

**CARES ACT SUBGRANT AGREEMENT BETWEEN
[TOWNSHIP] AND [INSERT NAME OF SUBGRANTEE]**

This Subgrant Agreement is entered into by the **[insert Township]** Board of Trustees (the Board) and *Insert Name* (“**Subgrantee**”), with a **mailing address of**____. The Board and Subgrantee are sometimes collectively referred to in this Subgrant Agreement as “Parties.”

For purposes of the Federal Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the U.S. Department of Treasury is the Funding Organization, with the Ohio Office of Budget and Management as the Prime Recipient of the funds. The Ohio General Assembly established a process for distributing funds from the CARES Act in House Bill 481 of the 133rd General Assembly, and later amended by HB 614 of the 133rd General Assembly. The grant award is under the authority of the 21.019 Coronavirus Relief Fund.

DEFINITIONS

As used in this document, the words and phrases set forth below shall have the following meanings:

- A. “Grantor” means the **[insert Township name]** Township Trustees.
- B. “Subgrantee” means the **[insert name of Subgrantee]**.
- C. “Financial assistance” means all cash, reimbursements, other payments, or allocations of funds provided by Grantor to Subgrantee. All requirements in this Agreement related to financial assistance also apply to any monies, including private monies and public money, as defined in section 117.01 of the Revised Code, used by the Subgrantee to match federal, state or county funds; and
- D. “Federal, state and local laws” include all federal statutes and regulations, appropriations by the Ohio General Assembly, the Revised Code, uncodified law included in an Act, Ohio Administrative Code (OAC) rules, any federal Office of Management and Budget (OMB) circulars that a federal statute or regulation has made applicable to state and local governments, as well as any resolutions or policies adopted by the **[insert name of Township]** Board of Trustees. Federal, state and local laws also include any Governor’s Executive Orders to the extent applicable. The term "federal, state and local laws" includes all federal, state and local laws as listed in this paragraph and existing on the effective date of this Agreement as well as those federal, state and local laws that are enacted, adopted, issued, effective, amended, repealed, or rescinded on or after the effective date of this Agreement.

RECITALS

WHEREAS, Grantor has requested its share of funds from the Geauga County Coronavirus Relief Distribution Fund under which “CARES Act” were disbursed to subdivisions and such funds were approved;

WHEREAS, funds received by Grantor only may be expended for allowable purposes consistent with the requirements of section 5001 of the CARES Act as described in 42 U.S.C. 601(d) and any applicable regulations;

WHEREAS, a unit of local government receiving a Fund payment may subgrant said funds to a subgrantee, including [insert description of Subgrantee – i.e. school district] provided that the transfer qualifies as an eligible expenditure; and

WHEREAS, Grantor is willing to grant a Subgrant of a portion of the aforementioned funds to Subgrantee upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, the parties hereto represent and agree as follows:

ARTICLE I. PURPOSE OF SUBGRANT AND SUBGRANT DUTIES

Subgranting of Coronavirus Relief Funding to provide financial assistance is permissible if (1) necessary due to the public health emergency and (2) said funds will be used to meet the eligibility criteria as required by the U.S. Department of Treasury. The purpose of this Subgrant Agreement is to establish the terms, conditions, and requirements governing the administration and use of the funds received by or used by Subgrantee pursuant to this Agreement.

ARTICLE II. RESPONSIBILITIES OF GRANTOR

Grantor agrees to:

- A. Provide funding to Subgrantee in accordance with this Subgrant Agreement, federal, state and local laws.
- B. Monitor Subgrantee to ensure the Subgrant is used in accordance with all applicable conditions, requirements, and restrictions by receiving receipts of purchases made by the Subgrantee.
- C. Provide information on current and any subsequent changes to the terms and conditions of the grant awards addressed by the funding in this agreement.
- D. Provide technical assistance and training as requested to assist Subgrantee in fulfilling its obligations under this agreement.
- E. Take action to recover funds that are not used in accordance with the conditions, requirements, or restrictions applicable to funds awarded.

ARTICLE III. RESPONSIBILITIES OF SUBGRANTEE

Subgrantee agrees to:

- A. Ensure the funds subject to this Subgrant Agreement are used in accordance with conditions, requirements and restrictions of federal, state and local laws, as well as the federal terms and conditions of the grant award.
- B. Provide Grantor information, upon request, to allow Grantor to comply with the financial reporting requirements necessary to meet its operational needs and obligations, including obligations to state and federal government.
- C. Take prompt corrective action, including paying amounts resulting from an adverse finding, sanction, or penalty, if Grantor, the Ohio Auditor of State, any federal agency, or other entity authorized by federal, state or local law to determine compliance with the conditions, requirements, and restrictions applicable to the federal program from which this Subgrant is awarded determines compliance has not been achieved.
- D. Make records available to Grantor, the Auditor of the State, federal agencies, and other authorized governmental agencies for review, audit and investigation.

