



GRANT

HANDBOOK

FISCAL YEAR 2022
July 1, 2021 - June 30, 2022



DIVERSIFYING OUR ECONOMY.
STRENGTHENING OUR COMMUNITY.
PROTECTING OUR RESOURCES.

APPLICATION DEADLINE:

MAY 31, 2021 BY 4PM

LINE ITEM AND PROVISOS

JULY 1, 2021 BY 4PM





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The Mayor’s Office of Economic Development provides grants for programs, projects, and events for a wide range of activities that will provide positive economic impact within the County of Maui. Grants funds can be awarded to both non-profit and for-profit organizations.

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I. INTRODUCTION TO THE OED GRANT PROGRAM

WHAT YOU NEED TO KNOW

REIMBURSABLE GRANT

This is a reimbursable grant program and payments shall be made as the work is performed (invoices are accepted once a month).

PUBLIC DOCUMENTS

Documents submitted with this grant application during the performance period will become public documents and are subject to the Uniform Information Practices Act.

GENERAL LIABILITY INSURANCE

Must be maintained for the duration of the grant period at no less than a Combined Single Limit (“CSL”) of liability coverage of \$1,000,000; no erosion of limit by payment of defense costs; and minimum annual aggregate limit of \$2,000,000.



GRANT EXTENSIONS

Only will be allowed in exceptional circumstances and must be requested in writing 60 days prior to the end of your performance period.

ELIGIBLE PROJECTS

The Office of Economic Development (OED) provides grants for programs, projects, and events that promote and nurture sustainable economic development within Maui County consistent with the community’s needs and priorities. Projects must show a direct benefit to Maui’s economy through activities in priority target areas including culture, environment, agriculture, technology, visitor industry, energy, and the arts. Specific criteria include overall benefit to the people of Maui County, population served, and impact to Maui communities. These funds are intended to be a catalyst for economic growth and capacity building of local organizations towards economic self-sufficiency: not for long term dependence on County funding.

WHO MAY APPLY

Eligible applicants include for-profit organizations incorporated under the laws of the State of Hawaii, or non-profit organizations determined to be exempt from federal income tax by the Internal Revenue Service. All applicants must be in good standing with the State and Federal government and provide required documents including a certificate of vendor compliance, DCCA annual filing, IRS W-9, current financial statement, list of current Board of Directors, corporate resolution, and certificate of liability insurance.

LINE ITEM PROVISO

A Line Item or Proviso is an appropriation set forth by the Maui County Council in the Fiscal Year Budget specifically for an organization and/or project. For Line Item Proviso applicants:

Final deadline to submit grant application and supporting documents	May 31, 2021 by 4PM
Line items and proviso’s	July 1, 2021 by 4PM



II. REQUIRED DOCUMENTS

Applicants must produce the following documents to attach to the Grant Application Form. Find examples of the documents in this handbook.

1. CERTIFICATE OF VENDOR COMPLIANCE (DATED WITHIN 2 MONTHS)

To obtain this form, visit [Hawaii Compliance Express \(HCE\) online at vendors.ehawaii.gov](http://Hawaii Compliance Express (HCE) online at vendors.ehawaii.gov).

Under Hawaii law, you must provide proof of compliance in order to receive a contract greater than \$2,500 with state and county government entities in Hawaii. HCE is an electronic system that allows vendors doing business with state or county agencies to quickly and easily obtain proof that they are compliant with applicable laws. With a subscription fee, registered HCE vendors receive a full year of service, automatic email notifications of status changes, and unlimited access by state and county government entities to print certificates for use. If the vendor is not compliant, the vendor is responsible to contact the respective department to resolve the issue.

2. CURRENT DCCA ANNUAL FILING

Go to: hbe.ehawaii.gov

A. Current listing of Board of Directors

Submit listing of current Board of Directors if different from DCCA filing.

B. Corporate Resolution

A Corporate Resolution is required to indicate the applicant's representatives who are authorized to sign contracts for the grantee. A Corporate Resolution is not necessary if the State's DCCA filing indicates the applicant's Officers and Board of Directors, and both an Officer and Director sign the grant document. See next

3. IRS W-9 FORM

Go to: irs.gov/pub/irs-pdf/fw9.pdf

4. CURRENT FINANCIAL STATEMENT

Submit your most recent financial statement (12-month profit & loss and balance sheet for the grantee). In the event that the grantee is the fiscal agent, the financial statements and balance sheets should include those of the sub recipient. OED reserves the right to request an audited financial statement prepared by a Certified Public Accountant (CPA).

5. BYLAWS OF POLICIES WHICH DESCRIBE THE MANNER IN WHICH BUSINESS IS CONDUCTED.

Your bylaws must describe the manner in which business is conducted. Such bylaws shall include provisions relating to nepotism and management of potential conflict of interest situations.



QUICK TIP

The NAME of the applicant/fiscal agent must be CONSISTENT IN ALL DOCUMENTS.



