# RFP-2021-47 Rehabilitation of Non-Profit Facilities

## City of Norman Community Development Block Grant Program

Published in the Norman Transcript on May 8, 2021 and May 15, 2021

*Notice is hereby given that the City of Norman, Community Development Block Grant Program will receive proposals from qualified 501(c)(3) organizations for the Rehabilitation of Property for Non-Profit Use at 2:00 until Friday, June 11, 2021. Proposal package for RFP 2021-47 may be obtained by contacting Lisa Krieg CDBG/Grants Manager at lisa.krieg@normanok.gov.*

All applicants are required to submit a complete proposal. Proposal document may be used as a template for narrative replies. Do not use staples. Do not print on both sides.

For questions or more information:

Lisa Krieg

CDBG/Grants Manager

405-366-5464

lisa.krieg@normanok.gov

PROPOSAL SUBMISSION

Submit the following:

One (1) Proposal with original signatures

Proposal shall be only signed by an official who can legally bind the organization.

Submit proposals in person at:

Office of CDBG/Grants Manager

201-A West Gray

Norman, OK

Or Mail to:

City of Norman

Attn.: Lisa Krieg CDBG/Grants Manager

PO Box 370

Norman, OK 73070

Proposals must be received by 2:00pm on June 11, 2021. Please ensure adequate time for mail delivery.

# ACQUISITION OR DEVELOPMENT OF PROPERTY FOR NON-PROFIT USE

Request for Proposals (RFP-2021-47)

City of Norman, Department of Planning and Community Development

Grants Division

Proposals Due: Friday, June 11, 2021, 2:00 p.m.

## Purpose

The City of Norman (the “City”) Department of Planning and Community Development (“DPCD”) is seeking proposals from 501(C)(3) organizations (Agencies) for Rehabilitation of Property. The proposals for Rehabilitation will be considered and evaluated based upon the complexity of the federal regulations required for that undertaking. The proposal shall be limited to projects that are currently owned by or currently have a long term lease for operation (5 years minimum).

The City is utilizing funds from the Community Development Block Grant Program to provide non-profits the opportunity to perform rehabilitation activities on existing property. Eligible property types include both residential and administrative. Particular attention should be directed to Grant Certification Form-1 which outlines regulations that must be complied with. The City of Norman will assist the agency in this compliance. It should be noted that the Fair Labor Standards (Davis Bacon Wage Rates apply). Funds will be targeted to specific agencies that address the needs of low and moderate income citizens of Norman.

## Funding

The total amount that will be made available per award is $25,000. These funds may be divided between more than one project. The funds will be provided in the form of a Grant with a ten-year deed restriction being placed upon the property to insure that compliance with CDBG regulations regarding property disposition are being followed.

## Requirements/Scope of Service

City staff will expect the entity to have the capacity to exercise independent judgment and to perform those actions necessary to achieve the project objectives, it should be understood the City has limited professional staff capacity to support the project and will rely on the personnel, experience and expertise of the entity to ensure all necessary components of the project are completed in a timely manner.

Agencies are asked to complete the Request for Proposals to describe the details of the proposed project. All projects should meet the requirements outlined in the Scope of Services outlined below.

Scope of Services for the Rehabilitation of Property includes but is not limited to the following:

1. Identification of the location of the proposed project is required as part of the proposal, however no funds will be disbursed until appropriate environmental clearance is obtained.
2. Agencies must provide services at said location for households primarily (51% of all clients must meet this threshold) with income at or below 80% AMI or meet one of the following Presumed Benefit Categories established by HUD: Abused Children, Battered Spouses, Severely Disabled Adults, Homeless Persons, Illiterate Adults, Persons with AIDS, Migrant Farm Workers, or Elderly. Verification of the composition of the clientele will be required prior to execution of contract.
3. Staff will evaluate all proposals based on the project’s need, and availability of resources to determine the appropriate level of funding.

## Submission of Proposals

One (1) Proposal with original signatures and one (1) copy to be submitted by the deadline of 2:00 p.m. on June 11, 2021 at the office of the CDBG/Grants Manager. All late or incomplete submittals will be rejected. No verbal, emailed, or faxed proposals will be accepted.

## Review Process and Criteria for Selection

Proposals will be reviewed by CDBG staff for completeness and referred to the CDBG Rehabilitation of Property for Non-Profit Use Committee for funding recommendations. The City will consider the needs of the project, the experience of the applicant and any associated risk in the project. CDBG staff and/or the CDBG Committee may request an interview with representatives of some or all proposals. Recommendations will be submitted to the City of Norman City Council for contract execution.

