

THE MEADOWS MENTAL HEALTH POLICY INSTITUTE FOR TEXAS

SUBGRANT AGREEMENT

(Project:)

DATE: 12/15/2022

AMOUNT: \$900,000

SUBGRANTOR: The Meadows Mental Health Policy Institute for Texas ("MMHPI" or "Institute")
3003 Swiss Ave., Dallas, Texas 75204

MMHPI Representative: Dr. Andy Keller, President and CEO
(akeller@mmhpi.org)

SUBGRANTEE: Name: City of Galveston

Address: 823 Rosenberg Galveston, TX 77553

Subgrantee Representative: Brian Maxwell, City Manager
Email: citymanager@galvestontx.gov

SUBGRANT TERM: 12/15/2022 TO 12/15/2024

TERMS AND CONDITIONS:

Subgrantee, by accepting the subgrant funds from the Institute agrees to the requirements and restrictions set out below.

- 1. Charitable Purpose.** This subgrant (also "Agreement" or "Subgrant Agreement") is for the specific purpose(s) set forth herein, as described in more detail in the attached Statement of Subgrant Activities (Exhibit A). Monies received under this Subgrant Agreement and any investment income earned by Subgrantee with respect to such monies, should be expended for no other purpose(s) without the express, written approval of the Institute. Any earnings accruing from these subgrant funds should be credited to the support of the activity being funded and added to the balance of that account.
- 2. Prohibited Expenditures.** Subgrantee specifically agrees that no part of the funds received from this subgrant will be used to carry on propaganda, influence legislation, influence the outcome of any specific public election, or carry on, directly or indirectly, any voter registration drive, within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").
- 3. Tax-Exempt Status.** As applicable, Subgrantee agrees to notify the Institute immediately, in writing, if: (i) Subgrantee's status as an organization exempt from federal income tax as an organization described in section 501(c)(3) of the Code is revoked or altered; (ii)

Subgrantee has reasonable grounds to believe that its tax-exempt status may be revoked or altered; or (iii) Subgrantee has reason to believe that these subgrant monies cannot be or continue to be expended for the specified purpose(s). Subgrantee certifies that the instant subgrant will not jeopardize Subgrantee's status as an organization other than a private foundation under Section 509 of the Code. The Institute may seek a return of any funding (including all income earned thereon) that has not yet been disbursed by the Subgrantee for charitable purposes, upon the occurrence of any of the events specified above in this Paragraph 3.

4. **Termination.** This Agreement may be terminated by either Party at any time with or without cause upon thirty (30) days written notice to the other. In the case of any violation by the Subgrantee of the terms and conditions of the subgrant, including but not limited to not executing the work of the subgrant in substantial compliance with the proposal, the Institute reserves the right to terminate the subgrant immediately. This Subgrant Agreement shall remain in full force and effect until the date upon which all subgrant funds have been expended by the Subgrantee or this Subgrant Agreement is otherwise terminated under the provisions of this Subgrant Agreement; provided, however, the duties, responsibilities, and obligations of the Subgrantee pursuant to this Subgrant Agreement shall survive the termination. Termination of this Agreement shall not affect any rights or obligations which have accrued prior thereto or those rights and obligations that are specifically intended to survive the termination of this Agreement.

5. **Return of Funding.** The Institute may seek a return of funding (including income earned thereon) and Subgrantee agrees to repay or return any Unexpended Funds within thirty (30) days after receipt of a demand letter from the Institute. For purposes of this Agreement, Unexpended Funds are defined to include: (i) funds in excess of the funds necessary to complete the Project; (ii) funds that will not be used to support the Project because the Project failed or cannot be completed as originally anticipated; and (iii) funds remaining at the end of the Project which Subgrantee proposed be reprogrammed for a new purpose that was not approved by the Institute. Subgrantee agrees not to use or make commitments regarding any alternative use of Unexpended Funds unless and until approved in writing by the Institute. With regard to any funding that has not yet been disbursed by the Subgrantee for charitable purposes, the Institute may seek a return of funding (including income earned thereon) and Subgrantee agrees to repay or return funding upon the occurrence of any of the events specified in Paragraph 3 (Tax-Exempt Status) of this Subgrant Agreement, or in the event of a termination as set forth above. In the event the Institute does not seek a return of funding, then the Subgrantee shall continue to be obligated to use the funds in accordance with the terms of the Subgrant Agreement, even after termination. The Subgrantee shall provide the Institute with the reports described herein, regardless of whether or not a portion of the subgrant funds have been returned to the Institute. The Institute's right to seek a return of

funding, and the Subgrantee's obligation to provide the Institute with reports if requested, shall survive the termination of this Subgrant Agreement.

