MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

Coronavirus Aid, Relief, and Economic Security (CARES) Act Program Agreement

Personal Protective Equipment (PPE) Retooling Grant

The Missouri Department of Economic Development (“DED”), an executive agency of the State of Missouri (“State”), and ___________________ (“Grantee” or “Recipient,” and together with DED, the “Parties,” and each a “Party”), enter this Program Agreement (“Agreement”) for the CARES Act Personal Protective Equipment (PPE) Retooling Grant Program (“Program”) on this _____ day of ________________, 2020, stating and agreeing as follows:

WITNESSETH:

WHEREAS, the U.S. Congress passed, with overwhelming bipartisan support, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act (Pub.L. 116–136), which was signed into law on March 27, 2020, and provides more than $2 trillion in economic relief, and the State received funds pursuant to Title VI of the Social Security Act, as added by §5001 of the CARES Act;

WHEREAS, the CARES Act reflects the federal government’s commitment to the public purposes of protecting the American people from the public health and economic impacts of the Coronavirus Disease 2019 (“COVID-19”) public health emergency, in part by providing fast and direct economic assistance for American workers, families, and small businesses, and preserving jobs for American industries;

WHEREAS, the State received CARES Act funding and has authorized and empowered DED to provide grants to manufacturers, nonprofit organizations, and other entities, for the public purpose of reimbursing necessary business expenses for retooling existing facilities by purchasing equipment and services necessary to manufacture critically needed PPE for use and sale in Missouri, addressing increased and unmet demand for PPE, as well as assisting entities with creating new business to respond simultaneously to the health and economic aspects of the COVID-19 public health emergency;

WHEREAS, the CARES Act requires that the State limit its grant payments to only those costs that were necessary expenditures incurred due to the COVID-19 public health emergency and, for funds provided to a government, that were not accounted for in the budget most recently approved as of March 27, 2020; further, the State must expend all grant funds for eligible costs expended during the period that began on March 1, 2020, and the State is required to make all grant payments on or before December 30, 2020;

WHEREAS, Grantee has submitted to DED an application (“Application”) that meets the purposes and requirements of the Program;

WHEREAS, the Parties desire to set forth their mutual expectations and obligations for participation in the Program; and,

NOW, THEREFORE, in consideration of the promises and the mutual representations, covenants, and agreements herein contained, the Parties do hereby represent, covenant, and agree as follows:

1. **Definitions.** As used in this Agreement, capitalized terms have the meanings ascribed in the preceding recitals and as follows:
1.1. “Affidavit” means the Grantee’s sworn affidavit required by § 285.530 RSMo affirming a business entity’s enrollment and participation in a federal work authorization program for its employees and affirming that it does not knowingly employ any person who is an unauthorized alien.

1.2. “Application” means the Grantee-completed Program application, as provided by DED, and including accompanying and supporting documentation.

1.3. “Approval Letter” means the unique letter from DED to Grantee informing Grantee of Grantee’s conditional approval to participate in the Program, and specifying the maximum total Grant award dollar amount potentially available to Grantee under the Program.

1.4. “Default Event” has the meaning set forth in section 5 of this Agreement.

1.5. “Eligible Expenses” means expenses defined under the Program, the Guidelines, and the Guidance as reimbursable by the Grant.

1.6. “Grant” means any CARES Act funds made available by the State or DED to the Grantee pursuant to the Program and in response to the Application.

1.7. “Guidance” means CARES Act guidance, frequently answered questions and responses, or any other current or prospective publications by the U.S. Treasury interpreting the CARES Act and setting forth lawful uses for CARES Act funds, including expenses defined as reimbursable.

1.8. “Guidelines” means the current or prospective guidelines published by DED for the Program.

1.9. “Ineligible Expenses” means expenses not reimbursable by the Grant under the Program, the Guidance, or the Guidelines; expenses not timely requested; expenses for which insufficient explanation or documentation is provided; and expenses for which reimbursement is not requested in accordance with the submission instructions established by the Program;

1.10. “Request for Reimbursement” means the Program-specific form, including accompanying and supporting documentation, completed by Grantee, and submitted to DED, to request a Grant payment.

2. **Grant Disbursement.** Upon review and approval of Grantee’s Request for Reimbursement, DED shall reimburse Grantee’s Eligible Expenses in an amount not to exceed the amount stated in the Approval Letter: $__________, which Approval Letter is incorporated into this Agreement by reference as Exhibit A. DED shall not provide reimbursement for Ineligible Expenses.