SAMPLE CORPORATE RESOLUTION

You may use your organization's letterhead. This document is required to indicate the applicant's representatives who are authorized to sign contracts for the grantee. A Corporate Resolution is not necessary if the State's DCCA filing indicates the applicant's Officers and Board of Directors, and both an Officer and Director sign the grant document.

CORPORATE RESOLUTION

I, Jane Dee, Secretary of Aloha Organization do hereby certify that the following is a full true and correct copy of a resolution duly adopted by the Board of Directors of said Corporation at its meeting duly called at 123 Sample Street, Wailuku HI 96793, on the 7th of April, 2020, at which quorum was present and acting throughout; and that said resolution has not been modified, amended or rescinded and continues in full force and effect.

RESOLVED that John Doe, holding position of President, is hereby authorized to execute on behalf of the Corporation any bid, proposal or contract for services performed by the Corporation, and to execute any bond required by any such bid, proposal or contract with the State of Hawaii or County or any department or sub-division of any of them. This Corporate Resolution follows the organization's By Laws in respect to signing authority.

IN WITNESS WHEREOF, I have here unto set my hand and affixed the corporation seal this 8th of April, 2020.

Jane Doe

Jane Doe, Secretary



REQUIRED DOCUMENTS (CONTINUED)

5. PROOF OF LIABILITY INSURANCE

A Certificate of Insurance is NOT required at the time of application submission, but the applicant must secure one prior to performing any grant activity. Upon confirmation of OED funding, a certificate of insurance is required to execute a grant agreement.

A. The Certificate of Insurance, shall be evidenced by issuance of a “policy

endorsement” which shall specify in exact language: “Grant # The County of Maui, It’s Departments, Agencies, Officers, Directors, Employees and Agents are named as additional insured. No erosion of limit by payment of defense costs.”

B. The insurance policy shall contain the following requirements:

- No less than a Combined Single Limit (“CSL”) of liability coverage of \$1,000,000;
- No erosion of limit by payment of defense costs;
- Minimum annual aggregate limit of \$2,000,000;

C. Non-compliant certificates will delay approval of grant and may jeopardize grant

funding. Compliant insurance must be obtained, and the Certificate of Insurance must contain the exact language provided above.



IMPORTANT: MAIL HARDCOPY

Include a scanned copy of your Certificate of Insurance in your grant application packet, or send a hardcopy to:

**County of Maui, c/o OED
2200 Main Street Ste. 305
Wailuku, HI 96793**

6. GRANT APPLICATION FORM (“EXHIBIT B”)

This form provides basic information from the applicant, general purpose and objectives of your application, and a checklist of the required documents. Here are some guidelines for completing the Grant Application Form.

A. Application/Fiscal Agent Information - This is the legal entity that is applying for the grant. All paperwork shall be for the organization listed in this section.

B. Project/Program/Event Information - Create a title and brief summary on the intended purpose of the grant.

C. Hawaii Tourism Authority (HTA) and other County Funding - Other sources of funding may affect your application or trigger other requirements.

D. Grant Application Certification - Signatures should match the applicant’s DCCA filing or individuals identified in its Corporate Resolution.

E. Proposal Narrative - Provide brief answers to each question.



PROPOSAL NARRATIVE GUIDELINES

Use clear, plain and concise language when completing the narratives.

1. INTRODUCTION

Include background information about the applicant, organization's mission, and ability to accomplish this project. List the organizers who will be executing the program and include descriptions of their experience and qualifications. Include reasonableness of personnel classification and compensation plans, if the application includes funding for personnel costs.

2. PROJECT DESCRIPTION

Your project summary should include implementation dates, public purpose(s), objectives intended to be achieved, target populations, activities and services to be performed, events, what will be provided, and how it benefits Maui County. Performance Measure Examples As every application is unique, use measures that are applicable to you. Below are some examples:

3. PROBLEM/NEED TARGET GROUPS

Provide justification for the request. Define and quantify the economic problems and needs to be addressed, and the geographic areas and populations to be served. Explain how the request will maintain or expand an existing program or establish a new one. Explain the efficiency and effectiveness of the proposed grant in achieving the intended objectives, compared with other alternatives. Please be very specific.

4. ECONOMIC IMPACT

Describe how your project will increase your organization's capacity by either expanding an existing business and/or by creating new jobs. Explain how this project will benefit Maui's economy, and answer the question "Why should Maui County taxpayers fund this project?"

5.A GOALS & OBJECTIVES

Goals are the end results you want to achieve. Objectives are the means to get you there, via specific action steps. Objectives should be SMART: Specific, Measurable, Action-oriented. Realistic, and Timely. You should have a minimum of two objectives with detailed action steps for accomplishing the program plan. Then list performance measures for each objective that indicate how you will assess your outcome. (Please attach additional objectives and action steps as needed.)