## Evaluation of Proposals

Applications will be evaluated and the agency selected based on the following criteria:

1. Agency Track Record. The applicant’s track record, including whether the applicant and/or development team has successfully completed and/or operated a similar type project or a project of similar scope and size. Capacity to undertake new or additional projects; ability to secure additional financing; the scope and approach of the Board involvement, plan of work, recommended schedules, and suggested responsibility assignments. (25 points)
2. Feasibility. Individual component costs and revenue sources. Total project cost and value to be attained. Public purpose (but for the City investment, the project would not be feasible for the targeted income group), readiness of project to proceed and anticipated time frame to complete the project. Risk of the project. (25 points)

Applications will be evaluated and bonus points shall be given to the following preferences:

1. Leveraging other public and private sources of funds (5 points);
2. Features that meet the highest accessibility standards as defined by federal, state and local requirements (3 points);

The CDBG Committee will consider staff evaluations and may use other additional criteria to come to a full complement of recommendations.

### Contract Negotiations:

The City reserves the right to reject any and all proposals and to negotiate the terms of the contract, including the award amount, with the selected Agency(s) prior to entering into a written agreement.

## Current HUD Income Guidelines

The Agency will be required to submit quarterly reporting of beneficiaries.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2021 Annual Income Limits | 1 Person | 2 People | 3 People | 4 People |
| 80% MFI | $41,000 | $46,850 | $52,700 | $58,550 |

# Request for Proposals for Acquisition of Property for Non-Profit Use

## RFP-2021-47

## Section I: Organizational Information

1. Contact Information
	1. Organizational Name (must match registered name in DUNS)
	2. Street Address
2. Organizational Head (person legally authorized to execute a contract for the organization)
	1. Name
	2. Title
	3. E-mail
	4. Primary Phone

## Section II: Type of Organization

1. Date 501(c)(3) exemption received
2. Federal Employee Identification Number (FEIN)
3. Data Universal Number System (DUNS) Number
4. Provide any other names which the organization has operated under within the last 10 years
5. Organizational Background
	1. Total number of years in operation
	2. Current number of employees in organization (include contracts for services if applicable)
	3. List the types of services the organizations provides
	4. List the clients/population(s) the organization serves
	5. List the purpose/mission of the organization as stated in the by-laws.
	6. Describe the organization’s board structure. Include how board members are chosen and if the organization provides any training or orientation for the board members.
		1. Number of board members
		2. Frequency of meetings
	7. Using the table below, list any Federal (including HUD) or State funds received within the last three years. Provide an additional attachment if needed.

|  |  |  |
| --- | --- | --- |
| Source of Funds | Name of Project | Amount |
|  |  |  |
|  |  |  |
|  |  |  |

* 1. Is the organization a Faith-Based organization? If yes, please answer the following questions
		1. Describe how the organization will not discriminate against, show preferential treatment to, or limit services to any employee, applicant for employment, or persons served by the HUD funded program on the basis of religion or religious beliefs.
		2. Describe how the organization will separate the program from inherently religious activities, such as worship, religious instruction, and/or proselytization.
1. Financial Information
	1. Provide the organizations’ total annual operating budget.
	2. Provide the average amount of cash flow reserves maintained by the organization for the most recent fiscal year.
	3. Identify the individual primarily responsible for the fiscal oversight of grant awards for the organization and their experience with federal funds.
	4. Describe how the organization’s internal controls adequately safeguard grant funds, personally identifiable information, and ensure the grant funds are used solely for authorized purposes.
	5. List the accounting software or system in use by the organization.
	6. Organizations expending more than $750,000 total of Federal Funds during the last completed fiscal year are required to submit the more recent Single or Program Specific Audit. Organizations not required to conduct a Single Audit, must submit audited financial statements, prepared by a Certified Public Accountant, that meet the requirements of generally accepted accounting principles.

## SECTION III: DESCRIPTION OF PROPOSED PROJECT

NOTICE: Completion of the environmental review process is mandatory before taking physical action on a site, or making an expenditure or HUD or non-HUD funds for proposed rehabilitation. Entities may not commit or expend funds on projects until the City of Norman has completed the environmental review process.

If the proposed project requires relocation or moving of occupants from an acquired structure, the organization agrees to comply with all the requirements as described in (1) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, enacted as Public Law 91-464 and (2) all requirements of 24 CFR Part 92.353 Displacement, relocation, and Acquisition, and (3) HUD Handbook 1378 Uniform Relocation Assistance, including proper notices AS OF THE DAY THIS APPLICATION IS SUBMITTED TO THE CITY OF NORMAN to tenants to ensure no tenant displacement and/or relocation occurs.