3. **Obligations of Grantee.** Grantee shall perform the obligations of, and continues to certify as to the representations, qualifications, and eligibility of, the “Applicant” and “you” as stated in the Guidelines, which Guidelines are incorporated into this Agreement by reference as Exhibit B, and as stated in the Application, which Application is incorporated into this Agreement by reference as Exhibit C.
4. **Promises by Grantee.** Grantee makes the following promises, upon which Grantee acknowledges and intends that the State and DED have relied and will rely:

4.1. Grantee is an eligible applicant pursuant to the Guidelines;

4.2. Grantee will use the Grant disbursed pursuant to this Agreement only for Eligible Expenses, as stated in the Application, approved in the Approval Letter, and requested in the Request for Reimbursement;

4.3. Pursuant to § 285.530 RSMo, in the event the Grant is more than $5,000 and Grantee employs one or more employee, Grantee hereby affirms that it does not knowingly employ any person who is an unauthorized alien and affirms its enrollment and participation in a federal work authorization program (as of the date hereof, the Employment Eligibility Verification Program (E-Verify) authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended), and has provided documentation of such enrollment and participation:

4.3.1. In the form of Grantee’s eVerify Memorandum of Understanding, which is incorporated into this Agreement by reference as Exhibit D; and

4.3.2. In the form of the Affidavit, which Affidavit is incorporated into this Agreement by reference as Exhibit E;

4.4. All statements and representations by Grantee in the Application, this Agreement, the Request for Reimbursement, or in any other writing delivered in connection with the performance of this Agreement, shall survive the execution and delivery thereof and shall be continuing representations unless and until revised by Grantee in a writing delivered to DED.

5. **Defaults and Remedies.**

5.1. Any of the following will constitute a Default Event, the consequences of which are provided respectively:

5.1.1. **No Longer an Eligible Applicant.** Grantee’s ceasing to be an eligible applicant pursuant to the Guidelines, or ceasing to exist as such, in which case this Agreement will terminate automatically.

5.1.2. **Misrepresentation.** Grantee’s negligent or intentional provision to DED, in the Application, this Agreement, a Request for Reimbursement, or in any communication or document in connection with the Program, of any document or information that is untrue or incomplete in any material respect at the time of such provision, in which case Grantee shall forfeit and repay any funds that Grantee has received pursuant to this Agreement, and Grantee shall have no right or claim to any Program funds. The remedy in this section shall be in addition to any other remedy available.

5.1.3. **Failure to Provide Any Document or Report.** Grantee’s failure to provide any document or report required by the Approval Letter or the Guidelines, within the time specified, in which case Grantee, in the case of the failure to provide any document, shall have no right to receive the Grant; or, in the case of the failure to provide any
report, shall have no right to retain the Grant, and shall forfeit and repay the Grant received by Grantee.

5.1.4. Unauthorized Assent. The undersigned’s having executed this Agreement without authority to so act on behalf of the Grantee, in which case Grantee shall have no right or claim to the Grant and shall forfeit and repay the Grant.

5.2. The foregoing Default Events and consequences are in addition to any remedies reserved in the CARES Act General Terms and Conditions, which are incorporated in this Agreement and attached to this Agreement as Exhibit F.

6. Termination.

6.1. This Agreement shall terminate automatically on December 30, 2020, or on such final date for State CARES Act expenditures as may be established in any subsequent amendment to Title VI of the Social Security Act, as added by §5001 of the CARES Act, whichever is later.

6.2. Upon termination, Grantee shall still be required to timely submit to DED any report required by the Guidelines, and the provisions of sections 1, 4, 5, 6, 7, and 8 of this Agreement shall survive and continue in force.


7.1. General Terms and Conditions. The CARES Act Grant Agreement General Terms and Conditions, attached to this Agreement as Exhibit F, are binding on Grantee, or Recipient.

7.2. Amendments. This Agreement may be amended, changed, modified, or altered only by a writing executed by the Parties.

7.3. Interpretation. In this Agreement, unless the context otherwise reasonably requires:

7.3.1. Headings are for convenience only and do not alter the interpretation of this Agreement;

7.3.2. A reference to a section, paragraph, or exhibit is a reference to a section, paragraph, or exhibit of this Agreement;

7.3.3. References to any document include references to such document as amended, novated, supplemented, varied, or replaced from time to time; and

7.3.4. References to a Party to this Agreement includes that Party’s legal successors (including but not limited to executors and administrators) and permitted assigns.

7.4. Arms-length Agreement. All Parties to this Agreement have been represented by counsel, or have had the opportunity to be so represented. Therefore, this Agreement shall not be construed against any Party by virtue of the fact that was prepared initially by counsel for one of the Parties. DED and Grantee specifically acknowledge that each Party understands the nature, terms, and object of this Agreement.
7.5. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Missouri. All references herein to the Revised Statutes of Missouri, or RSMo, are to the version in effect on the date of this Agreement.