ARTICLE IV. EFFECTIVE DATE OF THE SUBGRANT

- A. This Subgrant Agreement will be in effect from **[insert date]** through **[insert date – should not be beyond December 30, 2020]** unless this Subgrant Agreement is suspended or terminated pursuant to ARTICLE VIII prior to the above termination date.
- B. In addition to Article IV, Section A, it is expressly understood by both Grantor and Subgrantee that this Subgrant Agreement will not be valid and enforceable until the Fiscal Officer for Grantor certifies pursuant to Section 5705.41 (D), Revised Code, that the amount required to meet the Grantor’s obligation or, in the case of a continuing Subgrant Agreement to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the Subgrant Agreement is made, has been lawfully appropriated for such purpose and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances.

ARTICLE V. AMOUNT OF GRANT/PAYMENT

- A. This subgrant is in the total amount of **[insert amount]**.
- B. Payment will be made to Subgrantee by Grantor in one (1) payment.
- C. Subgrantee understands that availability of funds is contingent upon the availability of CARES Act Funds granted to Grantor.
- D. Subgrantee understands and agrees that the subgrant award may only be used for

expenditures that:

1. Are a necessary expense incurred due to the public health emergency with respect to COVID-19;
2. Were not accounted for in Subgrantee's budget approved as of March 27, 2020; and
3. Were incurred or will be incurred during the period that begins March 1, 2020 and ends on December 30, 2020.

E. As a subrecipient of federal funds, Subgrantee hereby specifically acknowledges its obligations relative to the funds provided under this Subgrant Agreement pursuant to OMB Circulars A-110 (2 CFR 215), A-21 (2 CFR 220), A-122 (2 CFR 230), A-87 (2 CFR 225), A-102, as applicable under federal, state and local laws, and A-133, as well as 45 CFR 74 and 45 CFR 92, as applicable to Subgrantee under federal, state and local laws, including, but not limited to:

- a. Standards for financial management systems: Subgrantee and its subgrantee(s) will comply with the requirements of 45 CFR 74.21 and 45 CFR 92.20, including, but not limited to:
 - i. Fiscal and accounting procedures;
 - ii. Accounting records;
 - iii. Internal control over cash, real and personal property, and other assets;
 - iv. Budgetary control to compare actual expenditures or outlays to budgeted amounts;
 - v. Source documentation; and
 - vi. Cash management.
- b. Period of Availability of Funds: Pursuant to 45 CFR 74.28 and 45 CFR 92.23, as applicable, Subgrantee and its subgrantee(s) may charge to the award only costs resulting from obligations incurred during the funding period of the federal and state awards noted in the Recitals to this Subgrant Agreement and for the term specified in Article IV of this Subgrant Agreement, unless carryover of these balances is permitted.

According to guidance available on or about the time of the execution of this Agreement, the U.S. Department of Treasury has determined that CRF Funds may only cover costs incurred between March 1, 2020 and December 30, 2020. Ohio House Bill 481, amended by Ohio House Bill 614, dictates that (1) the County Auditor shall distribute returned funds on or before November 25, 2020; and (2) the balance of unexpended funds remaining must be returned to the state treasury not later than February 1, 2021. Accordingly, the time between December 30, 2020 and February 1, 2021 is only to be used as a liquidation or account reconciliation period. This period is strictly to finalize payments for performance and delivery of goods and/or services that occurred prior to December 30, 2020 and/or make accounting adjustments for eligible activity that was pair prior to December 30, 2020.

- c. Matching or Cost Sharing: Pursuant to 45 CFR 74.23 and 45 CFR 92.24, as applicable, matching or cost sharing requirements applicable to the federal program must be satisfied by disbursements for allowable costs or third-party in-kind contributions and must be clearly identified and used in accordance with all applicable federal, state and local laws.
- d. Program Income: Program income must be used and accounted for as specified in 45 CFR 92.25.
- e. Real Property: If Subgrantee is authorized to use Subgrant funds for the acquisition of real property, title, use, and disposition of the real property will be governed by the provisions of 45 CFR 92.31.
- f. Equipment: Title, use, management (including record keeping, internal control, and maintenance), and disposition of equipment acquired by Subgrantee or its subgrantee(s) with Subgrant funds, will be governed by the provisions of 45 CFR 74.34 and 45 CFR 92.32, as applicable.
- g. Supplies: Title and disposition of supplies acquired by Subgrantee or its subgrantee(s) with Subgrant funds will be governed by the provisions of 45 CFR 74.35, 92.33 and 7 CFR 3016.33, as applicable.