1. Description of Project.
	1. Please identify the location(s) of the proposed project.
		1. Year property constructed.
		2. If property was constructed prior to 1978 will it be occupied by children under the age of six?
	2. Is this Proposal for Rehabilitation for a residentially occupied structure?
	3. Project Timeline – Provide a summary of the project from start to finish.
		1. Please describe the readiness to proceed.
		2. Date the project will commence (MUST be within six (6) months from the date of the grant award.
		3. Date all HUD grant funds will be expended and National Objective met (MUST be within two (2) years from the date of grant award.)
	4. All projects are subjected to a HUD Environmental Review and certain projects, depending on the size and proposed activities must undergo a Phase I Environmental Assessment before any part of the project may begin.
	5. Zoning
		1. Is the site zoned correctly for the proposed activity?
		2. Is the proposed site located within a FEMA floodplain?
	6. Does your project require temporary/permanent relocation or moving tenants?
		1. If yes, please provide detailed explanation and attach (1) copy of the appropriate URA General Information Notice with date distributed to occupants. (2) The Relocation Plan, including a timeline and budget for relocation activities, and (3) listing of all current tenants.
	7. What is the current condition of the property, and what is the expected life of the property?
	8. Provide information that demonstrates the proposed activity is economically feasible and that the maintenance and operations of the property can be sustained for ten years from the date of the project completion.

## SECTION IV: CDBG PROGRAM/PROJECT FINANCIAL INFORMATION

NOTE: The City of Norman encourages diversification of program funding sources. It is strongly recommended that applicants seek additional funding from other sources to supplement CDBG funds. Programs and initiatives that are wholly dependent on CDBG funds will be considered high risk.

1. Project funding rationale
	1. How did the organization arrive at the total cost of the project?
	2. Describe what project expenditures will be charged to the grant.
	3. Provide the current and projected number of beneficiaries annually served by the Agency.
	4. Will the proposed rehabilitation affect the organization’s budget? If yes, describe how the organization’s budget will be affected and what efforts are being included to address these changes.
	5. Is the project contingent upon on receipt of other grant funding?
		1. If, yes, provide an explanation including grant type and timing.
	6. Will Program Income be received from the project?
		1. If yes, describe estimate of amount and anticipated use of Program Income by the organization.

## SECTION V: ATTACHMENTS

1. Certificate of Incorporation: Attach a copy of the organization’s Certificate of Incorporation pursuant to the laws of the State of Oklahoma.
2. IRS Tax Exempt Status: Attach a copy of the IRS letter authorizing tax-exempt status for the organization.
3. Organization Chart: An organization chart depicting the organization’s internal structure, including any boards, trustees, or affiliates to whom the organization must report.
4. Board of Directors: A list of board officers and members including address, telephone number and length of board tenure for each member. Indicate upcoming rotations.
5. Bylaws: Attach a copy of the organization’s bylaws.
6. IRS Form 990: Include a copy of IRS form 990 (Informational Tax Return of Organizations Exempt from Income Tax), or an explanation of why the organization has not been required to complete such a form.
7. Certificate of Commercial General Liability Insurance
8. Application / Intake Forms
9. Accounting policy/procedure (If over 20 pages, submit the Table of Contents only)
10. Procurement policy/procedure (If over 20 pages, submit the Table of Contents only)
11. Conflict of Interest policy/procedure (If over 20 pages, submit the Table of Contents only)
12. Record Retention policy/procedure (If over 20 pages, submit the Table of Contents only)
13. Certificate of Directors and Officers Liability Insurance for Board of Directors (optional, but encouraged)
14. Certified Organization Audit/Financial Statements of most recent year (one of the following)
15. Copy of organization's Single Audit (if required); OR
16. Audited financial statements prepared by a CPA.
17. Committed Non-HUD Funding: Attach documentation to support Non-HUD funding committed for the program/project.

# Section V – Grant Certification Forms

***Ensure each Grant Certification Form is complete and signed by the appropriate persons.***

### Grant Certification Form - 1 (Federal Regulations)

Signed by a Board Official

### Grant Certification Form - 2 (Conflict of Interest)

Signed by a Board Official

### Grant Certification Form - 3 (Committed Funding)

Signed by a Board Official

### Grant Certification Form - 4 (Board Authorization)

Signed by a Board Official

**Grant Certification Form – 1**

**City of Norman - CDBG Certifications Form**

### Applicant certifies the proposed program/project incorporates compliance with the following requirements. If selected for funding, applicant acknowledges that its responsibility will be to understand and comply with the federal regulations listed below.

