

AGENDA
REGULAR MEETING OF THE EASTVALE
COMMUNITY FOUNDATION BOARD

Monday, October 21, 2013

6:30 P.M.

Rosa Parks Elementary School 13830 Whispering Hills Drive

1. CALL TO ORDER: 6:30 p.m.

2. ROLL CALL:

Board Members: Rania Hamdy, Kelly Howell, Alicia Jensen, Sharyn Link, Yvonne Ontiveros, Julie Reyes, Chris Riley, Anu Saini, Jonathan Shardlow, Chidi Ugwueze, and Luis Vargas.

3. PRESENTATIONS/ANNOUNCEMENTS:

3.1 Introduction of New Board Members.

3.2 Corona Norco Unified School District Board Member Bill Newberry.

4. PUBLIC COMMENT/CITIZEN PARTICIPATION:

*This is the time when any member of the public may bring a matter to the attention of the Eastvale Community Foundation that is within the jurisdiction of the Board. The Ralph M. Brown act limits the Board Member's ability to respond to comments on non-agendized matters at the time such comments are made. Thus, your comments may be agendized for a future meeting. The Board Members may discuss or ask questions for clarification, if desired, at this time. **Public comment is limited to two (2) minutes each with a maximum of six (6) minutes.***

5. CONSENT CALENDAR:

5.1 Minutes – September 16, 2013 Regular Meeting.

Recommendation: Approve the minutes from the September 16, 2013 Regular Meeting.

6. NEW BUSINESS ITEMS:

*Public comment will be called for each non-hearing item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed, you may not further speak on the matter unless the Board requests further clarification of your statement. **Public Comment is limited to two (2) minutes with a maximum of six (6) minutes.***

There are no New Business Items.

7. OLD BUSINESS ITEMS:

Public comment will be called for each item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed you may not further speak on the matter unless the Board requests further clarification of your statement. Public comment is limited to two (2) minutes with a maximum of six (6) minutes.

7.1 Foundation Store Merchandise.

Recommendation: Discuss options and approve purchases.

7.2 VolunteerSpot.

Recommendation: Receive Report on Reporting Options.

7.3 JCSD Proposal.

Recommendation: Discussion Only.

7.4 CDBG Policy and Sub-Recipient Agreement.

Recommendation: Review, Correct as Needed, and Approve Policy and Sub-Recipient Agreement.

7.5 Vantage Point Christmas Gift Mart.

Recommendation: Discuss and Take Action.

7.6 Seller's Permit.

Recommendation: Receive Verbal Update.

7.7 501(c)3 Non-Profit Status Update.

Recommendation: Receive and file.

8. BOARD MEMBER COMMUNICATIONS:

(Committee Reports, Agenda Items, Meeting Requests and Review etc.)

This is an opportunity for the Board Members to report on their activities, to bring a matter to the attention of the full Board and to request agenda items. Any matter that was considered during the public hearing portion is not appropriate for discussion in this section of the agenda. NO ACTION CAN BE TAKEN AT THIS TIME.

9. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City of Eastvale. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

POSTING STATEMENT:

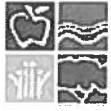
I, Ariel M. Hall, CMC, Assistant City Clerk or my designee, hereby certify that a true and correct, accurate copy of the foregoing agenda was posted on October 17, 2013, seventy-two (72) hours prior to the meeting per Government Code 54954.2.

12363 Limonite Ave. Suite 910, Eastvale, CA 91752

Rosa Parks Elementary School 13830 Whispering Hills Drive

Eastvale Library, Roosevelt High School, 7447 Scholar Way

City of Eastvale Website, www.eastvaleca.gov



Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda
Staff Report

MEETING DATE: October 21, 2013

1. CALL TO ORDER



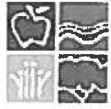
Eastvale
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Meeting Agenda Staff Report

MEETING DATE: October 21, 2013

2. *ROLL CALL*



Eastvale
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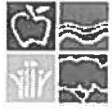
Meeting Agenda Staff Report

MEETING DATE: October 21, 2013

3. *PRESENTATIONS/ANNOUNCEMENTS*

3.1 Introduction of New Board Members

3.2 Corona Norco Unified School District Board Member Bill Newberry



Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda Staff Report

MEETING DATE: October 21, 2013

4. *PUBLIC COMMENT/CITIZEN PARTICIPATION*

MINUTES
REGULAR MEETING OF THE EASTVALE
COMMUNITY FOUNDATION BOARD
Monday, September 16, 2013
6:30 P.M.

Rosa Parks Elementary School 13830 Whispering Hills Drive

1. CALL TO ORDER: 6:31 p.m.

2. ROLL CALL:

Board Members present: Kelly Howell, Sharyn Link, Julie Reyes, Chris Riley, Jonathan Shardlow, Chidi Ugwueze.

Board Members absent: Yvonne Ontiveros, Luis Vargas and John Yanni.

Board Member Yanni arrived at 6:38 p.m.

Board Member Ontiveros arrived at 6:40 p.m.

Staff Members present: City Manager Jacobs and Office Assistant Aragon.

The Pledge of Allegiance was presented by Board Member Shardlow.

3. PRESENTATIONS/ANNOUNCEMENTS:

3.1 Vantage Point Church Christmas Gift Mart Presentation.

Monique Whritenour, Director of Community Outreach with Vantage Point Church, requested that the City partner with the Church to participate in a Toy Drive Gift Mart. The Church was looking at collecting toys that range in price from \$10 to \$20, and then selling them back to the low income families in the community at a gift mart for \$2.00 each. The money would then be donated back to the schools and the toys that were not purchased would be donated to Spark of Love. The Church's mission was to give the parents a "hand up, not a hand out".

There was discussion regarding the timeline of the event and preparation.

Assistant Executive Director Howell asked that this item be added to the next Foundation meeting agenda to take action on item.

4. PUBLIC COMMENT/CITIZEN PARTICIPATION:

There were no Public Comments/Participation.

5. CONSENT CALENDAR:

5.1 Minutes – September 3, 2013 Special Meeting.

Recommendation: Approve the minutes from the September 3, 2013 Special Meeting.

Motion: Moved by Howell, seconded by Reyes to approve the minutes as presented.

Motion carried 6-0-3 with Board Members Ontiveros, Vargas and Yanni absent.

6. NEW BUSINESS ITEMS:

6.1 Finance Report – July 2013.

Recommendation: Receive and File.

Executive Director Link provided a report for Board Member Yanni for the July and August Finance reports.

Assistant Executive Director Howell asked to push these items to the end of the agenda, for the possibility of Board Member Yanni's arrival.

Board Member Yanni arrived at 6:38 p.m.

This report was included below, in the Finance Report notes for August.

6.2 Finance Report – August 2013.

Recommendation: Receive and File.

Board Member Yanni provided finance reports, for both July and August, with handouts. He explained how the reports worked and the information that had been provided on them. He stated that the balance was current as of August 30th, but he would like to get details on previous events to create reports for each one to have for tax purposes.

There was discussion regarding various items listed in the reports and fees from the bank.

6.3 E-Waste Event.

Recommendation: Receive and discuss participation in holding an event.

Board Member Reyes provided the staff report for this item.

Board Member Ontiveros arrived at 6:40 p.m.

There was discussion regarding the logistics of the event and how it worked.

There was discussion regarding the Foundation possibly having a booth and what would be handed out to the community to make the community aware of what the Foundation does. It was decided that the Board Members would each volunteer to work an hour of the event, with additional volunteers for the Foundation.

There was discussion regarding the fundraising potential of the event.

Motion: Moved by Howell, seconded by Shardlow to hold and e-waste event on December 7th, from 9:00 a.m. to 1:00 p.m.

Motion carried 8-0-1 with Vargas absent.

6.2 Finance Report – August 2013.

Recommendation: Receive and File.

Board Member Yanni provided finance reports, for both July and August, with handouts. He explained how the reports worked and the information that had been provided on them. He stated that the balance was current as of August 30th, but he would like to get details on previous events to create reports for each one to have for tax purposes.

There was discussion regarding various items listed in the reports and fees from the bank.

There was discussion regarding issues with bank charges recurring. City staff would contact the bank to resolve the issue.

6.4 Policies & Procedures Manual for CDBG FY 2013/14.

Recommendation: Receive.

Executive Director Link requested an update from the Ad Hoc Committee.

Board Member Yanni stated that although he is part of that committee, he was not familiar with CDBG to help with policy and procedure but would be willing to provide input from a financial standpoint

Board Member Ontiveros was recommended to take the lead on this since she has past experience with the CDBG process. She stated that she would like to have input from other members on what they believe should or should not be allowed in the policy.

There was discussion regarding various provisions that should be included in the policy.

Assistant Executive Director Howell stated that she would be willing to help the Ad Hoc Committee and recommended that a round table discussion take place with the assistance of City Manager Jacobs and Deputy Finance Director Gitmed.

Motion: Moved by Link to adjust the Ad Hoc Committee members to include Board Members Howell, Ontiveros, Reyes and Yanni.

Motion carried 8-0-1 with Vargas absent.

There was additional discussion regarding the funding, disbursements that had been made, and how the Board could make it public when funds would be available for residents to begin applying.

There was discussion regarding the sub-recipient agreement to be executed with the city.

The Ad Hoc Committee was to have the policy ready to be approved and brought to City Council by the October 23rd meeting.

There was discussion regarding how much funding the Foundation would receive and the criteria for dispersing the monies, which would be clarified in the policies and procedures.

Motion: Moved by Howell, seconded by Link to revise the Ad Hoc Committee to consist of Board Members Yanni, Reyes, Ontiveros and Howell.

Motion carried 8-0-1 with Vargas absent.

6.5 JCSD Proposal.

Recommendation: Receive and discuss.

Executive Director Link provided the staff report for this item. She stated that Jurupa Community Services District (JCSD) had contacted the Foundation asking if they would like to work together and take over the funding of special events.

There was discussion regarding what the Foundation would actually be doing for JCSD, whether it be completely taking over all community events, or just partnering with them. Also discussed were the financial aspects and who the profits would go to and the benefits that the Board would receive from JCSD, like the use of the Community Center for meetings.

There were suggestions on expanding the Board, if they decided to partner up with JCSD and include City employees to volunteer for events as well.

With consensus from the Board, Executive Director Link would take the questions and concerns to the next JCSD meeting to get answers and report back at the next Foundation meeting.

6.6 Eastvale Store.

Recommendation: Approve the budget.

Assistant Executive Director Howell provided the staff report for this item.

Linda Mellin, a representative with American Printing and Promotions, brought in various promotional item samples, including coffee cups, table cloths, t-shirts, decals, pins, buttons, notebooks, and more. She also provided catalogs and price sheets and stated that the Foundation would receive a 20 percent discount on their orders.

There was discussion regarding the pricing, inventory possibilities, payment options, availability of ordering on the Foundation website and acquiring a seller's permit for tax purposes.

There was discussion regarding what items they would like to purchase as well as what would be printed on the items. It was a consensus of the Board to use the City seal and/or logo. Assistant Executive Director Howell brought in examples from a local artist and the emblems he drew specifically for Eastvale.

There was discussion regarding using the City Logo versus the City Seal on products, and having consistency throughout the products ordered.

There was discussion regarding giving handouts or selling water bottles at the Healthy Eastvale Fair.

There was discussion regarding the Starbucks mugs their design. They also discussed having t-shirts that would match the pictures on the mugs. Additional discussion was had on the table runner and EZ-up graphics and flags.

Motion: Moved by Riley, seconded by Ontiveros to approve expenses for the canopy and table cover not to exceed \$1,500.00.

Motion carried 8-0-1 with Vargas absent.

There was discussion regarding decals and ordering in small amounts.

Motion: Moved by Reyes, seconded by Riley to approve \$200.00 for decals.

Motion carried 8-0-1 with Vargas absent.

There was discussion regarding launching the store and the items that would be included, amounts of items to be ordered and pricing would be discussed at the next meeting.

There was additional discussion regarding the sellers permit and how to obtain one and Board Member Shardlow was to apply for it.

There was additional discussion regarding the table cloth color and pricing. Assistant Executive Director Howell would bring the budget to approve at the next meeting.

6.7 Communications Budget.

Recommendation: Approve the budget.

Assistant Executive Director Howell provided the staff report for this item.

There was discussion on how donations could be made. The costs of various services through Benchmark Email Marketing were discussed.

Motion: Moved by Riley, seconded by Howell to approve using BenchMark Email Marketing, cost not to exceed \$250.00 per year.

Motion carried 8-0-1 with Vargas absent.

6.8 Preparation of Agenda Packets.

Recommendation: Discuss revisions and approve an agenda preparation policy.

Assistant Executive Director Howell provided the staff report for this item.

There was discussion regarding having the template available in Dropbox.

Motion: Moved by Reyes, seconded by Ontiveros with a change to Section I, Part 2.

Motion carried 8-0-1 with Vargas absent.

7. OLD BUSINESS ITEMS:

7.1 “Drive-through Toy Drive” Event.

Recommendation: Postpone until the 2014 season.

Board Member Reyes provided the staff report for this item. She proposed that the Foundation take part in the Vantage Point Church event, instead of participating in Spark of Love, for the current year.

There was discussion regarding participating in an event that does only donations versus having families pay for donated gifts.

Board Member Ontiveros suggested working with the JCSD during their tree lighting event. She suggested not having a booth, only a donation box for the gifts that people bring to the event to donate.

There was discussion regarding participating in that event to collect toys for Spark of Love.

Motion: Moved by Riley, seconded by Shardlow to participate in the JCSD Tree Lighting event with a donation box for the Spark of Love Toy Drive.

Motion carried 8-0-1 with Vargas absent.

7.2 VolunteerSpot.

Recommendation: Receive update on options available through system.

This item was tabled to the next meeting.

7.3 Healthy Eastvale Fair – JCSD.

Recommendation: Discuss and take action regarding booth and sponsorship information.

Executive Director Link provided the staff report for this item.

There was discussion regarding what items they would have available at the booth. Board Member Ontiveros suggested ordering cheap water bottles with the Eastvale Community Foundation (ECF) logo to give away to participants and attract people to the Foundation booth.

There was additional discussion regarding how to attract people to the booth and how to communicate the mission and core values of the ECF.

There was discussion regarding purchasing bottles with the ECF Logo on it, versus purchasing plain water bottles and placing ECF stickers on the labels. It was the consensus of the Board that a budget, not to exceed \$200.00, would be allowed for bottles of water and reusable posters.

The Board had decided to have a “sticker party” at Executive Director Link’s home on October 15th at 6:30 p.m. and Board Member Chidi would purchase five cases of water.

7.4 Board Member Appointment Recommendations.

Recommendation: Receive verbal update, discuss and make recommendations to the City Council for appointment of four new Board Members.

Board Member Riley provided the staff report for this item. It was reported that he and Board Member Ontiveros reviewed the applications that were turned in and contacted nine applicants.

Board Member Riley recommended three applicants for Board Members and six others for volunteer positions. They suggested keeping one seat open for an applicant that was well versed in communications. He also discussed the questions that were asked to the applicants when they were contacted.

Motion: Moved by Reyes, seconded by Howell to submit three new Board Members, including Rania Hamdy, Alicia Jensen and Anu Saini, to City Council for approval at the September 25th meeting.

Motion carried 8-0-1 with Vargas absent.

8. BOARD MEMBER COMMUNICATIONS:

Board Member Riley stated that he would be working on data reporting for VolunteerSpot. He added that he is excited for the future role that the Foundation was looking into with JCSD, and he would really like to see expansion of the Board Members.

Board Member Shardlow stated that he would be working on the seller's permit and reminded the other Board Members to be sure to submit their Statements of Interest forms by the next meeting.

Board Member Yanni reported that he would be catching up the accounting to current, and he inquired about submitting the past three years to the IRS. There was discussion regarding financial software. He also stated that he would look into the sellers permit and get information to Board Member Shardlow.

Board Member Reyes stated that she would be working on the 501(c)(3) status and filing that by the end of the month, with a check for \$750.00 from the Foundation for fees. She went on to state that the taxes would be filled based on the City's fiscal year.

Board Member Ontiveros stated that she would be working on the CDBG policies and procedures, and requested any suggestions to be emailed to her.

Assistant Executive Director Howell reported that the intern had started and would be updating the Benchmarks system. She asked that any Board Members who have any contact information to be entered into the system to email it to her and she would have it entered as well. She requested that the CDBG Ad Hoc Committee set meeting date for next week.

Executive Director Link reported that Bill Newberry, CNUSD Board Member, asked to come and make a presentation to the Board to ask for assistance in funding Roosevelt High School's new, larger, band. She also stated that the Quickbooks program that they had been given only allows one user, so the Foundation would need to purchase their own program, and would have that on the next agenda. She received a thank you letter from one of the Platinum Sponsors of the Golf Tournament along with donations from them. Additionally, they had received photos from the tournament from Athena Cox, which Board Member Howell had on posted into Dropbox and Board Member Vargas would be putting together on the website.

Board Member Shardlow also thanked Executive Director Link for the binders. There was discussion regarding how they were to be used.

9. ADJOURNMENT:

Motion: Moved by Link, seconded by Ontiveros to adjourn meeting at 9:11 p.m.

Motion carried 8-0-1 with Vargas absent.

*Prepared by Office Assistant Katrina Aragon
Reviewed/Edited by Assistant City Clerk Ariel M. Hall, CMC*



Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda
Staff Report

MEETING DATE: October 21, 2013

6. *NEW BUSINESS ITEMS:*



Eastvale Community Foundation

Meeting Agenda Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: BOARD MEMBER LINK AND VOLUNTEER EREN CELLO

SUBJECT: FOUNDATION STORE MERCHANDISE

RECOMMENDATION: DISCUSS OPTIONS AND APPROVE PURCHASES

BACKGROUND:

At the September 16, 2013 meeting, the Board approved a budget of \$200.00 for the purchase of decals for the Foundation store. There was additional discussion on other items the Board would like to stock in the store. Merchandise will be sold online and at all events that the Foundation participates in. Members of the Board, with assistance from a volunteer, obtained pricing for the custom decals and mugs.

DISCUSSION:

Pricing obtained for "sticker/decals":

American Printing and Promotions (see samples)

All quotes are for 3" x 4.5" Decals

White vinyl removable adhesive decal: \$1.58 ea for 125 or \$.85 ea for 250.

Static Cling Stickers: 5.84 ea for 125 or \$3.24 ea for 250. Price goes down as quantity goes up.

Those prices include full color imprints.

Eastvale Banners

All quotes are for 3" x 4.5" Decals

200 for \$262.18 (\$1.31 ea.)

Full color imprint

Stickergiant.com

250 Decals 2" x 4" for \$138.25 (\$.55 ea) (not a confirmed quote. they confirm the price when the actual order is placed.)

Full color imprint

Overnight shipping

Pricing obtained for mugs:

American Printing and Promotions

800 Mugs (200 of each full color wrap sketch design) for \$3501.48 (\$4.38 ea.)

This quote also applies to the Eastvale logo, as it would need a full color print, as well.

Discount Mugs.com

144 mugs with full-color is \$447.52. (\$3.11 ea.) Price goes down with more mugs ordered. Price is not guaranteed.

FISCAL IMPACT:

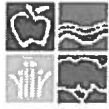
The initial start-up cost will depend on the choice of vendor, color and number of items ordered. It is anticipated that the Fiscal Impact will be positive, as all items will be sold as fundraising items for the Foundation.

ATTACHMENTS:

1. Black & white decal sample
2. Full Color decal sample







MEETING DATE: OCTOBER 21, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: BOARD MEMBER RILEY

SUBJECT: VOLUNTEER SPOT

RECOMMENDATION: RECEIVE REPORT ON REPORTING OPTIONS

BACKGROUND:

We used Volunteer Spot to recruit and coordinate volunteer support for the Golf Tournament and have reviewed our options regarding reporting and contact management.

DISCUSSION:

Volunteer Spot is designed to make mass volunteer contacts easily via email blasts through the site. With the Free Account that we are currently using it is possible to print a roster of all volunteer candidates that have been input into the system. The roster includes three data fields (email address, phone number and name) plus volunteer status. It is also possible to export (as an excel file) a report by activity that shows volunteer hours, but it requires manual manipulation if volunteers perform multiple tasks.

By upgrading to the Premium Account for \$4.99/month we can get a formatted report for up to 30 participants across multiple activities with up to five additional data fields (e.g. address, certifications, group affiliation, donor status, etc.).

Volunteer Spot also provides Custom Group Reports for an additional cost of \$100 for up to 7 reports or \$300 for up to 24 reports annually.

FISCAL IMPACT:

There is no cost to maintain the current account. Switching to Premium Account is \$4.99/month. There are higher costs for adding additional participants beyond 30, if deemed necessary.

ATTACHMENTS:

1. Premium Features
2. Self-Service Support Reporting



Still having trouble? [Click here](#) to contact a Volunteerspot representative.

[Contact](#)

Frequently Asked Question

Premium Features

Category: [All](#) > [Premium Version](#)

Answer

FAQ

Summary of Premium Features

- **Customizable Volunteer Registration Fields**

VolunteerSpot's Free service automatically prompts for and records each participant's **email address, name and phone number**.

Premium subscribers may add up to **5 additional information fields** to capture input from volunteers and parents (e.g. T-Shirt size, Certification Level, Address, Group Affiliation, Teacher's Name, Student's Name).

For example, when volunteers sign up, they see this screen requesting more information after they choose their signup spots:

Can you provide more info?

Your organizer could use a little more information about you.

Ms Mr

Name:

Phone:

Shirt size:

Student's Name:

Teacher's Name:

ID Number:

Emergency Contact:

I want to receive special offers from VolunteerSpot sponsors

The Organizer defines the additional volunteer information fields in the Planning Wizard when setting up the activity signup, or in the **Extra Info** tab of the Activity Status View.

- **Participant Hours Tracking**

Participant hours tracking reports can be run for any activity at any time by clicking the Reports button in the left column of the **MyActivities Tab**.

