe benefits. Detailed instructions concerning the preparation of the payroll follow:

Contractor or Subcontractor: Fill in your firm's name and check appropriate box.

Address: Fill in your firm's address.

Payroll No.: Beginning with the number "1", list the payroll number for the submission.

For Week Ending: List the workweek ending date.

Project and Location: Self-explanatory.

Project or Contract No.: Self-explanatory.

Column 1 - Name and Individual Identifying Number of Worker: Enter each worker's full name and an individual identifying number (e.g., last four digits of worker's social security number) on each weekly payroll submitted.

Column 2 - No. of Withholding Exemptions: This column is merely inserted for the employer's convenience and is not a requirement of Regulations, Part 3 and 5.

Column 3 - Work Classifications: List classification descriptive of work actually performed by each laborer or mechanic. Consult classification and minimum wage schedule set forth in contract specifications. If additional classifications are deemed necessary, see Contracting Officer or Agency representative. An individual may be shown as having worked in more than one classification provided an accurate breakdown or hours worked in each classification is maintained and shown on the submitted payroll by use of separate entries.

Column 4 - Hours worked: List the day and date and straight time and overtime hours worked in the applicable boxes. On all contracts subject to the Contract Work Hours Standard Act, enter hours worked in excess of 40 hours a week as "overtime".

Column 5 - Total: Self-explanatory

Column 6 - Rate of Pay (Including Fringe Benefits): In the "straight time" box for each worker, list the actual hourly rate paid for straight time worked, plus cash paid in lieu of fringe benefits paid. When recording the straight time hourly rate, any cash paid in lieu of fringe benefits may be shown separately from the basic rate. For example, "\$12.25/.40" would reflect a \$12.25 base hourly rate plus \$0.40 for fringe benefits. This is of assistance in correctly computing overtime. See "Fringe Benefits" below. When overtime is worked, show the overtime hourly rate paid plus any cash in lieu of fringe benefits paid in the "overtime" box for each worker; otherwise, you may skip this box. See "Fringe Benefits" below. Payment of not less than time and one-half the basic or regular rate paid is required for overtime under the Contract Work Hours Standard Act of 1962 if the prime contract exceeds \$100,000. In addition to paying no less than the predetermined rate for the classification which an individual works, the contractor must pay amounts predetermined as fringe benefits in the wage decision made part of the contract to approved fringe benefit plans, funds or programs or shall pay as cash in lieu of fringe benefits. See "FRINGE BENEFITS" below.

Column 7 - Gross Amount Earned: Enter gross amount earned on this project. If part of a worker's weekly wage was earned on projects other than the project described on this payroll, enter in column 7 first the amount earned on the Federal or Federally assisted project and then the gross amount earned during the week on

all projects, thus "\$163.00/\$420.00" would reflect the earnings of a worker who earned \$163.00 on a Federally assisted construction project during a week in which \$420.00 was earned on all work.

Column 8 - Deductions: Five columns are provided for showing deductions made. If more than five deduction are involved, use the first four columns and show the balance deductions under "Other" column; show actual total under "Total Deductions" column; and in the attachment to the payroll describe the deduction(s) contained in the "Other" column. All deductions must be in accordance with the provisions of the Copeland Act Regulations, 29 C.F.R., Part 3. If an individual worked on other jobs in addition to this project, show actual deductions from his/her weekly gross wage, and indicate that deductions are based on his gross wages.

Column 9 - Net Wages Paid for Week: Self-explanatory.

Totals - Space has been left at the bottom of the columns so that totals may be shown if the contractor so desires.

Statement Required by Regulations, Parts 3 and 5: While the "statement of compliance" need not be notarized, the statement (on page 2 of the payroll form) is subject to the penalties provided by 18 U.S.C. § 1001, namely, a fine, possible imprisonment of not more than 5 years, or both. Accordingly, the party signing this statement should have knowledge of the facts represented as true.

Items 1 and 2: Space has been provided between items (1) and (2) of the statement for describing any deductions made. If all deductions made are adequately described in the "Deductions" column above, state "*See Deductions column in this payroll.*" *See "FRINGE BENEFITS"* below for instructions concerning filling out paragraph 4 of the statement.

Item 4 FRINGE BENEFITS - Contractors who pay all required fringe benefits: If paying all fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor, show the basic cash hourly rate and overtime rate paid to each worker on the face of the payroll and check paragraph 4(a) of the statement on page 2 of the WH-347 payroll form to indicate the payment. Note any exceptions in section 4(c).

Contractors who pay no fringe benefits: If not paying all fringe benefits to approved plans, funds, or programs in amounts of at least those that were determined in the applicable wage decision of the Secretary of Labor, pay any remaining fringe benefit amount to each laborer and mechanic and insert in the "straight time" of the "Rate of Pay" column of the payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the application wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringe benefits, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on basic or regular rate, plus the required cash in lieu of fringe benefits at the straight time rate. In addition, check paragraph 4(b) of the statement on page 2 the payroll form to indicate the payment of fringe benefits in cash directly to the workers. Note any exceptions in section 4(c).


