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KINGSBURG TRI-COUNTY HEALTH CARE DISTRICT GRANT POLICY, PROCEDURES, GUIDELINES AND FORMS

1. Scope and Application

These materials constitute the Kingsburg Tri-County Health Care District's ("District" or "KTHCD") grant policy, procedures, guidelines and mandated forms (the "Policy") for grant applications and grant awards, except in awards involving less than an aggregate of \$10,000 if the District's governing Board of Directors ("Board") expressly finds, based upon substantial evidence, good cause to waive to any degree the requirements and/or procedures found herein without substantially compromising the objectives and goals of this Policy. The Board shall not regularly waive the requirements and procedures of this Policy, particularly where full compliance is reasonably achievable in the absence of extraordinary circumstances. This Policy is intended to apply prospectively only to all new grant awards and shall not apply to grant awards which were previously approved by the Board, even if any such prior grants award has not been fully disbursed.

Grant awards shall be for any purpose allowed by state law, including to provide assistance in the operation of free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare and any other health care services provider, groups and organizations, which are necessary for the maintenance of good physical and mental health in the communities served by the District. This also includes providing assistance in the operation of, one or more health facilities or health services, including, but not limited to: outpatient programs, services, and facilities; retirement programs, services and facilities; chemical dependency programs, services and facilities; or other health care programs, services and facilities and activities at any location within or outside of the District, for the benefit of the District and the people served by the District. For purposes of this Policy, "health services and programs" refers to these and all other services and programs which can lawfully be funded by the District.

The amount of each grant awarded will, in part, be based upon the amount of funds available to the District for such purposes at the time of the grant award. The District shall not disburse any grant funds without a written grant agreement having been duly approved and signed by both the grantee and the District. The District may at any time withdraw any grant award without cause before a written grant agreement is signed by the grantee and the District.

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2. Policy Review and Approval

This Policy, adopted by Board of Directors resolution, will be reviewed biennially by the Board of Directors or designated committee to ensure it remains current and complies with all applicable laws. It is the intention of the Board that any modifications to this Policy will be reviewed and approved by the Board, unless otherwise directed by the Board in writing. Any and all modifications to this Policy must be adopted by Board resolution.

3. Objectives and Goals

This Policy is intended to comply with section 32139 of the California Health and Safety Code and to accomplish each of the following objectives:

- A. Improve access to health services and programs, enhance the health of the community and improve health knowledge and education of residents of the District at little, no or reduced cost to them.
- B. Attracting highly qualified grant applicants.
- C. Ensuring a sufficient nexus between the allocation of grant funding and the health care mission of the District, which is to foster quality health services and programs which benefit the residents of the District.
- D. Implementation of a sufficient process to ensure awarded grant funding is spent consistently with the grant application and the health care mission of the District.
- E. Build sufficient capacity in local organizations which are effective in responding to the health needs within the District.
- F. Ensure compliance with all applicable federal and state laws.

4. Overview of Grant Application and Award Process

Unless another deadline is set by action of the Board, each year in January the Board shall approve a list of needed health services and programs which grant applicants can focus upon in applying for grant funding. Additionally, or alternatively, the Board may at any time solicit proposals for any specific health

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services and programs by issuing a Request For Proposals with additional and/or different requirements than those specified within this Policy. In approving a list of needed health services and programs, the Board shall consider all oral and written input received from the District's residents prior to and during the meeting at which the list is approved, including any District survey results, if any, advisory committee recommendations and publicly available information and statistics.

Each year, or May 1 or, if that date occurs on a weekend or legal holiday, the first business day thereafter, shall be the deadline for the District to actually receive grant applications for the health services and programs identified by the Board, if any, or other health services and programs which the applicant desires to have funded. This shall also be the deadline for the District to receive all proposals in response to any Request For Proposals issued and posted at least thirty (30) days prior to the deadline, if no deadline is specified. Responses to each Request For Proposals must also be accompanied by, or be submitted in the form of, a formal grant application, unless otherwise indicated within the Request For Proposals. For any Request For Proposals issued less than thirty (30) days before the grant application deadline, if no deadline is specified, then the deadline for the District's actual receipt of an applicant's proposal and grant application shall be the later of the deadline subsequently set by the District (if any) or thirty (30) days after issuance or, if that deadline date occurs on a weekend or legal holiday, the first business day thereafter. Applications received after the deadline shall be discarded or returned unless the Board in its sole and absolute discretion waives the untimeliness.

The Board shall act on grant applications within June of each year, unless the Board takes action to set a different schedule or to extend the time within which to act on applications. The Board may at any time, for all or any particular grant application(s), require or waive an oral and/or in-person presentation to the Board by the grant applicant, as a prerequisite to acting upon their grant application. Pursuant to Health and Safety Code § 32139(c)(5), all applicants are prohibited from meeting individually with a District Board member, officer or staff member regarding their future or pending grant application, other than to inquire about the District's grant program and grant process in general and related deadlines. That restriction shall not apply to any District staff member designated by the Board to provide technical assistance on the grant application process. Each grant awarded shall be for one or more fiscal years, which shall coincide with the District's fiscal year which begins each July 1.

Notification of grant awards shall be made by both U.S. mail and either email or facsimile. Notification by email or facsimile shall be deemed received by the grantee on the first business day after successful transmission. No later than ten

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(10) business days after receipt of written notification of an award of grant funds, the grantee must agree to the terms of, and duly sign, the District's grant agreement in the form attached to this Policy as **APPENDIX B**. If the grantee does not timely agree to the terms of the grant agreement within **APPENDIX B**, the grantee shall be deemed to have waived their grant award, the District shall not be authorized to distribute any grant funds to that grantee and may reconsider any other grant application for a grant award. Any written request by a grantee to renegotiate any of the terms of **APPENDIX B** shall be deemed an immediate voluntary waiver of the grantee's grant award, unless the District's Board expressly grants relief from such waiver.