Concessions Volunteers

Name	Email	Phone Number	Hours this month	Hours last month	Hours year to date	Hours since activity originated
Diana Parker	Swim321@gmail.com	232-7022	20.0	20.0	40.0	40.0
Jess Rodriguez	jessrod@gmail.com	555-5555	0.0	3.0	3.0	3.0
<u>Amin Schul</u>	parenthelper4@volunteerspot.com	423-8786	3.0	2.0	5.0	5.0
Kristen Angelino	doglips@charter.net	893-9518	5.0	10.0	15.0	15.0

- **Assistant Organizers**

Up to 10 Assistant Organizers can be added to any activity. You may designate different assistants for each activity. Here's how to [Add Assistant Organizers](#).

Last Update: Sep 19, 2012

ALERT: We have had a recent code update, bringing you new features!

Site wide updates *can* result in unexpected behavior within your browser. Please clear your browser cache/memory for a quick fix ([Click here for instructions](#)).

Click 'Contact' (above) to report problems, if your problem are not solved by clearing your cache. Thanks!



Eastvale Community Foundation

Meeting Agenda Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: EXECUTIVE DIRECTOR LINK

SUBJECT: JCSD PROPOSAL

RECOMMENDATION: DISCUSSION ONLY

BACKGROUND:

At the September 16, 2013 Board Meeting there was discussion regarding a proposal from the Jurupa Community Services District, to work with the Foundation to put together community events. Many questions were brought up during the discussion. Executive Director Link corresponded with Ric Welch, Parks Director with the JCSD, regarding the various questions.

DISCUSSION:

Mr. Welch indicated that the JCSD would like the Eastvale Community Foundation to work in conjunction with the JCSD on all community events to handle the monetary portions of the event, including vendors at the event. Mr. Welch also indicated that the JCSD would work with the Foundation to provide staffing for events and determine in advance, through negotiations, what expenses could be reimbursed when planning an event.

It was discussed that proceeds from the community events would be used to cover expenses that were previously negotiated and agreed upon, and the remaining funds would be available for the Foundation's use.

Mr. Welch indicated that the planning and creating of events would be a cooperative effort between JCSD and the Foundation.

If the Parks Commission has their October meeting (September meeting was cancelled), it is anticipated that a verbal update with additional information can be provided at the Foundation meeting.

FISCAL IMPACT:

Potential to expand our fundraising abilities significantly.

ATTACHMENTS:

None



Eastvale Community Foundation

Meeting Agenda Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: ASSISTANT EXECUTIVE DIRECTOR HOWELL

SUBJECT: CDBG POLICY AND SUB-RECIPIENT AGREEMENT

RECOMMENDATION: REVIEW, CORRECT AS NEEDED, AND APPROVE POLICY AND SUB-RECIPIENT AGREEMENT

BACKGROUND:

The attached policy and procedures document covers the Community Development Block Grant Program. We will be submitting this to City of Eastvale City Council for approval, along with the Sub-Recipient Agreement, in order to receive funding for recreational scholarships.

ATTACHMENTS:

1. Copy of policy & procedure
2. Sub-Recipient Agreement
3. CDBG Application

CDBG Sub Recipient Policy on Administrative Systems

October 2013

Eastvale Community Foundation
Community Development Block Grant Program

Developed from:
U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Block Grant Program

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PROLOGUE

As Community Development Block Grant (CDBG) sub recipient, the Eastvale Community Foundation (ECF) is an indispensable part of the CDBG Entitlement program. The Foundation provides grantees and the U.S. Department of Housing and Urban Development (HUD) with assurance that the diverse communities, groups, and individuals whom the CDBG program is intended to serve are in fact reached by the program. The Foundation's participation provides:

- Access to, and knowledge of, the specific neighborhoods and beneficiaries served by the program.
- Technical and managerial capabilities that might not otherwise be available to grantees.
- A mechanism for assuring citizen participation by involving the intended beneficiaries in the design and delivery of those services.

Without the Foundation's continued involvement and support, the CDBG program could not address the broad range of needs in the Eastvale community.

The Foundation and the grantee (City of Eastvale) share joint responsibility for carrying out permitted activities in conformance with applicable Federal requirements. The grantee and sub recipient are partners. In return for Federal funding, the grantee and sub recipient agree to comply with the laws and regulations governing the use of those funds. A central principle is that most of the Federal requirements imposed on the grantee are passed along to the Foundation, the sub recipient.

Regulatory compliance and performance go hand-in-hand. Performance measurement is an effective management technique that enables grantees to analyze the benefits of their investments. It is a mechanism that tracks the progression of projects and evaluates their overall program effectiveness. The CDBG program requires that each grantee submit a performance and evaluation report concerning the use of CDBG funds, together with an assessment of the relationship of the use of funds to the objectives identified in the grantee's Consolidated Plan. Subrecipients should also establish goals and measure their performance in a manner consistent with the grantee's performance measurement system.

Finally, successful CDBG programs depend upon the commitment of grantees and subrecipients to **effective management practices**. These include: (1) supporting cooperative, problem-solving relationships among HUD, grantees, and subrecipients; (2) working toward continuous

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improvement in regulatory compliance and timely program performance; (3) maintaining open and frequent communications among all participants; and (4) focusing on preventing problems first, rather than curing them later.

This handbook is designed to outline the Foundation's administrative requirements that apply to the use of Federal funds for the delivery of CDBG programs and activities. These regulations should be used as a path to optimum performance and full achievement of all the Foundation's goals.

The Foundation's Board members and/or staff should be provided with the handbook Playing by the Rules and be trained using Training CDBG Subrecipients in Administrative Systems. Through these training procedures, the Foundation will improve delivery of CDBG programs to the intended program beneficiaries, the low- and moderate-income residents of the community.

*<http://www.hud.gov/offices/cpd/communitydevelopment/library/index.cfm>

CHAPTER 1.0: INTRODUCTION

The purpose of this policy is to explain the basic administrative requirements of the CDBG program. The CDBG Entitlement program for metropolitan cities and urban counties is a “block grant” program. As a “**sub recipient**”, the Foundation is a private non-profit organization that has been provided CDBG funds by the local “grantee” (the City of Eastvale) to carry out agreed upon activities that are eligible under the Federal regulations.

This policy is primarily concerned with:

- The regulations that apply to internal management and financial systems; and
- Responsibilities to document and report CDBG-funded activities.

These systems and procedures are based on widely-accepted standards for good business practices that are extensively observed in the private sector. They are also designed to help ensure that the Foundation has basic management controls and financial safeguards in place to reduce the likelihood of mismanagement in the use of public funds. With the oversight and analytic capacity that these systems provide, the Foundation is able to adjust operations continuously and improve performance on a regular basis.

1.1 How to Use This Policy

This Handbook is organized into chapters corresponding to particular components of the Foundation’s administrative operations:

- Financial Management (Chapter 2.0).
- Procurement and Contracting (Chapter 3.0).
- Property Management and Disposition (Chapter 4.0).
- Record-Keeping and Reporting Requirements (Chapter 5.0).
- Other Administrative and Program Requirements (Chapter 6.0).
- Audits (Chapter 7.0).
- Closeout (Chapter 8.0).

1.2 Summary of Principal Regulations Governing CDBG Administrative System

The basic program regulations governing management and financial systems for the CDBG program are contained in *24 CFR Part 570, Subparts J and K*. They are applicable both to the sub recipient, ECF:

- a) *Subpart J (24 CFR 570.500–570.513)* addresses general responsibilities for grant administration, including the applicability of uniform administrative requirements, provisions of Subrecipient Agreements, program income, use of real property, record keeping and reporting, and closeout procedures.
- b) *Subpart K (24 CFR 570.600–570.613)* deals with **other program requirements** of the CDBG program, including civil rights; labor standards; environmental standards; flood insurance; relocation; displacement; acquisition; employment and contracting opportunities; lead-based paint; use of debarred, suspended, or ineligible contractors; uniform administrative requirements and cost principles; and conflicts of interest.

Key regulations defining administrative requirements are:

24 CFR Part 84 “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-profit Organizations”²: These regulations implement OMB Circular A-110 and specify standards relative to cash depositories, bonding and insurance, retention and custodial requirements for records, financial management systems, monitoring and reporting on performance, property management, and procurement.

OMB Circular A-122 “Cost Principles for Non-profit Organizations”: A publication of OMB, this document establishes principles for determining costs that are allowed to be charged to Federal grants, contracts, and other agreements with non-profit organizations (except educational institutions). The principles are designed to ensure that the Federal Government will bear its fair share of costs except where restricted or prohibited by law.

OR,

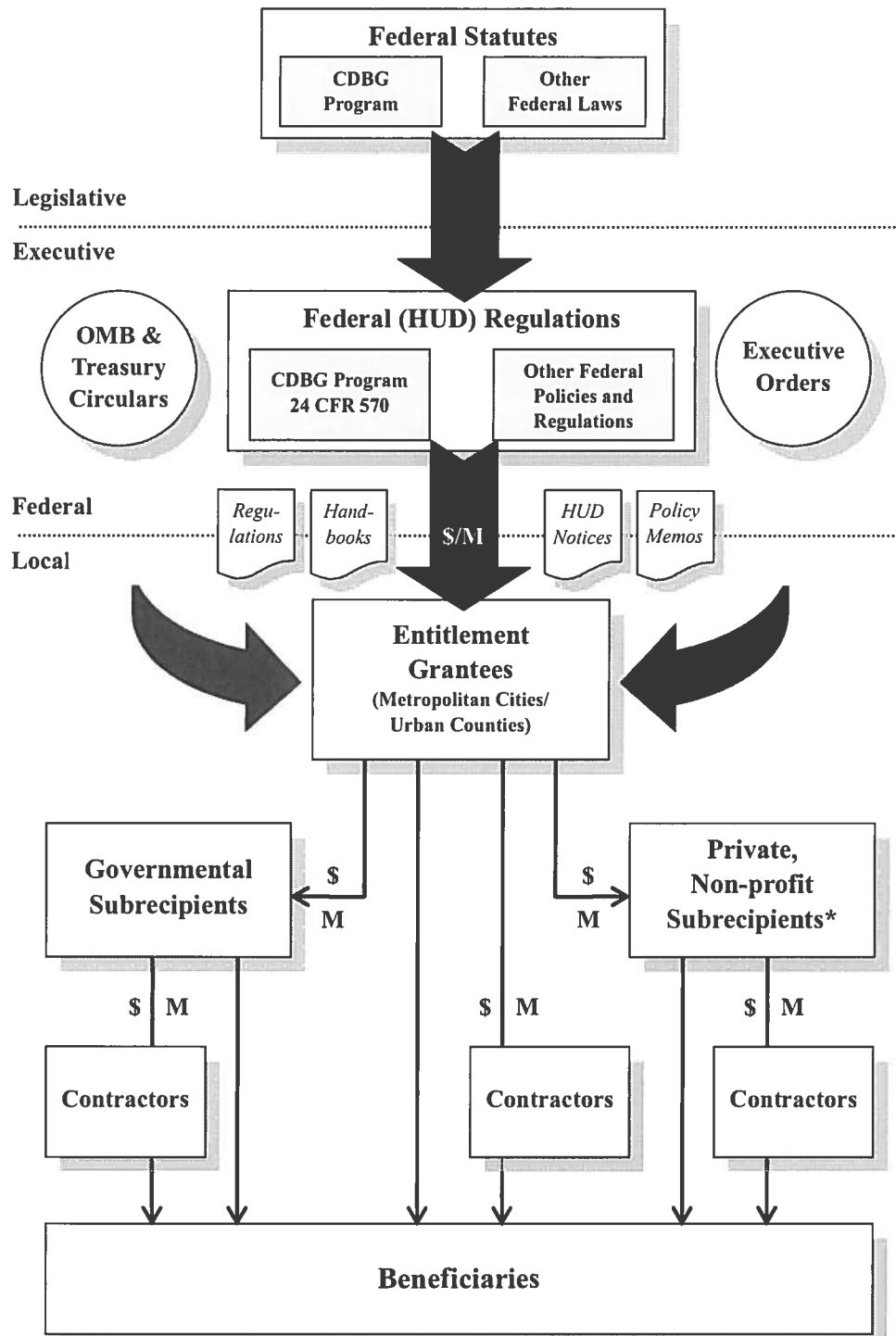
OMB Circular A-21 “Cost Principles for Educational Institutions”: This document covers much of the same subject matter as OMB Circular A-122, only it is aimed at educational institutions (public and private).

AND,

OMB Circular A-133 “Audits of States, Local Governments and Non-profit Organizations”: This circular defines audit requirements for both governments and non-profits receiving Federal funds. The document addresses mandated frequency and scope of audits, allowability of audit costs, and the process of auditor selection.

The above referenced sections of Title 24 regulations and OMB circulars may be accessed at the HUD Web site at <http://www.hudclips.org/cgi/index.cgi>.

Exhibit 1-1: Regulatory Framework for CDBG Entitlement Program



\$=Funds provided. M=Monitoring required.

CHAPTER 2.0: FINANCIAL MANAGEMENT

The Eastvale Community Foundation will maintain internal controls, accounting records, allowable costs, source documentation, budget controls, cash management, finance reporting, and audits (when required) to ensure good financial practices.

2.1 Overview

The requirements for financial management systems and reporting are found in **24 CFR Part 85.20 for governmental subrecipients¹** and in **24 CFR Part 84.21-28 as amended by 570.502**, for non-profit subrecipients. The purpose of these requirements is to ensure that the ECF, sub recipient, receiving Federal funds has a financial management system sufficient to:

- a) Provide effective control over and accountability for all funds, property, and other assets.
- b) Identify the source and application of funds for Federally-sponsored activities, including verification of the “reasonableness, allowability, and allocability” of costs and verification that the funds have not been used in violation of any of the restrictions or prohibitions that apply to this Federal assistance.
- c) Permit the accurate, complete, and timely disclosure of financial results in accordance with the reporting requirements of the grantee or HUD.
- d) Minimize the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by the subrecipient.

2.2 Internal Controls (see 24 CFR 85.20(b)(3) and 84.21(a)(3))

The Eastvale Community Foundation has an updated financial policy that includes internal controls containing procedures, specified job responsibilities, and records that together create an accountable financial system and safeguards its cash, property, and other assets.

- The policy protects against waste, mismanagement, or loss.
- Reliable information on the source, amount, and use of resources are secured, up-to-date, and recorded.

2.3 Accounting Records (see 24 CFR 85.20(b)(2) and 84.21)

The Eastvale Community Foundation shall keep accounting records consistent with good-accounting practices by using a program, such as Quickbook, to include the following:

- ***A chart of accounts.*** This contains the list of names and the numbering system for the individual accounts that contain basic information about particular classifications of

financial transactions for the organization. These accounts are used to summarize the financial transaction data. For example, having separate account categories for describing assets (cash in a checking account, accounts receivable, prepaid insurance, etc.); liabilities (loans, accounts payable, obligated funds, etc.); revenue (drawdowns from CDBG awards, cash contributions, proceeds from sales, other program income, etc.); and expenses (rent, wages, heat, telephone, etc.).

- ***A cash receipts journal.***³ This journal documents chronologically when funds were received, in what amounts, and from what sources.
- ***A cash disbursements journal.*** This journal documents chronologically the expenditures of the organization (e.g., when the expense was incurred, how much was spent, to whom funds were paid, and for what purpose).
- ***A payroll journal.*** This journal documents the organization's expenses on salaries and benefits and distinguishes different categories for regulatory purposes.
- ***A general ledger.*** The general ledger summarizes chronologically the activity and financial status of all the accounts of an organization. The process of transferring transaction information from a journal to a ledger is known as "posting." The entries in the journal and ledger should be cross-indexed to permit the tracing of any recorded transaction (i.e., an "audit trail").

Sources and Uses of Funds

For the CDBG program, these ***accounting records must contain reliable and up-to-date information*** about the sources and uses of funds, including:

- Federal **grant awards** (or subgrant allocations) received by the organization provided by the City of Eastvale.
- **Current authorizations and obligations** of CDBG funds provided by the City of Eastvale.

³ A journal is a chronological record of transactions showing the charges to be recorded as a result of each transaction. Every transaction is initially recorded in a journal. Therefore, a journal is called a record or book of original entry. Each entry in the journal states the names of the individual accounts to be debited and credited, the dollar amount of each debit and credit, the date of the transaction, and any other necessary explanation of the transaction. The act of entering a transaction in a journal is called "journalizing." Information for a journal entry can originate from a variety of sources, such as checks issued or received, invoices, cash register tapes, and time sheets.

- **Unobligated balances** (funds remaining available for distribution).
- **Assets and liabilities.**
- **Program income.**
- Actual **outlays or expenditures**, with further breakdowns by:
 - The grant program from which the funds are derived.⁴
 - The “eligible activity” classifications specified in 24 CFR 570.201–570.206 (housing rehabilitation, economic development, public facilities, public services, etc.) or similar classifications which clearly indicate use of program funds for eligible activities.

Maintenance of Records

The ECF will maintain internal controls to provide for the **separation of duties** and the **secure storage** of accounting records in limited access areas. In maintaining these accounting records, The ECF Board shall review the following at least once a month:

- Journal entries are properly approved and explained/supported.
- Posting and trial balances are performed regularly.

2.4 Allowable Costs (see 24 CFR 85.22 and 84.27)

The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of CDBG-financed activities are found in **OMB Circular A-87 for governmental subrecipients, OMB Circular A-122 for non-profit subrecipients, and OMB Circular A-21 for educational institutions**. This will be determined by the City Council of the City of Eastvale. The City Council basis it’s decision upon the following guidelines:

According to basic guidelines contained within these OMB circulars, a *cost is allowable* under the CDBG program if:

1. The expenditure is *necessary, reasonable, and directly related to the grant*.

⁴ Subrecipients are encouraged, but not required by HUD, to identify expenditures by the specific grant.

This standard applies equally to such items as salaries and administrative services contracts, as well as to real property and equipment purchases or leases, travel, and other administrative expenditures. In determining the reasonableness of a given cost, consideration shall be given to:

- a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
 - b) The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, Federal and state laws and regulations, and terms and conditions of the award.
 - c) Whether the individuals concerned acted with prudence in the circumstances, considering their responsibilities to the organization, its members, employees and clients, the public at large, and the Government.
 - d) Significant deviations from the established practices of the organization that may unjustifiably increase the award costs.
2. The expenditure has been *authorized by the grantee* (City of Eastvale).

For example, grantees generally are limited by HUD to obligating no more than 15 percent of any year's CDBG award on public services expenses. Therefore, in their agreement with a subrecipient (ECF), the grantee will stipulate how much the particular subrecipient will be allowed to obligate on such activities to keep the grantee's overall public services expenditures within the 15-percent ceiling. Any obligations by the subrecipient on such activities exceeding the approved amount may be disallowed by the grantee based upon the provisions of the Subrecipient Agreement.

3. The *expenditure is not prohibited* under Federal, state, or local laws or regulations.

For example, OMB Circular A-87, Attachment B, and OMB Circular A-122, Attachment B, explicitly prohibit expenditure of Federal funds for entertainment, contributions and donations, fines and penalties, and bad debts.⁵

In addition, the regulations specific to the CDBG program (at 24 CFR 570.207) prohibit the use of program funds for:

- **Buildings used for the general conduct of government**

- **General governmental expenses**
- **Political activities**

This section of the program regulations also specifies that the following activities may *not* be assisted with CDBG funds *unless* authorized as a special economic development activity under 24 CFR 570.203, *or* when carried out by Community-Based Development Organizations (CBDOs) under the provisions of 24 CFR 570.204, or when the other special conditions noted in the following section after each category are met:

- **Purchase of construction equipment** (unless purchased for use as part of a solid waste disposal facility, which is eligible under 24 CFR 570.201(c)).
 - **Personal property, furnishings, fixtures, or motor vehicles** (unless these items constitute part or all of a public services activity under 24 CFR 570.201(e), are eligible as fire fighting equipment under 24 CFR 570.201(c), or are necessary in the administration of activities assisted with CDBG funds).
 - **Operating and maintenance expenses** (except for expenses associated with public service, “In Rem,” and interim assistance activities, or office space for program staff employed in carrying out the CDBG program).
 - **New housing construction** (unless performed in accordance with the “last resort” housing provisions of 24 CFR Part 42, or carried out by a CBDO under Section 570.204).
 - **Income payments** (this prohibition does not preclude payments made under 24 CFR 570.201(n) to facilitate and expand homeownership by low- and moderate-income persons or emergency grant payments made over a period of up to 3 consecutive months to the provider of such items as food, clothing, housing, or utilities).
4. The *expenditure is consistently treated*, in the sense that the subrecipient applies generally accepted accounting standards in computing the cost, and utilizes the same procedures in calculating costs as for its non-Federally assisted activities.

5. The *cost must be allocable to the CDBG program*. A cost is allocable to a particular cost objective (e.g., grant, program, or activity) in proportion to the relative benefits received by that objective. This means that:
- If an office is utilized by two programs during the same hours, the costs of the office should be allocated between the two programs on an equitable basis.
 - The same expense cannot be claimed against more than one grant (i.e., double-billing is prohibited). In addition:
 - A cost originally allocable to a particular Federal grant program **cannot be shifted to another Federal grant program** to overcome funding deficiencies, to avoid restrictions imposed by the grant or by law, or for any other reasons.
 - In accordance with the guidance found in OMB Circulars A-87 and A-122, the composition of direct and indirect costs must be clear. **Direct costs** must be identified specifically with a particular activity. **Indirect costs** are those incurred for common objectives that benefit more than one activity (e.g., salaries of executive officers, accounting and auditing, other costs of general administration). The subrecipient's indirect costs must be supported by an indirect cost proposal/cost allocation plan prepared in accordance with U.S. Department of Health and Human Services Circular OASMB-5 (for non-profit subrecipients) or OASC-10 (for governmental subrecipients).
6. The *cost is net of all applicable credits*. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The subrecipient is not allowed to make a profit from any costs charged to CDBG funds.