|  |  |  |
| --- | --- | --- |
| **Requirements** | **Federal Regulations** | **Other References** |
| Federal Labor Standards* Davis-Bacon
* Copeland Act (Anti-kickback)
* Contract Work Hours and Safety Standards
 | 24 CFR 570.60329 CFR Parts 1, 3, and 5 | Section 110, Housing and Community Development Act of 1974 (HCDA)40 U.S.C 276a-276a-5; 276c;327 et seq. |
| Section 3 | 24 CFR 135 | Section 3 of the HUD Act of1968 |
| Minority and Women Business Enterprise Participation (MBE/WBE) | Small Business Act, Section 3(a) 15 U.S.C. 632 | 12 U.S.C. 1701 |
| Civil Rights and Non-Discrimination | Title VI of Civil Rights Act of 1964 Title VIII of the Civil Rights Act of 1968Section 104(b) and 109 of Title I of the Housing and Community Development Act of 1974 | Section 504 of Rehabilitation Act of 1973Americans w/Disabilities Act of 1990Age Discrimination Act of 1975 Executive Orders 11063,11246, 11375, 11478, 12107,12086, and 13279 |
| Equal Employment Opportunity | 24 CFR 570.601-602; 570.60741 CFR 60 | Executive Orders 11246; 1208612 USC 1701u |
| Fair Housing | Fair Housing Act (42 U.S.C. 3601-3620)Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d)Equal Opportunity in Housing Section 504 of the Rehabilitation Act of 1973Americans w/Disabilities Act of 1990 | 24 CFR Parts 8, 107, and 14642 U.S.C. 200(d)Executive Orders 11063, as amended by Executive Order 12259Age Discrimination Act of 1975, as amended (42 U.S.C. 6101) |
| Debarred or Ineligible Contractors | 24 CFR 570.609; 24 CFR 24 | Executive Orders 12549 and12689 |
| Reasonable Accommodation | 24 CFR Part 8;24 CFR 570.601-602 | Section 504 of Rehabilitation Act of 1973Americans w/Disabilities Act of 1990 |
| Fire Safety Codes |  | Local ordinances |
| Building, Housing, and Zoning CodesHousing Quality Standards | 24 CFR 570.208(b)(1)(iv); 208(b)(2) | Local ordinances |
| Lead-Based Paint | 24 CFR 570.608; 24 CFR Part 35 | 42 U.S.C 4821 et seq. |
| Anti-Lobbying | Appendix II to Part 200 J; 31 U.S.C. 1352 |  |

**Continued on next page**

**Grant Certification Form – 1 (continued)**

**City of Norman - CDBG Certifications Form, page 2**

|  |  |  |
| --- | --- | --- |
| **Requirements** | **Federal Regulations** | **Other References** |
| Environmental, Historic Preservation, National Environmental Policy Act, Flood Insurance Requirements* Sitting near airports and coastal barrier
* Fish and wildlife protection
* Flood plain/flood insurance
* National Historic Preservation
* Noise abatement and control
* Wetlands/Coastal zones
* Air quality
* Endangered species
* Thermal/Explosive hazards
 | 24 CFR 570.503(b)(5)(i);570.604; 570.605; 570.202;24 CFR 58References at:24 CFR 58.6; 58.5570.605 | Section 104(g), HCDA 42 U.S.C 4001 et seq. |
| Relocation, Real Property Acquisitions, and One-for-One Housing Replacement* Uniform Relocation Act
* Residential anti-displacement and relocation assistance
 | 24 CFR 570.201(i);570.606(b), (c), (d)49 CFR 2442 USC 4601 et seq | Sections 104(d); 105(a)(11), HCDA[www.hud.gov/relocation](http://www.hud.gov/relocation) |
| Competitive Procurement | 2 CFR 200.319 |  |
| Insurance and Bonding | 2 CFR 200.310 and 200.325 |  |
| Administrative and Accounting Standards | 2 CFR Part 200 |  |
| Cost Considerations | 2 CFR 200.402, 403, 404,405, 406 and 407 |  |
| Documentation and Recordkeeping | 24 CFR 570.50624 CFR 570.502 |  |
| Conflict of Interest | 2 CFR 200.112 and24 CFR 570.611 |  |
| Section 108 Loan Guarantees | 24 CFR 570.700-570.709 | Section 108, HCDA |

**Non-compliance with all applicable laws and regulation could result in repayment to the City of Norman of the federal funding received.**

To the best of my knowledge and belief, I certify that all data contained in this application and all supportive documentation is true, correct and will incorporate the above requirements. This submission has been duly authorized by the governing body of (*Name of Organization)*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature/Authorized Official of Board Title

Printed Name

**Grant Certification Form – 2**

**City of Norman – CDBG Conflict of Interest Certification Form**

The standards in 2 CFR 200.318 provide that no employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.