Use of Section 4(c), Exceptions

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the covered worker as cash in lieu of fringe benefits. Enter any exceptions to section 4(a) or 4(b) in section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid each worker as cash in lieu of fringe benefits and the hourly amount paid to plans, funds, or programs as fringe benefits. The contractor must pay an amount not less than the predetermined rate plus cash in lieu of fringe benefits as shown in section 4(c) to each such individual for all hours worked (unless otherwise provided by applicable wage determination) on the Federal or Federally assisted project. Enter the rate paid and amount of cash paid in lieu of fringe benefits per hour in column 6 on the payroll. See paragraph on "Contractors who pay no fringe benefits" for computation of overtime rate.

Public Burden Statement: We estimate that it will take an average of 55 minutes to complete this collection of information, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments

regarding these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Note: In order to view, fill out, and print PDF forms, you need Adobe® Acrobat® Reader® version 5 or later, which you may download for free at www.adobe.com/products/acrobat/readstep2.html.

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Wage and Hour Division

An agency within the U.S.
Department of Labor

200 Constitution Ave NW
Washington, DC 20210
1-866-4-US-WAGE
1-866-487-9243

www.dol.gov

FEDERAL GOVERNMENT

White House

 **LABOR DEPARTMENT**



About DOL

Appendix F: NCORR Section 3 Reporting Form with Instructions

In compliance with HUD regulations, NCORR requires all subrecipients to report the anticipated Section 3 projects are housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000.

Section 3 applies to projects that are fully or partially funded with HUD financial assistance. Projects that are financed with state, local or private matching or leveraged funds used in conjunction with HUD funds are covered by Section 3 if the amount of HUD funding for the project exceeds the regulatory thresholds.

Your Section 3 reporting goals depend on the type of assistance you are receiving, whether public housing financial assistance or housing and community development financial assistance.

For **public housing financial assistance**, the benchmark for Section 3 workers is set at 25 percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. The benchmark for Targeted Section 3 workers is set at 5 percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. This means that the 5 percent is included as part of the 25 percent threshold.

For **housing and community development financial assistance** projects, the benchmark for Section 3 workers is set at 25 percent or more of the total number of labor hours worked by all workers on a Section 3 project. The benchmark for Targeted Section 3 workers is set at 5 percent or more of the total number of labor hours worked by all workers on a Section 3 project. This means that the 5 percent is included as part of the 25 percent threshold.

The Section 3 benchmarks are minimum targets that must be reached in order for HUD to consider a grantee/subrecipient in compliance. Grantees/Subrecipient agencies are required to make best efforts, or to the greatest extent feasible, to achieve the benchmarks required for the number of labor hours performed by both Section 3 workers and Targeted Section 3 workers. If an agency fails to fully meet the Section 3 benchmarks, they must adequately document the efforts taken to meet the numerical goals

Grantees/Subrecipients will be considered to have complied with the Section 3 requirements and met the safe harbor, in the absence of evidence to the contrary, if they certify that they have followed the required prioritization of effort and met or exceeded the applicable Section 3 benchmarks.

If a Grantee/subrecipient agency or contractor does not meet the benchmark requirements but can provide evidence that they have made a number of qualitative efforts to assist low- and very low-income persons with employment and training opportunities, the recipient or contractor is considered to be in compliance with Section 3, absent evidence to the contrary (i.e., evidence or findings obtained from a Section 3 compliance review).

Recordkeeping requirements for federal funds recipients are found at 24 CFR § 75.31. Grantees/Subrecipients are required to maintain documentation to demonstrate compliance with the regulations and are responsible for requiring their contractors/subcontractors to maintain or provide any documentation that will assist recipients in demonstrating compliance, including documentation that shows hours worked by Section 3 workers, Targeted Section 3 workers, and any qualitative efforts to comply with Section 3. Examples of documentation can be found in 24

CFR §75.31.

At a minimum, all Subrecipients are expected to report on Section 3 performance measures on a **monthly basis**. These Section 3 reports are required to be submitted to NCORR no later than the 10th of the month for activities undertaken the previous month.

Following is the entire adopted NCORR policy concerning Section 3 compliance. Of the identified **Forms** identified within the NCORR Section 3 compliance policy, the following Forms contained within the policy are not applicable to a Subrecipient Agreement where the Subrecipient is awarded CDBG-DR funds and proceeds to follow HUD procurement requirements to secure the services of a developer/Construction General Contractor that will be responsible for the construction/rehabilitation of housing units funded by CDBG-DR:

NCORR Section 3 Compliance Policy/Procedures Forms that are not applicable:

Form

CONTRACTOR PROJECT IMPLEMENTATION PLAN

North Carolina Office of Recovery and Resiliency

Section 3 Project Implementation Plan

NOTE TO BIDDERS: You must return ALL applicable forms in this packet with your bid. Failure to do so may result in your bid being disqualified.

Section 3 Goals

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires recipients of certain HUD financial assistance to provide job training, employment, and contracting, to the greatest extent feasible, for low- or very low-income residents in connection with projects and activities in their neighborhoods. Section 3 is race and gender-neutral and is NOT the same as WBE/MBE.

Contracts over \$200,000 trigger Section 3. When triggered, best efforts must be made to extend Section 3 opportunities to verified Section 3 residents and business concerns to meet these *minimum* numeric goals:

1. Twenty-five percent (25%) of the total hours on a Section 3 project must be worked by Section 3 workers; and
2. Five percent (5%) of the total hours on a Section 3 project must be worked by Targeted Section 3 workers.