2.5 Source Documentation

The general standard is that *all accounting records must be supported by source documentation (see 24 CFR 85.20(b)(6) and 84.21(b)(7))*. Supporting documentation is necessary to show that the costs charged against CDBG funds were incurred during the effective period of the subrecipient's agreement with the grantee (City of Eastvale), were actually paid out (or properly accrued), were expended on allowable items, and had been approved by the responsible official(s) in the subrecipient organization.

The source *documentation must explain the basis of the costs incurred* as well as show the actual dates and amount of expenditures. For example:

- With respect to **payrolls**, source documentation should include employment letters and all authorizations for rates of pay, benefits, and employee withholdings. Such documentation might include union agreements or minutes from board of directors' meetings where salary schedules and benefit packages are established, copies of written personnel policies, W-4 forms, etc. For staff time charged to the CDBG program activity, **time and attendance records should be available**. If an employee's time is split between CDBG and another funding source, there must be time distribution records supporting the allocation of charges among the sources. Canceled checks from the employees, insurance provider, etc., or evidence of direct deposits will document the actual outlay of funds.
- With respect to the cost of **space and utilities**, space costs must be supported by documentation such as rental or lease agreements. Utility costs will be supported by bills from the utility companies. Both types of expenses will be supported by canceled checks. If the cost of space or utilities is split between the CDBG program and other sources, there must be a reasonable method in place to allocate the charges fairly among the sources, consistent with the guidelines covering allocable costs in Section 2.4.
- With respect to **supplies**, documentation would include purchase orders or requisition forms initiated by an authorized representative of the subrecipient, an invoice from the vendor (which has been signed-off by the subrecipient to indicate the goods were received), the canceled check from the vendor demonstrating payment was made, and information regarding where the supplies are being stored and for what cost objective(s) they are being used.

Some additional requirements related to source documentation include:

- All **source documentation** does not have to be located in the CDBG project files, but it must be **readily available for review by the grantee (City of Eastvale), HUD, or other authorized representatives at all times**. For example, employment letters and salary schedules are not likely to be maintained in a subrecipient's CDBG files but instead will be kept in the organization's central personnel files.
- The subrecipient must ensure that either (a) **an encumbrance/obligation is recorded** whenever a contract is signed or a purchase order is issued or (b) **up-to-date information on the status of all obligations** is otherwise readily accessible.

- The subrecipient must maintain a complete, accurate, and up-to-date record of the receipt and use of CDBG-generated **program income**. (See Chapter 6.0.)

2.6 Budget Controls

The Eastvale Community Foundation will maintain and monitor obligations and expenditures against their approved budget(s) for CDBG-funded activities. **Depending on the language of the Subrecipient Agreement, the grantee (City of Eastvale) may be under no obligation to reimburse the ECF for expenditures that exceed approved budget line items or the overall budget for CDBG-assisted activities.** Therefore, the ECF needs to compare actual receipts, encumbrances, and expenditures with the CDBG budget to ascertain in a timely fashion **whether it will be necessary to initiate a formal budget revision.** In addition, since the budget reflects the subrecipient's best estimate of the resources necessary to accomplish the CDBG project scope of services, any pattern of line item overruns should prompt a careful re-assessment of whether the available resources will still be sufficient to achieve the agreed-upon objectives.

To compare and control expenditures to approved budgets, the ECF must:

- Maintain in its accounting records **the amounts budgeted for eligible activities.**¹
- **Include unexpended/unobligated balances** for budgeted categories, as well as obligations and expenditures.
- Periodically **compare actual obligations and expenditures to date against planned obligations and expenditures, and against projected accomplishments for such outlays.**

These comparisons should be made on an ongoing basis, and not after a majority of funds have been committed. In addition, it is critical that the ECF maintain a close watch over the progress achieved for the amount of funds expended.

2.7 Cash Management

The ECF, as a subrecipient, is required to minimize the time elapsed between receipt of funds from the grantee (City of Eastvale) and the actual disbursement of those funds. This requirement is intended to curtail unnecessary drawdowns of CDBG funds (through the grantee) from the U.S. Treasury and minimize the cost of financing the CDBG program by the Federal Government.

¹ See Exhibit 2.6 for an example of a budget for eligible activities.

The grantee (City of Eastvale) will utilize the reimbursement method to transfer funds to the subrecipient (ECF). **The reimbursement method entails a transfer of grant funds to the subrecipient based on actual expenditures by the subrecipient before the request for funds.**

- The ECF will approve disbursements in \$3,000 increments.
- After the Foundation approves the disbursement, they will meet with City of Eastvale Finance Department for approval prior to the awarding of the checks to organizations.
- Upon city staff approval:
 - The ECF will issue checks to the organizations.
 - The City of Eastvale will reimburse the ECF.

This reimbursement method shall comply with cash management requirements. In accordance with 24 CFR 85.21 or 570.502(b)(3)(i), as applicable, and 31 CFR Part 205⁶, these requirements include:

- A subrecipient, ECF, must include ***accurate information in its drawdown request to a grantee, City of Eastvale.*** This requirement is intended to address the intentional falsification of drawdown information.
- ***The general standard is that the subrecipient, ECF, must disburse the funds to pay for CDBG program costs within 3 business days of the receipt of those funds from the grantee.*** The subrecipient should also maintain written justification in its files for each instance in which disbursement of an advance took longer than a 3-day period.
- A subrecipient must ***return erroneously drawn funds to the grantee in a timely fashion.*** This applies to both advances and reimbursement payments when it is determined that the transfer resulted in more funds being drawn down than what was required by the ECF's immediate disbursement needs.

For example, if a subrecipient drew down CDBG funds in anticipation of the start of a public facilities project, and the project's commencement was delayed, the subrecipient is required to return the CDBG funds to the grantee and re-initiate the drawdown process at a later point.

⁶ These are the regulations of the U.S. Department of the Treasury governing withdrawal of cash from the Treasury for an advance under a Federal grant program.

2.8 Financial Reporting

Financial reports will be prepared accurately, timely, current, and represent a complete disclosure of the financial activity and status in each Federal grant program under which assistance is received (24 CFR 85.20(b) and 85.41(c) and (d), or 84.21 and 24 CFR 570.502(b)(3)(i), as applicable).

A financial report containing the following information for each CDBG activity will be provided to the City of Eastvale:

- *Amount budgeted.*
- *Advances/reimbursements* received to date.
- *Program income and other miscellaneous receipts* in the current period and to date.
- *Actual expenditures/disbursements* in the current period and cumulatively to date, for both program income and regular CDBG grant funds.
- *Current encumbrances/obligations* in addition to disbursements.
- *Unpaid requests for payment* previously submitted at time of latest drawdown.

2.9 Other Miscellaneous Requirements for Eastvale Community Foundation Financial Management Systems

- **Cash depositories:** Regular banking procedures may be followed without any separate bank account or special bank eligibility requirements.
- **Real property:** The ECF will:
 - Keep track of CDBG-acquired real property to ensure that program income from sales or rental of such property or assets is properly recorded and reported (24 CFR 570.503(b)(3)).
 - Have procedures for ensuring ongoing compliance with the National Objectives requirements associated with real property acquired or improved with CDBG funds in excess of \$25,000 (24 CFR 570.503(b)(7)).

CHAPTER 3.0: PROCUREMENT AND CONTRACTING

This chapter outlines the Foundation's responsibility when using Federal funds to purchase materials, products, or services under the CDBG Entitlement program. The Foundation will follow a free and open competitive process in securing products or services. This includes:

- Properly **document** your purchasing activities and decisions.
- Observe the special **rules for particular kinds of purchases** (small purchases, competitive sealed bids, competitive proposals, and sole source procurements).
- **Properly bond and insure** work involving large construction contracts and/or subcontracts.
- Use **local businesses** and contract **with small, minority and/or women-owned businesses** to the maximum extent feasible.

It is important to ensure that the prices the ECF pays are competitive, and are getting a good value. The Foundation will only make purchases with CDBG funds that are necessary under the terms of your Subrecipient Agreement. The Foundation will ensure the integrity of its purchasing decisions; to document the history, results, and decisions behind purchases; to follow the rules for certain kinds of transactions; and to offer opportunities to local and disadvantaged firms to respond to purchasing needs.

When using CDBG funds to purchase materials or services, the ECF will document the background, need, and the details of every purchasing decision, whether it involves renting an office or buying two-by-fours.

3.1 General Procurement Provisions

The standards and procedures for procurement are intended to ensure that supplies, equipment, construction and other services acquired in whole or in part with Federal funds are:

- a) Obtained as efficiently and economically as possible.
- b) Procured in a manner that provides, to the maximum extent practical, open and free competition.

Solicitations must clearly explain all requirements that the bidder/offeror must fulfill in order for his or her bid/offer to be evaluated by the Eastvale Community Foundation. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured, and cannot contain features which unduly restrict competition.

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the ECF, price and other factors considered. Any and all bids may be rejected when it is in the ECF's interest to do so. The ECF must ensure that the award is only made to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The Federal requirements for these administrative areas are found in **24 CFR 85.36 for governmental subrecipients and in 24 CFR 84.40-48 for subrecipients that are non-profit organizations**. Because the procurement standards in 24 CFR Part 85 are generally more specific than those found in Part 84, the former will be used as the principal basis for this chapter's presentation of applicable requirements. **Whenever there is a clear distinction between the requirements of 24 CFR Parts 85 and 84, the text will distinguish between the two sets of requirements**. However, in general, the standards set forth in 24 CFR Part 85 for procurement may be viewed as a "safe harbor" for satisfying the Federal requirements.

The general requirements for procurement include the following:

- According to 24 CFR 85.36(b)(9), the ECF must maintain *records to detail the significant history of a procurement*. These records include, not are not limited to, files on the rationale for selecting the methods of procurement used, selection of contract type, the contractor selection/rejection process, and the basis for the cost or price of a contract (*for non-profit subrecipients, 24 CFR 84.46 specifies that procurement records and files for purchases in excess of the small purchase threshold fixed at 41 U.S.C. 403(ii), currently \$100,000, must include the basis for contractor selection, justification for lack of competition when competitive bids or offers are not obtained, and the basis for the award cost or price*).

- *Pre-qualified lists of vendors/contractors*, if used, must be current, developed through open solicitation, include adequate numbers of qualified sources, and must allow entry of other firms to qualify at any time during the solicitation period (24 CFR 85.36(c)(4)).
- As part of its efforts to eliminate unfair competitive advantage, the ECF should *exclude contractors that develop or draft specifications*, requirements, statements of work, invitations for bids, and/or requests for proposals from competing for such procurement (24 CFR 84.43).
- The ECF will ensure that *awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation* in Federal assistance programs under Executive Order 12549, “Debarment and Suspension” (24 CFR 85.35).
- The ECF will ensure that:
 - **The purchase of unnecessary or duplicate items is avoided.** Where appropriate, an analysis should be made of lease versus purchase alternatives (24 CFR 85.36(b)(4) and 84.44(a)(1)-(2));
 - Whenever possible, use of **Federal excess and surplus property or intergovernmental agreements for procurement or use of common goods and services** should be considered as a way to foster greater economy and efficiency (24 CFR 85.36(b)(5) and (6));
 - **All purchase orders (and contracts) are signed by the authorized official(s)** of the Foundation (City of Eastvale);
 - **Items delivered and paid for are consistent with the purchase order** and/or contract for the goods or services;
 - **Timely payment to vendors** occurs once the order is delivered, inspected, accepted, and payment authorized;
 - **A cost or price analysis** is performed for every procurement action, including contract modifications, and documentation to that effect is maintained in the subrecipient files.

- **Profit or fee is negotiated separately from price** where competition is lacking or whenever a cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of past performance, and industry rates for the area (24 CFR 85.36(f)(2)); and,
- The list of **provisions in 24 CFR 85.36(i) or 84.48, as applicable**, must be included in any contracts.
- Subrecipients must ***not use "cost plus a percentage of cost" pricing*** for contracts (24 CFR 85.36(f)(4) and 84.44(c)); in addition, subrecipients should use *"time and material" type contracts* only after a determination is made that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk (24 CFR 85.36(b)(10)).

3.2 Permitted Approaches to Procurement

Depending on the scarcity of the item or service desired, and the size of the purchase, different methods of procurement are available for use by subrecipients, ECF, under the Federal regulations.¹

- Small purchases may be used for procurement of \$100,000 or less in the aggregate: (24 CFR 85.36(d)(1) and 84.44(e)(2))
 - Small purchases are made through the use of purchase orders. Competition is sought through oral or written price quotations. A subrecipient must document the receipt of an adequate number of price or rate quotations from qualified sources.
 - A procurement of more than \$100,000 may not be inappropriately broken up into smaller components solely to qualify for the less complicated procedures followed under the "small purchases" approach.
- **Competitive sealed bids** (formal advertisement, 24 CFR 85.36(d)(2)):
 - The procurement must lend itself to a firm, fixed price contract (lump sum or unit price) where the selection can be principally made on the basis of price.

- A subrecipient must advertise the Invitation for Bid (IFB) in publications of general circulation.
- The IFB must include complete and accurate specifications and pertinent attachments and clearly define items or services needed, in sufficient detail for the bidders to properly respond.
- Bids must be opened publicly at the time and place stated in the IFB.
- A subrecipient must receive at least two or more responsible bids for each procurement transaction.
- If awarded, the contract must be given to the lowest responsive and responsible bidder (the subrecipient, however, can decide *not* to make the award to *any* of the bidders).

The competitive sealed bid method is the preferred approach for procuring construction services.

- **Competitive proposals (24 CFR 85.36(d)(3)):**
 - A subrecipient should use this method only when conditions are not appropriate for the use of formal advertising.
 - The Request for Proposal (RFP) must clearly and accurately state the technical requirements for the goods and services required.
 - The ECF must publicize the RFP, and to the maximum extent practicable, honor reasonable requests by parties to have an opportunity to compete.
 - Proposals must be solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement.
 - The ECF must conduct a technical evaluation of the submitted proposals to identify the responsible offerors.
 - As necessary, the ECF will conduct negotiations with those offerors who are deemed responsive and responsible and fall within a competitive price range, based on the subrecipient's evaluation of the bidders' pricing and technical

proposals. After negotiations, these bidders may be given the opportunity to submit a “best and final” offer.

- The ECF must award the contract to the most responsive and responsible offeror after price and other factors are considered through scoring the proposals (or “best and final” offers) according to predetermined evaluation criteria. The successful proposal/offeror must clearly be the “most advantageous” source of the goods and services for the Foundation.

For procurement involving **architecture or engineering (A/E) services**, the ECF may use competitive proposal procedures whereby competitors’ qualifications are evaluated and **the most qualified competitor is selected**, subject to negotiation of fair and reasonable compensation. In these instances, price is *not* used as a selection factor. Once the most-qualified firm is identified, only that firm is asked for a price proposal that is subject to negotiation of a fair and reasonable price. If negotiations with the selected firm are unsuccessful, this process is repeated with the next highest-ranked firm, until a fair and reasonably priced contract can be awarded. The subrecipient must be careful to document the bases for its determination of the most qualified competitor and the reasonableness of the contract price. This qualifications-based approach to the competitive proposals method may *not* be used to purchase other than A/E services. (See 24 CFR 85.36(d)(3)(v).)

- **Noncompetitive proposals/sole source procurement** (24 CFR Part 85.36(d)(4)):

Noncompetitive negotiations may be utilized only under very limited circumstances. The ECF must show that another method of procurement was infeasible because:

- The item or service was only available from a single source.
- A public emergency or condition requiring urgency existed which did not permit the use of competitive procurement.
- Competition was determined to be inadequate after receiving proposals from numerous sources.

3.3 Use of Local Businesses; Contracting with Small, Minority, and/or Women-Owned Businesses

Federal regulations, both CDBG and non-CDBG, make it very clear that subrecipients, ECF, should make every effort to use local business firms and contract with small, minority-owned and/or women-owned businesses in the procurement process. Specifically,

- The ECF will take **affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms** in its CDBG-financed activities (24 CFR 85.36(e) or 84.44(b)). The efforts which a subrecipient should make include:
 - Incorporating such businesses in **solicitation lists** whenever they are potential sources.
 - Ensuring that **such businesses are solicited** when identified as potential sources.
 - **Dividing procurement requirements**, when economically feasible, to permit maximum participation of such businesses.
 - Requiring prime contractors, when **subcontracts** are let, to take affirmative steps to select such firms.
- In conformance with the requirements of *Section 3 of the Housing and Community Development Act of 1968*, to the greatest extent feasible, the ECF will award contracts for work to be performed by eligible **businesses located in or owned by residents of the targeted area** to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of governmental assistance for housing (see 24 CFR 570.607(b)).

The ECF does recognize that the desire to award contracts to local firms is *not* a legitimate excuse for avoiding an open and competitive procurement process.

CHAPTER 4.0: PROPERTY MANAGEMENT AND DISPOSITION

The ECF is responsible for ensuring that the property purchased with CDBG funds continues to be used for its intended (and approved) purpose, and that if the ECF sells it, it will reimburse the grantee, City of Eastvale, for the CDBG share of the property's value.

- Property can only be acquired with CDBG funds for a *specific purpose* that must be approved by the City of Eastvale and should be made a part of the Subrecipient Agreement.
- The use of that property for the *approved purpose must continue*; in the case of personal **property**, if the ECF owns it and the property is needed for the CDBG activity, and in the case of real **property** (acquired or improved with CDBG funds in excess of \$25,000), generally for at least 5 years following the expiration of the Subrecipient Agreement.
- Accurate records for real property will be kept by the ECF (e.g., purchase date, price, location, physical description, maintenance history and condition, original and current use, and other inventory types of data).
- The ECF will control the use of the property (in accordance with its intended purpose) and *take good care* of it (that is, take adequate steps to prevent its damage, theft, or loss).
- If the ECF no longer needs the property, disposal can commence according to specific rules (such as paying back the grantee, accounting for program income, etc.).

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The following chart summarizes the applicability of specific sections of the regulations to particular categories of property for governmental and private subrecipients and shows the relevant regulations affecting its ownership, use, and disposition.

Exhibit 4-1: Rules for Property Management and Disposition

Property Management and Disposition Regulations 24 CFR 570.503—all subrecipients (subs) 24 CFR 85.32–85.34, govt. subs 24 CFR 84.32–84.34, non-profit subs	Real Property (Acquired with CDBG funds)	Personal Property Acquired with CDBG funds		
		Tangible		Intangible
		Nonexpendable	Expendable	
<i>Typical Example</i>	<i>Land/Buildings</i>	<i>Cars/Equipment</i>	<i>Office Supplies</i>	<i>Copyrights</i>
Ownership	See property acquisition, 24 CFR 570.201(a), 201(c), 202, 203(a)	Vested in subs 24 CFR 85.32 24 CFR 84.34	Vested in subs 24 CFR 85.33 24 CFR 84.35	Nonexclusive license to govt. 24 CFR 85.34 24 CFR 84.36
Use & Management	24 CFR 570.505 governs grantees; subrecipients follow 503(b)(7) *	24 CFR 85.32 24 CFR 84.34	24 CFR 85.33 24 CFR 84.35	
Disposition	24 CFR 570.503(b)(7)	Generally, fair-market value or proceeds returned to grantee; with grantee approval, proceeds retained as program income 24 CFR 85.32 and 24 CFR 570.502(a)(8) 24 CFR 84.34 as modified by 570.502(b)(3)(vi)	Residual inventories 24 CFR 85.33 24 CFR 84.35	Nonexclusive license to use remains with govt.

4.1 Overview

The relevant Federal regulations governing the management and disposition of property are 24 CFR 570.503 for all subrecipients, 24 CFR 84.34(g) as amended by 570.502(b)(3)(vi) for private sector subrecipients, and 85.32, as modified by 570.502(a)(8), and 85.33-34 for governmental subrecipients.

For the purposes of these Federal regulations, “property” is classified according to the following distinct categories:

- **Real property:** “real property” means land, including any improvements to and structures located on the land, but excluding any movable machinery or equipment.
- **Personal property:** “personal property” is basically any kind of property other than real property. Personal property can be *tangible* (such as supplies, furniture, and equipment), or *intangible* (such as copyrights, patents, and inventions).

Further distinctions can be made between:

- **Non-expendable personal property**, which generally is considered to include *tangible* personal property having a useful life of more than 1 year and an acquisition cost of \$300 or more per unit.
- **Expendable personal property**, which includes all *tangible* personal property other than non-expendable personal property.

The ECF’s property management system must provide for accurate records, the conduct of regular inventories, adequate maintenance and control, and proper sales procedures.

4.2 Real Property

The Subrecipient Agreement must be **explicit** about the use of any real property under the subrecipient’s (ECF) control that was acquired or improved in whole or in part with CDBG funds in excess of \$ 25,000. For such instances, **24 CFR 570.503(b)(7)** mandates that such real property either:

- Must be used by the ECF to continue to meet one of the CDBG program’s National Objectives **for at least 5 years after the expiration of the Subrecipient Agreement** (or a longer time as specified by the grantee in the Subrecipient Agreement); or

- If a National Objective is not met during this time period, the grantee, City of Eastvale, must be **reimbursed for the current fair market value**, less any portion of the value attributable to non-CDBG funds.

4.3 Personal Property — Equipment

For **non-profit subrecipients** (24 CFR 84.34):

- **Title:** Title to personal property acquired with CDBG funds is vested with the ECF, subject to the following conditions:
 - 1) **In all cases** in which personal property is no longer needed by the ECF for CDBG activities, it must be transferred to the City of Eastvale for the CDBG program or can be retained by the ECF after compensation to the City of Eastvale (per 24 CFR 570.502(b)(3)(vi)(B)).
 - 2) The grantee may reserve **the right to transfer title of the equipment** to the Federal Government or a third party (84.34(g)(4)).
 - 3) In all cases in which personal property is sold, the proceeds will be considered **program income** (24 CFR 570.502(b)(3)(vi)(A)).