5.B PERFORMANCE MEASURES

A sample dashboard of performance measures is included in the form. Projects and programs that have received funding for multiple years from OED should include past performance indicators under this section and should anticipate future reporting requirements. Aligning these performance measures allows OED to track your progress over the years for future funding justification.

<ul style="list-style-type: none"> • Partnerships - Who, how many, value of services or community involvement. 	<ul style="list-style-type: none"> • Sponsorships - Cash value and in-kind support raised 	<ul style="list-style-type: none"> • Vendor participants and retail sales - # of participants and total profits from sales
<ul style="list-style-type: none"> • Visitor and resident industry - Number of attendance, estimated monetary spending 	<ul style="list-style-type: none"> • Economic impact to Maui County - Total funds earned at vendor booths, visitor spending estimate 	<ul style="list-style-type: none"> • Survey of area merchants - For community events, surrounding merchants may experience increased business. Note percentage rise or total profits.
<ul style="list-style-type: none"> • Event Survey - Attendee satisfaction compiled by surveys, number of events or workshops 	<ul style="list-style-type: none"> • Environmental or educational impact - Number of conservation efforts, site cleanups, public outreach, and volunteers 	<ul style="list-style-type: none"> • Increased membership in your organization
<ul style="list-style-type: none"> • Product development - Focus group ratings for a new or improved product 	<ul style="list-style-type: none"> • Jobs created - List permanent position(s), salary range if possible 	<ul style="list-style-type: none"> • Cash revenue generated outside of grant
<ul style="list-style-type: none"> • Marketing - Circulation figures or press exposure on event, include PR samples with final report and or social media analytics 	<ul style="list-style-type: none"> • Benefits to a key economic niche - Specify how the program upholds or increases value in a specific industry such as agriculture, environment, film, etc. 	<ul style="list-style-type: none"> • Quantitative

6. MARKETING PLAN

Provide a marketing plan for your project, including the use of local resources. If applicable, consider print, tv, radio, social media, online ads, and other creative options.

7. OTHER FUNDING RESOURCES

Provide examples of planned fundraising activities, prospective funding sources to be solicited and any ongoing efforts to secure or retain other funding for the project.

8. ECONOMIC SELF-SUFFICIENCY

How do you expect your project to become economically self-sufficient in the future? Describe how you would accomplish this including a detailed timeline and ways you will generate revenue, or leverage the County funding with this project/program.



9. GREEN INITIATIVES & ECO-FRIENDLY PRACTICES

Explain how you will use resources efficiently, create sustainability and be eco-friendly while executing your project. Examples of eco-friendly practices include:

COUNTY How County funds will be allocated. OTHER CASH How all other revenue sources are allocated, excluding County funds and In-Kind sources.

- **Paperless initiatives**

Online invitations, social media, online registration options, limiting paper handouts, utilizing digital options
Eco-friendly materials Use of recycled paper for print materials, biodegradable products, reusable or plant-based decorations

- **Locally sourced food and beverage**

Practices that help reduce carbon footprint, use of alternatives to plastic water bottles and plastic straws and utensils

- **Green promotion during program**

Providing recycling bins, encouragement to opt for greener options with waste management

- **Travel and venue**

Use of group transportation, choice of venue with sustainable utilities

IN-KIND Goods, services and transactions not involving money or not measured in monetary terms and are donated.



10. HEALTH AND SAFETY PROTOCOLS

The County of Maui is committed to encouraging mitigation measures to combat potential health risks associated with COVID-19. Indicate what health and safety protocols you will be implementing for your event and/or project.

- **Provide a SOCIAL DISTANCE MAP of your event/production area.**
 - This map will be reviewed by the County of Maui to determine occupancy. Current physical distancing requirement is 6 feet.
- **Ensure key safety standards for employees and participants:**
 - All staff and guests are required to wear appropriate PPE including face masks.
 - Face masks will be provided to individuals who forget or wear the wrong type of face covering.
 - Event staff/volunteers will monitor each entry and the event premises to remind vendors/attendees of social distancing requirements and to ensure everyone is wearing a mask.
 - Staff and guests are subject to temperature checks, as appropriate.
 - Physical distancing markers located at event site, if needed.
 - If providing tents/booths, leave a 12' space between each vendor.
- **Implement disinfection protocols:**
 - Multiple hand washing stations/hand sanitizers placed strategically throughout the venue.
 - Clean and disinfect frequently touched surfaces, bathrooms and widely used areas.
 - If providing tents/booths, leave a 12' space between each vendor.
 - All food trucks/vendors will be required to wear face masks and gloves. This is a State of Hawaii Department of Health requirement.
- **Reinforce safety and hygiene best practices:**
 - Placement of signage at event entry points stating event's COVID-19 health and safety protocols, including face masks and 6 feet social distancing required.
 - Event health and safety guidelines will be communicated on event's website, social media, and other promotional materials.