Preference for Contracting with Section 3 Business Concerns

North Carolina Office of Recovery and Resiliency is required by HUD Regulation 24 CFR Part 75 to make best efforts to contract with businesses that direct economic opportunities to Section 3 workers. As part of its qualitative efforts, North Carolina Office of Recovery and Resiliency has elected to institute a preference which stipulates that contract award shall be given to the bidder using the highest number of qualified Section 3 subcontractors and/or workers if the bid is reasonable and no more than ten percent (10%) higher than the lowest responsive bid from any qualified source. This benefit applies to ALL projects, even if Section 3 is not triggered.

Programmatic Responsibilities

Contractors and/or Subcontractors are expected to meet the minimum goals listed above, to the greatest extent feasible. (Note: Section 3 may not be required for all projects, but best efforts to comply with the minimum numerical goals are still highly recommended.) All efforts to utilize Section 3 businesses and workers should be documented, and this Section 3 Project Plan should be submitted for all relevant project bids.

Submit FORMS 1 & 2 for all projects or FORMS 1 – 4 for all Section 3-triggered projects (over \$200,000) at the time of the bid submission or application for funding.

FORM 1 – SECTION 3 ASSESSMENT AND CERTIFICATIONS

This form is required for ALL projects and must be submitted with bid or application for funding.

Project Name:
Project Location or Address(es):

Developer/Contactor Information:

Name of Firm:	Address:
Authorized Representative:	Title:
Phone:	Email:

1. Check all that apply to your business:
 - Your business is at least 51% owned and controlled by low- or very low-income persons
 - Over 75% of the labor hours performed by your business over the past three-month period were performed by Section 3 workers
 - Your business is at least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing
 - None of the above
2. Will you be hiring new employees or providing new training opportunities because of this contract? Yes No
3. Will you be using subcontractors to complete this project? Yes No
4. Is your bid/contract amount greater than \$200,000? Yes No

If response to item 4 above is "YES," Section 3 requirements will be fully enforced on this project. Failure to comply may result in the suspension of funding. Please complete the certifications below and submit FORMS 1-4 with your bid or application for funding.

If NO, Section 3 participation is strongly encouraged but not required. Please attempt to meet the Section 3 goals to the greatest extent feasible. You must still complete the certifications below as applicable and return FORMS 1 and 2 with your bid or application for funding.

Certifications		YES	NO	N/A
All Projects:	By completing and signing this form, I agree to comply with all applicable requirements of the Section 3 of the Housing and Urban Development Act of 1968 (24 CFR Part 75)	<input type="checkbox"/>	<input type="checkbox"/>	
	I understand that I must complete and submit FORMS 1 and 2 and submit them with my bid even if my bid is under \$200,000.	<input type="checkbox"/>	<input type="checkbox"/>	
Projects over \$200K:	I have included/will include the Section 3 Clause (FORM 5) in all subcontracts for which Section 3 compliance is required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	I understand that I am required to submit monthly and final Section 3 reports (FORM 6), associated forms as applicable (FORMS 2, 3 and 4) and supporting documentation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	I agree that my company has made and will continue to make efforts "to the greatest extent feasible" to comply with Section 3 as required by HUD.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	I understand the minimum numerical goals for Section 3 participation and I have completed FORMS 1 through 4, and 6 and attached them to my bid.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I declare that all statements contained in this form and any accompanying documents are true and correct, and made with full knowledge that all statements given are subject to investigation and that any false or dishonest answer to any question may be grounds for denial or revocation of funding or other penalties as prescribed under 18 U.S. Code § 1001.

Authorized Representative Signature

Date

FORM 2 – SUBCONTRACTOR INFORMATION

This form is required for ALL projects (regardless of whether Section 3 is triggered) and must be submitted with bid or application for funding. If project is over \$200,000 in HUD funds, this form must be updated and re-submitted at the time of contract execution and again with the final Section 3 compliance report.

Project Name	Contract Execution Date	Construction Start Date	Today's Date

Check the box that applies and complete the table if applicable:

- This project WILL NOT utilize subcontractors. (Form Complete)
- This project MAY utilize the following subcontractors:

No.	Sect3 Bus.	Subcontractor Name	Subcontractor Address and Phone Number	Trade	Subcontract Amount
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					

FORM 3 – LIST OF PERMANENT EMPLOYEES

This form is required for all Section 3-triggered projects (over \$200,000) and must be submitted with bid or application for funding and again with the final Section 3 compliance report.

Project Name	Contract Execution Date	Construction Start Date	Today's Date

Please list all current permanent employees (both full and part-time) employed by your company (or local/regional office) as of the signature date on FORM 1, as well as employees of all subcontractors working on this project. Use additional sheets as necessary. A computer-generated employee registry can be provided in lieu of this form if it includes the worker's name, employer and job category and indicates Section 3/targeted Section 3 status either with yes or no or manually highlighted.