4.4 Personal Property — Supplies

For **non-profit subrecipients**, the requirements of 24 CFR 84.35 apply; that is,

- The residual inventory of unused supplies exceeding \$5,000 not needed by the ECF for CDBG activities must be transferred to the City of Eastvale for the CDBG program or can be retained after compensating the City of Eastvale.
- **In all cases** in which the residual inventory of supplies is sold, the proceeds are considered **program income**.

CHAPTER 5.0: RECORD-KEEPING AND REPORTING REQUIREMENTS

The Eastvale Community Foundation will keep accurate record keeping and reporting to ensure it and the grantee (City of Eastvale) can track performance against your contract goals and the grantee (City of Eastvale) can provide adequate management support in its oversight of the ECF's activities.

This chapter addresses standards for documentation with respect to general record-keeping requirements, file organization and maintenance, retention of records, access to records, and reporting requirements. The end of the chapter contains a comprehensive chart identifying key records for each of three record types: administrative records, financial records and project records.

5.1 General Record-Keeping Requirements

The Eastvale Community Foundation is required to establish and maintain three major categories of records:

- **Administrative records:** These are files and records that apply to the overall administration of the Foundation's CDBG activities. They include the following:
 - Personnel files.
 - Property management files.
 - General program files: files relating to the application to the grantee, the Subrecipient Agreement, program policies and guidelines, correspondence with grantee and reports, etc.
 - Legal files: articles of incorporation, bylaws of the organization, tax status, board minutes, contracts and other agreements.
- **Financial records:** These include the chart of accounts, a manual on accounting procedures, accounting journals and ledgers, source documentation (purchase orders, invoices, canceled checks, etc.), procurement files, bank account records, financial reports, audit files, etc.
- **Project/case files:** These files document the activities undertaken with respect to specific individual beneficiaries, property owners, and/or properties.

Records will be collected by the ECF CDBG ad-hoc committee and given to the ECF Secretary for scanning into the digital records keeping system possibly dropbox).

The ECF will maintain records that are *accurate, complete and orderly*. A grantee (City of Eastvale) must establish the specific requirements for record keeping in its Subrecipient Agreement (24 CFR 570.503(b)(2)). Grantees frequently specify record keeping requirements for their subrecipients that are very similar to those found in 24 CFR 570.506, so that for the activities undertaken by subrecipients, the grantee will be able to demonstrate compliance with all applicable program requirements. Therefore, the Foundation will anticipate having to maintain records sufficient to:

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Provide a **full description of each activity** assisted with CDBG funds, including the location where the activities occur, the amount of CDBG funds budgeted, obligated, and expended for the activity and the regulatory provision under which the activity is eligible.

- Demonstrate that each activity undertaken meets one of the **National Objectives** for the CDBG program (24 CFR 570.208 and particularly the record-keeping requirements at 570.506(b)(1) - (12)).
- Show that the ECF has made all necessary **determinations required for the eligibility of certain activities** under the CDBG program, including but not limited to 24 CFR 570.201(f) **for interim assistance**, 570.201(i)(2) **for relocation**, 570.201(p) **for technical assistance**, 570.202(b)(3) **for loans to refinance existing indebtedness secured by a property being rehabilitated**, 570.204 **for activities carried out by CBDOs**, and 570.206(f) **for the preparation of applications for other Federal programs**, and 570.209 **for special economic development activities**.
- Document compliance with the program rules regarding **any change of use of real property** acquired or improved with CDBG assistance (24 CFR 570.505 and 570.503(b)(7)(i) and (ii)).
- Demonstrate compliance with the program requirements regarding **acquisition, displacement, relocation, and replacement housing** (24 CFR 570.606).
- Detail the ECF's **fair housing** activities and **equal opportunity** compliance.
- Maintain all necessary information relative to the other program requirements specified in Subpart K of 24 CFR Part 570 (which includes **labor standards; national flood insurance; employment and contracting opportunities; lead-based paint; use of debarred, suspended, or ineligible contractors or subrecipients; and conflict of interest**).

The ECF is not responsible for providing documentation for the initial environmental review of an activity, because they cannot assume the grantee's environmental responsibilities (24 CFR 570.503(b)(5)). However, actions that the ECF provides to the grantee in order for it to carry out these responsibilities and other actions the subrecipient takes to abate or address environmental findings must be documented.

5.2 File Organization and Maintenance

The ECF will structure its project/case files and other records to comply with the general requirements specified in the preceding section and to facilitate preparation of progress and other reports, including all submissions necessary for the grantee's input into the Integrated Disbursement and Information System (IDIS) and its Consolidated Annual Performance and Evaluation Report (CAPER).

For each type of activity undertaken, the ECF with consultation with the City of Eastvale should determine the comparable data that must be maintained in individual case files. Each project or case file should include documentation of the **National Objective** being met, the **characteristics and location of beneficiaries**, the **eligibility of the activity**, the **compliance with special program requirements**, the **allowability of the costs**, and the **status of the case/project**.

The ECF will compile **cumulative data** on its activities **for inclusion in periodic reports** required by the City of Eastvale Finance Department. The ECF will keep **logs for recording and totaling programmatic data** (by type of activity, for units of service, numbers of beneficiaries, etc.) as cases are initiated and as they progress to avoid searching through all of its individual case files to obtain aggregate statistics every time a progress report is due.

The ECF will maintain an automated reporting system that permits the collection and manipulation of all data elements (i.e., characteristics of projects and beneficiaries) necessary for the production of currently required reports and reports that may be desired in the future. Maintenance of this database will be from the ECF CDBG ad-hoc committee.

5.3 Retention of Records

The ECF will retain records for extended periods of time, even though an activity may be completed for some time:

- **For all subrecipients:** 24 CFR 85.42 as modified by 570.502(a)(16), or 24 CFR 84.53(b) as modified by 570.502(b)(3)(ix) (A) and (B), as appropriate:

In general, **records are to be retained for 4 years** from the date of submission of the grantee's CAPER in which the specific activity is reported for the last time, unless there is litigation, claims, audit, negotiation, or other actions involving the records, which has started before expiration of the 4-year period. In such cases, the records must be retained until completion of the action and resolution of all issues which arise from it or the end of the regular 4-year period, whichever is longer.

5.4 Access to Records

- Representatives of the City of Eastvale, HUD, the Comptroller General of the United States, or of other authorized governmental agencies have the right of access to any pertinent records of the ECF to make audits, examinations, excerpts, and transcripts. (24 CFR 85.10 (e) and 84.53 (e))
- Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, the ECF also must provide citizens with reasonable access to records on the past use of CDBG funds (24 CFR 570.508).

5.5 Reporting Requirements

The ECF reporting requirements will be specified by the City of Eastvale in the Subrecipient Agreement (24 CFR 570.503(b)(2)). These reporting requirements must be consistent with the provisions 24 CFR 84.51(a) for non-profit subrecipients.

Although it has broad discretion over the type and frequency of reports, **the City of Eastvale is likely to request three kinds of reports** from its ECF: information on drawdown requests, regular progress reports, and CAPER data. All reports are generated by the CDBG ad-hoc committee.

- As part of a subrecipient's periodic **drawdown requests**, the City of Eastvale should require the ECF to provide information on the financial status of the latter's operations, which should include (for each activity) the amount of:
 - Funds budgeted.
 - Funds received in drawdowns to date.
 - Funds obligated in most recent period and to date.
 - Funds expended in most recent period and to date.
 - Cash on hand (including program income identified as such).
 - Previous drawdowns requested but not yet received.
- The City of Eastvale will also require regular **progress reports** from the ECF. These reports generally will be required monthly or quarterly and will usually be designed

to track actual project accomplishments, obligations, and spending patterns against planned operations and accomplishments as specified in the project schedule and budget portions of the Subrecipient Agreement. The ECF CDBG ad-hoc committee will prepare progress reports.

- For rehabilitation activities, the CAPER also requires information (organized separately for single-units and each multi-unit property) on:
 - Activity delivery costs expended in carrying out rehabilitation may be included as part of the cost of the rehab activity or may be reported as a separate activity.
 - Number of units proposed and completed.
 - Number of units in each multi-unit structure initially occupied by low- and moderate-income households following rehab.
 - For multi-unit properties, the amount proposed and expended from CDBG, other public, and private sources.
- The CAPER also requires data on:
 - The characteristics of beneficiaries of direct benefit activities (expressed in total households/persons assisted, number of extremely low-income, low-income, and moderate-income households/persons, and ethnic characteristics of beneficiaries).
 - The source and amount of program income received during the program year.
 - Number and total dollar amount of loans outstanding.
 - CDBG-acquired parcels of property to be sold.
 - Households displaced in connection with CDBG activities.

Exhibit 5-1: Record-Keeping Checklist for Tracking Activities

- This form should be initiated when the City of Eastvale awards a subgrant to the ECF
- The date at the top should indicate the last time the checklist was updated.
- This form should be updated after internal project review, after monitoring visits by the City of Eastvale, or when key documents are modified or received from/sent to the grantee.

Date Checklist Last Updated: _____

Documents to be Maintained	Document Source		Status		
	Source	Date	Complete?	Location	
Project Application			Y	N	
<input type="checkbox"/> Original Application	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Amendments to Application	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Approval of Amendments	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Notice of Award	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Pre-Award Documentation			Y	N	
<input type="checkbox"/> Articles of Incorporation/Bylaws	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Non-profit Determination	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> List of Board of Directors	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Authorization to Request Funds	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Authorized Official	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Organizational Chart	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Résumés of Chief Admin. and Chief Fiscal Officers	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Financial Statement and Audit	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Conflict of Interest Statement	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Plan for Compliance with National Objectives	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Lobbying Statement	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Subrecipient Agreement			Y	N	
<input type="checkbox"/> Subgrant/Subaward Amount	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Date of Subgrant/Subaward	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Statement of Work	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Budget by Task/Activity	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Schedule by Task/Activity	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Standard Provisions Included?	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Amendments (Dates)	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____

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Documents to be Maintained	Document Source		Status		Location
	Source	Date	Complete?		
Financial Records			Y	N	
<input type="checkbox"/> Current Approved Budget	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Authorization Letter/Signatures	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Financial Management Systems (accounting books, software, reporting systems)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Chart of Accounts	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> List of Source Documents to be Maintained	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Financial Status Report (total budget, amount expended, unliquidated obligations, unobligated balance)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Request Forms	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Request Reports	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Executed Contracts/Bid Docs	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Board Minutes for Approval of Contracts or Bids	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Copy of Most Recent Audit Report	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Certification of Insurance Coverage/Bonding	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> CDBG Payroll Records	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Certified Construction Payroll Records (Davis-Bacon applicable)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Approved Cost Allocation Plan	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Relevant Financial Correspondence	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Project Monitoring and Control			Y	N	
<input type="checkbox"/> Completed Monitoring Reports	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> National Objectives Documentation	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Eligible Activities Documentation	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Activity Status Report (scope, cost, schedule/actual vs. agreement)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Requests/Reports	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Subrecipient Staffing	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Meeting Minutes	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Telephone Log/Notes	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____

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Documents to be Maintained	Document Source		Status	
	Source	Date	Complete?	Location
Regulatory Compliance File			Y	N
<input type="checkbox"/> HUD Monitoring Results	<input type="checkbox"/> HUD/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Real Property Inventory, Management and Change of Use	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Anti-discrimination, Fair Housing, EEO, ADA/504 Certifications	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Procurement, Bonding, Insurance	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Labor Standards	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Acquisition, Displacement, Relocation, Replacement Housing	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Loan Status Reports (Economic Development, Rehabilitation)	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Administrative Activities	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Flood Insurance Purchase	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
Other Project/Activity Files			Y	N
<input type="checkbox"/> Plans and Specs (rehabilitation, historic preservation)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Orientation and Training	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Special Case Records	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>

CHAPTER 6.0: OTHER ADMINISTRATIVE AND PROGRAM REQUIREMENTS

All CDBG-funded activities conducted by the Eastvale Community Foundation must be *eligible* and must meet *one of three National Objectives*.

This chapter provides an overview of 14 additional administrative and program requirements specified in Subparts J and K of 24 CFR Part 570 that apply to the ECF and the Foundation. They are:

- Program Income (24 CFR 570.503 and 570.504).
- Programmatic and Budget Changes.
- Civil Rights and Fair Housing; Employment and Contracting Opportunities (24 CFR 570.601, 570.607 and 570.614).
- Labor Standards (24 CFR 570.603).
- Environmental Requirements (with respect to the use of funds, 24 CFR 570.604).
- Historic Preservation.
- National Flood Insurance Program (24 CFR 570.605).
- Floodplain Management (24 CFR Part 55).
- Relocation, Real Property Acquisition, and One-for-One Housing Replacement (24 CFR 570.606).
- Lead-based Paint (24 CFR 570.608).
- Political Activity (24 CFR 570.207(a)(3)).
- Conflict of Interest (24 CFR 570.611).
- Program Monitoring (24 CFR 570.501(b), 24 CFR 85.40(a) and (e), and 24 CFR 84.51(a)).
- Suspension and Termination (24 CFR 570.503 (b) (6), 24 CFR 85.43 and 44, and 24 CFR 84.62).

6.1 Program Income (24 CFR 570.503(a), (b)(3) and (7), and 570.504)

- The term “**program income**” means any gross income received by the subrecipient that was directly generated from the use of CDBG funds (24 CFR 570.500(a)). This includes, but is not limited to:
 - Proceeds from the sale or long-term lease of **real property purchased or improved** with CDBG funds.
 - Proceeds from the disposition of **equipment purchased** with CDBG funds.
 - Gross income from the **use or rental of property acquired** by the ECF or City of Eastvale with CDBG funds, less the costs incidental to the generation of such income.
 - Gross income from the **use or rental of property owned by the grantee or subrecipient that was constructed or improved** with CDBG funds, less any costs incidental to the generation of such income.
 - Payments of **principal and interest on loans made** using CDBG funds.
 - Proceeds from the **sale of loans made** with CDBG funds.
 - Proceeds from the **sale of obligations secured by loans made** with CDBG funds.
 - **Interest earned on program income**, pending the disposition of such program income.
 - **Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income**, where such assessments are used to recover part or all of the CDBG portion of a public improvement.

When income is generated by an activity that is only **partially** assisted with CDBG funds, the income must be prorated to reflect the percentage of CDBG funds used to determine the portion that is program income.

- The **written agreement** between the ECF and the City of Eastvale will specify whether any program income received by the ECF is to be **returned to the grantee or retained by the subrecipient for use in carrying out CDBG activities**.

- If the program income is to be retained by the ECF, the **written agreement will also specify what CDBG-eligible activities** the ECF may undertake with the program income.
- The receipt and expenditure of program income **must be recorded** by the ECF CDBG ad-hoc committee as part of its records of financial transactions.
- When the ECF retains program income, such income must be used for any authorized activity **before drawing down additional grant funds** from the City of Eastvale, except in the case of a revolving fund. In the case of **program income in a revolving fund**, the ECF must use the program income for the activity for which the revolving fund was established, **before** drawing down additional grant funds for that activity.
- **At the expiration of the Subrecipient Agreement**, any program income on hand or subsequently received by the subrecipient must **be returned to the City of Eastvale**.

6.2 Programmatic and Budget Changes

The Subrecipient Agreement and/or the grantee's written policies will specify when prior approval of the grantee is necessary for a programmatic or budget change relative to the subrecipient's CDBG-funded activities. For example, prior approval and/or a written amendment to the Agreement usually will be necessary when any of the following are anticipated:

- A revision to the scope or objectives of the CDBG activities, including purpose, location, or beneficiaries.
- The need to extend the period of availability of funds.
- Changes in key personnel when specified in the application package or grant award.
- In non-construction projects, when contracting out a portion of the activity to a third party, unless specified in the application.
- A revision that would result in the need for additional funding.
- Cumulative transfers among direct cost categories or, if applicable, among separately budgeted activities or projects which exceed 10 percent (unless this requirement is waived by the grantee).

- Expenditures on items for which the applicable cost principles (OMB Circulars A-87 and A-122) require prior approval, see 570.200(h) for pre-award/pre-agreement costs.

6.3 Civil Rights and Fair Housing; Employment and Contracting Opportunities (24 CFR 570.601-602, 570.607)

The Subrecipient Agreement must require the subrecipient to administer its CDBG funds in compliance with the following Federal laws and Executive Orders, and implementing regulations:

- **Title VI of the Civil Rights Act of 1964 (Public Law 88-352 implemented in 24 CFR Part 1):** This law states that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- **Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (Public Law 90-234):** The Fair Housing Act prohibits discrimination in housing practices on the basis of race, color, religion, sex, and national origin. The Fair Housing Act was amended in 1988 to provide protections from discrimination in any aspect of the sale or rental of housing for families with children and persons with disabilities. The Fair Housing Act also establishes requirements for the design and construction of new rental or for-sale multi-family housing to ensure a minimum level of accessibility for persons with disabilities.
- **Executive Order 11063, as amended by Executive Order 12259 (implemented in 24 CFR Part 107):** This order and its implementing regulations require HUD to take all actions necessary to prevent discrimination because of race, color, religion, sex, or national origin in the use, occupancy, sale, leasing, rental, or other disposition of residential property assisted with Federal loans, advances, grants, or contributions.

Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 *et. seq.*): This law provides that any grant under Section 106 shall be made only if the grantee certifies to the satisfaction of the Secretary of HUD that the grantee will, among other things, affirmatively further fair housing.

- **Section 109 of Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 *et. seq.*, particularly 42 U.S.C. 6101 *et. seq.*, and 29 U.S.C. 794):** This law mandates that no person on the grounds of race, color, national origin, sex, or religion shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination under any activity funded in whole or part with CDBG funds.
- **Section 3 of the Housing and Community Development Act of 1968 (12 U.S.C. 1701u):** This section implemented at 24 CFR Part 135 requires that, to the greatest extent feasible, a subrecipient must:
 - Ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income residents within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.
 - Award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located and to low- and very low-income participants in other HUD programs.

- **Section 504 of the Rehabilitation Act of 1973, as amended (implemented at 24 CFR Part 135):** This section specifies that no otherwise qualified individual shall solely by reason of his or her handicap be excluded from participation (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving Federal assistance. Part 8 requires that recipients ensure that their programs are accessible to and usable by persons with disabilities. Part 8 also prohibits recipients from employment discrimination based upon disability.
- **The Americans with Disabilities Act (ADA) of 1990:** This law prohibits discrimination on the basis of disability in employment by state and local governments and in places of public accommodation and commercial facilities. The ADA also requires that facilities that are newly constructed or altered, by, on behalf of, or for use of a public entity, be designed and constructed in a manner that makes the facility readily accessible to and usable by persons with disabilities. The Act defines the range of conditions that qualify as disabilities and the reasonable accommodations that must be made to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for persons with disabilities.
- **The Age Discrimination Act of 1975, as amended:** This law provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving Federal assistance.
- **Executive Order 11246 (as amended by Executive Orders 11375 and 12086) — Equal Opportunity Under HUD Contracts and HUD-assisted Construction Contracts:** This order requires that grantees and subrecipients and their contractors and subcontractors agree not to discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- **The Architectural Barriers Act of 1968:** The Architectural Barriers Act (ABA) of 1968 (ABA) (42 U.S.C. 4151-4157) requires that certain buildings financed with Federal funds must be designed, constructed, or altered in accordance with standards that ensure accessibility for persons with physical disabilities. The ABA covers any building or facility financed in whole or in part with Federal funds, except privately owned residential structures. Covered buildings and facilities designed, constructed, or altered with CDBG funds are subject to the ABA and must comply with the Uniform Federal Accessibility Standards.

6.4 Labor Standards (24 CFR 570.603)

- **All laborers and mechanics** employed by contractors or subcontractors on **construction work** in excess of \$2,000 and financed in whole or in part with CDBG funds must be paid “**prevailing wages**” that have been determined in accordance with the **Davis-Bacon Act** as amended (40 U.S.C. 276a–276a-5). The Contract Work Hours and Safety Standards Act (40 U.S.C. 327–333) also applies to such activities.
- **These labor standards shall apply only to the rehabilitation of residential property if the property contains not less than eight (8) units.**

The ECF will consult closely with the City of Eastvale during the planning of any construction or rehabilitation projects to assure that all the requisite labor standards will be properly observed. Grantees and subrecipients should pay particular attention to the technical complexities entailed in:

- Determining whether a project might be subject to Davis-Bacon requirements.
- Obtaining the appropriate prevailing wage rates and inserting the wage determination and the appropriate labor standards provisions in the contract.
- Requesting additional wage rate classifications that may not appear on a wage decision.
- Conducting an adequate pre-construction conference.
- Monitoring the work-site and contractor/subcontractor payrolls to document compliance with these requirements, including on-site employee wage interviews.

6.5 Environment Requirements (24 CFR 570.604)

The CDBG regulations explicitly **prohibit subrecipients from assuming the grantee’s (City of Eastvale) environmental responsibilities** (see 24 CFR 570.503(b)(5)(i)).

However, under the applicable regulations for any project receiving CDBG assistance, **no party involved with the project, including the ECF, may commit funds to the project, including incurring project costs, until the City of Eastvale completes the appropriate environmental review and public notification process, and HUD approves a certification of compliance with environmental laws and request for release of funds from environmental conditions.** Activities not subject to this restriction are those the regulations define as exempt from

environmental review. However, before any party involved with the project can incur costs, even for activities that are exempt, **the City of Eastvale must first make a formal determination that the activity(ies) is exempt.** (The list of activities that are exempt from environmental review are found in 24 CFR part 58.34 and 58.35(b).)

6.6 Historic Preservation

The ECF will adhere to the Historic Preservation Act and related laws and Executive Orders. Before commitments are made to make any physical improvements or alterations or to demolish any building, a subrecipient should receive assurances from the City of Eastvale that they are in compliance with the Act.

The City of Eastvale assumes responsibility of consulting with the State Historic Preservation Officer as to whether the property: (1) is or could be declared a historic property; (2) is located in a historic district or an area which could be declared a historic district; and (3) involves proposed changes that could adversely affect historic properties or neighborhoods or properties or neighborhoods which could be declared historic.