11. ITEMIZED PROJECT BUDGET & NARRATIVE

Use the fillable form or download an excel template on mauicounty.gov/OED to provide complete income and expenses for the entire project/program.

BUDGET COLUMNS A TO F

There are (6) six required budget columns.

A. INCOME AND EXPENSE DESCRIPTION

a. Income Description: Contributions must be added to the appropriate column. Please include organizational cash, sponsorships, any expected ticket and/or product sales, vendor fees, and "In-Kind" support.

Total Income: All columns should add up correctly from top to bottom and left to right in the total amount cells

b. Expense Description: Expenses should be broken down into administrative, operating, marketing, and other expenses. All expenses must be directly related to the proposed project/program. All grantees are required to carry an insurance policy that meets County minimum requirements. Make sure to include this expense in your budget.

• Operating Expenses

Equipment Rental, Security, Facility Rental, Postage, Printing, Products, Entertainment, Shipping, Supplies Materials, Travel, Insurance

• Marketing & Advertising Expenses

Promotional Items, Website Development, Posters, Brochures, Public Relations, Electronic Media

• Administrative Expenses

Personnel, Fringe

• Other

Indirect Costs

B. COUNTY

How county funds will be allocated

C. OTHER CASH

How all other revenue sources are allocated, excluding County funds and in-kind sources.

D. IN-KIND

Goods, services and transactions not involving money or not measured in monetary terms and are donated.

If your nonprofit receives an in-kind gift, you must record it as revenue using the fair value of the gift and noting the date of receipt. Fair value is the price that you'd receive to sell an asset or be paid to transfer a liability. You can determine the worth of a gift, or corroborate the value suggested by the donor in a number of ways. For example, you can check the price on the open market, obtain quotes from competitors, or determine the average cost of the skill level needed for the donated service. Once you choose a valuation method, apply it consistently and disclose it within your financial statements.

E. TOTALS

Horizontal sum of itemized numbers to the left.

F. NARRATIVE

Please provide descriptions for each of the OED budget line items. The narrative should demonstrate your organization's financial understanding of the project expenses and revenue. Keep in mind that the Budget Narrative can be a very useful tool in giving justifications for certain upcoming expenses and can help reduce the "burden of proof" if well-documented.



EXAMPLE OF ITEMIZED BUDGET & NARRATIVE

APPLICANT/FISCAL AGENT: ALOHA ORGANIZATION

PROJECT/PROGRAM MANAGER: ALOHA MELE UKULELE FESTIVAL FY21

ITEMIZED BUDGET AND NARRATIVE: *Please list all sources of income and expense for this project; then describe each line item in Narrative form to your right.*

INCOME DESCRIPTION	COUNTY	OTHER CASH	IN KIND	TOTAL	NARRATIVE <i>maximum two lines</i>
Residual Monies Fy20		110		110	Net profit from fy20 carry forward (fy21 is second year of event)
Donations		1010		1010	Projected amount of private donations based on fy 20 festival donations
Ticket Sales		8400		8400	Project 560 attendees at \$15.00 Per ticket for event on october 1, 2020
In-Kind Donations			6300	6300	Silent auction donations, donation of light pupus and donation of entertainment.
County Grant Fy 21	18000			18000	County grant request fy21 performance period july 1, 2020 - june 30, 2021
TOTAL INCOME	18,000	9,520	6,300	33,820	
EXPENSE DESCRIPTION	COUNTY	OTHER CASH	IN KIND	TOTAL	NARRATIVE <i>maximum two lines</i>
ADMINISTRATION					
Event Coordinator	2,400			2,400	Event Coordinator 80 Hrs @ \$30 per Hour
Program Manager	1,750			1,750	Program Manager for Event 70 Hrs \$25 per Hour
Event Setup	800			800	2 Event Set up Crew for 20Hrs \$20 per Hour on Day of Event
OPERATIONS <i>includes contracted work</i>					
Facility Rental	900	2,850		3750	Rental of Bailey House Museum Grounds for Event: Oct 1, 2020
Sound System		500		500	Sound System setup for event on Oct 1, 2020
Event Insurance	850			850	Event Insurance with Comfort Insurance Co - County of Maui Named as Addtl insured
Entertainment		3,550		3,550	Jake S Main Event Entertainer @ \$2,650 & 10 Youth Performers for 2 Hours @25 per Hour
Supplies	350	970	50	1370	Tablecloths, papergoods, tickets, office supplies
Refreshments		1,000	5,600	6600	Purchase of water/juice and inkind donations from local restaurants in support of event
MARKETING					
Maui News	7,200			7,200	Two Sunday ads for \$2,750 per ad and two Wednesday ads @ \$850 per ad
Facebook Boosts	1,250			1,250	50 Facebook boosts for \$25 per boost (2per month, 26 boots in Aug and Sept)
Posters & Flyers		650	650	1,300	Printing by ACME Printing (\$850 paid and \$850 in-kind donation)
OTHER					
Fiscal Sponsor Fee	2,500			2,500	General Administration of event to Fiscal Sponsor
TOTAL EXPENSE	18,000	9,520	6,300	33,820	

Total Expenses: All columns should add up correctly from top to bottom and left to right in the total amount cells



EXAMPLE OF ITEMIZED BUDGET & NARRATIVE (CONTINUED)

PERSONNEL

If this grant is paying for a staff position, explain your organization's process for recruitment to fill the position (i.e. preference given to Maui County and/or State of Hawaii residents) and process of evaluation for the performance of positions paid with County funding. Grantee shall not compensate its employees more than the State of Hawaii prevailing wages for employees with similar skills and abilities. Grantee shall not pay any commissions, bonuses or similar to its employees.