No.	Name of Worker	Employer	Job Category/Trade	Section 3 Worker (Y/N)	Targeted Section 3 Worker (Y/N)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					

Please note that your business may be eligible for Section 3 Business certification if at least 75% of your labor hours performed on all contracts over the past three-month period were performed by employees who meet one of the following categories below:

- The worker lives within one mile of the Section 3 project (or, if fewer than 5,000 people live within one mile of the Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census);
- The worker is a HUD YouthBuild participant; or
- The worker's income for the previous or annualized calendar year is below 80% of the current area median income for the area in which the worker resides. (Use the worker's annual gross income based on AMI for a single-person household.) HUD income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>.)

FORM 4 – DOCUMENTATION OF QUALITATIVE EFFORTS

This form is required for all Section 3-triggered projects (over \$200,000) and must be submitted with bid or application for funding, as well as with all monthly or final compliance reports that indicate numeric goals were not met. Please fill out this form completely. Attach additional pages if needed.

Project Name	Contract Execution Date	Construction Start Date	Today's Date

1. Describe all efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, to Section 3 workers. Attach additional pages if needed.

Attach supporting documentation such as:

- Copies of all publications, notices, pictures of posted notices, and other outreach materials.
- List of all Section 3 workers that responded to your responded to your outreach efforts (e.g., submitted job applications, phone logs, etc.); were any of them hired? If not, please explain why.

2. Describe all efforts made to notify Section 3 businesses of any subcontracting opportunities generated by HUD financial assistance for this project, to the greatest extent feasible. Attach additional pages if needed.

Attach supporting documentation such as:

- Section 3 Business List used in solicitation. Must have been provided by North Carolina Office of Recovery and Resiliency prior to solicitation and should be no more than 30 days old at the time of solicitation.
- List of Section 3 business included in solicitation and documentation of efforts (emails, letters, phone, logs, etc.).
- List of Section 3 businesses that responded to your solicitation and/or outreach efforts; were any of them hired? If not, please explain why.
- Copies of all publications, notices, pictures of posted notices, and any other outreach material utilized.

FORM 4 – DOCUMENTATION OF QUALITATIVE EFFORTS (CONTINUED)

3. Describe all additional qualitative efforts made to comply with Section 3 requirements. See below for examples. Attach all applicable supporting documentation.

4. If there are employment opportunities associated with your project, include a draft of the proposed signage. Section 3 signage should be posted at the construction site. Signage must be large enough to be visible from the street. The sign must (a) identify the name of the project, (b) state the project is a HUD Section 3 Project, and (c) include the name, phone number and email address of an appropriate point of contact regarding employment opportunities.

Examples of Qualitative Efforts

- Engage in outreach efforts to generate job applicants who are Targeted Section 3 workers
- Provide training or apprenticeship opportunities
- Provide technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching)
- Assist or connect Section 3 workers with drafting resumes, preparing for interviews, and finding job opportunities
- Hold one or more job fairs
- Provide or refer Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare)
- Provide assistance to apply for or attend community college, a four-year educational institution, or vocational/technical training
- Help Section 3 workers to obtain financial literacy training and/or coaching
- Engage in outreach efforts to identify and secure bids from Section 3 business concerns
- Provide technical assistance to help Section 3 business concerns understand and bid on contracts
- Divide contracts into smaller jobs to facilitate participation by Section 3 business concerns
- Provide bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns
- Promote use of business registries designed to create opportunities for disadvantaged and small businesses
- Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act
- Other:

FORM 5 – SECTION 3 CONTRACT CLAUSE

All Section 3 covered contracts and subcontracts must include the following clause:

- I. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC.1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance, or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- II. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with 24 CFR part 75 regulations.
- III. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 Clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- IV. The contractor agrees to include this Section 3 Clause in every subcontract subject to compliance with regulations in 24 CFR part 75, and agrees to take appropriate actions, as provided in an applicable provision of the subcontract or in this Section 3 Clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75.
- V. The contractor will certify that any vacant employment positions, including training positions, that are filled after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.
- VI. The contractor agrees to retain documentation demonstrating which workers meet the definition of a Section 3 Worker or Targeted Section 3 Worker at the time of hire or the first reporting period, as follows:
 - (a) For a worker to qualify as a Section 3 Worker, one of the following documentations must be maintained:
 - (1) A worker's self-certification that their income is below the income limit from the prior calendar year;
 - (2) A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
 - (3) Certification from a Public Housing Authority (PHA), or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
 - (4) An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate

would translate to if annualized on a full-time basis; or

- (5) An employer's certification that the worker is employed by a Section 3 business concern.
- (b) For a worker to qualify as a Targeted Section 3 Worker, one of the following must be maintained:
- (1) A worker's self-certification of participation in public housing or Section 8-assisted housing programs;
 - (2) Certification from a PHA, or the owner or property manager of project-based Section 8-assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
 - (3) An employer's certification that the worker is employed by a Section 3 business concern;
or
 - (4) A worker's certification that the worker is a Youth Build participant;
 - (5) An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;
 - (6) An employer's certification that the worker is employed by a Section 3 business concern;
or
 - (7) A worker's self-certification that the worker is a Youth Build participant.
- VII. In accordance with 24 CFR Part 75.25(a), the contractor agrees to document the following labor hours (including total hours worked by all contractors and subcontractors) for Section 3 projects and to provide such documentation for review by the Subrecipient:
- The total number of labor hours worked by all workers,
 - The total number of labor hours worked by Section 3 Workers, and
 - The total number of labor hours worked by Targeted Section 3 Workers.
- VIII. Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- IX. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 USC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