6. **Duty to Cooperate.** Subgrantee will cooperate with the Institute in supplying additional information or in complying with any procedures which might be required by Foundation or any governmental agency in order for the Institute to establish the fact that it has observed all requirements herein or the law with respect to this subgrant.
7. **Publicity.** The Institute retains the right to release information regarding this subgrant to any public media. Permission is hereby given for Subgrantee to use any wording contained in this Subgrant Agreement, the accompanying letter, and any attachments and exhibits to this Subgrant Agreement, in press releases. Only proposed releases for publication or broadcast containing additional information need be submitted to the Institute for approval. Subgrantee agrees to forward to the Institute copies of any news releases, published materials, or media articles mentioning this subgrant which come to Subgrantee's notice or attention.
8. **Reporting.** Until the subgrant funds are fully expended, Subgrantee agrees to submit reports and information to the Institute as reasonably requested on the expenditure of the subgrant funds and progress toward the goals of the subgrant, as well as periodic reports and information to be coordinated with the Institute's reports to Foundation as outlined in Exhibit A. Each completed report should include a statement of the subgrantee's progress toward reaching the goals of the subgrant. Subgrantee agrees to submit a final report to the Institute within a reasonable period of time after the use of the subgrant funds is completed or the subgrant is otherwise terminated.
9. **Right to Monitor.** The Institute may monitor and conduct an evaluation of operations under this Subgrant, which may include a visit from Institute personnel to observe Subgrantee's program, discuss the program with Subgrantee's personnel, and review financial and other records and materials connected with the activities financed by this subgrant.
10. **Relationship of Parties & Indemnification.** Subgrantee shall exercise full control over Subgrantee's performance of the responsibilities pursuant to this Agreement, and shall be responsible for Subgrantee's employees, agents, or subcontractors, if any. either Subgrantee, nor its employees or agents shall be deemed to be the Institute's employees or agents. It is understood that Subgrantee is an independent contractor for all purposes and at all times. Subgrantee and MMHPI shall indemnify and hold each other harmless including their officers, agents, and employees from all suits, actions, losses, damages, claims, or liability involving any negligent act, omission, or statement of the other or a subgrantee or any person employed by or under contract with Subgrantee or MMHPI

that results in injury (including death), loss, or damage to any person or property. The defense of any action or suit under this Section shall first be tendered to the responsible Party, and then if no action is taken, the following provisions shall be implemented: MMHPI shall defend or settle, at its own expense, any action or suit against MMHPI for which Subgrantee is responsible hereunder and Subgrantee shall reimburse MMHPI for reasonable attorney's fees, interest, costs of suit and all other expenses incurred by MMHPI in connection therewith. Subgrantee shall defend or settle, at its own expense, any action or suit against Subgrantee for which MMHPI is responsible hereunder and MMHPI shall reimburse Subgrantee for reasonable attorney's fees, interest, costs of suit and all other expenses incurred by Subgrantee in connection therewith.

11. **Representations and Warranties.** Subgrantee represents and warrants that no third party has any right, title, or interest in or to any deliverables that may be required as part of the work to be performed and that MMHPI's use thereof shall not violate any third-party rights. Subgrantee represents and warrants that the terms of this Agreement are not inconsistent with any other contractual or legal obligations Subgrantee has or with the policies of any institution with which Subgrantee is associated, and that the work performed hereunder meet the standards of Subgrantee's profession. Subgrantee represents that Subgrantee is qualified to perform the work. Subgrantee represents and warrants that Subgrantee has all necessary and appropriate licenses, permits, certifications and approvals to perform the work in the locations where they will be performed.

12. **Confidentiality.** The Parties acknowledge that they and their employees and any subcontractors, in performing this Agreement, may have access to or be directly or indirectly exposed to confidential information of the other Party and related organizations, including, but not limited to, information relating to financial matters, personnel, computer software, strategies, trade secrets and personal health information ("Confidential Information"). Both Parties shall use reasonable efforts to protect Confidential Information and neither Party shall disclose Confidential Information, or use Confidential Information for any purpose other than as required by this Agreement, without the written permission of the other Party (or appropriate related organization). This Agreement shall constitute permission for disclosure and use of Confidential Information in confidential communications or consultation between MMHPI's and Subgrantee's authorized designees. Additionally, Confidential Information shall not include any information that: (a) is not disclosed in writing or reduced to writing and marked with an appropriate confidentiality legend within thirty (30) days after disclosure; (b) is already in the recipient Party's possession at the time of disclosure; (c) is or later becomes part of the public domain through no fault of the recipient Party; (d) is received from a third party having no obligations of confidentiality to the disclosing Party; (e) is independently developed by the recipient Party; or (f) is required by law,

regulation, or court order to be disclosed. This confidentiality provision shall survive the termination of this Agreement for a period of ten (10) years.