EQUIPMENT:

Defined as relatively permanent in nature with an expected useful life of more than one year and a unit cost that meets or exceeds \$2,000. If this grant is paying for equipment, please explain how the equipment will be maintained and secured. Also make a case on why this equipment purchase would be more cost-effective than renting or contracting out the work.



REALLOCATION OF FUNDS

If you anticipate varying from this application budget, you must submit a "Request for Budget Reallocation Form". If the reallocation is not approved prior to the use of County funds you will not be reimbursed for those expenses. Your request for Budget Reallocation should not change the scope of your grant.



III. EVALUATION

PROPOSAL EVALUATION

All grant applications will be reviewed by the Grants Evaluation Committee. The Committee members will be provided with all the necessary forms and reports originally provided and updated by the applicant. They will be instructed on how to analyze, evaluate and review grant applications. The Committee will discuss with OED the merits of each application to determine an appropriate grant funding award. Past performance of grant compliance, reporting, and invoicing may also be discussed when considering future funding and level of support.

The Grants Evaluation Committee will use the following criteria with the maximum points achievable:

Introduction	5
Project Description	20
Problem/Need Target Group	10
Economic Impact	10
Goals, Objectives, Action Steps & Performance Measures	20
Marketing Plan	5
Marketing Plan Use of Local and Community Resources	+ points
Economic Self Sufficiency	10
Green Initiatives and Eco-Friendly Practices	+ points
Budget and Narrative	20
Total	100 pts



TALK TO AN OED SPECIALIST

Scheduling a consultation meeting with an OED specialist prior to grant submission is encouraged, but individual lobbying of the members serving on the Grants Evaluation Committee is improper and could jeopardize award of your grant.

 (808) 270-7710

 grants.OED@mauicounty.gov

 www.mauicounty.gov/oed

GRANT PERFORMANCE AND EVALUATION

Quarterly Reports:

Grantee shall provide the County with written Quarterly status reports within 30 days of the close of each quarter. This includes a summary of the work completed during each reporting period. Quarterly Reports should provide a summary of program status in relation to goals, objectives and scheduled action steps outlined in the grant application; Progress in meeting performance standards; Numbers and descriptions of people or businesses served; Any major adjustments that have been necessary or will be proposed; Past and/or future marketing and/or public outreach efforts; Next major steps for this project; Describe how the funds allocated for this project were used during this reporting period; Efforts towards economic self-sufficiency: Financial status reports of County funds used and funds remaining. Template provided on mauicounty.gov/OED

Site Visit and Project Evaluation:

During the duration of your project, an OED representative may schedule a site visit and perform a project evaluation.

Final Report:

Grantee shall provide a final project report within 30 days of the expiration of the performance period covered by this grant award or the completion of the program/project, whichever comes first. Final reports must include a financial section, evaluation section, and other information as requested by County. Template provided on mauicounty.gov/OED



IV. GENERAL TERMS AND CONDITIONS

In consideration of the grant of County funds. Grantee covenants and agrees to the following terms and conditions in the use and administration of County funds. In the event the following conditions conflict with any term, provision, condition and/or covenant contained in the body of the Agreement and any subsequent amendments, the terms, provisions, conditions and/or covenants contained in said body shall prevail.

1) RECORD KEEPING. Grantee shall keep records and prepare reports, including detailed, separate financial records relating to all grant funds received from the County. All accounts shall be prepared and maintained according to generally accepted accounting principles and as otherwise provided by law to ensure the effective administration of the grant. Grantee shall maintain such accounts and documents in a manner as to permit an expeditious determination to be made at any time of the status of funds within the award, including any disposition of all funds received from County and the nature and amount of all charges claimed to be against such funds. To facilitate the auditing process, Grantee's general ledger shall be organized to reflect the separation of County grant funds and expenses from other funds of the Grantee. Grantee shall maintain in its files, at all times, documentation certifying that the work described in any invoices, executed contracts or reimbursement requests submitted to the County are complete, correct, and in accordance with the terms of this Agreement. Grantee and any subcontractors shall maintain the files, books, and records that relate to the Grant, for at least three years after the date of final payment under the Grant.