The CDBG regulations at 24 CFR 570.611 provide that no person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient or subrecipient that are receiving CDBG funds and (1) who exercises or has exercised any functions or responsibilities with respect to activities assisted with CDBG funds; or (2) who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest from a CDBG-assisted activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter.

1. Are any employees, agents, consultants, officers, family members, or elected officials of the organization requesting funds in a position to participate in the decision making process for approval of this application? Yes No
2. Are any employees, agents, consultants, officers, family members, or elected officials of the organization requesting funds in a position to gain inside information with regard to approval of this application? Yes No
3. Will any employees, agents, consultants, officers, family members, or elected officials of the organization requesting funds obtain a financial interest or substantial benefit from this activity?

Yes No

1. Will any employees, agents, consultants, officers, family members, or elected officials of the organization requesting funds have an interest in any contract, subcontract or agreement with respect to funding this application, either for themselves or those with whom they have family or business ties during the program year and one year thereafter? Yes No

**If you answered YES** to any of the above questions, a letter must be submitted with the application that includes the following information:

* 1. A disclosure of the nature and extent of the conflict
	2. A description of how public disclosure will be made
	3. A qualified attorney's opinion that the conflict of interest does not violate federal, state, or local law

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_ Signature/Authorized Official of Board Title

Printed Name

**Grant Certification Form – 3**

**City of Norman - CDBG Committed Funding Certification Form**

**Sources of Leveraged Funds:** Attach supporting documentation for committed funding sources for this proposed program/project.

### City, County, State, or Federal Funds

|  |  |  |  |
| --- | --- | --- | --- |
| **Source** | **Contact Name & Phone #** | **Amount** | **Date Received**(m/d/yyyy) |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  | **Sub Total** | $ |  |

**Private Funds (Attach additional pages, if necessary)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Source** | **Contact Name & Phone #** | **Amount** | **Date Received**(m/d/yyyy) |
| Loans |  | $ |  |
| Grants |  | $ |  |
| Private Donations/Fundraising |  | $ |  |
| Donated Land/Buildings |  | $ |  |
| Donated Goods |  | $ |  |
| Donated Equipment |  | $ |  |
| Salaries–number of staff |  | $ |  |
| Volunteers - # Hrs. |  | $ |  |
| Volunteer Professional Services (Medical, Legal,Architects, Engineers, etc.) |  | $ |  |
| Other (specify) |  | $ |  |
| Other (specify) |  | $ |  |
|  | **Sub Total** | $ |  |
| **Total for ALL Funding Sources** | $ |  |

**IMPORTANT: Amounts listed above MUST match amounts reported in the Executive Summary of this application.**

I certify that the sources of funding listed above have been identified and **committed** to support the proposed CDBG program/project.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature/Authorized Official of Board Title

Printed Name

**Grant Certification Form - 4**

**City of Norman – CDBG Board Signature Authorization Form**

The Board of Directors *(Name of organization requesting CDBG funds)* does hereby resolve that on *(m/d/yyyy)*, the Board reviewed the Application for Community Development Block Grant Funds to be submitted to the City of Norman CDBG Grants Administration for funding consideration and in a proper motion and vote approved this application for submission.

The Board further certifies that the organization making this application has complied with all applicable laws and regulations pertaining to the application and is a non-profit organization, tax exempt, and incorporated.

*(Name of organization requesting CDBG funds)* hereby proposes to provide the program services or complete the project identified in this application in accordance with this application for Community Development Block Grant Funds. If this application is approved and this organization receives CDBG funding from the City, this organization agrees to adhere to all relevant Federal, State and local regulations and other assurances as required by the City.

In addition, the content of the application shall be incorporated as part of the written agreement and, as such, will be used to monitor performance. Activities, commitments, and representations offered in the application that are not subsequently made a part of the program/project as funded, **shall be considered a material contract failure, and may result in a repayment of all CDBG funds and/or suspension from Program participation.**

Furthermore, as the duly authorized representative of the organization, I certify that the organization is fully capable of fulfilling its obligation under this application as stated herein.

I further certify that this application and the information contained herein are true, correct and complete. I authorize the following person(s) to have signatory authority regarding this grant:

Name

Title

Name

Title

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Signature/Authorized Official of Board Title

Printed Name

**PENALTY FOR FALSE OR FRAUDULENT STATEMENT** - U.S. Code Title 18, Section

1001, provides that a fine of up to $10,000 or imprisonment for a period not to exceed five years, or both, shall be the penalty for willful misrepresentation and the making of false, fictitious statements, knowing same to be false.