FORM 6 – SECTION 3 PROJECT FORECAST AND COMPLIANCE REPORT

This form is required for all Section 3-triggered projects (over \$200,000) and must be submitted **every 30 days beginning [date of contract award]. The final report is due 30 days after project completion.**

Project Name:	Contractor:
Project Location:	Report Type: <input type="checkbox"/> Monthly <input type="checkbox"/> Final
Reporting Period Start Date:	Reporting Period End Date:

I. SECTION 3 CONTACT INFORMATION

Contractor Section 3 Point of Contact:	
Phone:	Email:

II. SECTION 3 HOURS PROJECTED / WORKED – *Forecast the total project labor hours and report the number of Section 3 hours for this reporting period. Attach time records to support the information provided.*

A. Total hours projected for the project / hours worked this period by all workers	B. Number of Section 3 hours projected for the project / hours worked this period	% Section 3 hours (Divide column B by column A)

III. TARGETED SECTION 3 HOURS PROJECTED / WORKED – *Forecast the targeted section3 labor hours and report the number of targeted Section 3 hours for this reporting period. Attach time records to support the information provided.*

A. Total hours projected for the project / hours worked this period by all workers	B. Number of targeted Section 3 hours projected for this project / hours worked this period	% Targeted Section 3 hours (Divide column B by column A)

IV. QUALITATIVE EFFORTS – If this report indicates numeric goals were not met, attach FORM 4 describing any qualitative efforts made to increase Section 3 participation for this reporting period.

V. ADDITIONAL ATTACHMENTS – For the final Section 3 compliance report, attach FORMS 2 and 3 with updated information (versions 2 or 3).

I declare that all statements contained in this form and any accompanying documents are true and correct, and made with full knowledge that all statements given are subject to investigation and that any false or dishonest answer to any question may be grounds for denial or revocation of funding or other penalties as prescribed under 18 U.S. Code § 1001.

Signature: _____ Date: _____

Print Name: _____ Title: _____

FORM 7 – SECTION 3 BUSINESS OUTREACH FORM

Please complete this form to determine if your business may qualify as a Section 3 Business. Businesses that qualify will be contacted by the North Carolina Office of Recovery and Resiliency Section 3 Coordinator to complete a Section 3 Business Application and asked to provide additional documentation to verify their status as a Section 3 Business.

What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (24 CFR Part 75) that requires recipients of certain HUD financial assistance, to the greatest extent possible, to provide job training, employment, and contract opportunities for low- or very low-income residents in connection with projects and activities in their neighborhood.

A business can qualify as Section 3 if it meets one of the following criteria:

- A. It is at least 51% owned and controlled by low- or very low-income persons;
- B. Over 75% of the labor hours performed for the business over the past three-month period were performed by workers who met at least one of the criteria below; or
- C. It is at least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Workers must meet one of the following criteria for a business to qualify as Section 3 under item B above:

- Reside within one mile of the Section 3 project (or, if fewer than 5,000 people live within one mile of the Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census);
- Be a HUD YouthBuild participant; or
- Income for the previous or annualized calendar year is below 80% of the current area median income for the area in which the worker resides. (Use the worker's annual gross income based on AMI for a single-person household.) HUD income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>.)

Subcontractor Information

Company Name:		
Contact Person:		
Address:		
City:	State:	Zip:
Phone:	Email:	

I have reviewed the above information and my business MAY QUALIFY as a Section 3 Business. Please contact me about completing an application.

I have reviewed the above information and my business DOES NOT QUALIFY as a Section 3 Business.

Signature of Business Owner

Date

Please return completed forms to:
North Carolina Office of Recovery and
Resiliency Attn: Section 3 Program
PO Box 110465
Durham, NC 27709
984-833-5402, Section3@rebuild.nc.gov

FORM 8 – SECTION 3 WORKER OUTREACH FORM

Please complete this form to determine if you may qualify as a Section 3 or Targeted Section 3 Worker. Workers who qualify will be contacted by North Carolina Office of Recovery and Resiliency Section 3 Coordinator to complete a Section 3 Worker Application and asked to provide additional documentation to verify their status as a Section 3 or Targeted Section 3 Worker.

What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968 (24 CFR Part 75) that requires recipients of certain HUD financial assistance, to the greatest extent possible, to provide job training, employment, and contract opportunities for low- or very low-income residents in connection with projects and activities in their neighborhood.

A worker can qualify as Section 3 if they meet one of the following criteria:

- Are employed by a Section 3 business concern;
- Are a HUD YouthBuild participant; or
- Their income for the previous or annualized calendar year is below 80% of the current area median income for the area in which the worker resides. (Use the worker's annual gross income based on AMI for a single-person household.) HUD income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>.)

A worker can qualify as targeted Section 3 if they meet one of the following criteria:

- Are employed by a Section 3 business concern.
- Are a HUD YouthBuild participant; or
- Reside within one mile of the Section 3 project (or, if fewer than 5,000 people live within one mile of the Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census);

Worker Information

Name:		
Employer Name:		
Address:		
City:	State:	Zip:
Phone:	Email:	

I have reviewed the above information and I MAY QUALIFY as a Section 3 or Targeted Section 3 worker. Please contact me about completing an application.