The Board is the final authority in determining the amount of funding to be provided and therefore the amount of grant funding awarded may be more or less than that requested in any application.

5. Selection Criteria and Process

The Board is the final authority in accepting the eligibility of applicants for grant assistance. Grant applications will be reviewed by the Board or its designee, which may include a Board committee and/or consultant, who shall initially consider: the amount of funding as it relates to the scope of the health service or program proposed; the most cost-effective use of District resources; and the probable impact of the proposed health service or program. This initial review shall be undertaken for the purpose of making recommendations to the Board who shall make a final decision in its sole and absolute discretion based upon these and other relevant criteria. The additional criteria which must be considered both in formulating initial recommendations to the Board and by the Board in making a final decision shall include but is not limited to:

- A. Competence and Commitment:** Whether the applicant has demonstrated a record of sufficient competence and capacity to address identified health needs, including a strong commitment of service to the residents of the District.
- B. Scope of Service or Program:** The anticipated number of individuals to be served and volume of services to be provided, including the degree to which the health service or program will focus on underserved populations, address health disparities and achieve particular types of health needs identified by the District during the present grant cycle, if any.

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- C. Measurability of Results:** Whether the service or program includes elements which document metrics and other information which can be utilized to evaluate the service or program, including use of evaluative tools such as surveys, case management forms and registries.
- D. Budget:** Whether the applicant included detailed and realistic budget based upon known costs, including actual quotes from third-party providers of goods, services and facilities.
- E. Matching Funds:** The amount of matching funds the applicant will commit for the health service or program proposed.
- F. Applicant's Financial Need and Other Sources of Funding:** Whether the applicant can demonstrate a financial need or hardship and has identified all other sources of funding (e.g. grant and operational) available for the health service or program proposed.
- G. Sustainment of Service or Program:** Whether the applicant has or can develop reliable sources of future revenues in order to sustain the health service or program proposed on an ongoing basis and with less or no further funding from the District. Except in particular cases where the Board has otherwise approved a specific resolution to the contrary, the District does not provide long-term, permanent, annual or recurring grant funding for any health service or program. Therefore, grant applicants who have the financial and organizational potential to sustain a project after the District's funding has ended will tend to have a greater chance of being awarded grant funding.
- H. Corporate Status:** Whether the grant applicant is a governmental entity, non-profit corporation or for-profit organization, and whether the grant applicant can demonstrate the degree to which it meets the needs of underserved individuals and communities. Grant funds shall not be awarded to foreign governments, corporations, individuals and unincorporated or unregistered associations or entities. Entity status must be in good standing with state and local governments. For-profit organizations shall not qualify for grant funding unless they are a sole-source for a particular health service or program which is in significant demand within the District or can clearly demonstrate that they can provide a desired health service or program at a significantly lower cost than their non-profit and government competitors. A grant application shall not be denied solely on the ground that the applicant is a government agency.

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- I. Whether the applicant and/or the proposed health service or program is or will be integrated with a public or private provider network within the District.
- J. **Nature of Service or Program:** Whether the grant will focus on direct health services, preventative care or programs, wellness programs or educational programs.
- K. **Sponsorships of Charitable Events:** Whether the charitable event is anticipated to provide a benefit to the residents of the District, such as raising funding for one or more free or low-cost health services and programs for District residents, wellness activities or health education and training.
- L. **Grants to Prior Grant Recipients:** The number of prior grants awarded to applicant, or a related entity of an applicant, shall be considered by the District but shall not be the sole disqualifying factor when the applicant seeks funding for a health service or program which is materially different from one which was previously funded through the applicant.
- M. Whether the grant funding will be used to supplement or provide operating support for the provision of health services and programs, as opposed to use for capital improvement costs (of another governmental agency).
- N. Other factors which may be raised by the public or other Board members prior to the Board reaching a decision on the grant application. Unless the Board meets and takes action to limit the total number of potential grant recipients in any given fiscal year (based upon projected available revenues), the Board may award a grant to multiple grantees, not to exceed the total budgeted allocation of grant funds for that fiscal year.

6. Prohibited Uses of Grant Funds

Grant funds awarded by the District must not be used for any of the following:

- A. **Capital Improvements:** Non-profit and other private grantees shall not use any grant proceeds to fund construction of improvements to real property, including major fixtures. Only governmental entities who received a grant award may use grant funding for capital improvements provided that the facilities are and remain publicly owned and the grantee agrees to record appropriate real property covenants, conditions and restrictions which

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- prohibit the sale or transfer of any interest in that real property to any private person or entity and restricts the use of the real property for purposes other than those identified within the grant application and award, for an appropriate period of time not less than twenty-five (25) years.
- B. Matching Funds:** Grant funds awarded by the District shall not be used as matching funds for other grants unless all of the funding from the other grant(s) shall be expended entirely within the boundaries of the District.
 - C. Administrative Costs:** To pay for cost of administration of the grant, including any outside audit which might be required, exceeding ten percent (10%) of the total grant award.
 - D. Supplanting Existing Funds From Any Source:** The District prohibits recipients of District grant funds from replacing federal, state, local or their own funds with District grant funds. Existing funds for health services and programs and its activities must not be displaced by District grant funds and reallocated for other organizational expenses. However, supplementing, that is, adding District grant funds to what is available in federal, state, local or grantee funds, is acceptable. The District reserves the right to expressly waive this restriction in its sole and absolute discretion.
 - E.** Lobbying or other direct or indirect expenditure for activities which support, advocate or influence any election.
 - F.** Awards to private or corporate grant-making foundations.
 - G.** Awards to start or increase an endowment fund.
 - H.** To satisfy or otherwise retire a previously incurred debt.
 - I.** Purely scientific or non-trial research.
 - J.** Grants for religious activities. This does not preclude organizations from applying for grant funding for qualifying non-religious health services and programs.
 - K.** Other activities which the District specifies in a grant award letter or grant agreement.