If historic properties could be adversely affected, an agreement must be reached on appropriate mitigating measures with all parties identified in 36 CFR Part 800.

6.7 National Flood Insurance Program (24 CFR 570.605)

If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, CDBG funds cannot be spent for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question. *Note that there is a statutory prohibition against providing Federal assistance to a person who had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance and the person failed to obtain and maintain such insurance. (24 CFR 58.6(b)).*

6.8 Floodplain Management

The ECF will select sites that are located outside of special flood hazard areas for projects proposing new construction or substantial improvement of existing buildings. Executive Order 11988, Floodplain Management, directs agencies “to avoid direct or indirect support of floodplain development wherever there is a practicable alternative” (24 CFR Part 55).

Note that the guidance relating to environmental requirements is available on the HUD Web site at: <http://www.hud.gov/offices/cpd/environment/index.cfm>.

6.9 Relocation, Real Property Acquisition, and One-for-One Housing Replacement (24 CFR 570.606 (b) and (c))

The ECF must comply with (1) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 24 CFR 570.606(b), and 49 CFR Part 24; and (2) the requirements of 24 CFR 570.606(c) and 24 CFR Part 42 governing the Residential Antidisplacement and Relocation Assistance Plan (Plan) under Section 104(d) of the HCD Act.

Under the URA and the Plan, the ECF must provide relocation assistance to persons (families, individuals, businesses, non-profit organizations, and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. All property occupants must be issued certain notices on a timely basis. (Failure to issue timely notices may result in unnecessary expenses.)

The Plan also requires the one-for-one replacement of any occupied or vacant occupiable low/moderate-income housing that is demolished or converted to another use in connection with a CDBG-assisted project. Finally, the Plan requires the identification of the steps that will be taken to minimize displacement.

Real property acquisition requirements are described in 49 CFR 24, Subpart B.

6.10 Lead-Based Paint (24 CFR 570.608 and Part 35)

CDBG-funded activities, such as the acquisition, construction, or rehabilitation of residential structures, may not use lead-based paint.

Certain requirements apply to the use of CDBG funds for the rehabilitation of a residential property that was constructed before 1978. At a minimum, grantees are required to: (a) notify a purchaser or lessee of the presence of any known lead-based paint and/or lead-based paint hazards; (b) paint test surfaces to be disturbed or removed during rehabilitation for the presence of lead-based paint, or presume lead-based paint and notify the occupants of the results within 15 days of when the evaluation report is received or the presumption is made; (c) provide each occupied dwelling unit discussed in (a) and (b) in the preceding section with the EPA-approved lead hazard information pamphlet Protect Your Family From Lead in Your Home or EPA-approved equivalent; (d) reduce lead hazards as required by the applicable subparts of Part 35; and (e) perform clearance testing, including dust testing, before reoccupancy after all but minimal (“de minimis”) amounts of paint disturbances. (See in the following section for details.)

The CDBG regulation at 24 CFR 570.608 states that the following subparts of Part 35 apply to the use of CDBG funds in pre-1978 housing:

- A - (Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property),
- B - (General Lead-Based Paint Requirements and Definitions for All Programs),
- J - (Rehabilitation),
- K - (Acquisition, Leasing, Support Services, or Operation), and
- R - (Methods and Standards for Lead-Based Paint Hazard Evaluation and Hazard Reduction Activities).

Part 35, Subpart A, is called the Lead Disclosure Rule; and Part 35, Subparts B through R, are called the Lead Safe Housing Rule.

Certain properties are exempt from the requirements of the Lead Safe Housing Rule. They include:

- Housing built on or after January 1, 1978;
- Zero-bedroom dwellings, including efficiency apartments, single-room occupancy housing, dormitories, or military barracks;
- Housing exclusively for the elderly or people with disabilities, unless a child under age 6 resides or is expected to reside there;
- Units that have been found to be free of lead-based paint by a certified lead-based paint inspector;
- Units where all lead-based paint has been removed;
- Unoccupied housing that will remain vacant until it is demolished;
- Non-residential portions of mixed-use buildings, except that spaces serving both residential and non-residential uses are covered by the rule;
- Units that are to be rehabilitated without disturbing a painted surface; and
- Units that are subject to emergency repair action needed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage;

For properties that are covered by the Lead Safe Housing Rule, the lead-based paint requirements for rehabilitation depend on the amount of Federal rehabilitation assistance provided. The amount of Federal rehabilitation assistance is the average per unit amount of Federal funds for the hard costs of rehabilitation, excluding lead-based paint hazard evaluation and hazard reduction activities. In calculating this assistance amount, the ECF must consider both the total amount of Federal assistance to be used (including CDBG and other funds) and the hard costs of rehabilitation (including Federal and non-Federal funds). Whenever these two amounts are not the same, the smaller of the two determines the type and level of lead-based paint requirement. For a structure with more than one dwelling unit, the thresholds are applied against the average amount of Federal assistance per unit or the average hard cost of rehabilitation per unit, whichever is lower.

The following is a general overview of the requirements based on dollar thresholds per year per assisted housing unit:

- **Up to and including \$5,000**—notice, provision of pamphlet, paint testing of surfaces to be disturbed or presumption of lead-based paint, safe work practices as part of rehabilitation (except for minimal amounts of paint disturbances), repair any paint that is disturbed, and clearance after the work and before reoccupancy.
- **\$5,001–\$25,000**—notice, provision of pamphlet, paint testing or presumption, risk assessment to identify lead-based paint hazards, interim control or standard treatment of lead-based paint hazards, and clearance.
- **Over \$25,000**—notice, provision of pamphlet, paint testing or presumption, risk assessment, abatement of lead-based paint hazards, ongoing lead-based paint maintenance, and clearance.
- **Minimal (“de minimis”) amounts**—Safe work practices and clearance are not required when maintenance or hazard reduction activities do not disturb painted surfaces that total more than: 20 square feet on exterior surfaces; 2 square feet in any one interior room or space, or 10 percent of the total surface area on an interior or exterior type of component type with a small surface area (e.g., window sills, baseboards, and trim).
- **Pamphlet**—The Protect Your Family From Lead in Your Home pamphlet can be downloaded in English and Spanish from www.hud.gov/offices/lead or www.epa.gov/lead, and single paper copies can be obtained from the National Lead Information Clearinghouse at 1-800-424-LEAD. Persons with hearing or speech impediments may access this telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

6.11 Political Activity (24 CFR 570.207(a)(3))

The ECF is prohibited from using CDBG funds to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as sponsoring candidate forums, distributing brochures, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold meetings, candidate forums, or voter registration, provided that all parties and organizations have access to the facility on an equal basis and are assessed equal rent or use charges, if any.

6.12 Conflict of Interest (24 CFR 570.611; 24 CFR 85.36; and 24 CFR 84.42)

There are two sets of conflict of interest provisions applicable to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients, is the procurement regulations located at 24 CFR 84.42 and 85.36. (See 24 CFR 570.611(a)(1).) The second set of provisions is located at 24 CFR 570.611(a)(2). These provisions cover situations not covered by parts 84 and 85.

With respect to procurement activities, the ECF must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

- Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - an employee, officer, or agent of the subrecipient;
 - any member of an employee's, officer's, or agent's immediate family;
 - an employee's, agent's, or officer's partner; or
 - an organization which employs or is about to employ any of the in the preceding section.
- Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors, or parties to subagreements. However, subrecipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
- Provide for disciplinary actions to be applied for any violations of such standards by employees, agents, or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the ECF, who exercises decision-making responsibility with respect to CDBG funds and activities, is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds of the activities. Specific provisions include that:

- This requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee, a designated public agency, or a subrecipient, and to their immediate family members, and business partner(s).

- The requirement applies for such persons during their tenure and for a period of 1 year after leaving the City of Eastvale or ECF organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis, after consideration of the cumulative effect of various factors listed at 24 CFR 570.611(d), and only with: (a) full disclosure of the potential conflict, and (b) a legal opinion of the grantee's attorney that there would be no violation of state or local laws in granting the exception.

6.13 Suspension and Termination (24 CFR 570.503(b)(6))

When problems arise in the performance of the ECF, the City of Eastvale is responsible for taking appropriate actions **for correcting these deficiencies**, including suspending or terminating **the CDBG activities being carried out by the ECF (24 CFR 570.501(b))**.

Consistent with 24 CFR 570.503(b)(6), the **written agreement** between the City of Eastvale and the ECF must specify that suspension or termination may occur if the ECF materially fails to comply with any term of the CDBG award, and that the agreement may also be terminated for convenience (also see 24 CFR 85.43–85.44 and 84.62).

CHAPTER 7.0: AUDITS

The Eastvale Community Foundation, as a subrecipient of the CDBG Entitlement program, share a joint responsibility with the City of Eastvale to ensure that Federal program resources are applied “efficiently, economically and effectively to achieve the purposes for which the resources were furnished.”¹ The financial and performance audits discussed in this chapter are designed to assure that grantees and subrecipient agencies meet this mutual responsibility and are accountable to the public. In particular:

1. **Financial audits** are designed to provide an independent opinion on whether your agency’s financial statements present in a fair manner actual operating results in accordance with accepted standards, and whether your agency has complied with specific financial requirements in terms of systems and procedures.
2. **Performance audits** provide an independent point of view on the extent to which your agency has faithfully, efficiently and effectively carried out its operations, and achieved the intended results or benefits of its programs.

In general, a formal IPA audit sits at the third rung of a four-rung examination ladder. The first rung corresponds to your own internal bookkeeping systems and procedures that enable you to compile operating results for a given period of time and give you a chance to compare your agency’s financial and program results for that period, as a whole, to your goals and objectives. The second rung corresponds to an outside accountant’s compilation and review of your operating data for a given period. However, at this level, the review is still informal and may not result in the accountant’s formal opinion as to the reliability and accuracy of the results.

The third level of examination corresponds to the formal IPA audit that must be performed anytime your agency expends \$500,000 or more in Federal funds in a year. Its primary goal is to determine whether your agency has adequate systems in place to assure that:

- Goals and objectives are met.
- Resources are safeguarded.

- Laws and regulations are followed.
- Reliable data are obtained, maintained, and accurately disclosed.

This level of review should always result in a formal opinion of the accuracy and reliability of the data presented as expressed in a management letter.

7.1 General Audit Requirements

If the ECF expends more than \$500,000 in total Federal financial assistance in a year are responsible for obtaining **an independent audit** in accordance with the Single Audit Act of 1984 and OMB Circular A-133 as referenced at 24 CFR 84.26 and 85.26. The computation of the total of such assistance includes all Federal funds received by the entire entity, and not just the department or division receiving the CDBG funding. For purposes of determining the amount of Federal assistance expended, all Federal assistance shall be considered, including that which is received directly from a Federal agency, or passed through a state or local government, or through non-profit organizations, or any combination thereof.

If the ECF expends **less than \$500,000 per year** in Federal financial assistance, it is exempt from Federal audit requirements. However, the subrecipient must still have records available for review by HUD, the City of Eastvale, or GAO, and there also may be separate state or local laws prescribing additional audit requirements.

7.2 Internal Control and Compliance Review

The Single Audit Act requires, among other things, that the independent auditor determine and report on whether the organization or governmental entity has **internal control systems** to provide reasonable assurance that it is managing its Federal assistance programs in compliance with applicable laws and regulations. (See also OMB Circular 133, Subpart E—Auditors, §__.500 Scope of audit, paragraph (c).) The auditor will perform tests of these controls to evaluate the effectiveness of the design and operation of the policies and procedures in preventing or detecting material noncompliance.

The auditor will also conduct **compliance testing**. (OMB Circular 133, Subpart E—Auditors, §__.500 Scope of audit, paragraph (d).) For the CDBG program, the auditor will examine a sample of transactions to determine whether:

- The amounts reported by the ECF as expenditures were for allowable services, and the records show that those who received benefits or services were eligible to receive them.
- Applicable limitations (such as ceilings on administrative costs, or funding for public services, as well as allocations for activities to principally benefit low- and moderate-income individuals) were met.
- The ECF's financial reports and claims for advances and reimbursements contain information that is supported by the books and records from which the basic financial statements have been prepared.
- Program income received was properly recorded and used before drawing additional grant funds.
- The expenses claimed by the subrecipient are in accordance with the applicable cost principles and uniform administrative requirements.

7.3 Audit Reports

Following the completion of the audit, an audit report must be prepared. (See OMB Circular 133, Subpart E--Auditors, §__.505 Audit reporting.) The audit report must contain at least the following (assuming that it is a single audit as opposed to a program-specific audit):

- **An opinion as to whether the subrecipient's financial statements** are presented fairly in all material respects, and **an opinion as to whether the schedule of expenditures of Federal awards** is presented fairly in relation to the financial statements taken as a whole.
- **A report on the ECF's internal control related to the financial statements and major programs.** The report would be expected to identify the significant internal accounting controls and those controls designed to provide reasonable assurance that Federal programs are being managed in compliance with applicable laws and regulations.
- **A report on compliance containing:** an opinion as to whether each major Federal program was being administered in compliance with applicable laws and regulations; a statement of positive assurance for those items tested; negative assurance for those items not tested; a summary of all instances of noncompliance; and, identification of total amounts questioned.

- **A schedule of findings and questioned costs**, where applicable.

The audit must generally be completed within 9 months after the end of the audit period and the report submitted within 30 days of receipt of the auditor's report(s). The subrecipient shall submit to the Federal clearinghouse designated by OMB the data collection form used in the audit along with a copy of the reporting package. It shall also submit a copy of the reporting package to HUD and the grantee.

The ECF secretary will maintain copies of all audit reports on file for a minimum of 4 years from the date of their issuance. Similarly, the ECF secretary should ensure that its auditor maintains copies of the audit work papers for a minimum of 4 years from the date of the report issuance. If there remain unresolved audit issues at the end of this 4-year period, the ECF should notify the auditor in writing to extend the retention period.

7.4 Auditor Selection/Procurement

In arranging for audit services, the ECF must follow the procurement requirements found in 24 CFR 85.36 or 24 CFR 84.41-48, as applicable. Small audit firms and audit firms owned and controlled by minorities or women must have the maximum practicable opportunity to participate in audit contracts.

In requesting proposals for audit services, the objectives and scope of the audit should be made clear. Factors to be considered in evaluating each proposal for audit services include the responsiveness to the request for proposal, relevant experience, availability of staff with professional qualifications and technical abilities, the results of external quality control review, and price.

7.5 Audit Costs

The costs of audits made in accordance with the applicable regulations are allowable charges to Federal assistance programs. These charges can be treated as either a direct cost or an allocated indirect cost. In regard to the latter, the percentage of costs generally charged to Federal assistance programs for a single organization wide audit should not exceed the percentage that the ECF's Federal funds represent of total funds expended by the entity during the applicable year. The percentage may be exceeded, however, if appropriate documentation demonstrates higher actual costs.

7.6 Audit Review and Resolution

As noted in the preceding section, the reports from any independent audits must be forwarded by the ECF to the City of Eastvale (in its role as the entity providing the funds), who will review all such reports to determine whether they meet all relevant standards and are acceptable.

For findings/recommendations with which the ECF agrees:

- Information on the actions it has taken (or plans to take) to correct the specified noncompliance or financial system deficiencies.

For findings/recommendations with which the ECF does not agree:

- The basis (including relevant documentation) for the ECF's belief that an audit finding or recommendation is inaccurate or inappropriate.

Typically, the Management Response is due within 30 days from the ECF's receipt of an audit report. If, in its Management Response, the ECF disagreed with any of the audit findings or recommendations, the grantee will re-examine the points in question to determine whether any revisions to the report's findings/recommendations are warranted. It will then issue a Management Decision concerning the finding or recommendation.

For those audit findings and recommendations with which the ECF agrees, and for any disputed findings or recommendations in which the ECF's challenge is not upheld (in the City of Eastvale's management decision), the next step in the resolution process is the implementation of procedures to prevent the deficient conditions from re-occurring

CHAPTER 8.0: CLOSEOUT

The ECF will provide carefully and fully documented financial and program activities up to the point of closeout.

8.1 Overview

The closeout of a Subrecipient Agreement is the process by which the City of Eastvale determines that all required work under the Agreement has been completed. This means that all financial, administrative, and performance issues related to the activities undertaken by the ECF have been resolved to the satisfaction of both the City of Eastvale and the ECF.

The Federal regulations applicable to the CDBG program include few specific requirements relative to the closeout of subrecipient projects. The following section describes the general process detailed in 24 CFR 570.509 that is often used by grantees as a standard for the closeout of subrecipients.

8.2 Closeout Procedures

The City of Eastvale will initiate closeout procedures relative to the ECF when:

- All costs to be paid with CDBG funds have been incurred, with the exception of closeout costs (e.g., audit) or contingent liability costs.
- The work to be financed with CDBG has been completed, including activities financed through escrow accounts, loan guarantees, or similar mechanisms.
- The other responsibilities of the subrecipient under its agreement with the grantee have been met, or the grantee feels that there is no further benefit in keeping the Agreement open for the purpose of securing performance.

When the City of Eastvale has determined that these criteria have been met, or upon the expiration or termination of the Subrecipient Agreement, the City of Eastvale will require the ECF to provide final versions of all financial, performance, and other reports that were a condition of the award. These reports may include but are not limited to:

- A final performance or progress report.
- A financial status report (including all program income).

- A final request for payment.
- A final inventory of property in the subrecipient's possession that was acquired or improved with CDBG funds.

The closeout report is due within 90 days of the expiration/termination of the Subrecipient Agreement or notification by the City of Eastvale.

Based on the information provided by the ECF in these final reports and other relevant information, the City of Eastvale may execute a closeout agreement with the ECF that specifies:

- Any closeout costs or contingent liabilities subject to payment with CDBG funds after the closeout agreement is signed.
- The amount of any unused CDBG funds (see Section 8.3 regarding the disposition of these funds).
- The ECF's responsibilities after closeout (see Section 8.4).
- Other provisions appropriate to any special circumstances.

8.3 Cost and Cash Adjustments (24 CFR 570.503(b)(7))

Upon receipt by the City of Eastvale of the reports referred to in Section 8.2 in the preceding section, the City of Eastvale will make upward or downward adjustments to the ECF's allowable costs. The City of Eastvale should make prompt payment to the ECF for any outstanding allowable reimbursable costs.

Pursuant to 24 CFR 570.503(b)(7), the Subrecipient Agreement must specify that any grant funds that are remaining in the ECF's possession at the expiration or termination of the agreement must be refunded immediately to the City of Eastvale. Similarly, any accounts receivable must be transferred to the City of Eastvale.

According to 24 CFR 85.52 (which specifically applies to subrecipients that are governmental entities), any funds paid to the ECF in excess of the amount to which the ECF is finally determined to be entitled under the CDBG program constitutes a debt to the Federal Government. If not paid by the ECF within a reasonable period of time, the City of Eastvale may reduce this debt by making an offset against other requests for reimbursement from the ECF by withholding advance payments or by other action permitted by law.

8.4 Continuing Subrecipient Responsibilities

As specified in 24 CFR 84.72 and 85.51, the closeout of a CDBG award to the ECF does not affect:

- The City of Eastvale’s right to disallow costs and/or recover funds on the basis of a later audit or other review.
- The ECF’s obligation to return funds due to the City of Eastvale from subsequent refunds, corrections, or other transactions.
- The ECF’s responsibilities for records retention.
- The CDBG property management and disposition requirements.
- Audit requirements.

Appendix 1
Procedures for Disbursement of Recreation and Arts Scholarships

Section 1: Timeline

The CDBG activities will be conducted on the fiscal year (July to June).

May	ECF is notified of the grant amount from the City of Eastvale
June	The City of Eastvale and the Eastvale Community Foundation approve the Subrecipient Agreement
June 31 st	Quarterly Report submitted to City of Eastvale
July 1 st	Funding is available. Application process will open for 45 days or until limit is reached. ECF Board will approve allotment of CDBG funds for Spring and Fall sports
September 31 st	Quarterly Report due to City of Eastvale
August- March	The ECF CDBG Ad-hoc committee will make recommendations to the board regarding the first group of applications to be approved. The Ad-hoc committee will meet with City of Eastvale representatives for a compliance check of documentation and qualification of applicants. Upon approval, checks will be issued by the ECF ad-hoc committee to the organizations the applicants applied for. The City of Eastvale will refund the ECF in \$3,000 increments.
March 31 st	Quarterly Report due to City of Eastvale
December 31 st	Quarterly Report submitted to City of Eastvale.
April 1 st	All checks to organizations dispersed to ensure adequate time for deposit of checks.
May 1 st	All documentation is submitted to City of Eastvale.

Section 2: Application Process

Applications will be available via the Eastvale Community Foundation website, City of Eastvale website, and the front desk at Eastvale City Hall.

Applications shall include:

1. Completed Scholarship Application filled out by the parent/guardian (organizations are not permitted to fill out applications for children)
2. Proof of Residence (utility bill)
3. Birth Certificate of applicant
4. Proof of Income
 - a. W2 Form
 - b. W9 Form
 - c. If both of the above forms are unavailable, a signed affidavit by the employer and bank statements are required
5. Organization title and contact information, including address, phone number, email, activity title, and cost evidence from organization (flyer, estimate)

Completed applications and supporting documents shall be submitted together at City Hall or by mail to the Eastvale Community Foundation mailbox. Upon submittal, the ECF CDBG ad-hoc committee designee will send a notification letter to the parent/guardian of the child that their application has been received and is being processed. Documents incomplete will not be processed until completed. The Eastvale Community Foundation will provide notification once that an application packet is incomplete and what the applicant needs to submit for processing. Incomplete applications will not be processed and risk not be approved if funding is exhausted.

Once the ECF CDBG ad-hoc committee and the City of Eastvale representative approve or deny applications, the parent/guardian of the child will be notified of their decision.

Section 3: Requirements for Applicants and Organizations

The purpose of this project is to provide kids from low-income families with an opportunity for involvement in athletics, recreation, and art activities they normally could not afford.

