

## GRANT FUNDS AGREEMENT

### PREAMBLE

This Grant Funds Agreement (“Agreement”) is entered into by and between Chautauqua County, Kansas (“County”) and \_\_\_\_\_ (“Awardee”) as of \_\_\_\_\_, 2020 (“Effective Date”). This Agreement is effective as of the Effective Date.

**WHEREAS**, on March 13, 2020, the President of the United States pursuant to Sections 201 and 301 of the National Emergencies Act, 50 U.S.C. § 1601, et seq. and consistent with Section 1135 of the Social Security Act, as amended (42 U.S.C. § 1320b-5), declared a national emergency that the COVID-19 outbreak in the United States constitutes a national emergency beginning March 1, 2020;

**WHEREAS**, the State Finance Council approved the Strengthening People and Revitalizing Kansas (“SPARK”) Taskforce’s proposal to distribute \$662,031.00 from the State of Kansas Coronavirus Relief Fund (“CRF Funds”) to the County to help address the health and economic challenges inflicted by COVID-19;

**WHEREAS**, on July 13, 2020, the Chautauqua County Board of County Commissioners (“BOCC”) passed Resolution No. 2020-06 which set forth terms designed to ensure transparency, equity, accountability and the lawful use of CRF Funds, in pertinent part as follows:

1. Section 5001 of the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, as codified in 42 U.S.C. § 801, provides the eligible purposes for which Coronavirus Relief Fund (“CRF”) payments may be used. Under 42 U.S.C. § 801(d) funds may be used for:
  - a. necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
  - b. that are not accounted for in the budget most recently approved for the county as of March 27, 2020; and
  - c. that incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 (the “Covered Period”).
2. The following are examples of public health expenditures allowed pursuant to paragraph 1.a. above and 42 U.S.C. § 801(d):
  - COVID-19 related expenses of public hospitals or clinics;

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- COVID-19 testing and quarantine costs;
- Payroll of employees substantially dedicated to COVID-19 mitigation or response;
- Expenses for establishing and operating public telemedicine capabilities;
- Technological improvements to facilitate distance learning;
- Improving telework capabilities;
- Grants to small businesses to reimburse the costs of business interruption caused by required closures;
- Government payroll support program; and
- Unemployment insurance costs related to COVID-19.

**WHEREAS**, the County has created the Chautauqua County CRF Grant Program award to CRF funds to cities, schools, and businesses, including non-profits, (“Grant Program”);

**WHEREAS**, Awardee submitted an application to the Grant Program requesting CRF Funds for expenditures necessary due to the public health emergency (“Grant Application”);

**WHEREAS**, the Grant Application was approved by the County, and the County seeks to provide CRF Funds to the Awardee based on the representations in the Grant Application and subject to the terms of this Agreement (“Grant Award”);

**NOW THEREFORE, the parties agree as follows:**

### **AGREEMENT**

- 1. Incorporation.** The Preamble set forth above is here incorporated by reference and made a part of this Agreement as if here fully set forth.
- 2. CARES Act.** The County and Awardee understand and agree that pursuant to the CARES Act, as codified in 42 U.S.C. § 801, the Grant Award may only be used for costs that:
  - a) Are eligible under the CARES Act;
  - b) Were incurred during the Covered Period.

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- 3. Grant Application.** Awardee's Grant Application as approved by the County, is attached as Exhibit A hereto. Exhibit A is incorporated into this Agreement by reference as if here fully set forth.
  
- 4. Awardee's Representations and Warranties.** Awardee represents and warrants as follows:
  - a.** The facts set forth in the Grant Application are true and correct as of the date of the Grant Application. The expenditures described in the Grant Application are necessary due to the public health emergency with respect to COVID-19 and were not expenditures that were included in Awardee's original budget as of March 27, 2020;
  - b.** Awardee will use the Grant Award as set forth in the Grant Application;
  - c.** All such expenditures will comply with all applicable provisions of the CARES Act and any and all reasonable and lawful guidance issued by the United States Department of the Treasury as it relates to use of the CRF Funds;
  - d.** The Grant Application does not seek funds for expenses for which the Awardee has already received reimbursement (including insurance) and that it will not use the Grant Award for any expenditure for which it has received or will receive any other federal funding, including any other funding provided by the CARES Act;
  - e.** If Awardee receives other funds from any other source for any expense for which the County has given Awardee the Grant Award, Awardee shall repay the County the amount of that expense within fourteen (14) days.
  - f.** Awardee shall comply with all of its applicable procurement rules and shall exercise all due care in administering the Grant Award, keeping in mind the nature of the public health emergency and federal restrictions on the use of CRF Funds.
  