ARTICLE VI. RECORDS

- A. Subgrantee agrees to maintain and make available upon request all documents and financial records sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)), and any other applicable federal, state and/or local laws. Subgrantee must prepare and maintain documentation to support all transactions and to permit the reconstruction of all transactions and the proper completion of all reports required by federal, state and local laws, and which substantiates compliance with such laws.
- B. Records shall be maintained for a period of five (5) years after final payment is made using Coronavirus Relief Fund monies.

ARTICLE VII. AUDITS OF SUBGRANTEE

- A. Subgrantee agrees to provide for timely audits as required by OMB Circular A-133, unless a waiver has been granted by a federal agency. Subject to the threshold requirements of 45 CFR 74.26 and 45 CFR 92.26, as applicable, and OMB Circular A-133, Subgrantee must ensure that it has an audit with a scope as provided in OMB Circular A-133, Subpart E, §.500, that covers funds received under this agreement. Subgrantee must send one (1) copy of the final audit report to Grantor at **[insert Grantor address]** within two (2) weeks of Subgrantee's receipt of any such audit report.
- B. Subgrantee will take prompt action to correct problems identified in an audit to the extent that such problems fall within Subgrantee's authority.

ARTICLE VIII. SUSPENSION AND TERMINATION, BREACH AND DEFAULT

- A. This Subgrant Agreement may be terminated in accordance with any of the following:
1. The parties may mutually agree to a termination by entering into a written termination agreement that is signed by the Grantor and an authorized officer or employee of Subgrantee. An agreement to terminate is effective on the later of the date stated in the agreement to terminate or the date it is signed by all parties.
 2. Either party may terminate after giving thirty (30) days written notice of termination to the other party by registered United States mail, return receipt requested. The effective date is the later of the termination date specified in the termination notice or the 91st day following the receipt of the notice by the other party.
 3. Grantor may immediately terminate this Subgrant Agreement if there is a loss of federal or state funds, a disapproval of the Subgrant Agreement, or illegal conduct by Subgrantee affecting the operation of the Subgrant Agreement.
- B. Notwithstanding the provisions of ARTICLE VIII, Section A, Grantor may suspend or terminate this Subgrant Agreement immediately upon delivery of a written notice to Subgrantee, if Grantor loses funding or discovers any illegal conduct on the part of Subgrantee.
- C. If Subgrantee or any of its subgrantee(s) materially fails to comply with any term of an award, a federal, state and local laws, an assurance, a State plan or application, a notice of award, this Subgrant Agreement, or any other applicable rule, Grantor may take any or all of the following actions it deems appropriate in the circumstances:
1. Temporarily withhold cash payments pending correction of the deficiency by the Subgrantee or its subgrantee(s) or more severe enforcement action;
 2. Disallow all or part of the cost of the Subgrant activity or action not in compliance;
 3. Wholly or partly suspend or terminate the current award for the Subgrantee or its subgrantee(s)' Subgrant activity; or
 4. Take any other remedies that may be legally available, including any additional remedies listed elsewhere in this Subgrant Agreement.
- D. Subgrantee, upon receipt of a notice of suspension or termination, will do all of the following:
1. Cease the performance of the suspended or terminated Subgrant activities under this Subgrant Agreement to the extent legally permissible;
 2. Take all necessary steps to limit disbursements and minimize costs that include, but are not limited to, the suspension or termination of all contracts and subgrants

correlated to the suspended or terminated Subgrant activities;

3. Prepare and furnish a report to Grantor, as of the date Subgrantee received the notice of termination or suspension, that describes the status of all Subgrant activities and includes details of all Subgrant activities performed and the results of those activities; and
 4. Perform any other legally permissible tasks that Grantor requires.
- E. Upon breach or default by Subgrantee of any of the provisions, obligations, or duties embodied in this Subgrant Agreement, Grantor will retain the right to exercise any administrative, contractual, equitable, or legal remedies available, without limitation. A waiver by Grantor or Subgrantee of any occurrence of breach or default is not a waiver of subsequent occurrences. If Grantor or Subgrantee fails to perform any obligation under this Subgrant Agreement and the failure is subsequently waived by the other party, the waiver will be limited to that particular occurrence of a failure and will not be deemed to waive failures that may subsequently occur.

ARTICLE IX. NOTICES

- A. Notices to Grantor from Subgrantee that concern termination, suspension, breach, default, or other formal notices regarding this Subgrant Agreement will be sent to the Grantor at **[insert address]**. Notices to Grantor from Subgrantee that concern this award will be sent to the Grantor at **[insert address]**.
- B. Notices to the Subgrantee from Grantor concerning any and all matters regarding this Subgrant Agreement will be sent to **[insert Subgrantee Name, specific contact (if applicable) and address]**.
- C. All notices in accordance with section A of this Article IX will be in writing and will be deemed given when received. All notices must be sent using a delivery method that documents actual delivery to the appropriate address herein indicated (*e.g.*, certified mail).