I have reviewed the above information and I DO NOT QUALIFY as a Section 3 or Targeted Section 3 worker.

Signature

Date

Please return completed forms to:
North Carolina Office of Recovery and
Resiliency Attn: Section 3 Program
PO Box 110465
Durham, NC 27709
984-833-5402, Section3@rebuild.nc.gov

SECTION 3 BUSINESS APPLICATION

Completed applications should be submitted to:

North Carolina Office of Recovery and Resiliency Attn: Section 3 Program
PO Box 110465
Durham, NC 27709

If you have any questions on the application process, please contact the Section 3 Program
984-833-5402, **Section3@rebuild.nc.gov**

Section 3 Business Application Checklist:

- Complete Section 3 Business Application
- Organizational Information
 - Articles of Incorporation or Organization (as applicable to business type)
 - Assumed Business Name Certificate
 - Certificate of Good Standing or Active status (as applicable to business type)
 - Partnership Agreement (if applicable)
 - Organizational Chart with Job Titles and Duties
 - Evidence of Business License
 - Other Applicable Documentation
- Qualifying Section 3 Criteria (Check applicable qualifying criteria below and include all requested supporting documentation)
 - 51% or more owned by low- or very low-income individuals;
 - 51% or more owned by a resident of public housing; or
 - 75% of all hours worked over the prior three months worked by Section 3 workers
- Other Pertinent Information
 - Insurance Certificates
 - Current Financial Statement
 - Statement of Ability to Comply with Public Policy
 - List of all contracts for the past two years
 - W-9 (see last page of this application)

Name of Business _____

Physical Address _____

City, State, Zip _____

Mailing Address, if different _____

City, State, ZIP _____

Owner's Name (Please include a copy of State ID or Driver's License) _____

Telephone Number, including area code _____

Email _____

Date Company was established _____

ORGANIZATIONAL INFORMATION

All questions must be answered and the data given must be clear and comprehensive. If necessary, questions may be answered on separate attached sheet(s).

- The company is a:
- Sole Proprietorship Partnership Joint Venture
 - Corporation (please enclose a copy of corporation papers and corporate seal)
 - Limited Liability Company (LLC)

General type of work performed by your Company (i.e. general contracting, HVAC, etc.):

Is your company Minority owned (MBE)? Yes No

Woman owned (WBE)? Yes No (Optional – For reporting purposes only)

Is this business licensed to operate in the certifying locality? Yes No (Enclose a copy if yes)

Please check and attach the following Business Entity documents, as applicable:

- | | |
|--|--|
| ____ Copy of Articles of Incorporation | ____ Assumed Business Name Certificate |
| ____ Certificate of Good Standing | ____ Partnership Agreement |
| ____ Organization Chart with titles/duties | ____ Other Documentation |

The Applicant must have at least the following insurance coverage for Section 3 contract work:

- Commercial General Liability on an occurrence form for:
 - Bodily injury, and
 - Property damage liability

General Contractor limits of \$2,000,000 combined single limit each occurrence covering the Project specifically, and umbrella excess liability of \$5,000,000 Subcontractor limits will be \$1,000,000 combined single limit occurrence, and \$2,000,000 umbrella excess liability

- Worker's Compensation:
 - Statutory limits required by State Law
 - Employer's Liability: \$100,000
- Comprehensive Automobile Liability
 - Bodily Injury: \$1,000,000 Each Person

\$1,000,000 Each Occurrence

- Property Damage: \$1,000,000 Each Occurrence

A copy of above insurance certificates must accompany this application. Coverage shall be maintained for the life of each contract or subcontract. Lapse of coverage may result in termination of contract and/or termination of approval to participate by the certifying entity.

The Applicant must have a satisfactory record of past work. Applicants with limited or no past performance will be accepted on a "probation" basis, and will not be awarded more than one contract at a time.

Please provide evidence of ability to perform successfully under the terms and conditions of other contracts:

- Current Financial Statement
- Statement of Ability to Comply with Public Policy
- List of all contracts for the past two (2) years

QUALIFYING SECTION 3 CRITERIA

The Applicant must satisfy at least one of the following minimum requirements to be qualified as a Section 3 Business Concern. Please check the appropriate box(es):

- At least 75% of all hours worked over the prior three-month period worked by Section 3 workers (attach supporting documentation)
- 51% or more owned by low- or very low-income individuals as determined by current HUD income limits for the area where the individual resides (<https://www.huduser.gov/portal/datasets/il.html>)

NAME & ADDRESS OF OWNER(S)	TITLE	% OWNER	ADJUSTED GROSS INCOME <small>(Attach current proof of income)</small>

- 51% or more owned by residents of public housing

NAME & ADDRESS OF OWNER(S)	TITLE	% OWNER	PUBLIC HOUSING RESIDENT <small>(Attach current public housing lease)</small>

Please sign the statement below certifying accuracy and authorizing the release of information to the certifying entity for the purpose of verifying your references. We have the right to request any additional information to validate information presented.