7. Contents of Grant Applications

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Each applicant for District grant funding must submit an application which includes but is not limited to the District's standard grant application form found in **APPENDIX A** to this Policy. All sections of the application form must be completed. Any attachments must be referenced or incorporated into the application form.

Each grant application shall be reviewed by the District to determine whether it provides the information and documentation required by this Policy. At a minimum, each grant application must include:

- A. Basic Background:** A brief description of the applicant's organization including a list of the current members of its governing body, officers and an organization chart which shows all affiliates and the internal management structure of the applicant. An “**affiliate**” includes: (i) a corporation which directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with the applicant (such as a subsidiary, parent or sister corporation); and (ii) each partnership in which the applicant, or any affiliate of the applicant, is a partner. As noted in the grant application and the District's grant agreement, each grantee is under a continuing obligation to promptly, and in no event more than ten (10) business days after, notify the District in writing, of each and all changes to the members of the governing body of the grantee and each and all of its affiliates. For non-profits, a copy of the organization's formal tax-exemption determination letters from the Internal Revenue Service (“**IRS**”) and the California Franchise Tax Board (**FTB**) must be included.
- B. Other Affiliations:** A list of all affiliations with for-profit entities, if any. “**Affiliation**” means an association or working relationship between the applicant and any for-profit entity for the provision of services by, for or on behalf of the applicant. An affiliation under this Policy does not include donations and other voluntary contributions (whether monetary or in-kind) to the applicant, or the provision of routine support services, such as utilities, purchase of routine supplies, banking or financial services by commercial banks or lenders, accounting or legal services, or commercial leases of space or equipment.
- C. Collaborator Statements:** Letters of commitment from each and all other organizations which intend to collaborate on the proposed health services or program, including their statements of organizational, financial and/or staff commitments.

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- D. Amount Requested:** The amount of grant funding requested.
- E. Existing Services/Programs:** A brief summary of the existing services and programs provided by the applicant.
- F. Proposed Service/Program:** A description of the service or program proposed by the grant applicant, including its primary goals and objectives.
- G. Past and Future Budgets and Financials:** The total budgeted operational and capital costs for the health service or program for the three (3) preceding years, audited financial statements for the three (3) preceding year, a projected budget for the year which is in progress and a proposed budget for those portions of the health service or program to be funded with any portion of an award of District grant funding. All operational and capital uses of grant funds must be identified.
- H. Annual Audit Report:** A copy of the applicant's most three (3) recent independent audit (including management letters) and, for non-profits, the most recent IRS Form 990.
- I. Grant Period:** Each grant application must have a proposed grant period within which grant funds would be expended, though the actual term of a grant award may vary from that period, including a timetable for the payment and use of grant proceeds which takes into account anticipated changes in the grant program, if any, during the grant period. For example, if the proposed service or program involves minor children who attend public schools which do not have summer sessions, the impact of that change should be anticipated.
- J. Prior Debarment or Cancellation:** Each grant application must disclose whether the grant applicant has ever excluded from applying for contracts and/or grants from any federal, State or local governmental entity, including: identity of the debarring agency; relevant dates of debarment; and an explanation of why each debarment occurred.
- K. Governing Body Resolution:** If the applicant is not an individual, a resolution from the applicant's governing body, authorizing the signing of the grant application and the signing of the standard grant agreement (see **APPENDIX B**), if a grant award is approved by the District, once it is finalized with the details of the grant.

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- L. **Signature:** Certification that the applicant has entirely read this Policy and the standard grant agreement attached as **APPENDIX B**, agrees to the terms and conditions in both and, if awarded a grant, will execute the standard grant agreement once it is finalized with the details of the grant award.

8. Grant Conditions

Each award of District grant funds is subject to the following conditions and any failure to satisfy any of them shall entitle the District to both withhold future disbursements of grant funding and the return of all grant funding already disbursed:

- A. **Non-Discrimination:** Each applicant and grantee must not engage in any form of discrimination which inconsistent with its tax-exempt status (if applicable) or with federal, state and local civil rights laws and ordinances.
- B. **Corporate Status:** Maintain in good standing the same tax-exempt, public agency or other corporate status which is noted in the grant application during the entire grant period.
- C. **Permits, Licensing and/or Registrations:** Maintain all required governmental registrations, licenses, permits and approvals for the grantee's organization, staff and health services or program during the grant application process and throughout the entire grant period.
- D. **Attribution:** Each grantee must comply with the District's attribution requirements for grant funds, which is attached to the standard grant agreement attached as **APPENDIX B**.
- E. **Operations:** Implement the grant funded health service or program in a manner designed to avoid or reduce duplication of effort and in the manner described by in the grant application and grant award.
- F. **Distribution of Grant Funds:** Unless the Board provides otherwise by resolution, the District's plan for distribution of grant funds shall be to include a schedule of payments within each grant agreement.
- G. **Other Conditions:** Based upon the type of grantee, the nature of the health service or program funded or other relevant factors, the District may impose other and/or additional special written conditions upon any grant.

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9. Reporting Requirements

Grantees must cooperate in efforts undertaken by District to evaluate grantee effectiveness and use of the grant funds, which in some cases may include a grantee's participation in and compliance with on-site evaluation and grant monitoring procedures, including interviews of grantee's staff by the District, usually when grant funds are awarded for purposes other than to fund acquisition or upgrading of equipment.