- 5. Duty to Update Grant Application.** If any facts or circumstances arise which would alter or render the Grant Application incomplete, erroneous, or misleading, Awardee has a non-delegable duty to update its Grant Application as soon as practicable. Failure to update a Grant Application may result in denial of a Grant Award. This duty to update the Grant Application is a continuing duty, consequently, if a Grant Award has already been disbursed, any facts or circumstances arise which would alter or render the Grant Application incomplete, erroneous, or misleading, Awardee shall update its Grant Application. In that case, some or all of the Grant Application may need to be repaid. Failure to update may result in the cancellation of the entire Grant Award and Awardee may be required to repay the entire Grant Award.

**6. Disbursement.** The County will disburse to Awardee a Grant Award in the amount of \$\_\_\_\_\_ after receipt of this Agreement executed by Awardee.

**7. Reporting.** Awardee acknowledges and understands that CRF Funds are subject to the Single Audit Act (31 U.S.C. §§ 7501-7507) and the related provisions of the Uniform Guidance (2 C.F.R. Part 200), 2.C.F.R. § 200.303 and §§ 200.330 through 200.332 and subpart F and that the applicable Catalog of Federal Domestic Assistance (CFDA) number is 21.019.

**a. Expenditures.**

**i. Purchases.** Awardee shall maintain copies of invoices, purchase orders, receipts and other documentation sufficient to demonstrate the items purchased, their purchase price, date of order and delivery, and the use of the item(s) purchased.

**ii. Payroll.** Awardee shall maintain records that are sufficient to support salary expenditures for any and all individual employees charged to CRF Funds, if any, including documentation indicating demonstrating the duties being performed by that employee for the relevant time period and their relationship to the public health emergency. In accordance with the Application and federal guidance, Awardee shall ensure that no more than 100% of an employee's time is charged to reimbursed programs. Awardee acknowledges that payroll expenditures should be limited to those employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

**iii. Administrative Costs.** CRF Funds will not be used for any administrative or overhead costs and will instead be used entirely for direct COVID-19 related costs, except (1) costs specifically related to the administration of CRF funding by subrecipient, and (2) costs for additional personnel or outside contractors hired or contracted for the specific purposes of administering a program utilizing CRF Funds. CRF Funds may not be used for payroll costs for employees whose positions were budgeted as of March 27, 2020.

**iv. Travel.** Costs incurred for travel shall be considered reasonable, allowable, and allocable only to the extent they do not exceed on a daily basis the maximum per diem, lodging, and mileage rates in effect on the day of travel as set forth in travel regulations of the State of Kansas.

**b. Record Retention.** Awardee shall create, maintain, and preserve sufficient records of its expenditures to demonstrate compliance with the requirements of the CARES Act, and Awardee shall provide such records to the County promptly upon written request

by the County. Such records shall be maintained not less than five (5) years after the termination of this Agreement.

- c. Reporting to the County.** Awardee will submit to the County sufficient information regarding its use of the CRF Funds that the County may meet its reporting obligations, including the reporting expectations of the United States Department of the Treasury as set forth in Memoranda OIG-CA-20-021 and OIG-CA-20-025. Awardee's reports will be in the form reasonably requested by the County and shall provide such further information as may be reasonably requested by the County. Awardee shall provide a final report, including an accounting for all expenditures of CRF Funds, on or before the date of expiration of this Agreement.
- d. Unspent Funds.** Under current law, CRF Funds for which no expenditure is incurred during the Covered Period must be returned to the United States Department of the Treasury. CRF Funds for which no qualified expenditure has been or is planned to be incurred by October 15, 2020, or for which delivery or performance cannot occur before December 30, 2020, shall be returned to the County on or before November 1, 2020.
- e. Transparency.** All Awardee reports regarding implementation of the Grant Application and use of the CRF Funds under this Agreement will be made publicly available by the County.

**8. Termination of Agreement.** The County may terminate this Agreement, in whole or in part, if Awardee has failed to comply with the conditions of the Agreement, the Grant Application, or subsequent amendments. In the event of termination by the County, any portion of the Grant Award not expended or encumbered at the time of termination shall be returned to the County within seven (7) days or if a breach of Awardee's duty to update, may require the repayment of the entire Grant Award. If the Agreement is terminated by the County, Awardee shall provide a final report within 45 days after receiving notice of termination.