To qualify for a scholarship using CDBG monies, an applicant must live within the City of Eastvale boundaries. The City of Eastvale has identified two target areas (Chandler Ave. and Swan Lake) as being low-income areas. Although residency is not required in these locations to qualify for the scholarship, CDBG policies and guidelines suggest these areas be targeted.

The organization the applicant is applying to is not required to be within the boundaries of the City of Eastvale as there are many art and sports programs not offered within the boundaries. However, the ECF is required to conduct a background check of each organization prior to approval. The background check will confirm the organization's establishment through phone correspondence, business searches, correspondence with partner agencies, etc.

Section 4: Scholarship Amounts

Due to the limited amount of CDBG money available, scholarships will be limited. Each July, the ECF CDBG ad-hoc committee will make a recommendation to the ECF Board for how much money should be given to individual scholarships, and how much should be given to spring and fall sports. This will be determined based upon data collection of the previous years. For example, the ECF Board may make a cap of \$300 per child.

Applications will be approved on a first come, first serve basis.

Section 5: Approved Application Payment

Once an application is approved by the ECF CDBG ad-hoc committee and the City of Eastvale, the ECF will send a check for the approved amount to the organization the applicant applied for. In addition, the ECF will send a letter explaining the appropriate use of the CDBG money.

Information provided to the organizations will include:

- a. Terms and conditions for use of the funds ie. funds may only be used for the enrollment of the child (applicant) to participate in the activities; funds may not be used for raffles, equipment, and any other uses not approved by the ECF and City of Eastvale
- b. The process for funds to be returned to the ECF if a child does not enroll will be clearly described. Funds not used for the enrollment

of the child shall be returned immediately as not complying with this would result in the misuse of federal funds.

- c. Notice that any violations of the terms and conditions will result in the ECF seeking legal remedies to acquire the CDBG funds back if not returned promptly. The ECF and the City of Eastvale have the right to refuse scholarships to specific organizations that have violated terms and conditions in the past.
- d. An agreement to be signed by the organization that they have read the enclosed documents and understand the money must only be used for enrollment of the child it was intended.

Section 6: Public Outreach

The ECF will communicate the availability of the scholarship program through the following:

- a) Eastvale Community Foundation website
- b) Eastvale Community Foundation e-notifications
- c) City of Eastvale website
- d) City of Eastvale e-notifications
- e) Local Press Sources (Press Enterprise, Eastvale News)
- f) Eastvale Town Hall meetings
- g) Corona-Norco Unified School District School Board Meeting
- h) Jurupa Community Services District Board meeting
- i) Local community boards (Albertsons, Swan Lake, Homecoming, Serrafino, City Hall)

SUB-RECIPIENT AGREEMENT BETWEEN
THE CITY OF EASTVALE
AND
EASTVALE COMMUNITY FOUNDATION
FOR CDBG FUNDED RECREATIONAL SCHOLARSHIPS

THIS AGREEMENT, entered into this ____ day of _____, 2013 by and between the City of Eastvale (herein called the “Grantee”) and the Eastvale Community Foundation (herein called the “Sub-recipient”).

WHEREAS, the Grantee has executed a cooperative agreement with the County of Riverside and agreed to undertake and assist with the community development activities within its jurisdiction, by utilizing the sum of \$25,320 for Recreational Scholarships; and

WHEREAS, the Grantee wishes to engage the Sub-recipient to assist the Grantee in utilizing such funds.

NOW, THEREFORE, it is agreed between the parties hereto that;

I. SCOPE OF SERVICE

A. Activities

The Sub-recipient will be responsible for administering a CDBG Year 2013/14 Recreational Scholarship Program in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant program:

Program Delivery

Activity #1 – The Foundation will provide financial scholarships for low-income youth to participate in recreational programs offered by organizations providing services to residents in the City of Eastvale.

General Administration

The Foundation will provide information to parents of low-income youth and accept and review scholarship applications based on financial need.

B. National Objectives

All activities funded with CDBG funds must meet one or more of the CDBG program's National Objectives as defined in 24 CFR 570.208.

The Sub-recipient certifies that the activity carried out under this agreement will meet National Objective Criteria 570.208(a)(2)(i)(B), CFR reference Low Mod Limited Clientele Income Certification.

C. Levels of Accomplishment – Goals and Performance Measures

The Sub-Recipient agrees to provide the following levels of program services:

<u>Activity</u>	<u>Units per Month</u>	<u>Total Units**/Year</u>
Activity #1	N/A	180

**Unit of Service = Unduplicated Persons served

D. Staffing

Eastvale Community Foundation Board Members shall administer the program. Any changes in the Key Personnel assigned under this project are subject to the prior approval of the Grantee.

E. Performance Monitoring

The Grantee will monitor the performance of the Sub-recipient against goals and performance standards as stated above. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Sub-recipient within a reasonable period of time after being notified by the Grantee, contract suspension or termination procedures will be initiated.

II. TIME OF PERFORMANCE

Services of the Sub-recipient shall start of the _____ day of _____, 2013 and end on the 31st day of May, 2014. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Sub-recipient remains in control of CDBG funds or other CDBG assets, including program income.

III. BUDGET

<u>Line Item</u>	<u>Amount</u>
Salaries	\$0.00
Fringe	\$0.00
Office Space (Program Only)	\$0.00
Utilities	\$0.00
Communications	\$0.00
Reproduction/Printing	\$1,000
Supplies and Materials	\$0.00
Mileage	\$0.00
Audit	\$0.00
Other (Scholarships)	\$24,320
Indirect Costs	\$0.00
Total CDBG Budget	\$25,320

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$25,320. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Sub-recipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following representatives:

City of Eastvale
Carol Jacobs, City Manager
12363 Limonite Ave Suite 910
Eastvale CA 91752
Phone: 951-361-0900

Eastvale Community Foundation
Sharyn Link, Executive Director
12672 Limonite Ave Suite 3E #408
Eastvale CA 92880
Phone: 951-268-4079

VI. SPECIAL CONDITIONS

The Sub-recipient must schedule and receive training by the Riverside County Economic Development Department in regards to Community Development Block Grant regulations and processes, prior to soliciting for applications for Recreational Scholarships, and prior to receiving reimbursement for any CDBG-funded activities.

The Sub-recipient must collect income self-certifications from every individual or family participating in the CDBG-funded activity or the parent or guardian of every child participating in the CDBG-funded activity. This includes family income, family size, and ethnicity. The Sub-recipient is required to collect income verification documentation from at least 10% of the participants. All of this documentation is to be submitted to the Grantee on a monthly basis.

VII. GENERAL CONDITIONS

A. General Compliance

The Sub-recipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart L of these regulations, except that (1) the Sub-recipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Sub-recipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Sub-recipient also agrees to comply with all other applicable Federal, state and local laws, regulations and policies governing the funds provided under this Agreement. The Sub-recipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. “Independent Contractor”

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Sub-recipient shall at all times remain an “independent contractor” with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance, as the Sub-recipient is an independent contractor.

C. Hold Harmless

The Sub-recipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Sub-recipient’s performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers’ Compensation

The Sub-recipient shall provide Workers’ Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance and Bonding

The Sub-recipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

The Sub-recipient shall comply with the bonding and insurance requirements of 24 CFR 84.31 and 84.48, Bonding and Insurance.

F. Grantee Recognition

The Sub-recipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Sub-recipient will include a reference to the support provided herein in all publication made possible with funds made available under this Agreement.

G. Amendments

The Grantee or Sub-recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Sub-recipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Sub-recipient.

H. Suspension or Termination

In accordance with 24CFR 85.43, the Grantee may suspend or terminate this Agreement if the Sub-recipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Sub-recipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement;
or
4. Submission by the Sub-recipient to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or Sub-recipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial

termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Sub-recipient agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Sub-recipient shall administer its program in conformance with OMB Circular A-122, "Cost Principles for Non-Profit Organizations". These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Sub-recipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28;
- e. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The Sub-recipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Sub-recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other bases for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Sub-recipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Sub-recipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Sub-recipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sub-recipient has control over CDBG funds, including program income.

6. Audits and Inspections

All Sub-recipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Controller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sub-recipient within 30 days after receipt by the Sub-recipient. Failure of the Sub-recipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sub-recipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Sub-recipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Sub-recipient shall report monthly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Sub-recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub-recipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Sub-recipient will develop an indirect cost allocation plan for determining the appropriate Sub-recipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Sub-recipient funds available under this Agreement based upon information submitted by the Sub-recipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payment will be made for eligible expenses actually incurred by the Sub-recipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Sub-recipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Sub-recipient.

4. Progress Reports

The Sub-recipient shall submit regular Progress Reports to the Grantee in the form, content and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Sub-recipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Sub-recipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48.

3. Travel

The Sub-recipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of equipment under this Agreement shall be in compliance with the requirements of 24 DFR Part 84 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Sub-recipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation or termination.
2. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Sub-recipient for activities under this Agreement shall be (a) transferred to the Grantee for CDBG program or (b) retained after compensating the Grantee an amount equal to the fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment.

IX. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Sub-recipient agrees to comply with all local and State civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Sub-recipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced

in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Section 504

The Sub-recipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Sub-recipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Sub-recipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Sub-recipient to assist in the formulation of such program. The Sub-recipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Sub-recipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Sub-recipient may rely on written representatives by businesses regarding their status as minority and female businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Sub-recipient shall furnish and cause each of its own Sub-recipients or Sub-contractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts to the Grantee, HUD, or its agent, or other Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Sub-recipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Sub-recipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Sub-recipient will include the provisions of Paragraph X.A., Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own sub-recipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Sub-recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Sub-recipient agrees to comply with the Copeland Anti-Kick back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Sub-recipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

3. “Section 3” Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD ct of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Sub-recipient and any of the Sub-recipient’s Sub-recipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Sub-recipient and any of the Sub-recipients sub-recipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Sub-recipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Sub-recipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontractors executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contract for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and

very low-income persons residing in the metropolitan area in which the project is located.”

The Sub-recipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Subcontracts

The Sub-recipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon finding that the subcontractor is in violation of regulations issued by the grantor agency. The Sub-recipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Sub-recipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Sub-recipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

Sub-recipients shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Sub-recipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized

in written reports and supported with documents evidence of follow-up actions taken to correct areas of non-compliance.

c. Content

The Sub-recipient shall cause all of the provisions of this contract in its entirety to be included in and made part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Sub-recipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Sub-recipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Sub-recipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which included (but are not limited to) the following:

- a. The Sub-recipient shall maintain a written code or standard of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Sub-recipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest

in any contract, or have a financial interest in any contract, subcontract or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a consultant, officer, or elected or appointed official of the Grantee, the Sub-recipient, or any designate public agency.

5. Lobbying

The Sub-recipient hereby certifies that:

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into, Submission of

this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work, or materials for governmental purposes.

7. Religious Activities

The Sub-recipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

X. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XI. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XII. WAIVER

The Grantee's failure to act with respect to a breach by the Sub-recipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XIII. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the Grantee and the Sub-recipient for the use of funds received under this Agreement and it supersedes all

prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Sub-recipient with respect to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

GRANTEE

SUB-RECIPIENT

Ike Bootsma
Mayor, City of Eastvale

Name:
Title:

ATTEST:

ATTEST:

Ariel Berry
Assistant City Clerk

Name:
Board Secretary

APPROVED AS TO FORM:

John Cavanaugh
City Attorney

Applicant Profile

Applicant Type

Legal Name Eastvale Community Foundation

Date of 501(c)3 incorporation August 9, 2011

Address1 12363 Limonite Ave., Ste. 910

Address2 Eastvale, CA 91752

Telephone 951-263-0345

Fax N/A

Primary Contact Sharyn Link

Title: Executive Director

Phone:

Email:

FEIN / TAX ID

Date Organization Formed August 9, 2011

Fiscal Year Ends Date June 30

DUNS Number N/A

Web Address WWW.EASTVALEFOUNDATION.WIX.COM

33-XXXXXXX

0000-00-00

/

000000000

CDBG Application 2014-2015
County of Riverside County
Economic Development Agency
2014-2015 Community Development Block Grant

Application Guidelines and Instructions:

The Economic Development Agency is soliciting proposals from eligible entities for the 2014-2015 Community Development Block Grant (CDBG) program. This online application form is intended for the use by non-profit organizations [501(c)(3)] and government agencies that will be requesting CDBG funds from the five Supervisorial Districts. Please note: this online application is not to be used for entities requesting funding from the County's thirteen Cooperating Cities. Please contact the cities directly to obtain information about their application process.

A complete application for each activity or project must be submitted through this online application system no later than October 15, 2013. All questions must be answered completely, and all required documentation must be submitted.

You are encouraged to submit your application well before the deadline to allow ample time for review, completeness, and accuracy. Should you require any assistance in completing the application, contact a CDBG representative at (800) 984-1000 (Western Riverside County) or (760) 863-2552 (Eastern Riverside County).

2014-2015 CDBG PROGRAM OVERVIEW

The County of Riverside uses a Priority Evaluation and Project Rating System for all CDBG proposals. As part of the review and evaluation process, EDA staff will review and evaluate all proposals utilizing the following checklist:

I. ACTIVITY EVALUATION:

Does the activity address an established need?

Is the proposed activity eligible (24 CFR 570.201) under the CDBG program?

Does the proposed activity meet one of the three broad National Objectives:
Principally benefit low and moderate-income persons;

Prevents or eliminates slum and blight; or

Addresses an urgent need or problem in the community.

Has the applicant provided sufficient explanation concerning their ability to adequately and accurately document the benefit to low and moderate income persons?

Can the project be implemented and completed within a reasonable amount of time (Public Service activities 1 year / all other activities 2 years maximum)?

Has the applicant identified all the major tasks or components that will be required in carrying out the activity? Are there any potential issues or concerns?

CDBG Application

Organizations interested in applying for Community Development Block Grant funds, are required to answer the following questions. (You may hit the "Tab" key to move on to the next question)

Once complete, please select the "Did I complete this page" link to assure that all required questions have been answered. If any question was skipped, this link will return you to those questions that remain unanswered.

After all questions have been answered, please select the "SAVE" button to proceed to the next page.

PLEASE NOTE: Documents uploaded MUST be electronic files saved either on your computer or other storage device. Files can also be scanned and stored. Please be sure these documents are converted into an acceptable format such as: Office Word, Excel, PowerPoint, PDF, etc., before uploading. For technical support and assistance with uploads, please contact your local office at: 1.800.984.1000. and ask for the Community Service Division-CDBG/ESG unit.

City Subrecipient Name Eastvale Community Foundation
(For City Use ONLY)

Mailing Address 12363 Limonite Ave., Ste. 910, Eastvale, CA 91752

Telephone Number

Fax Number N/A

Executive Director Sharyn Link

Executive Director Phone Number

Executive Director E-mail

Program Manager Yvonne Ontiveros

Program Manager Phone Number

Program Manager E-mail

Program Manager Address
(If different from above)

Organization History
Organization History
(This is applicable only if you are a non-profit organization)

Date Organization founded August 9, 2011

Date Organization incorporated as a non-profit organization August 9, 2011
-1-1

Federal Tax Identification Number

State Identification Number N/A

DUNS Number N/A

Current Board of Directors (1) See Attachment IA
No File Uploaded

Articles of Incorporation and By-Laws (2) See Attachment IB
No File Uploaded

PROJECT/ACTIVITY/SERVICE

Where will the proposed project/activity/service occur? Scholarship funds will be used for various youth activities held at various locations, parks, etc. throughout the city of Eastvale.
(be specific as to the geographic scale of the proposed project/activity/service)

If the proposed project involves a new or existing facility, what is the proposed service/benefit area for the facility?

Upload Project Activity Map (if applicable)
No File Uploaded

Countywide
(check if project/activity/service will serve multiple Supervisorial districts and/or cities)

City (ies): Eastvale

Unincorporated Community (ies)

Other

Specific Location:
(include street address; if a street address has not been assigned provide APN)

Street

City

Zip Code

Assessor's Parcel Number:

What Supervisorial District does the project/activity/service occur within? District 2

If this project benefits residents of more than one community or jurisdiction, have requests been submitted to those other jurisdictions?

If Yes, Identify Source(s):

If Yes, Identify Outcome(s)

If No, Please explain:

Was this project previously funded with CDBG funds? Yes

If Yes, list they year(s)? 2012-13

Is this activity a continuation of a previously funded (CDBG) project? No

If Yes, please explain:

Check ONLY the applicable category your application represents:

Public Service

Other:

(provide description)

PROJECT/ACTIVITY/SERVICE NARRATIVE

Name of Project/Activity/Service:

Provide a detailed description of the proposed use of the CDBG funds ONLY. If CDBG funds will assist the entire program or activity, then provide a description of the entire program or activity:

(You may copy and paste your description up to 2000 characters)

CDBG funds will go towards a youth scholarship program. This entire program is geared towards providing assistance for families that cannot afford to pay for activities or special programs within their communities. This includes, but is not limited to: recreational sports, academic scholarships, arts scholarships, school sports scholarships, etc. The Eastvale Community Foundation hopes to subsidize the cost of these programs for families that would otherwise not have the opportunity to participate due to financial hardship.

OUTCOMES AND PERFORMANCE MEASURES

(List your goals and how you plan to measure your progress)

Number of unduplicated clients or units of service to be served using CDBG funds during the term of the grant: 100

(number of jobs created and/or businesses assisted using CDBG funds)

Time-frame CDBG funds will be expended(does not extend to Public Service Activities):

(weeks, months, years) 1 year

Total number of unduplicated clients/units to be served with ALL funding sources:

(e.g. 25 clients X 10 visits=250 units of service) 100

Number of beds available at facility:

(if residential facility)

Anticipated increase in number of beds:

(if residential facility only)

Length of Stay:

Provide goals and objectives of the project, service, activity. How will you measure and evaluate the success of the project/service/activity to meet the goals and objectives?
(You may copy and paste your goals and objectives up to 1000 characters)

Provide an opportunity for children to participate in a variety of activities, including but not limited to recreational sports, academic scholarships, arts scholarships, and school sport programs who would otherwise be unable to participate during these economic times. Follow up will be conducted with both the organization and the participant to determine their satisfaction with the program.

Discuss how this project/service/activity directly benefits low and moderate income residents:

The City has 2 census tracts that are qualified as low to moderate income. We will focus our efforts and outreach to these areas to seek children in need of scholarships.

Respond to (a) & (b) if this application is for a public service project/service/activity

(a) Is this a NEW project/activity/service provided by your agency? No

(b) If this service is not new, will the existing project/activity/service level be substantially increased or improved? Yes

What methods will be used for community involvement to assure that all who might benefit from the project are provided an opportunity to participate? Outreach in schools, at community events, press releases, social media and city email notifications

PROJECT BENEFIT

All CDBG-funded activities must meet at least one of three National Objectives of the CDBG program. Indicate the category of National Objective to be met by your activity:

CATEGORY 1: Benefit to low-moderate income persons (must be documented).
Please choose either subcategory A or B.

A. LIMITED CLIENTELE:

The project/activity/service serves clientele that will provide documentation of their family size, income, and ethnicity. Identify the procedure you currently have in place to document that at least 51% of the clientele you serve are low-moderate income persons.

Application process requires verification by W2, 1040, pay stub, or signed affidavit.

B. CLIENTELE PRESUMED to be principally low and moderate-income persons:

The following groups are presumed by HUD to meet this criterion. You will be required to submit a certification from the client (s) that they fall into one of the following presumed categories and their ethnicity.

The activity will benefit (check one or more)

Describe your clientele to be served by the project/activity/service:

CATEGORY 2: Area Benefit- The project or facility serves, or is available to, ALL persons located within an area where at least 51% of the residents are low/moderate-income. This determination is based upon 2000 Census data, until further notice. If you need assistance in determining the appropriate census data, please call EDA.

Or Upload, Census Tract and Block Group Numbers here.
No File Uploaded

Enter Total population in Census Tract(s)/Block Groups:

Enter % of low-moderate population in Census Tract(s)/Block Groups:

CATEGORY 3: Prevention or Elimination of Slums and Blight: The proposed project or activity must directly benefit an identified slum and blighted area.

Is the proposed project located in an area with determinable indications of slum and blight?

No

If yes, attach map of the area with the site highlighted and provide additional documentation of the existence of slum/blight, e.g. photos, news stories, reports, etc.

No File Uploaded

Provide the Percentage of Deteriorated Buildings/Qualified Properties:

Slum/Blight Designation Year:

Public Improvement Type and Condition:

Describe the Boundaries of the Slum/Blight area(s):

Or Upload a map of the designate Slum-Blight Area here:

No File Uploaded

CATEGORY 4: Activities undertaken to create or retain permanent jobs, at least 51% of which will be made available to or held by low/moderate-income persons

Proposed Job Creation/Retention

Total jobs expected to Create:

Total jobs expected to Retain:

CATEGORY 5: Activities that provide assistance to micro-enterprise owners/developers who are low/moderate-income:

Proposed Assistance to Businesses

New Businesses expected to assist:

Existing Businesses expected to assist:

Enter Total Businesses Expected to Assist:

LEVERAGING

What evidence is there of a long-term commitment to the proposal? Describe how you plan to continue the work (project) after the CDBG funds are expended?

If commitments are pending, indicate amount requested and attach documentation regarding previous year's funding Copy and Paste other funding sources (commitments or applications) from other sources to assist in the implementation this activity.

Or Upload any commitments that are pending, indicate amount requested and attach documentation regarding previous year's funding

Identify other funding sources (commitments or applications) from other sources to assist in the implementation this activity.

No File Uploaded

Please Upload a summary, by line item, of your organization's previous year's Income and Expense Statement.

No File Uploaded

Or Copy & Paste a summary, by line item, of your organization's previous year's Income and Expense Statement.

MANAGEMENT CAPACITY

MANAGEMENT CAPACITY: Describe your organization's experience in managing and operating project or activities funded with CDBG or other Federal funds.