Each grantee must submit to the District written interim reports and a final report, including narrative information and full financial accounting of the expenditure of all of the grant funds, according to the report schedule set forth in the grant agreement within **APPENDIX B**. All grantee reports shall become the property of District. When a grantee will also be presenting its report to the Board in-person, all written materials for such presentation must be actually received by the District no later than noon on the Friday prior to the Board meeting where the presentation is to occur. Except under extraordinary circumstances, written materials (including Power Point slides) should not be submitted or shown to the District for the first time during presentations.

A certification must be signed by the chief executive officer or chief operations officer of the grantee certifying compliance, during the reporting period, by the grantee with all of the terms of the grant agreement between the grantee and the District.

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APPENDIX A

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Kingsburg Tri- County Health Care District Grant Application

Please complete and return documentation and information required under the District Grant Policy, Procedures and Guidelines. **Submit a signed original plus a set of 8 copies using a binder clip.**

Provide the following information for the grant applicant, and well as for all partnering and/or subcontracting entities, if any. **Use a separate page for each item listed on page 2 to fully describe required information.**

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Applicant Name _____

Type of Organization _____

Legal status of your business (LLP, nonprofit, etc.) _____

Subject of Request _____

Total Amount Requested \$ _____ How many People Will Grant Serve? _____

Is this intended as a one-time or ongoing project? _____

Project timeframe _____ Lump sum or periodic disbursement? _____

How will grant be recognized by recipient? _____

Total Years in business _____ # of Employees _____ Federal Tax ID # _____

Business Licenses, Certifications or Registration # _____

Individual Accountable for Grant Funds:

Name _____ Title _____

Address _____

City _____ State _____ Zip _____

E-Mail _____ Phone Number _____

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By signing below, the undersigned hereby certifies under penalty of perjury that: (1) information contained within this application is true and correct to the best of my personal knowledge, information and reasonable belief; (2) the grant applicant has read and is familiar with all of the District's grant policies, procedures and guidelines; (3) the grant applicant hereby waives each and all claims and right(s), if any exist to, in any form, appeal or otherwise legally challenge each and all decisions of the Kingsburg Tri-County Health Care District pertaining to this grant application; and (4) the governing body of the grant applicant has duly authorized me to sign this grant application.

Signature _____ **DRAFT** _____ Date _____

Print Name and Title _____

The following information is required in relation to the requested grant. Please use separate pages for each numbered item, titling and numbering each page as listed below. We require the following: 1 signed copy of the grant application, with items 1-8 (below) completed and attached, plus 8 additional hardcopies.

- 1. Project Overview:** Include purpose of the grant request. Describe in detail how the funds will promote health and wellness and further the grant goal of fostering quality health services and programs which benefit the residents of the District.
- 2. Project Cost:** Itemized budget with explanation of each itemized cost and the need for such, and supporting documentation, such as actual bids or formal estimates, if any.
- 3. Partner(s):** List all partners (if any), and their financial contributions for this specific project. Please also identify all current members of your organization's governing body (as noted in the grant agreement and the District's grant policies, the grantee is under a continuing duty to promptly notify the District in writing of each and all changes to the members of your governing body and that of each and all of your partners and affiliates.)
- 4. Funding Sources:** List all funding sources for the past 5 years.
- 5. Community Need:** Describe specific needs of the District which your project will meet.
- 6. Legal Status:** Please provide a copy of your W-9, business licenses and certificates, as well as IRS determination letter if you are a nonprofit.
- 7. Contributions:** List previous and ongoing community contributions your organization has made within the past 5 years.

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- 8. Plans:** Provide drawings or pictures of the proposed project with footnotes for explanations.

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APPENDIX B

GRANT AGREEMENT

I. INTRODUCTION

THIS GRANT AGREEMENT (“Agreement”), is entered into between the KINGSBURG TRI-COUNTY HEALTH CARE DISTRICT, referred to as “**DISTRICT**,” and the _____, referred to as “**GRANTEE**,” with reference to the following:

II. RECITALS

A. WHEREAS, the DISTRICT is a California local health care district organized and existing pursuant to Health and Safety Code §§ 32000 *et seq.*;

B. WHEREAS, the GRANTEE is corporation...;

C. WHEREAS, the GRANTEE operates a full-time...;

D. WHEREAS, the DISTRICT and GRANTEE desire to and hereby incorporate the requirements, terms and conditions of the DISTRICT’s grant policy and grant award into this Agreement;

E. WHEREAS, the DISTRICT’s Board of Directors has determined that a grant of DISTRICT funds to GRANTEE for _____ (“**Program**”) is necessary for the continuation of adequate emergency health services within the DISTRICT, and has approved a grant to the GRANTEE in the total amount of _____ **U.S. dollars** (\$_____.00 USD) for the Program (the “**Grant**” and “**Grant Funds**”); and

F. WHEREAS, the DISTRICT and the GRANTEE intend to now enter into this Agreement in order to provide the terms under which the DISTRICT will fund the GRANTEE’s Program, which would provide health services or programs to the public, including residents of the DISTRICT.

ACCORDINGLY, IT IS AGREED:

III. SPECIFIC TERMS

1. PURPOSE:

Grant Funds must be used solely for the Program, which is specified within

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EXHIBIT A. If the grant was awarded for equipment, then the GRANTEE must utilize and maintain said equipment in a reasonable manner and not intentionally abuse or damage it. Unless said equipment is no longer functioning, is beyond reasonable repair or is beyond its useful life expectancy, said equipment may not be gifted or sold for less than fair market value, unless traded-in, to a vendor/dealer of the same or similar equipment, in connection with the receipt of reasonable credited toward the purchase of new or upgraded replacement equipment. If said equipment is sold, transferred or destroyed within five (5) years or less after Grant Funds were expended on it, GRANTEE shall notify DISTRICT of such fact, in writing, within twenty (20) business days.