I certify that my answers are true and complete to the best of my knowledge. I hereby authorize the release of information to the certifying entity for the purpose of verifying my references.

Signature

Date

FIELDS OF INTEREST AND EXPERIENCE

Please indicate the areas of interest and the length of experience within each capacity:

Construction-Related Services	Interest	Length of Experience	Non-Construction/Post-Construction Services	Interest	Length of Experience
Architecture			Appraisal Services		
Bricklaying			Archeology		
Carpentry			Building Inspection Services		
Cement/Masonry			Building Maintenance		
Demolition			Catering		
Drywall			Computers/IT		
Electrical			Courier Services		
Elevator Construction			Engineering		
Engineering			Janitorial		
Environmental Services			Landscaping		
Fencing			Legal Services		
Flooring Installation			Management Consulting		
Heating			Marketing/Photography		
Insulation/Siding			Printing		
Iron Works			Real Estate Services		
Landscaping			Security		
Machine Operation			Surveying Services		
Painting			Transportation		
Plastering			Other:		
Plumbing			Other:		
Roofing			Other:		

What size of jobs in the areas indicated above are preferred?

Please list the suppliers with whom you do business (include the name, address and phone number):

Please list the Subcontractors with whom you regularly do business, if any, and indicate if they are Section 3 qualified*.

- A. Carpentry: _____ Y/N
- B. Electrical: _____ Y/N
- C. Plumbing: _____ Y/N
- D. Roofing: _____ Y/N
- E. Masonry: _____ Y/N
- F. Mechanical: _____ Y/N
- G. Painting: _____ Y/N
- H. Other: _____ Y/N
- I. Other: _____ Y/N
- J. Other: _____ Y/N

*Section 3 qualified businesses may receive preference on federally funded projects

OTHER PERTINENT INFORMATION

Have you ever been convicted of violating Federal, State or Local Law in the course of discharging your duties as a contractor? If yes, please explain: _____

YES

NO

Have you ever been disbarred from participating as a contractor in any Federal, State or Local program? YES NO

If yes, please explain:

Are you a licensed lead-based paint abatement contractor? YES NO

If yes, please provide a copy of all worker supervisor and contractor licenses.

Please complete and return the attached W-9 form (found on the last page of this application) along with this application.

REFERENCES

Name	Address	Phone number	Years Associated
Banks			
Trades			
Subcontractors			

CERTIFICATION

I certify that all of the above information is correct and true to the best of my knowledge, under the penalty of law. I understand that this information will be used to determine my eligibility for the North Carolina Office of Recovery and Resiliency Section 3 Program, which utilizes funds from the U.S. Department of Housing and Urban Development. The participating agencies do not discriminate against any person because of race, color, religion, sex, handicap, family status, or national origin. I understand that this application may be rejected if I withhold information requested or provide falsified information.

I understand that a Section 3 Business Concern certification is not an offer of employment. By signing this document I give the certifying entity permission to place my contact information on a list to be shared with businesses and community partners when they are hiring for Section 3 covered projects in the area. If awarded a HUD-funded contract, I agree to comply with all federal and local reporting requirements.

*Printed Name: _____ *Title: _____

*Authorized Signature: _____ Date: _____

*CORPORATE OFFICER OR PERSON AUTHORIZED TO SIGN BIDS AND CONTRACTS ON BEHALF OF THECOMPANY.

<p><u>FOR INTERNAL USE ONLY</u></p> <p>Date Application Received: _____</p> <p>Reviewed By: _____</p> <p>Date: _____ Contractor: Does _____ or Does Not _____</p>
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SECTION 3 WORKER AND TARGETED WORKER APPLICATION

Completed applications should be submitted to:

North Carolina Office of Recovery and Resiliency Attn: Section 3 Program
PO Box 110465
Durham, NC 27709

If you have any questions on the application process, please contact the Section 3 Program at
984-833-5402, **Section3@rebuild.nc.gov**

Name _____

Physical Address _____

City, State, Zip _____

Mailing Address, if different _____

City, State, Zip _____

Telephone Number, including area code _____

Email _____

I qualify as a Section 3 worker or Targeted Section 3 worker because (choose one):

I am employed by a Section 3 business concern.
(Attach proof of employment such as a current pay stub.)

I have completed a YouthBuild program within the past twelve (12) months or I am a current Youthbuild participant.
(Attach a copy of your certificate of completion or documentation of Youthbuild participation.)

My income is below 80% of the Area Median Income for a household size of one for the area in which I reside.
(Attach proof of income such as most recent W-2, recent paystubs (last month) and/or proof of public assistance OR complete the Zero Income Statement on Page 5 of this application.)

I reside within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.
(Attach proof of residency.)

Fields of Experience and Interest

If you have skills in a particular area and you are interested in working in that field, please check the "Interest" box and provide your length of experience.