Eastvale Community Foundation (ECF) had the privilege of using 2012-13 CDBG funds for youth scholarships. ECF identified a need for low income youth to participate in sports, arts, etc. programs that had been unavailable to them due to cost.

And, attach a resource list (partnerships) in addition to the source and commitment of funds for the operation and maintenance of the program.

Management Systems

Does your organization have written and adopted management systems (i.e. policies and procedures, including personnel, procurement, property management, record keeping, financial management, etc.)? Yes See attachments 2A & 2B

CAPACITY

Please Upload a list of the names, phone number, and qualifications of the person(s) that will be primarily responsible for the implementation and completion of the proposed project.

Upload this list and a detailed organizational chart:

See attachments 3A & 3B

Or, list the names, phone number and qualifications of the person(s) that will be primarily responsible for the implementation and completion of the proposed project and copy & paste a detailed organizational chart:

Should the applying entity be awarded CDBG funds, please identify the primary project objectives and goals using an Estimated Timeline for Project Implementation:

(Include Objective/Goal, Start Date, and Completion Date)

Or Upload a list with the primary project objectives and goals using an Estimated Timeline for Project Implementation

No File Uploaded

APPLICATION CERTIFICATION

Undersigned hereby certifies that (check the box after reading each statement and provide authorized person's name):

Print Name and Title of Authorized Representative:

Attach the Minute Action and/or written Board Approval signed by Board President.

See attachment 4A



Riverside County Economic Development Agency:

Primary Contact:

Phone:

Email:

Document Generated: Tuesday, August 6th 2013, 11:53 am

Proposed Project/Activity/Service Budget

Personnel	Total Project/ Activity/Service Budget (Include	CDBG Funds REQUESTED
Salaries & Wages	0	0
Fringe Benefits	0	0
Consultants & Contract Services	0	0
SubTotals:	0	0
Non-Personnel	Total Project/ Activity/Service Budget (Include	CDBG Funds REQUESTED
Space Costs	0	0
Rental, Lease or Purchase of Equipment	0	0
Consumable Supplies	\$1,000.00	\$1,000.00
Travel	0	0
Telephone	0	0
Utilities	0	0
Other Costs (awarded scholarships)	\$24,000.00	\$24,000.00
SubTotals:	\$25,000.00	\$25,000.00
Other	Total Project/ Activity/Service Budget (Include	CDBG Funds REQUESTED
Architectural/Engineering Design	0	0
Acquisition of Real Property	0	0
Construction/Rehabilitation	0	0
Indirect Costs	0	0
SubTotals:	0	0
Grand Totals:	\$25,000.00	\$25,000.00



Riverside County Economic Development Agency:

Primary Contact:

Phone:

Email:

Document Generated: Tuesday, August 6th 2013, 11:53 am

Agency Custom Budget Upload

OPTIONAL- Upload your Agency Custom Budget

Provide total Budget information and distribution of CDBG funds in the proposed budget

OPTIONAL- Upload your Agency Custom Budget: Provide total Budget information and distribution of CDBG funds in the proposed budget

No File Uploaded



Riverside County Economic Development Agency:

Primary Contact:

Phone:

Email:

Document Generated: Tuesday, August 6th 2013, 11:53 am

Applicant's Checklist

Applicant's Checklist

Please check the box for all required documents listed below. Any missing documentation to the application will be cause for the application to be reviewed as INELIGIBLE.



Eastvale Community Foundation

Meeting Agenda

Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: EXECUTIVE DIRECTOR LINK

SUBJECT: VANTAGE POINT CHRISTMAS GIFT MART

RECOMMENDATION: DISCUSS AND TAKE ACTION

BACKGROUND:

Vantage Point Church came to the last Board Meeting to ask if the Board would be interested in partnering with the Church to conduct their gift mart for needy families for 2013.

DISCUSSION:

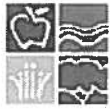
The Board should determine if the Foundation would like to participate with Vantage Point Church for 2013.

FISCAL IMPACT:

Undetermined, depending on the level of participation the Board approves.

ATTACHMENTS:

None



Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda
Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: BOARD MEMBER SHARDLOW

SUBJECT: SELLER'S PERMIT

RECOMMENDATION: RECEIVE VERBAL UPDATE



Eastvale Community Foundation

Meeting Agenda Staff Report

MEETING DATE: OCTOBER 21, 2013

TO: BOARD MEMBERS

FROM: BOARD MEMBER REYES AND EXECUTIVE DIRECTOR LINK

SUBJECT: 501(c)3 NON-PROFIT FILING

RECOMMENDATION: RECEIVE AND FILE.

BACKGROUND:

The application for the 501(c) 3 status has been completed and mailed. The Foundation had submitted an application in 2011 and it was approved on a temporary basis pending resubmitting the application with additional details and further explanation of the Foundations purpose.

ATTACHMENTS:

1. Copy of completed application

Form 1023 Checklist

(Revised June 2006)

Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

- Assemble the application and materials in this order:
 - Form 1023 Checklist
 - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
 - Form 8821, *Tax Information Authorization* (if filing)
 - Expedite request (if requesting)
 - Application (Form 1023 and Schedules A through H, as required)
 - Articles of organization
 - Amendments to articles of organization in chronological order
 - Bylaws or other rules of operation and amendments
 - Documentation of nondiscriminatory policy for schools, as required by Schedule B
 - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
 - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.

- User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.

- Employer Identification Number (EIN)

- Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
 - You must provide specific details about your past, present, and planned activities.
 - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
 - Describe your purposes and proposed activities in specific easily understood terms.
 - Financial information should correspond with proposed activities.

- Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.

Schedule A	Yes ___ No <input checked="" type="checkbox"/>	Schedule E	Yes ___ No <input checked="" type="checkbox"/>
Schedule B	Yes ___ No <input checked="" type="checkbox"/>	Schedule F	Yes ___ No <input checked="" type="checkbox"/>
Schedule C	Yes ___ No <input checked="" type="checkbox"/>	Schedule G	Yes ___ No <input checked="" type="checkbox"/>
Schedule D	Yes ___ No <input checked="" type="checkbox"/>	Schedule H	Yes ___ No <input checked="" type="checkbox"/>

- An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
 - Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Page 1, Article III
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Page 1, Article V
- Signature of an officer, director, trustee, or other official who is authorized to sign the application.
 - Signature at Part XI of Form 1023.
- Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011

Tax Information Authorization

OAS No. 1545-1165
 For IRS Use Only
 Received by:
 Name _____
 Telephone _____
 Function _____
 Date _____

► Information about Form 8821 and its instructions is at www.irs.gov/form8821.
 ► Do not sign this form unless all applicable lines have been completed.
 ► To request a copy or transcript of your tax return, use Form 4506, 4506-T, or 4506T-EZ.

1 Taxpayer information. Taxpayer must sign and date this form on line 7.

Taxpayer name and address (type or print)		Taxpayer identification number(s)	
Eastvale Community Foundation 12363 Limonite, Suite 910 Eastvale, CA 01725		80-0725863	
		Daytime telephone number	Plan number (if applicable)

2 Appointee. If you wish to name more than one appointee, attach a list to this form.

Name and address	CAF No. _____
Sharyn Link	PTIN _____
	Telephone No. _____
	Fax No. _____
Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>	

3 Tax matters. The appointee is authorized to inspect and/or receive confidential tax information for the tax matters listed on this line. Do not use Form 8821 to request copies of tax returns.

(a) Type of Tax (Income, Employment, Payroll, Excise, Estate, Gift, Civil Penalty, etc.) (see instructions)	(b) Tax Form Number (1040, 941, 720, etc.)	(c) Year(s) or Period(s) (see the instructions for line 3)	(d) Specific Tax Matters (see instr.)
Income, Excise, Civil Penalty	990-EZ, 990	2011, 2012, 2013, 2014, 2015	Not Applicable

4 Specific use not recorded on Centralized Authorization File (CAF). If the tax information authorization is for a specific use not recorded on CAF, check this box. See the instructions. If you check this box, skip lines 5 and 6

5 Disclosure of tax information (you must check a box on line 5a or 5b unless the box on line 4 is checked):

- a If you want copies of tax information, notices, and other written communications sent to the appointee on an ongoing basis, check this box
- Note.** Appointees will no longer receive forms, publications and other related materials with the notices.
- b If you do not want any copies of notices or communications sent to your appointee, check this box

6 Retention/revocation of tax information authorizations. This tax information authorization automatically revokes all prior authorizations for the same tax matters you listed on line 3 above unless you checked the box on line 4. If you do not want to revoke a prior tax information authorization, you must attach a copy of any authorizations you want to remain in effect and check this box

To revoke this tax information authorization, see the instructions.

7 Signature of taxpayer. If signed by a corporate officer, partner, guardian, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute this form with respect to the tax matters and tax periods shown on line 3 above.

► IF NOT SIGNED AND DATED, THIS TAX INFORMATION AUTHORIZATION WILL BE RETURNED.

► DO NOT SIGN THIS FORM IF IT IS BLANK OR INCOMPLETE.

 Signature 9-29-13
Date

Sharyn L. Link Executive Director
 Print Name Title (if applicable)

PIN number for electronic signature

**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

Note: If exempt status is approved, this application will be open for public inspection

Use the instructions to complete this application and for a definition of all bold items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Eastvale Community Foundation, Inc.		Sharyn Link	
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)	
12363 Limonite Avenue	Ste 910	80-0725863	
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Eastvale, CA 91752		6	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone:	
a Name: Executive Director - Sharyn Link		c Fax: (optional)	
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
9a Organization's website: http://eastvalefoundation.wix.com/eastvalefoundation			
b Organization's email: (optional) eastvalefoundation@gmail.com			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		08 / 26 / 2011	
12 Were you formed under the laws of a foreign country? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Part II Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1 Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. **Yes** **No**
- 2 Are you a **limited liability company (LLC)**? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. **Yes** **No**
- 3 Are you an **unincorporated association**? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. **Yes** **No**
- 4a Are you a **trust**? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. **Yes** **No**
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. **Yes** **No**
- 5 Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. **Yes** **No**

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Page 1, Article III
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Page 1, Article V
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state:

Part IV Narrative Description of Your Activities

Using an attachment, describe your *past, present, and planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual **compensation**, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Sharyn Link	Executive Director	Eastvale, CA 92880	None
Kelly Howell	Assistant Executive Director	Eastvale, CA 92880	None
John Yannl	Chief Financial Officer	Rancho Cucamonga, CA 91739	None
Jonathan Shardlow	Secretary	Eastvale, CA 92880	None
Julie Reyes	Board Member	Corona, CA 92879	None

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Chris Riley	Board Member	Eastvale, CA 92880	None
Luis Vargas	Board Member	Eastvale, CA 92880	None
Yvonne Ontiveros	Board Member	Eastvale, CA 92880	None
Chidi Ugwueze	Board Member	Eastvale, CA 92880	None

c List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees related to each other through family or business relationships? If "Yes," identify the individuals and explain the relationship. Yes No

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. Yes No

c Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. Yes No

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through common control? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. Yes No

4 In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

a Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No

b Do you or will you approve compensation arrangements in advance of paying compensation? Yes No

c Do you or will you document in writing the date and terms of approved compensation arrangements? Yes No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

d	Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
e	Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
f	Do you or will you record in writing both the information on which you relied to base your decision and its source?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
g	If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.		
5a	Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?		
c	What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?		
	Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.		
6a	Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments , such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
7a	Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm's length , and explain how you determine or will determine that you pay no more than fair market value . Attach copies of any written contracts or other agreements relating to such purchases.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length , and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
8a	Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Describe any written or oral arrangements that you made or intend to make.		
c	Identify with whom you have or will have such arrangements.		
d	Explain how the terms are or will be negotiated at arm's length .		
e	Explain how you determine you pay no more than fair market value or you are paid at least fair market value.		
f	Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.		
9a	Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. Yes No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. Yes No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. Yes No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. Yes No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain. Yes No
- 2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. Yes No
- b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. Yes No
- 3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data. Yes No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. Yes No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

Part VIII Your Specific Activities (Continued)

- 4a** Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) Yes No
- mail solicitations phone solicitations
 email solicitations accept donations on your website
 personal solicitations receive donations from another organization's website
 vehicle, boat, plane, or similar donations government grant solicitations
 foundation grant solicitations Other
- Attach a description of each fundraising program.
- b** Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements. Yes No
- c** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. Yes No
- d** List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.
- e** Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. Yes No
-
- 5** Are you **affiliated** with a governmental unit? If "Yes," explain. Yes No
- 6a** Do you or will you engage in **economic development**? If "Yes," describe your program. Yes No
- b** Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.
-
- 7a** Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. Yes No
- b** Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. Yes No
- c** If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.
-
- 8** Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. Yes No
-
- 9a** Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. Yes No
- b** Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). Yes No
- c** Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). Yes No
- d** Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). Yes No
-
- 10** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. Yes No

Part VIII Your Specific Activities (Continued)

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. Yes No
-
- 12a** Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. Yes No
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
-
- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. Yes No
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. Yes No
- d** Identify each recipient organization and any relationship between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form. Yes No
- (ii)** Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. Yes No
- g** Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
-
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. Yes No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. Yes No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. Yes No

Part VIII Your Specific Activities (Continued)

- | | | | |
|----|--|------------------------------|--|
| 15 | Do you have a close connection with any organizations? If "Yes," explain. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 16 | Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 17 | Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 18 | Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 19 | Do you or will you operate a school ? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 20 | Is your main function to provide hospital or medical care ? If "Yes," complete Schedule C. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 21 | Do you or will you provide low-income housing or housing for the elderly or handicapped ? If "Yes," complete Schedule F. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 22 | Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

	Type of revenue or expense	3 prior tax years or 2 succeeding tax years				(e) Provide Total for (a) through (d)
		Current tax year	(b) From	(c) From	(d) From	
		(a) From <u>07/1/11</u> To <u>06/30/12</u>	To	To	To	
Revenues	1 Gifts, grants, and contributions received (do not include unusual grants)	\$8628				
	2 Membership fees received					
	3 Gross investment income					
	4 Net unrelated business income					
	5 Taxes levied for your benefit					
	6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
	7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)					
	8 Total of lines 1 through 7	\$8628				
	9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)					
	10 Total of lines 8 and 9	\$8628				
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)						
12 Unusual grants						
13 Total Revenue Add lines 10 through 12	\$8628					
Expenses	14 Fundraising expenses					
	15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)					
	16 Disbursements to or for the benefit of members (attach an itemized list)					
	17 Compensation of officers, directors, and trustees					
	18 Other salaries and wages					
	19 Interest expense					
	20 Occupancy (rent, utilities, etc.)	\$430				
	21 Depreciation and depletion					
	22 Professional fees	\$250				
	23 Any expense not otherwise classified, such as program services (attach itemized list)	\$7947				
	24 Total Expenses Add lines 14 through 23	\$8627				

Part IX Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

Year End:

Table with columns for line numbers (1-18), descriptions of assets and liabilities, and dollar amounts. Assets include Cash, Accounts receivable, Inventories, Bonds and notes receivable, Corporate stocks, Loans receivable, Other investments, Depreciable and depletable assets, Land, and Other assets. Liabilities include Accounts payable, Contributions, gifts, grants, etc. payable, Mortgages and notes payable, and Other liabilities. Fund Balances or Net Assets include Total fund balances or net assets and Total Liabilities and Fund Balances or Net Assets.

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. [] Yes [x] No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. [x] Yes [] No If you are unsure, see the instructions.

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. []

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. [] Yes [x] No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. [] Yes [x] No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? [] Yes [x] No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. []
b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. []
c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. []
d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. []

Part X Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6 If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

.....
 (Signature of Officer, Director, Trustee, or other authorized official) (Type or print name of signer) (Date)

 (Type or print title or authority of signer)

For IRS Use Only

.....
 IRS Director, Exempt Organizations (Date)

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. _____
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box.
- (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. Yes No

Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. *User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? Yes No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change).
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change).

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here

.....
(Signature of Officer, Director, Trustee, or other authorized official)

Sharyn Link
.....
(Type or print name of signer)

09/27/2013
.....
(Date)

Executive Director
.....
(Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

ARTICLES OF INCORPORATION

AUG 26 2011

EASTVALE COMMUNITY FOUNDATION, INC.

I.

The name of this corporation is the Eastvale Community Foundation, Inc.

II.

This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law of the State of California for public and charitable purposes.

III.

This Corporation is organized for the following public and charitable purposes:

The public and charitable purposes for which this Corporation is organized are to lessen the burdens of government and to promote and support the cultural, recreational and human services needs of the City of Eastvale.

IV.

A. This Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code.

B. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V.

The property of this Corporation is irrevocably dedicated to public and charitable purposes and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets (other than trust funds) remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to one or more nonprofit corporations organized and operated for the benefit of the City of Eastvale, such corporation or corporations to be selected by the Board of Directors of this Corporation with approval of the City Council of the City of Eastvale. Such nonprofit corporation or corporations must be qualified for federal income tax exemption under Section 501(c) (3) of the Internal Revenue Code, and be organized and operate exclusively for charitable, scientific, literary or educational purposes, or for a combination of

said purposes. In the alternative, upon dissolution of the corporation, the net assets (other than trust funds) shall be distributed to the City of Eastvale to be used for public purposes.

VI.

The name and address in the State of California of this Corporation's initial agent for service of process is:

John E. Cavanaugh
23120 Alicia Parkway
Suite 200
Mission Viejo, CA 92692

VII.

- A. The general management of the affairs of this Corporation shall be under the control, supervision and direction of a Board of Directors.
- B. This Corporation shall have no members other than the persons constituting its Board of Directors. The persons constituting its Board of Directors shall, for the purpose of any statutory provision or rule of law relating to nonprofit corporations otherwise, be taken to be the members of such Corporation and exercise all the rights and powers of members thereof.
- C. The personal liability of the Directors for the debts, liabilities or other obligations of this Corporation shall be eliminated to the fullest extent permissible under California law.
- D. This Corporation is authorized to indemnify the Directors of this Corporation to the fullest extent permissible under California law.

VIII.

A Notwithstanding any other provision of these Articles, this Corporation shall not carry on any other activities not permitted to be carried on (1) by an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or successor provision; or (2) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue code or successor provision.

B This Corporation shall distribute its income (and principal, if necessary) for each tax year at such time and in such manner as not to become subject to the tax on Undistributed income imposed by Section 4942 of the Internal Revenue Code or successor provision.

C. This Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code or successor provision

D. This Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code or successor provision.

E. This Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code or successor provision.

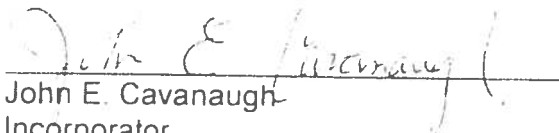
F. This Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code or successor provision.

IX.

An amendment to these Articles, or to the By-laws, and any amendment or repeal of such amendment, shall be approved in writing by the City Council of the City of Eastvale on a vote of at least three (3) Council members.

INCORPORATOR

Date. August 26, 2011



John E. Cavanaugh
Incorporator

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BYLAWS OF
EASTVALE COMMUNITY FOUNDATION, INC.

A California Nonprofit Public Benefit Corporation

1. **Name**

The name of this corporation is Eastvale Community Foundation, Inc.

2. **Principal Office of Corporation**

The principal office for the transaction of the activities and affairs of this Corporation shall be located at such place within the City of Eastvale as the Board may from time to time designate by resolution. Any such change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

3. **Purpose of Corporation**

The public and charitable purposes for which this Corporation is organized are to lessen the burdens of government and to promote and support the cultural, recreational and human services needs of the City of Eastvale.

4. **Directors**

- A. This Corporation shall have at least 5 and not more than 7 Directors.
- B. The Directors shall be appointed to two year terms by the City Council of the City of Eastvale, who shall also have the power to fill vacancies and to remove Directors. Each term shall coincide with the City's regular general election date. If a vacancy occurs otherwise than by expiration of a term, it shall be filled by appointment for the unexpired portion of the term by the City Council. All Directors serve at the will and pleasure of the City Council.
- C. The qualifications of the Directors shall be as follows:
 - (1) Directors must be top quality people with reputations and characters that are beyond question.
 - (2) Directors need to have an interest in and relevance to the community and broad cultural and recreational interests.
 - (3) Directors should have a good understanding of business and how it operates.

- (4) Directors, even though busy, must have the time and be willing to use it as needed to support the work of the Foundation.
- (5) Directors must exhibit a high interest in services on the Board and the goals of such service.
- (6) The Board of Directors should have a balance of interests, experience and skills.
- (7) Directors should have knowledge general business operations and it is desirable to have knowledge of major corporations and their operations. Personal contacts with corporate representatives at key locations in the operation would be desirable.
- (8) Directors should have fundraising capabilities, participate in all Foundation fundraising events and are committed to raise a minimum of \$5,000 a year for the General Fund for the administration of the Foundation.
- (9) Directors are expected to attend monthly Board meetings and the yearly organizational meeting.
- (10) Directors must be either residents of the City of Eastvale, or, conduct business within the City of Eastvale.

Therefore, the Directors are people who bring something to the Foundation, who have the ability to see the big picture and make the decisions necessary to move the Foundation forward.

- D. A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the death or resignation of any director; (b) the declaration by resolution of the Board of a vacancy in the office of a director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (c) action by the City Council of the City of Eastvale removing the director from office.
- E. Resignation: Any director may resign by giving written notice to the Chairman of the Board, if any, or to the Executive Director or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

5. **Members**

The Corporation shall have no Members other than the Board of Directors.

6. **Board of Directors**

- A. The Board of Directors shall meet once a month at a time and place within the City of Eastvale as established by resolution of the Board which resolution may be amended by majority vote of the Board.
- B. A majority of Directors shall constitute a quorum to conduct business. The majority of the quorum may take action. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships; (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.
- C. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions that require approval of the members, this Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.
- D. The Board shall appoint all officers; for example the Executive Director, Secretary and Chief Financial Officer. No person may simultaneously serve as Executive Director and Chief Financial Officer. The Board may remove any officer with or without cause. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.
- E. The Board of Directors shall establish procedures by Resolution in accordance with the Brown Act for the noticing and conduct of meetings.