ARTICLE X. AMENDMENT

This document constitutes the entire agreement between Grantor and Subgrantee with respect to all matters herein. Only a document signed by both parties may amend this Subgrant Agreement. Both Grantor and Subgrantee agree that any amendments to laws or regulations cited herein will result in the correlative modification of this Subgrant Agreement without the necessity for executing written amendments. Any written amendment to this Subgrant Agreement will be prospective in nature.

ARTICLE XI. SUBGRANTS

- A. Subgrantee must perform all duties contemplated by this Subgrant Agreement. None of Subgrantee's duties or actions pursuant to this Subgrant Agreement may be subcontracted, nor shall this Subgrant Agreement be assigned, or any subawards

made by Subgrantee, without the prior express written authorization of Grantor.

1. Any subgrants made by Subgrantee to a unit of local government, university, hospital, other nonprofit, or commercial organization will be made in accordance with 45 CFR 92.37 and will impose upon any subgrantee(s) the requirements of 45 CFR Part 74 and 45 CFR Part 92, as applicable, as well as federal, state and local law. Any award of a subgrant to another entity shall be made by means of a subgrant agreement which requires the entity awarded the subgrant to comply with all conditions, requirements, and restrictions applicable to Subgrantee regarding the grant that Subgrantee subgrants to the entity.
2. Debarment and Suspension: As provided in 45 CFR 74.13 and 45 CFR 92.35, as applicable, Subgrantee and its subgrantees must not make any award or permit any award at any time to any party that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs.
3. Procurement: While Subgrantee and its subgrantees may use their own procurement procedures, the procedures must conform to all applicable federal, state and local laws, including, as applicable, 45 CFR 92.36 and 45 CFR 74.40 through 45 CFR 74.48. In the event of conflict between federal, state, and local requirements, the most restrictive must be used.
4. Monitoring: Subgrantee must manage and monitor the routine operations of subgrant supported activities, including each project, program, subgrant, and function supported by Subgrantee's subgrant, to ensure compliance with all applicable federal requirements, including 45 CFR 92.40. If Subgrantee discovers that subgrant funding has not been used in accordance with federal, state and local laws, Subgrantee must take action to recover such funding.
5. Duties as Pass-through Entity: Subgrantee must perform those functions required under federal, state and local laws as a subrecipient of Subgrantee under this Subgrant Agreement and as a pass-through entity of any awards of subgrants by Subgrantee to other entities.

ARTICLE XII. MISCELLANEOUS PROVISIONS

- A. **Limitation of Liability:** To the extent permitted by law, Grantor agrees to be responsible for any liability directly relating to any and all acts of negligence by Grantor. To the extent permitted by law, Subgrantee agrees to be responsible for any liability directly related to any and all acts of negligence by Subgrantee. In no event shall either party be liable for any indirect or consequential damages, even if Grantor or Subgrantee knew or should have known of the possibility of such damages.
- B. Subgrantee certifies it is an equal opportunity employer and shall remain in compliance with state and federal civil rights and nondiscrimination laws and regulations including but not limited to Title VI, and Title VII of the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Age Discrimination

Act of 1975, the Age Discrimination in Employment Act, as amended, and the Ohio Civil Rights Law.

- C. Subgrantee agrees to comply with all pertinent provisions of the Drug Free Workplace Act.
- D. Subgrantee shall comply with the requirements of all applicable laws and regulations governing the performance of its duties under this this Subgrant Agreement.
- E. This Subgrant Agreement will be governed, construed, and enforced in accordance with the laws of the State of Ohio. Should any portion of this Subgrant Agreement be found unenforceable by operation of statute or by administrative or judicial decision, the remaining portions of this Subgrant Agreement will not be affected as long as the absence of the illegal or unenforceable provision does not render the performance of the remainder of the Subgrant Agreement impossible.
- F. Nothing in this Subgrant Agreement is to be construed as providing an obligation for any amount or level of funding, resources, or other commitment by Grantor to Subgrantee that is not specifically set forth in state and federal law. Nothing in this Subgrant Agreement is to be construed as providing a cause of action in any state or federal court or in an administrative forum against the State of Ohio, Grantor, or any of the officers or employees of the State of Ohio or Grantor.

IN WITNESS WHEREOF, this GRANT AGREEMENT is effective upon the date of the last signature.

I have the authority to sign this GRANT AGREEMENT and do so in my respective capacity.

SUBGRANTEE – NAME:

Signature: _____

Print Name: _____

Title: _____

Date Signed: _____

[INSERT TOWNSHIP NAME] BOARD OF TRUSTEES, GEAUGA COUNTY, OHIO

Signature: _____

[INSERT NAME], Trustee

Date Signed: _____

Signature: _____

[INSERT NAME], Trustee

Date Signed: _____

Signature: _____

[INSERT NAME], Trustee

Date Signed: _____