7.6. Consent to Jurisdiction; Service of Process. Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the State of Missouri in Cole County, Missouri, or of the United States District Court for the Western District of Missouri, and by execution and delivery of this Agreement, Grantee hereby irrevocably accepts, generally and unconditionally, the jurisdiction of the aforesaid courts. Grantee irrevocably consents to the service of process out of any of the aforementioned courts and in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to Grantee at its address as provided in its Application, such service to become effective ten days after mailing, provided however that nothing herein shall affect the right of DED to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Grantee or any property of Grantee in any other jurisdiction and Grantee hereby expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the jurisdiction or laying of venue of any such litigation brought in any such court referred to above and any claim that any such litigation has been brought in an inconvenient forum.

7.7. No Assignment. Grantee may not assign any of its rights or obligations under this Agreement without the express written consent of DED, in its sole discretion.

7.8. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

7.9. No Third Party Beneficiaries. This Agreement does not contemplate any third-party beneficiaries, nor shall it be construed to create any legal right nor authorize a cause of action by any person who is not a Party.

7.10. Severability. If any provision of this Agreement shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected.

7.11. Capacity. The signatories to this Agreement on behalf of the Parties represent that they have full capacity to sign this contract and bind their respective Parties.

7.12. Execution in Counterparts. This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

7.13. Electronic Storage of Documents. The Parties agree that the transactions described herein may be conducted, and related documents may be stored, by electronic means. Copies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed authentic and valid counterparts of such original documents for all purposes described in this Agreement.
7.14. **Electronic Signatures.** Each Party agrees that the respective electronic signatures, whether
digital or encrypted, of the Parties included in this Agreement are intended to authenticate
this writing and to have the same force and effect as manual signatures.

8. **Complete Agreement.** All agreements between the Parties are contained in this Agreement,
which contains the complete and exclusive statements of the agreement between the Parties as
to the subjects described herein.

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**DEPARTMENT OF ECONOMIC DEVELOPMENT**

By:

___________________________________
Robert B. Dixon, Director

**GRANTEE / RECIPIENT**

By:

___________________________________
Signature

___________________________________
Printed or Typed Name

___________________________________
Printed or Typed Title (e.g. President, CEO)
Index to Exhibits

The following exhibits have been incorporated by reference into this Agreement and are a part hereof as if set forth herein in their entirety:

Exhibit A: Approval Letter
Exhibit B: Guidelines (all Guidelines effective during the term of the Agreement)
Exhibit C: Application
Exhibit D: Grantee’s eVerify MOU (if Grantee has requested more than $5,000 and has one or more employees)
Exhibit E: Grantee’s Affidavit (if Grantee has requested more than $5,000 and has one or more employees)

The following exhibit has been incorporated by reference into this Agreement and is set forth herein in its entirety:

Exhibit F: CARES Act Grant Agreement General Terms and Conditions
These general terms and conditions (“Terms and Conditions”) apply to this Agreement between DED and the Recipient for the Grant provided pursuant to the CARES Act, as administered by the U.S. Department of the Treasury (“Treasury”). These Terms and Conditions do not set out all of the provisions of the applicable laws and regulations, and they do not represent an exhaustive list of all requirements applicable to this Agreement.

As used in these Terms and Conditions, capitalized terms have the meanings ascribed in these Terms and Conditions and in the principal Agreement to which these Terms and Conditions are an exhibit.

Acceptance of Terms and Conditions

These Terms and Conditions apply directly to the Recipient. To be eligible to receive the Grant, Recipient must accept these Terms and Conditions in their entirety. This is not an exhaustive list, and Recipient must comply with any other relevant statutes, regulations, and guidance, as applicable.

Recipient’s commitment to full compliance with all Terms and Conditions is material to the State’s decision to disburse CARES Act grant funds to Recipient. Noncompliance with any of the Terms and Conditions is grounds for the State or the Treasury to recoup in whole or in part any grant payment to Recipient.

I. Administrative Requirements

A. Retention, Inspection, and Examination of Records; Right to Audit. Recipient shall retain financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five years, starting from the date of Recipient’s receipt of the final grant reimbursement payment. Representatives of Treasury, Federal Inspectors General, the Comptroller General of the United States, the State Office of Administration (OA), the State Auditor’s Office, DED, or any of their designees shall have access to any pertinent books, documents, and records of Recipient in order to conduct audits or examinations, and they shall have access to the project site for one year following the date of Recipient’s receipt of the final reimbursement payment. Recipient agrees to allow monitoring and auditing by Treasury, OA, DED, or their designee or representative. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the five-year period, Recipient shall retain records until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

B. Reporting of Program Performance. Recipient shall submit to DED a performance report for each program, function, or activity as specified by the Guidelines.