The Grant Funds received by GRANTEE must be used by GRANTEE strictly in accordance with the terms of this Agreement, including the grant purpose, project objectives and budget specified in this Agreement, if any. GRANTEE must maintain books and records which segregate and account for the Grant Funds separately. All expenditures made in furtherance of the purpose(s) of the Grant Funds provided under this Agreement must appear on those books and records. GRANTEE must keep invoices, receipts, vouchers and other reliable records to substantiate all expenditures of Grant Funds.

No Grant Funds may in any way be used for the purpose of: (i) any other program or purpose by the GRANTEE or any capital improvements or other capital expenditures for the Program or the GRANTEE; (ii) influencing legislative or administrative decisions of any governmental body or for the support of any political campaign; or (iii) any activity or decision which constitutes a violation of any law or regulation applicable to the Program or the GRANTEE.

2. TERM: This Agreement shall become effective as of the date of the final party signature below and shall expire on _____, unless otherwise terminated as provided in this Agreement.

3. SCOPE OF GRANT SERVICES, PROGRAM OR EQUIPMENT FUNDED: See attached **EXHIBIT A**

4. PAYMENT OF GRANT FUNDS: Grant Fund payments will be made by the DISTRICT to GRANTEE according to the schedule set forth in attached **EXHIBIT B**.

5. LIMIT OF COMMITMENT: Unless otherwise approved by the DISTRICT's Board, this Grant shall be a one-time grant by the DISTRICT, and is non-renewable. Nothing in this Agreement shall preclude GRANTEE from making application to the DISTRICT for any future grant funds which may

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become available from the DISTRICT. GRANTEE will not be entitled to priority or special consideration by the DISTRICT in connection with future grant applications solely because of the fact that Grant Funds were awarded under this Agreement.

6. RETURN OF UNEXPENDED GRANT FUNDS: The parties agree that ownership of Grant Funds which are not expended within one hundred eighty days (180) after disbursement by the DISTRICT to the GRANTEE shall automatically revert back to the DISTRICT at that point and, while they remain in the custody of GRANTEE, they are held solely in trust by GRANTEE for the sole benefit of the DISTRICT. The parties further agree that said Grant Funds must be returned within twenty (20) business days after the expiration of the aforementioned expenditure deadline.

7. REDUCTION/REIMBURSEMENT OF GRANT FUNDS: The parties agree that the DISTRICT may reduce, suspend or terminate to any degree the payment or amount of the Grant Funds provided hereunder if the DISTRICT determines, in its sole and absolute discretion, that GRANTEE did not use, or is not using, the Grant Funds for the purpose(s) awarded hereunder nor satisfying the objectives of the Grant. GRANTEE hereby expressly waives any and all claims against the DISTRICT for damages which may arise from the termination, suspension or reduction of the Grant Funds awarded hereunder by the DISTRICT. GRANTEE further agrees to immediately reimburse all Grant Funds received from DISTRICT if the DISTRICT determines that any such Grant Funds were not utilized by GRANTEE for their intended purpose.

8. OTHER FUNDING SOURCES: If requested by the DISTRICT, the GRANTEE must make information available to DISTRICT, within a reasonable period of time set by DISTRICT, pertaining to other funding sources or collaborators for the GRANTEE Program or services which receive any of the Grant Funds.

9. EVALUATION/OUTCOMES REPORTING:

GRANTEE must cooperate in efforts undertaken by DISTRICT to evaluate GRANTEE's effectiveness and use of the Grant Funds, which in some cases may include GRANTEE's participation in and compliance with on-site evaluation and grant monitoring procedures, including interviews of GRANTEE's staff by the DISTRICT, usually when Grant Funds are awarded for purposes other than to fund acquisition or upgrading of equipment.

GRANTEE must submit to DISTRICT interim reports and a final report, including narrative information and full financial accounting of the expenditure of all of the Grant Funds, according to the report schedule set forth in this Agreement. All

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GRANTEE reports shall become the property of DISTRICT. Report forms and guidelines provided by the DISTRICT, if any, must be utilized by GRANTEE, otherwise the GRANTEE's report must, at a minimum, contain the following information (if applicable):

- (i) How the Grant Funds were used, with documentation of the expenditure of Grant Funds.
- (ii) Pertinent data regarding:
 - (A) progress in achieving the objectives of the grant; and
 - (B) attainment of the goals set forth in the timetable for the use of the Grant Funds.
- (iii) The status of the Program to which Grant Funds were expended, including:
 - (A) the financial performance of the Program; and
 - (B) the availability of public and private funding or other assistance for the long-term viability of the Program; and
 - (C) the intended use of remaining Grant Funds, if any.
- (iv) A signed certification from the chief administrator or chief operations officer of the GRANTEE, certifying the accuracy of the report and certifying the GRANTEE's compliance, during the reporting period, with the terms of this Agreement.

Any payments scheduled for release subsequent to the due date of a report shall be held by DISTRICT until the report has been submitted and approved. DISTRICT in its discretion may also require an audit of the program or project which utilized Grant Funds, which may include the review of programmatic as well as financial records. The expense of any such discretionary audit undertaken by DISTRICT will be borne by DISTRICT. Any other audit(s) which may be expressly required under this Agreement, if any, shall be at the expense of the GRANTEE.

