



North Carolina
Department of Commerce
Division of Community Assistance

Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary

Henry C. McKoy, Asst. Secretary
Gloria Nance-Sims, Director

BULLETIN: 10-18 (Replaces 01-1)
SUBJECT: Obligation of Recipient with Respect to certain
Third Party Relationships
DATE REVISED: September 20, 2010
ATTENTION: CDBG Recipients

The purpose of this bulletin to clarify the responsibility of the grant recipient in regard to third parties designated to carry out CDBG funded activities.

The Department of Commerce (DOC) shall hold the local government recipient responsible for complying with the provisions of the grant agreement even when the recipient designates a third party or parties to undertake all or any part of the program. The recipient shall comply with all pertinent state and federal CDBG requirements. Local government recipients shall insure that the program is carried out in accordance with the recipient's certifications, including but not limited to the certification of assumption of environmental responsibilities of the North Carolina Community Development Block Grant Administrative Regulations, 4 NCAC 19L, Section .1004, Environmental Review.

If the recipient contracts with or designates a third party to undertake all or part of the program in exchange for a grant or loan from the recipient to the third party of all, or a portion, of the recipient's grant funds, the recipient's contract with the third party must require the third party to comply with the procurement standards set forth in 24 CFR 85.36, the North Carolina Community Development Block Grant Administrative Regulations, 4 NCAC 19L, Section .1004, and CDBG Bulletins 10-10 and 10-15.

Please address any questions concerning this bulletin to your grant representative.

Issued By: Gloria Nance-Sims 09/23/2010
Gloria Nance-Sims, Director Date