C. Equipment and Supplies. Recipient agrees that any equipment and supplies reimbursed pursuant to this Agreement shall be used for the performance of services consistent with this Agreement during the Agreement term or during the current COVID-19 public health emergency, whichever ends later.
1. Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost $5,000 and greater.

2. **Equipment and Supplies Management.** Recipient’s procedures for managing equipment and supplies, collectively “property,” acquired in whole or in part with grant funds will, at a minimum, meet the following requirements until disposition of the property takes place:
   a. **Equipment Records.** Recipient must maintain equipment records that include a description of the equipment; a serial number or other identification number; the source of funding; the acquisition date, cost, and percentage of federal, state, or local government participation in the cost; the location, use, and condition of the equipment; and disposition information including the date of the disposal and sale price of the equipment.
   b. **Inventory.** A physical inventory of the equipment and supplies must be taken and the results reconciled with the equipment records at least once during the term of this Agreement.
   c. **Control and Safeguards.** A control system must be developed to ensure adequate safeguards to prevent against loss, damage, or theft of the property. Any loss, damage, or theft shall be reported to and investigated by local authorities.
   d. **Maintenance.** Recipient must develop adequate maintenance procedures to keep the property in good condition.

D. **Audit Requirements.** If Recipient expends $750,000 or more in federal awards during Recipient’s fiscal year, Recipient shall: (1) arrange for an audit as prescribed in “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Subpart F;” and (2) submit relevant portion(s) of the audit report to DED within 14 days of Recipient’s receipt of the final audit report or its equivalent. Other portions of the audit shall be made available upon request by representatives of Treasury, Federal Inspector General, the Comptroller General of the United States, OA, the State Auditor’s Office, DED, or any of their designees.

E. **Conflicts of Interest.** No party to this Agreement, and no officer, agent, or employee of Recipient, shall participate in any decision related to this Agreement that could result in a real or apparent conflict of interest.

F. **State Appropriated Funding.** Recipient agrees that, for each state fiscal year included within the term of this Agreement, funding for this grant must be appropriated and made available by the Missouri General Assembly, and may be subject to a gubernatorial withholding. This Agreement shall automatically terminate without damages, penalty, or termination costs if such funds are not appropriated or otherwise become unavailable. The requirements stated in this paragraph shall apply to any amendment or the execution of any option to extend the Agreement.

G. **Eligibility, Debarment, and Suspension.** Recipient affirms that it, its board of directors, and all of its principals are currently in compliance with all state and federal environmental laws and court
orders issued pursuant to those laws, and that all environmental violations have been resolved
(for example, no pending or unresolved Notice of Violation (NOV) exists). If compliance issues
exist, Recipient shall disclose to DED all pending or unresolved violations noted in an NOV,
administrative order, civil lawsuit, and criminal lawsuit, but only when those alleged violations
occurred in the State of Missouri. If an NOV occurs during the term of this Agreement, Recipient
must notify DED immediately. DED will not make any award or payment at any time to Recipient
if it is debarred or suspended under federal or state authority or is otherwise excluded from or
ineligible for participation in federal assistance under Executive Order 12549, "Debarment and
Suspension." Recipient may access the federal Excluded Parties List at: www.sam.gov/SAM/.

H. Restrictions on Lobbying. This paragraph applies to Recipient only if Recipient receives
$100,000 or more pursuant to this Agreement. Recipient shall not receive any reimbursement
pursuant to this Agreement for any expenditures to pay any person or entity for influencing or
attempting to influence the executive or legislative branch with respect to the following actions:
awarding of a contract; making of an assistance agreement; making of a loan; entering into a
cooperative agreement; or the extension, continuation, renewal, amendment or modification of
any of these as prohibited by Section 319, Public Law 101-121 (31 U.S.C. 1352).

In accordance with the Byrd Anti-Lobbying Amendment, if Recipient makes a prohibited
expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying
forms, Recipient shall be subject to a civil penalty of not less than $10,000 and not more than
$100,000 for each such expenditure.