10. WRITTEN REPORT SCHEDULE: All written interim and final reports must be ma~~de~~submitted by GRANTEE to DISTRICT before the scheduled deadlines below. Failure to timely submit reports when due may be cause for immediate termination of this Agreement and thereupon any portion of the Grant Funds, which have been received by the GRANTEE, shall be returned to the DISTRICT upon the DISTRICT's request. When GRANTEE will also be presenting its report to the Board in-person, all written materials for such

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presentation must be actually received by the DISTRICT no later than noon on the Friday before the Board meeting where the presentation is to occur. Except under extraordinary circumstances, written materials (including Power Point slides) should not be submitted or shown to the DISTRICT for the first time during presentations. Reports must be approved by the governing body of the GRANTEE and must include relevant activity and information, which has not already been reported to the DISTRICT, occurring since the signing of this Agreement or the last interim report, whichever is later. The deadlines for submitting interim and final reports shall be no later than:

Interim Report(s): Quarterly (Jan. 1; Apr. 1; Jul. 1; and Oct. 1), required until the earlier of either the expenditure of all Grant Funds or the expiration of the deadline to expend all Grant Funds as specified elsewhere within this Article

Final Report: Thirty (30) business days after the earlier of either the expenditure of all Grant Funds or the expiration of the deadline to expend all Grant Funds as specified elsewhere within this Article.

11. ATTRIBUTION: GRANTEE agrees to comply with the DISTRICT's attribution requirements for the Grant Funds, which is attached hereto as **EXHIBIT C**.

12. GRANT ANNOUNCEMENTS AND PUBLICITY: Any written announcement or other publicity related to the Grant, which is prepared by GRANTEE, shall be first submitted to the Chair of the DISTRICT's governing Board for review and approval and, if prepared by the DISTRICT, shall be first submitted to the chief administrator or chief operations officer of the GRANTEE for review and approval which shall be deemed to have been issued after five business days if no written response has been provided. Any announcements and publicity must not indicate or otherwise imply in any way that the DISTRICT endorses the GRANTEE or its programs unless expressly approved by the governing body of the DISTRICT.

13. OTHER OBLIGATIONS: In authorizing the execution of this Agreement, the governing body of GRANTEE accepts legal responsibility to ensure that the Grant Funds provided by DISTRICT are allocated solely for the purpose for which the Grant was intended. GRANTEE agrees to become knowledgeable of the requirements of this Agreement and to be responsible for compliance with its terms. The parties agree that in no event shall DISTRICT be legally responsible or liable for GRANTEE's performance or failure to perform under the terms of this

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Agreement. GRANTEE agrees that DISTRICT may review, audit and/or inspect each GRANTEE Program which receives Grant Funds under this Agreement, for compliance with the terms of this Agreement. As noted in the grant application and the District's grant policies, the GRANTEE is under a continuing duty to promptly, and in no event more than ten (10) business days afterward, notify the District in writing, of each and all changes to the members of the governing body of GRANTEE and the members of the governing body of each and all of its affiliates and partners. The obligations identified in this paragraph are a material term of this Agreement.

IV. GENERAL TERMS

14. INDEPENDENT CONTRACTOR STATUS:

(a) This Agreement is entered into by both parties with the express understanding that GRANTEE will perform all activities or services required under this Agreement as an independent contractor. Nothing in this Agreement shall be construed to constitute the GRANTEE or any of its agents, employees or officers as an agent, employee or officer of DISTRICT.

(b) GRANTEE agrees to advise everyone it assigns or hires to perform any duty under this Agreement that they are not employees of DISTRICT.

(c) Notwithstanding this independent contractor relationship, DISTRICT shall have the right to monitor and evaluate the performance of GRANTEE to assure compliance with this Agreement.

15. COMPLIANCE WITH LAW: GRANTEE shall undertake all activity required hereunder in accordance with all applicable federal, state and local laws, regulations and directives including, without limitation, the Health Insurance Portability and Accountability Act (“HIPAA”) and its implementing privacy and security regulations at 45 CFR Parts 160 and 164 (the “HIPAA regulations”). With respect to GRANTEE’s employees, GRANTEE shall comply with all laws and regulations pertaining to wages and hours, state and federal income tax, unemployment insurance, Social Security, disability insurance, workers' compensation insurance and discrimination in employment. GRANTEE confirms to DISTRICT that the GRANTEE has fully complied with all applicable federal, state and local laws, regulations, rules and directives related to DISTRICT’S award of the Grant Funds to GRANTEE for use in the Program.

16. GOVERNING LAW: This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this contract is made in and shall be

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performed in the City of Kingsburg, California.

17. RECORDS AND AUDIT: GRANTEE shall maintain complete and accurate records with respect to the activities, services rendered, if any, and the costs incurred under this Agreement. In addition, GRANTEE shall maintain complete and accurate records with respect to each and all payments to employees, contractors and vendors made with any Grant Funds. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, GRANTEE shall make such records available within the City of Kingsburg, California to DISTRICT's auditor and to the same's agents and representatives, for the purpose of auditing and/or copying such records for a period of no less than five (5) years from the date of final payment under this Agreement. GRANTEE shall comply with all applicable laws and, if GRANTEE is a local public entity, shall comply with the most recent edition of the Local Government Records Management Guidelines of the California Secretary of State as applicable.

18. CONFLICT OF INTEREST:

(a) GRANTEE agrees to, at all times during the performance of this Agreement, comply with the law of the State of California regarding conflicts of interests and appearance of conflicts of interests, including, but not limited to Government Code §§ 1090 et seq., and the Political Reform Act, Government Code §§ 81000 et seq. and regulations promulgated pursuant thereto by the California Fair Political Practices Commission. The statutes, regulations and laws previously referenced include, but are not limited to, prohibitions against any public officer or employee, including GRANTEE for this purpose, from making any decision on behalf of DISTRICT in which such officer, employee or consultant/GRANTEE has a direct or indirect financial interest. A violation can occur if the public officer, employee or consultant/GRANTEE participates in or influences any DISTRICT decision which has the potential to confer any pecuniary benefit on GRANTEE or any business firm in which GRANTEE has an interest, with certain narrow exceptions.