Construction-Related Services	Interest	Length of Experience	Non-Construction/Post-Construction Services	Interest	Length of Experience
Architecture			Appraisal Services		
Bricklaying			Archeology		
Carpentry			Building Inspection Services		
Cement/Masonry			Building Maintenance		
Demolition			Catering		
Drywall			Computers/IT		
Electrical			Courier Services		
Elevator Construction			Engineering		
Engineering			Janitorial		
Environmental Services			Landscaping		
Fencing			Legal Services		
Flooring Installation			Management Consulting		
Heating			Marketing/Photography		
Insulation/Siding			Printing		
Iron Works			Real Estate Services		
Landscaping			Security		
Machine Operation			Surveying Services		
Painting			Transportation		
Plastering			Other:		
Plumbing			Other:		
Roofing			Other:		

Required Documents

Submit the following with this application:

- Proof of Identity (a photo ID: state-issued, college, employee badges are all accepted)
- Proof of Address if qualifying based on residency (a piece of official mail such as a utility bill, paycheck stub or government document with your current address on it)
- Income Documentation for last 30 days (most recent W-2, paystubs, Social Security/SSI/SSDI income statement, unemployment statement, worker’s comp award letter, and any other item which would be considered cash income). Non-cash items like food stamps are not needed.
- Zero-income statement (if applicable)

Applicant Certification

I understand that Section 3 Worker certifications are valid for up to five (5) years. It is my responsibility to contact the office that holds my certification in order to update my contact information and my qualifications, or if I no longer wish to be a certified Section 3 Worker.

I understand that a Section 3 Worker certification **is not an offer of employment**. By signing this document, I give the North Carolina Office of Recovery and Resiliency permission to place my contact information on a list to be shared with businesses and community partners when they are hiring for Section 3 covered projects in the area. I may or may not be contacted about a position. If contacted, I will have to undergo the job application or interview process of that potential employer. If selected, I agree to comply with all federal and local reporting requirements.

I understand that a more detailed review of my information may be requested for any reason. I affirm that the information I provided was true to the best of my knowledge and belief, and that I have not withheld information in order to obtain certification. I further understand that if I have failed to provide truthful information, or to provide all information, I will be removed from the certification list and will not be able to reapply for one (1) year.

Signature of Applicant _____ Date _____

<p>FOR INTERNAL USE ONLY</p> <p>Date Application Received: _____</p> <p>Reviewed by: _____ Date: _____</p> <p>Applicant qualifies as <input type="checkbox"/> Section 3 Worker <input type="checkbox"/> Targeted Section 3 Worker <input type="checkbox"/> Does not qualify for Section 3</p>
--

Exhibit A: Zero Income Statement:

If you have no income, complete this section. If homeless, attach a letter from the shelter where you receive assistance, regardless of the type of assistance you receive.

I, _____, certify that I have no income. I understand this means wages from work, unemployment, TANF, SSI/SSDI, Social Security, or any other program that I would receive a cash payment from.

The reason I am able to survive with no income is because (choose one):

I am currently homeless. I am able to meet my basic needs by doing the following:

I am living with someone not in my household who provides me with support.

Their name is: _____

Their telephone number/email is: _____

Their relationship to me is (mother, uncle, friend, etc.): _____

To be filled out by the supporting party: How do you provide support to the applicant?
Provide approximate cash amounts for all major expenses (\$50 or more). *Example: "I pay \$500 in rent; I spend \$200 on food that he/she shares with me", etc.:*

Signature of Supporting Party: _____ Date: _____

Signature of Applicant: _____ Date: _____

SECTION 3 PROJECT CLOSEOUT CHECKLIST

Project Name:	
Project Location or Address(es):	
Contract Execution Date:	Original Contract Amount:
Contractor Name and Phone Number:	

- Invitation to Bid and bid solicitation documents reference Section 3 Final Rule applicability
- The following blank forms included in bid solicitation documents:
 - FORM 0: Overview*
 - FORM 1: Assessment and Certifications* FORM
 - 2: Subcontractor List*
 - FORM 3: List of Permanent Employees*
 - FORM 4: Documentation of Qualitative Efforts*
 - FORM 5: Section 3 Contract Clause*
 - FORM 6: Project Compliance Report*
 - FORM 7: Business Outreach Form*
 - FORM 8: Worker Outreach Form*
- Section 3 talking points and sign-in sheet from pre-bid meeting
- Documentation of Section 3 questions received and answers provided
- Copies of all returned bids including completed FORMS 1-4 (if returned)
- Documentation of bid review assessing if Section 3 preference applies (if applicable)
- Copy of executed contract including Section 3 clause, completed FORMS 1-4 and blank FORMS 2-4 and 6-8
- Section 3 talking points and sign-in sheet from pre-construction conference
- FORM 6 submitted with supporting time records for each reporting period
- FORM 4 submitted with supporting documentation for each reporting period where numeric goals were not met
FORMS 2 and 3 updated and re-submitted with final FORM 6 report
- Notes from Section 3 monitoring site visits
- "Section 3 Worker and Targeted Worker Application" and supporting documentation for each worker verified as Section 3 and targeted Section 3
- Map of Section 3 service area for purpose of certifying targeted Section 3 workers on project (if applicable)
- "Section 3 Business Application" and supporting documentation for each business verified as a Section 3 business
- Documentation of FORMS 7 and 8 (Section 3 business and worker outreach forms) sent and returned
- Documentation of additional qualitative efforts as applicable: _____
- Section 3 representative project-related notes/correspondence

*These forms are part of the grantee's Section 3 Policy and Project Implementation Plan custom tools.