2) QUARTERLY REPORTS. Grantee shall provide County with written, narrative, quarterly status reports within thirty (30) calendar days of the end of each report quarter (excluding the final quarter). These reports shall contain the following information:

- a. Summary of program status in relation to goals, objectives and scheduled actions steps outlined in the grant application;
- b. Contact information and all other relevant information regarding people or businesses served;
- c. Financial status of County funds used; and
- d. If appropriate, a report regarding progress towards meeting performance standards and economic self-sufficiency.

3) FINAL REPORT. Within 30 (thirty) days of the expiration of the Performance Schedule or completion of the Project, or termination of the Agreement, whichever is sooner, Grantee shall submit to County a final project report, in a form satisfactory to the County agency administering this grant. This report shall document Grantee's efforts toward meeting the requirements of this Agreement, and contain the following:

- a. An inventory of all equipment costing \$250.00 or more acquired with funds provided under this Agreement;
- b. A list of expenditures incurred in the performance of this Agreement;
- c. A summary of program status in relation to goals, objectives, and scheduled action steps outlined in the grant application;
- d. Contact information and all other relevant information regarding people or businesses served;
- e. Financial status report of County funds used; and
- f. If appropriate, a narrative report regarding progress towards meeting performance standards and economic self-sufficiency.

4) FINANCIAL AUDITS. Grantee shall supply County with a copy of its annual financial statements that shall be prepared by a Certified Public Accountant. Grantee shall allow County to audit Grantee's records, report books, and other financial records upon request of County to determine compliance with the terms of this Agreement. Grantee shall cooperate fully and assist County in such an audit.

5) NONPROFIT STATUS. If Grantee is a nonprofit organization, Grantee shall establish and be governed by bylaws or policies that shall include provisions relating to nepotism and management of potential conflict of interest situations, as required by Section 3.36.040(c), Maui County Code.

6) INSURANCE. During the term of this Agreement, Grantee shall maintain at all times or cause to be maintained commercial general liability insurance coverage for Grantee and its employees. The insurance policies shall be issued by a company or companies authorized to do business in Hawaii and approved by the County, with combined single limits of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and TWO MILLION DOLLARS (\$2,000,000) in the aggregate for, or such greater amount as may be required from time to time by the County. The insurance policies shall provide for "NO EROSION OF LIMIT BY PAYMENT OF DEFENSE COSTS." Grantee shall provide County not less than thirty (30) days' notice prior to any cancellation or material change or reduction in coverage. No such material change or reduction may be made without approval from the County. The County shall be listed as an additional insured on all policies. Prior to the commencement of this Agreement, Grantee shall provide the County with a certificate of insurance. Thereafter, prior to the expiration of each policy period, Grantee shall provide the County with certificates of insurance evidencing the foregoing coverage and provisions. The County reserves the right to request and receive a copy of the policies. Grantee shall also carry workers' compensation insurance for Grantee's employees in the amounts required by applicable law. Failure to maintain the necessary insurance in accordance with the provisions set forth herein shall constitute a material breach of this Agreement and the County shall thereafter have the options of pursuing remedies for such breach and/or immediate termination of this Agreement.

Other Insurance Provisions. For any claims related to this Agreement, Grantee's insurance coverage shall be primary insurance as respects County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, and volunteers shall be excess of Grantee's insurance and shall not contribute with it. The submission of insurance documentation to and acceptance by County that does not meet the requirements herein shall not be considered a waiver of Grantee's obligations or County's rights under the terms of this Agreement.

7) INDEMNIFICATION. To the extent permitted by law, Grantee shall indemnify, defend, release, and hold harmless the County, its officers, agents, and employees from and against any and all manner of action and claim arising, either directly or indirectly, out of or resulting from the errors, omissions, or acts of Grantee, its officers, its employees, or its agents occurring during, or in connection with, the performance of the Grantee's services under this Agreement. The Grantee's obligations under this section shall survive and shall continue to be binding upon Grantee notwithstanding the expiration, termination or surrender of this Agreement.

8) SUBCONTRACTS. The Grantee shall not procure or subcontract any part of the services under this Agreement without the prior written consent of the County. All subcontracts entered into by the Grantee shall be in writing.



GENERAL TERMS AND CONDITIONS (CONTINUED)

9) EMPLOYEE COMPENSATION. Grantee shall not compensate its employees more than the wages then prevailing in the State of Hawaii for employees with similar skills and abilities. Grantee shall not pay any commissions, bonuses or similar to its employees.

10) COUNTY RECOGNITION. Grantee shall give the County and State of Hawaii, if applicable, appropriate recognition in all grant-funded programs and printed materials. All such printed materials must be approved by the County prior to printing and/or use.

11) GRANTEE COMPLIANCE. Grantee shall strictly comply with its articles of incorporation and/or bylaws and all relevant County, State and Federal rules and regulations concerning Grantee's policies and operations.