(b) GRANTEE agrees that if any facts come to its attention which raise any questions as to the applicability of conflict-of-interest laws, it will immediately inform the DISTRICT designated representative and provide all information needed for resolution of this question.

19. INSURANCE: Prior to approval of this Agreement by DISTRICT, GRANTEE shall file with the Secretary of the DISTRICT evidence of the required insurance as set forth in **EXHIBIT D** attached.

20. INDEMNIFICATION: GRANTEE shall hold harmless, defend and

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indemnify DISTRICT, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, arising in any way from, or in connection with, the performance by GRANTEE or its agents, officers and employees under this Agreement, GRANTEE's use of any equipment funded in whole or in part under this Agreement and/or for GRANTEE's receipt and use of Grant Funds from DISTRICT. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

21. TERMINATION:

(a) Without Cause: DISTRICT will have the right to terminate this Agreement without cause by giving ten (10) business days of prior written notice of intention to terminate pursuant to this provision, specifying the date of termination.

(b) With Cause: This Agreement may be terminated by DISTRICT should the GRANTEE:

- (1) be adjudged a bankrupt, or
- (2) become insolvent or have a receiver appointed, or
- (3) make a general assignment for the benefit of creditors, or
- (4) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
- (5) materially breach this Agreement, or
- (6) material misrepresentation, either by GRANTEE or anyone acting on GRANTEE's behalf, as to any matter related in any way to DISTRICT's decision to provide Grant Funds to GRANTEE, or
- (7) other misconduct or circumstances which, in the discretion of the DISTRICT, either impairs the ability of GRANTEE to competently perform the activities and/or services (if any) funded under this Agreement, or expose the DISTRICT to an unreasonable risk of liability, or;
- (8) Upon any change of ownership of the GRANTEE which has not been approved by the DISTRICT, provided that such approval shall

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not be unreasonably withheld so long as the surviving entity agrees to satisfy the obligations of the GRANTEE under this Agreement. A "change of ownership" shall include any merger by the GRANTEE with any other person or entity, any acquisition of all or substantially all of the assets or operations of the GRANTEE or any conversion or other change in the corporate status of the GRANTEE.

Sanctions taken will be possible rejection of future proposals based on specific causes of non-performance.

(c) **Effects of Termination:** Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where GRANTEE's funding hereunder has been terminated by the DISTRICT, said termination will not affect any rights of the DISTRICT to recover damages against the GRANTEE.

(d) **Suspension of Performance:** Independent of any right to terminate this Agreement, the DISTRICT may immediately suspend performance by GRANTEE, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by GRANTEE to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

22. SUBJECT TO FUNDING: If funding for this Agreement is derived from any state or federal grant or funds, or property tax revenues, the DISTRICT reserves the right to reduce the level of funding hereunder to match reduced levels of state, federal or property funding to DISTRICT, or at the DISTRICT's option, DISTRICT may terminate this Agreement, should the funding source no longer be available or the amount be reduced.

23. NOTICES:

(a) Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

DISTRICT:

Board Chairman
**KINGSBURG TRI-COUNTY HEALTH
CARE DISTRICT**

With A Copy To:

Moses Diaz, District Counsel
**PUBLIC INTEREST LAW
FOUNDATION APC**

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1425 Marion Street
Kingsburg, California 93631
559-897-5841
559-897-8645 fax

2902 West Main Street
Visalia, California 93291
559-900-3500
559-900-3555 fax

GRANTEE:

With a Copy To:

(b) Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed to be received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

24. ASSIGNMENT/SUBCONTRACTING: Unless otherwise provided in this Agreement, DISTRICT is relying on the personal skill, expertise, training and experience of GRANTEE and GRANTEE's employees and no part of this Agreement may be assigned or subcontracted by GRANTEE without the prior written consent of DISTRICT.

25. FURTHER ASSURANCES: Each party will execute any additional documents and perform any further acts which may be reasonably required to effect the purposes of this Agreement.

26. CONSTRUCTION: This Agreement reflects the contributions of all undersigned parties and accordingly the provisions of Civil Code § 1654 shall not apply to address and interpret any alleged uncertainty or ambiguity.

27. HEADINGS: Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

28. NO THIRD-PARTY BENEFICIARIES INTENDED: Unless specifically set forth, the parties to this Agreement do not intend to provide any other person or entity, other than a party hereto, with any enforceable legal or equitable benefit, right or remedy.

29. WAIVERS: The failure of DISTRICT to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by DISTRICT

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of either performance or return of grant funds in lieu thereof shall not be considered to be a waiver of any preceding breach of the Agreement by the other GRANTEE.

30. EXHIBITS AND RECITALS: The recitals and the exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

31. CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY: This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties to be, in conflict with any code or regulation governing its subject matter, only the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the party whose material benefit(s) is adversely affected. In all other cases the remainder of the Agreement shall continue in full force and effect.