I. Enforcement; Non-exclusive Remedies for Misrepresentation, Fraud, and Noncompliance. In
addition to other state and federal remedies available to DED, if Recipient misrepresents a
material fact or commits fraud in relation to Recipient’s application, this Agreement, or
otherwise, with respect to any DED grant or incentive program in which Recipient is
participating, or if Recipient materially fails to comply with any term of this Agreement, DED
may take one or more of the following actions, as appropriate:

1. Suspend or terminate, in whole or part, the current Agreement;
2. Disallow all or part of the cost of the activity, action, item, or service not in compliance;
3. Temporarily withhold payment pending Recipient’s correction of the deficiency;
4. Withhold further awards from Recipient; or
5. Take other remedies that may be legally available, including cost recovery, breach of
contract, and suspension or debarment.

J. Termination, Transferability, and Closeout.

1. Termination for Cause. If DED decides to terminate the current Agreement, DED shall
promptly notify Recipient in writing of such a determination and the reasons for the
termination, together with the effective date. DED reserves the right to withhold all or a
portion of Agreement funds if Recipient violates any term or condition of this Agreement.
Termination for cause may be considered for evaluating future applications. Recipient may
object in a writing submitted to DED to a termination for cause and may provide information
and documentation challenging the termination.
2. **Termination for Convenience.** DED and Recipient may terminate this Agreement, in whole or in part, in a writing signed by them, when both parties agree that further reimbursement pursuant to this Agreement would not produce beneficial results commensurate with the further expenditure of funds or otherwise agree that termination is in the parties’ best interests.

3. **Transferability.** This Agreement is not transferable to any person or entity.

4. **Closeout.** DED and Recipient remain responsible for compliance with all respective closeout requirements.

K. **Signature.** Recipient’s signature on the application, this Agreement, and any other award or program documents signifies Recipient’s agreement to all of the specific terms and conditions of this Agreement. “Signature” as used in this includes Recipient’s manual handwritten and electronic signature.

L. **Management Fees.** Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. “Management fees or similar charges” refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this Agreement. Management fees or similar charges may not be used to improve or expand the project funded under this Agreement, except to the extent authorized as a direct cost of the project as described in the application and as subject to the program guidelines and DED approval.

II. **Statutory Requirements**

Recipient must comply with all federal, state and local laws relating to employment, construction, research, environmental compliance, and other activities associated with grants from the DED. Failure to abide by these laws is sufficient grounds to suspend or terminate the Agreement and may be sufficient grounds to suspend or debar Recipient. By executing this Agreement, Recipient certifies that Recipient, its board of directors, and principals are in compliance with the specific federal and state laws set out below. Further, during the Agreement term, Recipient shall report to DED any instance in which Recipient or any member of its board of directors or principals is determined by any administrative agency or by any court in connection with any judicial proceeding to be in noncompliance with any of the specific federal or state laws set forth in this section II. Such report shall be submitted within 10 working days following such determination. Failure to comply with the reporting requirement may be sufficient grounds to terminate this Agreement or suspend or debar Recipient.

A. **Laws and Regulations Related to Nondiscrimination**

1. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin, including Limited English Proficiency (LEP);

2. Title VII of the Civil Rights Act of 1964 found at 42 U.S.C. §2000(e) et.seq. which prohibits discrimination on the basis of race, color, religion, national origin, or sex:

3. Title IX of the Education Amendments of 1972, as amended (U.S.C. §§ 1681-1683 and 1685-1686) which prohibits discrimination on the basis of sex;

5. Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 621-634), which prohibits discrimination on the basis of age;

6. Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

7. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

8. Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

9. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing;

10. Chapter 213 of the Missouri Revised Statutes which prohibits discrimination on the basis of race, color, religion, national origin, sex, age, and disability.


12. The requirements of any other nondiscrimination statutes and regulations which may apply to this Agreement or to Recipient.

B. Federal Environmental Laws

1. The Federal Clean Air Act, 42 U.S.C. § 7606, as amended, prohibiting award of assistance by way of grant, loan, or contract to noncomplying facilities.

2. The Federal Water Pollution Control Act, 33 U.S.C. § 1368, as amended, prohibiting award of assistance by way of grant, loan, or contract to noncomplying facilities.


C. The Hatch Act, 5 U.S.C. § 1501 et seq., as amended, relating to certain political activities of certain State and local employees.

D. The Archaeological and Historic Preservation Act of 1974 (Public Law 93-291) relating to potential loss or destruction of significant scientific, historical, or archaeological data in connection with federally assisted activities.


F. The Flood Disaster Protection Act of 1973 (Public Law 93-234) flood insurance purchase requirements of § 102(a), which requires recipients in a special flood hazard area to participate
in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

G. The Privacy Act of 1974, P.L. 93-579, as amended prohibiting the maintenance of information about any individual in a manner which would violate this act.