

# STATE GRANTS FOR FINANCIALLY DISTRESSED LOCAL GOVERNMENTS

## MEMORANDUM OF AGREEMENT BETWEEN THE NORTH CAROLINA OFFICE OF RECOVERY AND RESILIENCY AND THE TOWN OF ORIENTAL

GRANT NUMBER: NCORR-FDLG-021

MOA AMOUNT: \$86,593

PERIOD OF PERFORMANCE: 3 YEARS FROM THE DATE OF ENACTMENT RECIPIENT

TAX ID/EIN: 56-1092769

### **PURPOSE:**

This Grant Agreement is hereby entered into by and between the North Carolina Office of Recovery and Resiliency ("NCORR") and the Town of Oriental. This Agreement is authorized pursuant to Section 2.1 (4c) of North Carolina Session Law 2019-224 and Section 1.2 (3b) of North Carolina Session Law 2019-250.

### **1. EFFECTIVE TERM:**

This Agreement shall be effective starting March 17, 2020 and this Agreement shall terminate on March 17, 2023 or upon the full expenditure of grant funds and the submission of RECIPIENT'S final report, which ever comes first.

### **2. NCORR'S DUTIES & PAYMENT PROVISIONS:**

NCORR shall ensure that funds allocated and disbursed pursuant to Session Law 2019-224 and Session Law 2019-250, comply with the intent and guidance found in the Session Law and ensure compliance with related state statutes and financial management standards.

NCORR shall disburse to the Town of Oriental, a total of \$86,593 for the purposes set out in RECIPIENT'S application for grant funds (see attached). Upon signature of this agreement by the parties, the funds will be transferred to RECIPIENT within 5 business days.

### **3. RECIPIENT'S DUTIES:**

RECIPIENTS shall provide the following information:

- a. RECIPIENT agrees it shall, before and during the term of this Agreement, use the grant award to cover the costs of (i) non-disaster-related operating expenses; (ii) disaster-related expenses denied by the federal government for reimbursement; and (iii) disaster recovery capacity building expenses listed in RECIPIENT'S grant application.
- b. RECIPIENT shall not expend awarded grant funds on federally reimbursable expenses under the Federal Emergency Management Agency (FEMA) Public Assistance program or the National Flood Insurance Program (NFIP), the Community Development Block Grant for Disaster Recovery (CDBG-DR), or any other federally reimbursable expense.
- c. After the first nine months of the grant period, RECIPIENT may submit to NCORR a recommended grant budget to redirect and reprogram any unobligated award funds to uses not covered in the original grant proposal. Allowable proposed uses include:

- i. General operating expenses such as payroll, non-disaster-related vendor payments, and debt service or disaster recovery capacity building, or
  - ii. Building disaster recovery capacity through hiring up to two time-limited positions not to exceed 3 years, the purchase of a vehicle to support disaster recovery; the purchase of contracted disaster recovery services, or entering into agreements with other governmental agencies of RECIPIENT'S area Council of Government.
- d. Both NCORR and RECIPIENT agree that this Agreement shall be interpreted as to not minimize or impair RECIPIENT'S eligibility to secure FEMA or related recovery funding support.
  - e. RECIPIENT agrees that grant funds paid through this Agreement shall be accounted for in a separate fund and accounting structure within RECIPIENT'S central accounting system. RECIPIENT agrees to manage all accounts payable disbursements, check register disbursements and related transactions in a detailed manner that supports fully transparent accounting of all financial transactions associated with grant funding allocations described in Section 2 above. For end-of-year financial reporting purposes, this separate fund should be consolidated with the General Fund of the reporting entity.
  - f. RECIPIENT understands and acknowledges that total direct Grant program funding level available under this Agreement is \$86,593

#### 4. QUARTERLY PROGRESS REPORTS:

RECIPIENT agrees to provide Quarterly Progress Reports to be sent electronically from RECIPIENT to NCORR and shall at a minimum include:

- a. Period beginning balance of the Unspent Grant Amount
- b. Total expenditures incurred or disbursed (aggregate totals):
  - i. For each purpose set out in the grant application (payroll, vendor payments, engineering services contract for disaster recovery, etc.),
  - ii. For the period, year to date, and grant period, and
  - iii. Brief description of specific expenses funded with awarded grant funds for the quarter.
- c. Period ending Grant balance of RECIPIENT.