32. ENTIRE AGREEMENT REPRESENTED: This Agreement represents the entire agreement between the parties hereto as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

33. ASSURANCES OF NON-DISCRIMINATION: GRANTEE shall not discriminate in employment or in the provision of its services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

34. ATTORNEYS' FEES: If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

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GRANTEE:

APPROVED AS TO FORM:

_____, President (date) _____ General Counsel or Deputy (date)

ATTEST:

_____, Board Clerk (date)

DISTRICT:

APPROVED AS TO FORM:

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| Todd Thompson, Board President (date)

| _____ District General Counsel (date)

ATTEST:

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| Kenneth Crabb, Board Secretary (date)

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EXHIBIT A

HEALTH SERVICE OR PROGRAM EQUIPMENT TO BE GRANT FUNDED

The GRANTEE shall furnish the following services or program, or if the grant is for equipment, then GRANTEE shall either purchase or restore, rebuild or upgrade (“**upgrade**”) the following equipment used for health services or programs:

	HEALTH SERVICE OR PROGRAM, EQUIPMENT (include make, model, etc.)	DATE	COST Not to Exceed
1.			\$
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			

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EXHIBIT B SCHEDULE OF PAYMENTS

In accordance with the terms of this Agreement, the DISTRICT shall disburse the following payment(s) to the GRANTEE:

	DATE	PURPOSE	AMOUNT
1			
2			
3			
4			
5			

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EXHIBIT C GRANT ATTRIBUTION REQUIREMENTS

1. Attribution Wording

Attribution for DISTRICT-funded programs or equipment shall be as follows:
“Made possible by funding from Kingsburg Tri-County Health Care District” or
“Funded by Kingsburg Tri-County Health Care District”.

2. Written References to Particular DISTRICT-Funded Equipment

All written informational materials (excluding ordinary letters, emails, text messages and other similar correspondence), whether in hardcopy or in electronic format, such as brochures, workbooks, posters, videos, curricula, webpages or PowerPoint presentations, which depict or refer to any particular GRANTEE equipment which was acquired or upgraded with DISTRICT Grant Funds in excess of \$4,999 must include the attribution wording.

3. Promotional Materials

District attribution must also be included on promotional items such as posters, flyers, banners and other types of signage which depict or refer to any particular GRANTEE equipment which was acquired or upgraded with DISTRICT Grant Funds in excess of \$4,999.

4. Media Materials and Activities

Attribution to the District shall be included in any written informational materials distributed to the media for the purpose of publicizing a District-funded program or any particular GRANTEE equipment which was acquired or upgraded with DISTRICT Grant Funds in excess of \$4,999. This information may include news releases and advisories, public service announcements (PSAs), television and radio advertisements and calendar/event listings.

Media and publicity activities, such as news conferences, story pitching, press interviews, editorial board meetings and promotional events shall include reference to the District’s program support. As a courtesy, the District would appreciate notification of these activities at least two (2) weeks in advance, whenever possible. Please send to the District copies of any press coverage of District-funded programs.

5. Logo Usage

Use of the DISTRICT’s logo is permitted and encouraged. Logos can be provided in print and electronic formats. Logos will be provided by DISTRICT upon initial grant funding and at GRANTEE’s request thereafter. Graphic standards for logos

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shall be adhered to as provided by DISTRICT. Requests for logo should be directed to the administration office of the DISTRICT.

6. Photograph Consent

GRANTEE must permit photography of DISTRICT-funded programs or equipment to be taken by any DISTRICT-designated photographer at DISTRICT's expense, and consents to usage of such photographs on DISTRICT's website and other materials designed to inform and educate the public about the DISTRICT.

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EXHIBIT D INSURANCE REQUIREMENTS

GRANTEE must provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, performance of the Agreement by the GRANTEE, its agents, representatives, employees or subcontractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Coverage at least as broad as Commercial General Liability Insurance of one million dollars (\$1,000,000) combined single limit per occurrence. If the annual aggregate applies it must be no less than two million dollars (\$2,000,000).
2. Comprehensive Automobile Liability Insurance (if applicable) of \$1,000,000 per occurrence.
3. Workers' Compensation and Employer's Liability Insurance as required by law.
4. Professional Errors and Omissions Insurance of \$1,000,000 (unless expressly waived by DISTRICT's Risk Manager).
5. Work and Materials Insurance (if applicable).
 - a. For up to twenty-five thousand dollars (\$25,000) for any loss on contracts for remodeling, renovation, alterations or maintenance of existing buildings.
 - b. For 100% of the contract value for all bridge construction and new construction up to two hundred thousand dollars (\$250,000). See District Manager for construction over \$250,000.

B. Specific Provisions of the Certificate

1. The Certificate of Insurance for General Liability, Comprehensive Automobile Liability Insurance and Professional Errors and Omissions Insurance must satisfy the following requirements:
 - a. Name the DISTRICT, its officers, agents, employees and volunteers, individually and collectively, as additional insureds.

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b. State that such Insurance for additional insureds shall apply as primary insurance and any other insurance maintained by DISTRICT shall be excess.

c. Provide that coverage shall not be suspended, voided, canceled, reduced in coverage, or otherwise materially changed except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the DISTRICT.

2. The Certificate of Insurance for Workers Compensation, must include the following waiver of subrogation:

a. Waiver of Subrogation: “[GRANTEE] waives all rights against the DISTRICT and its agents, officers, and employees for recovery of damages to the extent such damages are covered by the workers’ compensation and employer’s liability insurance.”

C. Deductibles and Self-Insured Retentions

The DISTRICT’s District Manager must approve in writing any deductible or self-insured retention that exceeds one hundred thousand dollars (\$100,000).

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A (-) from a company admitted to do business in California, any waiver of these standards are subject to approval by the DISTRICT or its District Manager or designee.

E. Verification of Coverage

Prior to approval of the agreement for this Project by the DISTRICT, the GRANTEE shall file with the Board Secretary, certificates of insurance with original endorsements effecting coverage in a form acceptable to the DISTRICT. The DISTRICT reserves the right to require certified copies of all required insurance policies at any time.