12) NO DISCRIMINATION. Grantee shall not discriminate in the hiring of staff, compensation, terms or conditions of employment of individuals, use of volunteers, or delivery of client services on the basis of sex, sexual orientation, national origin, age, race, color, religion or disability. Grantee shall comply with all applicable Federal and State laws prohibiting discrimination.

13) MODIFICATION OF AGREEMENT. Any modification, alteration or change to this Agreement, including, but not limited to, modification of the services to be performed, modification of the scope of services to be performed, extension of time of performance, or changes to the approved budget, shall be made by written supplemental Agreements executed by the County and Grantee.

14) DEFAULT, SUSPENSION, OR TERMINATION OF AGREEMENT.

Grantee shall be deemed to be in default of the Agreement if:

- a. Any of Grantee's representations or warranties made to the County with respect to this Grant shall have been false in any material aspect when made;
- b. Grantee fails to faithfully and timely perform any of the promises, terms, or conditions of this Agreement;
- c. Grantee abandons or discontinues its operations for a period in excess of thirty (30) days; or
- d. Grantee (i) files a petition in bankruptcy, reorganization, or similar proceedings under the bankruptcy laws of the United States, (ii) has filed against it a petition in bankruptcy, reorganization, or similar proceedings under the bankruptcy laws of the United States which petition is not dismissed within sixty (60) Days, (iii) is adjudicated bankrupt under the bankruptcy laws of the United States, (iv) has a receiver, permanent or temporary, appointed for it by a court of competent jurisdiction, (v) requests the appointment of a receiver; (vi) makes a general assignment for the benefit of creditors, (vii) has its bank accounts, property or receivables attached and such attachment proceedings are not dismissed within sixty (60) Days, or (viii) is dissolved or liquidated.

Should the default or noncompliance continue for thirty (30) days after written notice thereof is delivered to Grantee or mailed to its last known address, County may, at its sole discretion:

- a. Suspend or terminate, wholly or partially, this Agreement by giving written notice to the Grantee of such suspension or termination;
- b. Withhold grant fund payments pending correction of the noncompliance;
- c. Disallow all or part of the cost/expense of the activity or action not in compliance;
- d. Withhold additional award(s) to Grantee; and
- e. Terminate this Agreement without service or notice or legal process and without prejudice to any other remedy or right of action for breach of contract.

Further, the County may suspend or terminate this Agreement without

cause by giving written notice to the Grantee thirty (30) calendar days before the effective date of such suspension or termination. Upon termination of this Agreement, all finished or unfinished documents, data, studies, and reports purchased or prepared by the Grantee pursuant to this Agreement shall be transferred to the County.

15) COSTS INCURRED DUE TO SUSPENSION OR TERMINATION.

The County shall not reimburse the Grantee for any costs incurred by the Grantee during suspension or after termination of this Agreement unless the County authorizes such costs in the Notice of Suspension or Termination issued to the Grantee.

16) WITHHOLDING OF PAYMENTS. County may withhold any and all payments to Grantee if the costs set forth in a reimbursement request are, in the County's determination, unreasonable, or if Grantee fails to comply with the terms of this Agreement in any manner whatsoever.

17) PROSELYTIZATION PROHIBITED. Grant funds shall not be used to recruit or convert a person to a new faith, institution, or cause.

18) ENTERTAINMENT OR PERQUISITES PROHIBITED. Grantee shall not use any grant funds for purposes of entertainment or perquisites. For purposes of this Agreement, "perquisites" means a privilege provided or service rendered by Grantee to an employee, officer, director, or member of Grantee to reduce that individual's personal expenses.

19) LOBBYING PROHIBITED. Grantee shall not use grant funds for lobbying purposes or activities.

20) REVERSION OF ASSETS. The Grantee is prohibited from disposing any real or personal property acquired with County funds received under this Agreement, without first receiving prior written consent of the County. Should the Grantee cease to use any real or personal property acquired with County funds for the purposes described in this Agreement, the Grantee shall either:

- a. Pay the County the current fair market value of the asset; or
- b. Transfer control of the asset to the County.

Unless instructed otherwise by the County in writing, within thirty (30) days of the expiration or termination of this Agreement, the Grantee shall transfer to the County:

- a. Any County funds on hand at the time of expiration or termination of this Agreement;
- b. Any account receivables attributed to the use of County funds; and
- c. Any real and/or personal property acquired or improved in whole or in part with County funds.

21) PRODUCTION OF INFORMATION. If applicable, Grantee shall comply with all requests of the State of Hawaii for information and reports regarding the project and Grantee's operations.

22) COMPLIANCE WITH LAWS. Grantee shall comply with all applicable Federal, State and County laws, rules, regulations, licensing requirements, applicable accreditation and other standards of quality generally accepted in the field of Grantee's activities.