Quarterly Progress Reports shall be emailed to [ncorrgrants@ncdps.gov](mailto:ncorrgrants@ncdps.gov). Reporting Deadlines are on April 7, July 7, October 7, and January 7 of each year of this agreement. ATTACHMENT A is a copy of the quarterly progress report template.

#### 5. AGREEMENT ADMINISTRATORS:

All notices permitted or required to be given by one Party to the other and all questions about the Agreement from one Party to the other shall be addressed and delivered to the other Party's Agreement Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Agreement Administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Agreement Administrator by giving timely written notice to the other Party.

For NCORR	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Mary Massey NCORR Budget Manager PO Box 110465 Durham, NC 27709	Mary Massey NCORR Budget Manager Mary.Massey@ncdps.gov

For RECIPIENT	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Town of Oriental Diane Miller, Town Manager 507 Church Street Oriental, NC 28571-0472	Town of Oriental Diane Miller, Town Manager 507 Church Street Oriental, NC 28571-0472 <a href="mailto:manager@townoforiental.com">manager@townoforiental.com</a> (252) 249-0555

#### 6. MONITORING AND AUDITING:

RECIPIENT acknowledges and agrees that, from and after the date of execution of this Agreement and for three (3) year following its termination, the books, records, documents and facilities of RECIPIENT are subject to being audited, inspected and monitored at any time by NCORR upon its request (whether in writing or otherwise). RECIPIENT further agrees to provide NCORR staff and staff of the Office of State Auditor with access to financial and accounting records to support internal audit, financial reporting and related requirements.

RECIPIENT acknowledges and agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed in N.C.G.S. 159-34, Local Government Budget and Fiscal Control Act – Annual Independent Audit, rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of Grant funding received by RECIPIENT and are subject to change.

#### 7. SITUS:

This Agreement shall be governed by the laws of North Carolina and any claim for breach or enforcement of this Agreement shall be filed in State court in Wake County, North Carolina.

#### 8. COMPLIANCE WITH LAW:

RECIPIENT shall remain an independent RECIPIENT and as such shall be wholly responsible for the Grant terms and RECIPIENT responsibilities described in this Agreement. RECIPIENT shall be responsible for compliance with all laws, ordinances, codes, rules, regulations, licensing requirements and other regulatory matters that are applicable to the conduct of their Grant performance under this Agreement, including those of Federal, State, and local agencies having appropriate jurisdiction. Recipient is reminded that all funds are subject to the requirements of the Local Government Budget and Fiscal Control Act, including but not limited to all budgeting and pre-audit requirements.

#### 9. CLAW-BACK:

NCORR reserves the right to de-obligate any remaining award funds after this Agreement's expiration date or before the expiration date of this Agreement, should RECIPIENT violate the terms of this Agreement or should it become apparent RECIPIENT will not be able to expend the funds prior to the expiration date of this Agreement.

#### **10. TERMINATION OF AGREEMENT:**

This Agreement may be terminated, if RECIPIENT repays the grant amount in full, prior to the term end date. Section 6 shall survive termination as explained in that section.

#### **11. AMENDMENTS:**

This Agreement may be amended in writing which documents approval of changes by both NCORR and RECIPIENT. If RECIPIENT requests a term extension or revision of Agreement terms, it shall provide to NCORR for their review and approval a detailed request that includes documented financial management reason(s) for amending the terms of this Agreement.

#### **12. AGREEMENT CLOSE-OUT PROCESS:**

RECIPIENT agrees to submit to NCORR a complete performance and expenditure status report (final report) within ninety (90) days after: (i) expiration of the Agreement term or (ii) March 16, 2023 whichever comes first.

#### **13. AUTHORIZED SIGNATURE WARRANTY:**

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Agreement.

**In Witness Whereof**, RECIPIENT and NCORR have executed this Agreement in triplicate originals, with one original being retained by each party.

**THE TOWN OF ORIENTAL**

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AUTHORIZING OFFICIAL

Date

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Printed Name

Title

**NORTH CAROLINA OFFICE OF RECOVERY & RESILIENCY**

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AUTHORIZING OFFICIAL

Date

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Printed Name

Title

DRAFT

[illegible]

**Phone for Contact:**