**9. Audit.** As provided in 42 U.S.C. § 801(f), the Inspector General of the Department of the Treasury is authorized to determine whether CRF payments have been used for eligible purposes. CRF Fund payments that are deemed to have been used for ineligible purposes are treated as a debt owed to the federal government, and for which the County may be liable to the State of Kansas. Authorized representatives of the County, the State of Kansas, and the Inspector General of the United States Department of the Treasury shall have access to all books, accounts, records, reports, files, papers, things, or property belonging to, or in use by Awardee pertaining to the administration of this Agreement and the receipt and expenditure of CRF Funds as may be necessary to make audits, examinations, excerpts, and transcripts for a period of five (5) years after the termination of this

Agreement. Awardee agrees to be responsible for any debt incurred to the State of Kansas due to ineligible expenditures of CRF Funds.

**10. Term.** This Agreement shall be in effect through October 15, 2021, but Awardee's obligations set forth in paragraphs 7 (Record Retention) and 12 (Audit) shall continue beyond the termination or expiration of this Agreement.

**11. Miscellaneous.**

**a. Notices.** Any notices or communications required or permitted to be given under this Undertaking must be (i) given in writing and (ii) personally delivered or mailed, by prepaid, certified mail or overnight courier, or transmitted by fax or email (including PDF), to the party to whom such notice or communication is directed, to the mailing address or regularly-monitored electronic mail address of such party as follows:

**To:** Awardee

The address set forth on the Certification and Signature of Awardee Page, *infra*

**To:** Chautauqua County Board of County Commissioners

Attn: Zoe Newton

215 N Chautauqua

Sedan, KS 67361

Telephone: (620) 725-5800

Fax: (620) 725-5800

Email: [cqclerk@gmail.com](mailto:cqclerk@gmail.com)

**b. Modification.** Any amendment to this Agreement will not be effective without the express written agreement of all parties, except that in the event of changes in any applicable Federal statutes, regulations, or guidance regarding the use of CRF funds, this Agreement shall be deemed to be amended when the statutory requirements for use of CRF funds are changed or when required to comply with any law or guidance so amended. Such deemed amendments shall be effective as of the effective date of the statutory or regulatory change or the date the guidance is issued.

**c. Choice of Law/Venue/Jurisdiction.** This Agreement shall be governed in accordance with the laws of the State of Kansas. The parties agree that for any litigation or other legal proceedings arising out of this Agreement, venue and jurisdiction are proper, and shall lie, in the Chautauqua County District Court.

- d. Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.
- e. Severability.** Should any section, clause, or provision of this Agreement be declared invalid by a court of competent jurisdiction, such declaration shall not affect the validity of this Agreement as a whole, or any part thereof, other than the part so declared to be invalid.
- f. Agreement.** Except as set forth in Section 11(b), Modification, above, this Agreement contains the entire understanding among the parties and supersedes any prior understandings and/or written or oral agreements among them regarding the subject matter hereof. No modification of this Agreement shall be valid unless it is in writing and signed by the parties hereto.

*<Remainder of page intentionally left blank. Signatures are on the following pages.>*

## CERTIFICATION AND SIGNATURE OF AWARDEE

By signing below, I certify that:

1. I am Awardee's duly designated representative with authority to sign this Agreement on Awardee's behalf, which such execution binds the Awardee to the provisions hereof;
2. I have read Awardee's Grant Application;
3. The information and statements provided in said Grant Application are true and correct to the best of my knowledge and the expenses and costs identified in the Grant Application are eligible for CRF Funds;
4. I acknowledge my understanding that any intentional or negligent misrepresentation or falsification of any of the information in this document or the Grant Application could subject me to liability under the Kansas False Claims Act and Federal False Claims Act as well as criminal penalties, including but not limited to fine or imprisonment or both under Title 18, United States Code, Sec. 1001, et seq. and state law.

\_\_\_\_\_  
Name of Awardee:

By: \_\_\_\_\_  
Awardee's Representative

Awardee's Address:

Tel.:

Email:



**BOARD OF COUNTY COMMISSIONERS  
OF CHAUTAUQUA COUNTY, KANSAS**

\_\_\_\_\_  
Parker Massey  
Chairman

\_\_\_\_\_  
Rodney Shaw

\_\_\_\_\_  
Jack Carpenter

ATTEST:

\_\_\_\_\_  
Niki Collier, Chautauqua County Clerk

**Exhibit A**  
**AWARDEE'S GRANT APPLICATION**  
**AS APPROVED BY THE COUNTY ON \_\_\_\_\_, 2020**

SAMPLE