13. **Assignment.** This Subgrant Agreement may not be delegated or assigned by Subgrantee without the prior written consent of the Institute. Any purported delegation of duties or assignment of rights by Subgrantee under this Subgrant Agreement is void.
14. **Requirements of Law.** Subgrantee shall comply, at its own expense, with the provisions of all applicable federal, state, and local requirements.
15. **Written Notice.** Notices are sufficient if in writing and sent to the Party Representatives listed above by certified mail return receipt requested or electronically by email.
16. **Severability.** In the event that any one or more of the provisions contained herein shall for any reason be held to be unenforceable in any respect under the law of any state or of the United States of America, such unenforceability shall not affect any other provisions of this Subgrant Agreement, but this Subgrant Agreement shall then be construed as if such enforceability provision or provisions had never been contained herein.
17. **Survival of Obligations.** The obligations of the Parties under this Subgrant Agreement that by their nature continue beyond the expiration of this Subgrant Agreement shall survive any termination or cancellation of this Subgrant Agreement.
18. **Choice of Law.** The construction, interpretation, and performance of this Subgrant Agreement shall be governed by the local laws of the State of Texas.
19. **Captions.** The captions of this Subgrant Agreement are included for convenience only and shall not be construed to define or limit any of the provisions contained herein.
20. **Entire Subgrant Agreement.** This Subgrant Agreement constitutes the entire Subgrant Agreement between Subgrantee and the Institute relating to the subject matter hereof and shall not be changed in any manner except by a writing executed by both Parties. Other than as expressly provided herein, both Subgrantee and the Institute agree that no prior or contemporaneous oral representations form a part of this Subgrant Agreement.
21. **Amendments.** This Subgrant Agreement can be amended only by an instrument in writing signed by the Parties. Amendments to this Subgrant Agreement shall be effective as of the date stipulated therein.

22. **Foundation Requirements.** The Parties acknowledge that the Institute is bound by the restrictions and requirements set forth in the Grant Agreement, and Subgrantee agrees to be bound by and comply with the restrictions and requirements applied under the Grant Agreement. The Institute is not authorized and does not give Subgrantee and Subgrantee does not accept or receive any rights or authorization not permitted by the Grant Agreement. If any portion of this Agreement conflicts with the Grant Agreement, the Grant Agreement shall be controlling. In connection therewith, and notwithstanding anything in this Agreement to the contrary, Subgrantee grants to the Foundation and MMHPI a non-exclusive, transferable, perpetual, irrevocable, royalty-free, paid-up, worldwide license to use or publish the materials or other work products arising out of or resulting from the work performed under this Agreement.
23. **Insurance.** Subgrantee will secure and maintain in full force and effect throughout the Term of this Agreement insurance coverage in types and amounts appropriate to the conduct of Subgrantee's business and the performance of the Services, and sufficient to support Subgrantee's indemnification obligations hereunder.
24. **Record Maintenance and Inspection.** Subgrantee agrees to maintain adequate records with respect to its performance of its obligations under this Agreement. During the term of this Agreement and for five (5) years following the termination of this agreement, Subgrantee agrees to permit MMHPI or its third-party nominee to inspect such records at reasonable times to permit MMHPI determine compliance with the terms of this Agreement. Subgrantee agrees to retain such records for five (5) years following the termination of this Agreement, or as required by applicable laws, whichever is later.
25. **Waiver.** The failure of MMHPI at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by Subgrantee shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by Subgrantee.
26. **Acceptance of Terms & Conditions.** This subgrant is conditional upon Subgrantee's acceptance of the terms and conditions set forth herein and in the accompanying letter of notification of award. The signature on this document of the persons authorized to make legal contracts for Subgrantee will represent Subgrantee's acceptance of this award and Subgrant Agreement to comply with the stated terms and conditions of this subgrant.

The undersigned officials have carefully read this Agreement and agree to the terms and conditions stated herein.

**THE MEADOWS MENTAL HEALTH
POLICY INSTITUTE OF TEXAS**

By: _____
Andrew Keller, PhD
President and Chief Executive Officer

Date: _____

SUBGRANTEE

By: _____
<name / title here>

Date: _____

Exhibit A

Statement of Subgrant Activities (SOA) between Meadows Mental Health Policy Institute and City of Galveston

See attachment.