In any event, meetings of the Board shall be in accordance with the Brown Act.

- F. The Chairperson, if any, or the Executive Director, may call a special meeting of the Board at any time by written request, specifying the general nature of the business proposed to be transacted. Notice shall be promptly given in accordance with the Brown Act.
- G. This Corporation shall not compensate Directors, members of committees, officers or employees for their services, but may reimburse Directors, members of committees, officers or employees for their reasonable and necessary expenses incurred on behalf of the Corporation, in accordance with such rules and procedures as may be established by Resolution of the Board of Directors.

7. Restriction on Interested Persons Serving as Directors

No more than 49 percent of the persons serving on the Board may be "interested persons". An interested person is (a) any person compensated by this Corporation for services rendered to it within the previous 12 months, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by this Corporation.

8. Responsibilities of Officers

- A. Executive Director: The Executive Director shall be the General Manager of this Corporation and shall supervise, direct, and control this Corporation's activities, affairs, and officers. The Executive Director shall preside at all Board meetings, committee meetings, or as required by the Board. The Executive Director shall have such other powers and duties as the Board or the Bylaws may require.
- B. Assistant Executive Director: If the Executive Director is absent or disabled, the Assistant Executive Director shall perform all duties of the Executive Director. When so acting, a Assistant Executive Director shall have all powers of and be subject to all restrictions on the Executive Director. The Assistant Executive Director shall have such other powers and perform such other duties as the Board or the Bylaws may require.
- C. Secretary: The Secretary shall keep or cause to be kept, at this Corporations' principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, of committees of the Board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held;

whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at Board and committee meetings; and the number of members present or represented at members' meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the Articles of Incorporation and Bylaws, as amended to date

The Secretary shall give, or cause to be given, notice of all meetings of the Board, and of committees of the Board that the Brown Act requires to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.

- D. Chief Financial Officer: The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of this Corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

The Chief Financial Officer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of this Corporation with such depositories as the Board may designate; (ii) disburse this Corporation's funds as the Board may order; (iii) render to the Executive Director, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of this Corporation; and (iv) have such other powers and perform such other duties as the Board or the Bylaws may require.

The Chief Financial Officer shall be the primary cosigner and contact for the Corporation's financial institution and all third party accounting and bookkeeping firms for monthly reporting and filing annual tax returns.

If required by the Board, the Chief Financial Officer shall give this Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to this Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

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8. Contracts/Loans Involving Directors and Officers

- A. No director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation, unless (1) the material facts regarding that director's financial interest in such contract or transaction or regarding such common Directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that this Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) this Corporation for its own benefit enters into the transaction, which is fair and reasonable to this Corporation at the time the transaction is entered into.

This subsection does not apply to a transaction that is part of a charitable program of this Corporation if (a) approved in good faith without favoritism, (b) results in a benefit to a director or family because they are in a class of persons to be benefited by the charitable program of this corporation.

- B. This Corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the California Attorney General; provided, however, that this Corporation may advance money to a director or officer of this Corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by this Corporation.

9. Maintenance of Records

This Corporation shall maintain:

- A. Adequate books and records of account.
- B. Written minutes of Board meetings.

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10. **Right to Inspect**

Every director and member of the City Council of the City of Eastvale shall have the absolute right at any reasonable time to inspect this Corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

11. **Annual Report**

The Board shall cause an annual report to be sent to the Directors within (120) days after the end of this Corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- A. The assets and liabilities, including the trust funds, of this Corporation as of the end of the fiscal year;
- B. The principal changes in assets and liabilities, including trust funds;
- C. This Corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- D. This Corporation's expenses or disbursements for both general and restricted purposes;
- E. Any information required by these Bylaws; and
- F. An independent accountants' reports or, if none, the certificate of an authorized officer of this Corporation that such statements were prepared without audit from this Corporation's books and records.

This requirement of an annual report shall not apply if this Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to any director who requests it in writing.

12. **Execution of Instruments, Deposits, Checks**

By Resolution the Board shall establish the authority of officers to execute instruments, receive deposits, to open bank accounts, and to sign checks for this Corporation.

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13. **Construction and Definitions**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

14. **Dedication of Assets**

The property of this Corporation is irrevocably dedicated to public and charitable purposes and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets (other than trust funds) remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to one or more nonprofit corporations organized and operated for the benefit of the City of Eastvale, such corporation or corporations to be selected by the Board of Directors of this Corporation with approval of the City Council of the City of Eastvale. Such nonprofit corporation or corporations must be qualified for federal income tax exemption under Section 501(c) (3) of the Internal Revenue Code, and be organized and operate exclusively for charitable, scientific, literary or educational purposes, or for a combination of said purposes. In the alternative, upon dissolution of the corporation, the net assets, (other than trust funds), shall be distributed to the City of Eastvale to be used for public purposes.

15. **Insurance**

This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's or agent's status as such.

16. **Amendment of Bylaws**

A simple majority of the Board may amend the Bylaws at any meeting. However, no such amendment or modification shall alter the purpose of this Corporation as set forth in Section 6. or in the Articles of Incorporation and/or affect in any manner the tax exempt status of this Corporation and the donations to it deductible from taxable income to the extent allowed by the provisions of the Code and other applicable legislation and regulations as they now exist or as they may be amended in the future. Every amendment or modification of these Bylaws shall be in writing, shall be signed by a majority of the Board of Directors then serving and shall be delivered to each of the members of the Board then in

office and shall be delivered in writing to the City Council of the City of Eastvale which shall require a vote of at least three (3) Council members for approval

The term "majority." as used in this Section, is as defined in the California Nonprofit Corporation Law.

17. **Maintenance of Records**

The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

18. **Certificate of Secretary**

A Certificate of the Secretary of this Corporation shall be affixed to the original, or most recent amended version of the Bylaws, such Certificate to be in the following form.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Eastvale Community Foundation, a California Nonprofit Public Benefit Corporation, that the above bylaws, consisting of _____ pages, are the bylaws of this Corporation as adopted by the Board of Directors on _____, and that they have not been amended or modified since that date.

Executed _____ at Eastvale, California.

Secretary

**AMENDED AND RESTATED BYLAWS OF
EASTVALE COMMUNITY FOUNDATION, INC.**

A California Nonprofit Public Benefit Corporation

1. Name

The name of this corporation is Eastvale Community Foundation, Inc.

2. Principal Office of Corporation

The principal office for the transaction of the activities and affairs of this Corporation shall be located at such place within the City of Eastvale as the Board may from time to time designate by resolution. Any such change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

3. Purpose of Corporation

The public and charitable purposes for which this Corporation is organized are to lessen the burdens of government and to promote and support the cultural, recreational and human services needs of the City of Eastvale.

4. Directors

- A. This Corporation shall consist of no less than 7 and not more than 13 Directors. Directors will be chosen by the current City Council of the City of Eastvale, who may receive a recommendation by the current Board of Directors.
- B. All Directors serve at the will and pleasure of the City Council. No term limits will be placed on the Board of Directors, as long as each Board Member is in good standing and an active participant with Foundation activities, meetings and events.
- C. The qualifications of the Directors shall be as follows:
 - (1) Directors must be top quality people with reputations and characters that are beyond question.
 - (2) Directors need to have an interest in and relevance to the community and broad cultural and recreational interests.
 - (3) Directors should have a good understanding of business and how it operates.

- (4) Directors, even though busy, must have the time and be willing to use it as needed to support the work of the Foundation.
- (5) Directors must exhibit a high interest in services on the Board and the goals of such service.
- (6) The Board of Directors should have a balance of interests, experience and skills.
- (7) Directors should have knowledge general business operations and it is desirable to have knowledge of major corporations and their operations. Personal contacts with corporate representatives at key locations in the operation would be desirable.
- (8) Directors should have fundraising capabilities and participate in all Foundation fundraising events.
- (9) Directors are expected to attend monthly Board meetings and the yearly organizational meeting.
- (10) Directors must be either residents of the City of Eastvale, or, conduct business within the City of Eastvale.

Therefore, the Directors are people who bring something to the Foundation, who have the ability to see the big picture and make the decisions necessary to move the Foundation forward.

- D. A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the death or resignation of any director; (b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (c) action by the City Council of the City of Eastvale removing the director from office.
- E. Resignation: Any Director may resign by giving written notice to the Chairman of the Board, if any, or to the Executive Director or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

5. **Members**

The Corporation shall have no Members other than the Board of Directors.

6. **Board of Directors**

- A. The Board of Directors shall meet a minimum of once a month at a time and place within the City of Eastvale as established by resolution of the Board which resolution may be amended by majority of the Board.
- B. A majority of Directors shall constitute a quorum to conduct business. The majority of the quorum may take action. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships; (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.
- C. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions that require approval of the members, this Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.
- D. The Board shall appoint all officers; for example the Executive Director, Secretary and Chief Financial Officer. No person may simultaneously serve as Executive Director and Chief Financial Officer. The Board may remove any officer with or without cause. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.
- E. The Board of Directors shall establish procedures by Resolution in accordance with the Brown Act for the noticing and conduct of meetings.

In any event, meetings of the Board shall be in accordance with the Brown Act.

- F. The Chairperson, if any, or the Executive Director, may call a special meeting of the Board at any time by written request, specifying the general nature of the business proposed to be transacted. Notice shall be promptly given in accordance with the Brown Act.
- G. This Corporation shall not compensate Directors, members of committees, officers or employees for their services, but may reimburse Directors, members of committees, officers or employees for their reasonable and necessary expenses incurred on behalf of the Corporation, in accordance with such rules and procedures as may be established by Resolution of the Board of Directors.
- H. The Board of Directors may establish temporary ad-hoc committees to work directly on specific projects or events. Any such temporary ad-hoc committee established shall have a minimum of one active Board Member. All decisions made by an ad-hoc committee are advisory only and shall require approval of the collective Board of Directors.

7. Restriction on Interested Persons Serving as Directors

No more than 49 percent of the persons serving on the Board may be "interested persons". An interested person is (a) any person compensated by this Corporation for services rendered to it within the previous 12 months, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by this Corporation.

8. Responsibilities of Officers

- A. Executive Director: The Executive Director shall be the General Manager of this Corporation and shall supervise, direct, and control this Corporation's activities, affairs, and officers. The Executive Director shall preside at all Board meetings, committee meetings, or as required by the Board. The Executive Director shall have such other powers and duties as the Board or the Bylaws may require.
- B. Assistant Executive Director: If the Executive Director is absent or disabled, the Assistant Executive Director shall perform all duties of the Executive Director. When so acting, a Assistant Executive Director shall have all powers of and be subject to all restrictions on the Executive Director. The Assistant Executive Director shall have such other powers and perform such other duties as the Board or the Bylaws may require.

- C. Secretary: The Secretary shall keep or cause to be kept, at this Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, of committees of the Board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at Board and committee meetings; and the number of members present or represented at members' meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board, and of committees of the Board that the Brown Act requires to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.

- D. Chief Financial Officer: The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of this Corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

The Chief Financial Officer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of this Corporation with such depositories as the Board may designate; (ii) disburse this Corporation's funds as the Board may order; (iii) render to the Executive Director, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of this Corporation; and (iv) have such other powers and perform such other duties as the Board or the Bylaws may require.

The Chief Financial Officer shall be the primary cosigner and contact for the Corporation's financial institution and all third party accounting and bookkeeping firms for monthly reporting and filing annual tax returns.

If required by the Board, the Chief Financial Officer shall give this Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for

restoration to this Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

8. Contracts/Loans Involving Directors and Officers

- A. No Director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation, unless (1) the material facts regarding that Director's financial interest in such contract or transaction or regarding such common Directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that this Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) this Corporation for its own benefit enters into the transaction, which is fair and reasonable to this Corporation at the time the transaction is entered into.

This subsection does not apply to a transaction that is part of a charitable program of this Corporation if (a) approved in good faith without favoritism, (b) results in a benefit to a Director or family because they are in a class of persons to be benefited by the charitable program of this corporation.

- B. This Corporation shall not lend any money or property to or guarantee the obligation of any Director or officer without the approval of the California Attorney General; provided, however, that this Corporation may advance money to a Director or officer of this Corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that Director or officer would be entitled to reimbursement for such expenses by this Corporation.

9. Maintenance of Records

This Corporation shall maintain:

- A. Adequate books and records of account.
- B. Written minutes of Board meetings.

10. Right to Inspect

Every Director and member of the City Council of the City of Eastvale shall have the absolute right at any reasonable time to inspect this Corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

11. Annual Report

The Board shall cause an annual report to be sent to the Directors within (120) days after the end of this Corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- A. The assets and liabilities, including the trust funds, of this Corporation as of the end of the fiscal year;
- B. The principal changes in assets and liabilities, including trust funds;
- C. This Corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- D. This Corporation's expenses or disbursements for both general and restricted purposes;
- E. Any information required by these Bylaws; and
- F. An independent accountants' reports or, if none, the certificate of an authorized officer of this Corporation that such statements were prepared without audit from this Corporation's books and records.

This requirement of an annual report shall not apply if this Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to any Director who requests it in writing.

12. Execution of Instruments, Deposits, Checks

By Resolution the Board shall establish the authority of officers to execute instruments, receive deposits, to open bank accounts, and to sign checks for this Corporation.

13. Construction and Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

14. Dedication of Assets

The property of this Corporation is irrevocably dedicated to public and charitable purposes and no part of the net income or assets of this Corporation shall ever inure to the benefit of any Director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets (other than trust funds) remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to one or more nonprofit corporations organized and operated for the benefit of the City of Eastvale, such corporation or corporations to be selected by the Board of Directors of this Corporation with approval of the City Council of the City of Eastvale. Such nonprofit corporation or corporations must be qualified for federal income tax exemption under Section 501(c) (3) of the Internal Revenue Code, and be organized and operate exclusively for charitable, scientific, literary or educational purposes, or for a combination of said purposes. In the alternative, upon dissolution of the corporation, the net assets, (other than trust funds), shall be distributed to the City of Eastvale to be used for public purposes.

15. Insurance

This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer's, Director's, employee's or agent's status as such.

16. Amendment of Bylaws

A simple majority of the Board may amend the Bylaws at any meeting. However, no such amendment or modification shall alter the purpose of this Corporation as set forth in Section 6. or in the Articles of Incorporation and/or affect in any manner the tax exempt status of this Corporation and the donations to it deductible from taxable income to the extent allowed by the provisions of the Code and other applicable legislation and regulations as they now exist or as they may be amended in the future. Every amendment or modification of these Bylaws shall be in writing, shall be signed by a majority of the Board of Directors

then serving and shall be delivered to each of the members of the Board then in office and shall be delivered in writing to the City Council of the City of Eastvale which shall require a vote of at least three (3) Council members for approval.

The term "majority," as used in this Section, is as defined in the California Nonprofit Corporation Law.

17. **Maintenance of Records**

The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

18. **Certificate of Secretary**

A Certificate of the Secretary of this Corporation shall be affixed to the original, or most recent amended version of the Bylaws, such Certificate to be in the following form.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Eastvale Community Foundation, a California Nonprofit Public Benefit Corporation, that the above bylaws, consisting of 9 pages, are the bylaws of this Corporation as adopted by the Board of Directors on _____, and that they have not been amended or modified since that date.

Executed 9/16/13 at Eastvale, California.



Secretary

Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds, organizations that operate one or more hospital facilities, and certain controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$200,000 and total assets less than \$500,000 at the end of the year may use this form.
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-1150

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning **AUG 26, 2011** and ending **JUN 30, 2012**

<p>B Check if applicable:</p> <p><input type="checkbox"/> Address change</p> <p><input type="checkbox"/> Name change</p> <p><input checked="" type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Terminated</p> <p><input type="checkbox"/> Amended return</p> <p><input checked="" type="checkbox"/> Application pending</p>	<p>C Name of organization EASTVALE COMMUNITY FOUNDATION, INC.</p> <p>Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 12672 LIMONITE AVENUE 3E-408</p> <p>City or town, state or country, and ZIP + 4 EASTVALE, CA 92880</p>	<p>D Employer identification number 80-0725863</p> <p>E Telephone number ()</p> <p>F Group Exemption Number ▶</p>
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G Accounting Method: Cash Accrual Other (specify) ▶

I Website: ▶ **N/A**

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Tax-exempt status (check only one) — 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization or a section 527 organization and its gross receipts are normally not more than \$50,000. A Form 990-EZ or Form 990 return is not required though Form 990-N (e-postcard) may be required (see instructions). But if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6c, and 7b, to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, line 25, column (B) below) are \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ **8,628.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I.)

Check if the organization used Schedule O to respond to any question in this Part I

Revenue	1 Contributions, gifts, grants, and similar amounts received	1	8,628.
	2 Program service revenue including government fees and contracts	2	
	3 Membership dues and assessments	3	
	4 Investment income	4	
	5a Gross amount from sale of assets other than inventory	5a	
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	5c	
	6 Gaming and fundraising events		
	a Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	b Gross income from fundraising events (not including \$ _____ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
c Less: direct expenses from gaming and fundraising events	6c		
d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		
7a Gross sales of inventory, less returns and allowances	7a		
b Less: cost of goods sold	7b		
c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c		
8 Other revenue (describe in Schedule O)	8		
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	8,628.	
Expenses	10 Grants and similar amounts paid (list in Schedule O)	10	
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	
	13 Professional fees and other payments to independent contractors	13	250.
	14 Occupancy, rent, utilities, and maintenance	14	430.
	15 Printing, publications, postage, and shipping	15	18.
	16 Other expenses (describe in Schedule O) SEE SCHEDULE O	16	7,929.
	17 Total expenses. Add lines 10 through 16	17	8,627.
Net Assets	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	1.
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	0.
	20 Other changes in net assets or fund balances (explain in Schedule O)	20	0.
	21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	1.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011
Open to Public
Inspection

Name of the organization

EASTVALE COMMUNITY FOUNDATION, INC.

Employer identification number
80-0725863

FORM 990-EZ, PART I, LINE 16, OTHER EXPENSES:

DESCRIPTION OF OTHER EXPENSES:	AMOUNT:
PROMOTION	356.
SUPPLIES	3,843.
OFFICE	1,575.
INSURANCE	823.
BANK FEES	186.
TICKETS	1,146.
TOTAL TO FORM 990-EZ, LINE 16	7,929.

FORM 990-EZ, PART III, PRIMARY EXEMPT PURPOSE - TO STRENGTHEN THE EASTVALE
 COMMUNITY BY PROVIDING LEADERSHIP, FOSTERING COLLABORATION ON LOCAL
 NEEDS AND ISSUES, AND ENCOURAGE GIVING THROUGH PROGRAMS, SCHOLARSHIPS
 AND EVENTS.

FORM 990-EZ, PART V, INFORMATION REGARDING PERSONAL BENEFIT CONTRACTS:

THE ORGANIZATION DID NOT, DURING THE YEAR, RECEIVE ANY FUNDS, DIRECTLY,
 OR INDIRECTLY, TO PAY PREMIUMS ON A PERSONAL BENEFIT CONTRACT.

THE ORGANIZATION, DID NOT, DURING THE YEAR, PAY ANY PREMIUMS, DIRECTLY,
 OR INDIRECTLY, ON A PERSONAL BENEFIT CONTRACT.



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
OGDEN UT 84201-0023

Date of this notice: 05-26-2011

Employer Identification Number:
80-0725863

Form: SS-4

Number of this notice: CP 575 F

For assistance you may call us at
1-800-829-4933

011892 0010.001 1 MB 0.300 F30



EASTVALE COMMUNITY FOUNDATION INC
c/o JOHN E CAVANAUGH
23120 ALICIA PKWY STE 200
MISSION VIEJO CA 92692

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 80-0725863. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, Tax Exempt Status for Your Organization, has details on the application process, as well as information on returns you may need to file. To apply for formal recognition of tax-exempt status, most organizations will need to complete either Form 1023, Application for Recognition Under Section 501(c)(3) of the Internal Revenue Code, or Form 1024, Application for Recognition of Exemption Under Section 501(a). Submit the completed form, all applicable attachments, and the required user fee to:

Internal Revenue Service
PO Box 12192
Covington, KY 41012-0192

The Pension Protection Act of 2006 contains numerous changes to the tax law provisions affecting tax-exempt organizations, including an annual electronic notification requirement (Form 990-N) for organizations not required to file an annual information return (Form 990 or Form 990-EZ). Additionally, if you are required to file an annual information return, you may be required to file it electronically. Please refer to the Charities & Non-Profits page at www.irs.gov for the most current information on your filing requirements.

Part IV – Narrative Description of Your Activities

The Eastvale Community Foundation (ECF) is a non-profit organization created by the City of Eastvale to assist the City in providing residents the highest quality of life and the promise for excellence. The Foundation's mission is to strengthen the Eastvale community by collaborating with the city council to identify city needs and issues, encourage volunteering of time, talent, and resources. The ECF core values include children, education, community, civic responsibility, and leadership.

Community Development Block Grant (CDBG)

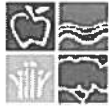
- In 2012/13, the ECF was privileged to distribute \$25,000 of a Community Development Block Grant on behalf of the City of Eastvale
- The CDBG Scholarships were given to underprivileged youth from the Eastvale community allowing them to participate in sports and arts programs.

Fundraising Events:

- Eastvale Night at the Quakes Stadium
- Electronic Waste Collection Drive
- Annual Golf Tournament
- Spark of Love Toy Drive and Holiday Celebration

Fundraising Beneficiaries:

- ECF has committed 10% of all event proceeds to the Eastvale Military Banner Program
- ECF is currently working with City Staff on Eastvale monument and way finding signs



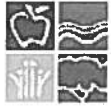
Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda
Staff Report

MEETING DATE: October 21, 2013

8. *BOARD MEMBER COMMUNICATIONS*



Eastvale
COMMUNITY
FOUNDATION

Eastvale Community Foundation

Meeting Agenda
Staff Report

MEETING DATE: October 21, 2013

9. *ADJOURNMENT*