23) METHOD OF PAYMENT. Disbursements shall be made in accordance with the purposes of the Grant, at the sole discretion of the Officer-in-Charge.

a. **REIMBURSEMENT.** Grantee shall submit on its company/agency's letterhead written reimbursement requests to the County for payment of grant funds. Payment shall be made as work is performed and the required invoices, billing statements, or other documents are submitted. Each reimbursement request shall:

1. Identify the Project, the nature of the work or materials provided, and



GENERAL TERMS AND CONDITIONS (CONTINUED)

the specific Phase of the Project for which the work or materials were provided;

2. Be signed by an authorized representative of Grantee as to its accuracy and verified by a designated County official;
3. Include a certification by Grantee that the work for which payment is requested was performed in accordance with the terms of this Agreement;
4. Include copies of receipts, canceled checks, certified payroll records for the applicable time period or phase for which payment is requested, vendor Agreements, and/or other documents providing verification of work completed in accordance with this Agreement; and
5. Be presented in duplicate, with two (2) complete sets of all items submitted.

The County will reserve 10% of the grant award as a final payment. Final payment on this Agreement shall be available upon completion of Grantee's program, receipt by County of a final report which County finds to be acceptable, and if applicable receipt of a certified copy of a State of Hawaii Tax Clearance Certificate for the Grantee validated by the State of Hawaii Department of Taxation and the Internal Revenue Service or other forms of documentation that meet the requirements of County policy and are deemed acceptable by County.

b. ADVANCED DISBURSEMENT. At the discretion of the Officer-in-Charge, advance disbursement of twenty-five (25) percent or more of grant funds may be issued to Grantee. Such advanced disbursements must be directly related to the Program, and Grantee shall submit on its company/agency's letterhead written documentation to the County for expenditure of such funds, in accordance with subsection (a), above, within 30 days of such advance disbursement(s).

If advance disbursement totals less than ninety (90) percent of the total grant funds, the County will reserve 10% of the grant award as a final payment. Final payment on this Agreement shall be available upon completion of Grantee's program, receipt by County of a final report which County finds to be acceptable, and if applicable receipt of a certified copy of a State of Hawaii Tax Clearance Certificate for the Grantee validated by the State of Hawaii Department of Taxation and the Internal Revenue Service or other forms of documentation that meet the requirements of County policy and are deemed acceptable by County.

Grantee shall maintain in its files, at all times, documentation verifying that work described in any contract, bill, invoice, purchase order, or request for payment sent to the County is correct, complete, and in accordance with the terms of this Agreement. Initial and final payment under this Agreement shall be subject to receipt by the County or original tax clearance certificates for the Grantee from the State of Hawaii.

24) PROGRAM INCOME. "Program Income" means gross income received by Grantee generated from the use of County funds. In no event shall any of the income, earnings, or assets of the Program, including any and all grant funds, surplus funds, or Program Income as described herein, be distributed by Grantee to, or for the benefit of, its corporate directors, officers, members, employees, or consultants. Discretionary use of Program Income by Grantee is strictly prohibited.

25) PROCUREMENT. If Grantee contracts for the design and/or construction of any structure, defined for purposes hereof as any construction involving a load-bearing wall, Grantee shall comply with the Hawaii Public Procurement Code, Chapter 103D, Hawaii Revised Statutes, any County procurement policies for the procurement of contracts for design and/or construction of any structures as defined herein. Grantee shall ensure that all procurement transactions for construction of non-structures, as defined herein, and all procurement transactions for goods and services are conducted in a manner to provide, to the maximum

extent possible, open and free competition.

26) INSPECTIONS AND MONITORING. Grantee shall permit the County or its duly authorized agent free access to any and all Grantee programs, facilities, event or activities without advance formal notification or appointment when such access is for the express purpose of monitoring, investigation, researching or formulating programs, services or related policies and procedures or when County is otherwise in the pursuit of any official business relative to any aspect of this Agreement.

27) PERSONNEL REQUIREMENTS.

- a. The Grantee shall secure, at the Grantee's own expense, all personnel required to perform this Agreement.
- b. The Grantee shall ensure that the Grantee's employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Agreement, and that all applicable licensing and operating requirements imposed or required under Federal, State or County law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.
- c. The Grantee and the Grantee's employees and agents are not by reason of this Agreement, agents or employees of the County for any purpose, and the Grantee and the Grantee's employees and agents shall not be entitled to claim or receive from the County any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to the County employees.

28) COUNTERPARTS. This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the parties by facsimile or electronically and such facsimile or electronic execution and transmission shall have the full force and effect of an original signature. All fully executed counterparts, whether original executions or facsimile or electronic executions or a combination thereof shall be construed together and shall constitute one and the same Agreement.

In the event Grantee fails to adhere to any of the conditions of this Grant, including the general and special conditions (if any), County may withdraw any part or all of the grant at the County's sole discretion and without advance notice. Grantee shall be held liable for any grant funds expended in a manner inconsistent with this Agreement, including any attachments incorporated therein.

Contact OED if you need assistance.

 (808) 270-7710

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