

# REQUEST FOR BOARD ACTION

## HENDERSON COUNTY BOARD OF COMMISSIONERS

**MEETING DATE:** May 6, 2024

**SUBJECT:** Dogwood Health Trust Grant

**PRESENTER:** Jodi Grabowski, Director, Department of Strategic Behavioral Health

**ATTACHMENTS:** YES

1. Budget Amendment
2. Dogwood Health Trust Grant Award

### SUMMARY OF REQUEST:

In 2022 Henderson County was awarded a grant in the amount of \$300,000 from Dogwood Health Trust for initiatives related to the Opioid Settlement Funding. The County subsequently awarded funds from this grant to support Strategic Planning for the Opioid Settlement Funding and for creation and implementation of an Adult Recovery Court (ARC) to REAL Academy and to The Hope Coalition respectively. The Strategic Plan is complete and was presented to and accepted by the Board of Commissioners on August 16, 2023.

The Adult Recovery Court is now operational and meets twice monthly. As planning for the ARC was underway, it became known that some of the related expenses would not be allowable with Opioid Settlement Funds until the “Exhibit B” options were unlocked. DHT offered an extension of the planning and implementation grant to cover these costs incurred by the District Attorney’s office for prosecutorial services necessary for the ARC. While Exhibit B is now unlocked, the grant request to DHT for these expenses was submitted prior to that action. The grant award in the amount of \$35,000 will be transferred to the DA’s office to cover those fees retroactively.

It is requested that the Henderson County Board of Commissioners approve receipt of the grant funds for the intended purposes as outlined above. No county funds or county positions will be required for the initiative.

### BOARD ACTION REQUESTED:

The Board is requested to accept the Dogwood Health Trust grant award and approve the budget amendment to implement the initiative as outlined subject to the funding limitations of the grant.

### Suggested Motion:

*I move the Board accept the Dogwood Health Trust grant award for Henderson County and approve the necessary budgetary amendment to implement the initiative subject to funding limitations of the grant.*

**LINE-ITEM TRANSFER REQUEST  
HENDERSON COUNTY**



**Department:** FINANCE/STRATEGIC BEHAVIORAL HEALTH

Please make the following line-item transfers:

**What expense line-item is to be increased?**

Account	Line-Item Description	Amount
<u>115517-539000-9030</u>	<u>STRATEGIC BEHAVIORAL HEALTH: CONTRACTED SVCS</u>	<u>\$35,000</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
		\$35,000

**What expense line-item is to be decreased? Or what additional revenue is now expected?**

Account	Line-Item Description	Amount
<u>114517-454019-9030</u>	<u>STRATEGIC BEHAVIORAL HEALTH: MISC - LOCAL GRANT</u>	<u>\$35,000</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
		\$35,000

**Justification:** *Please provide a brief justification for this line-item transfer request.* \$0  
 TO BUDGET FOR EXENTION OF DOGWOOD HEALTH TRUST GRANT FOR PLANNING AND IMPLEMENTATION EXPENSES RELATED TO THE ADULT RECOVERY COURT. BOC APPROVED ON 5.6.2024.

Authorized by Department Head	Date
Authorized by Budget Office	Date
Authorized by County Manager	Date

*For Budget Use Only*

Batch # \_\_\_\_\_

BA # \_\_\_\_\_

Batch Date \_\_\_\_\_



Dear Grantee,

It is my pleasure to inform you that the Dogwood Health Trust (“**Grantor**” or “**we**”) has approved a grant (the “**Grant**”) to your organization (together with any wholly owned Affiliate referenced in Exhibit A, “**Grantee**” or “**you**”) in the amount and for the project described in Exhibit A (the “**Project**”). Grantee shall use the Grant consistent with the purposes of Grantor’s tax-exempt mission to create a dramatically healthier region in Western North Carolina and in accordance with the terms herein.

This letter is a legally binding agreement between Grantor and Grantee (“**Agreement**”). Grantor and Grantee are each a “party” and collectively, the “parties.” The Agreement will be effective upon our receipt of this Agreement, signed by an authorized representative of Grantee. An electronic copy will suffice.

We will arrange for payment of the grant in accordance with the payment schedule set forth in Exhibit A. Grantor will use reasonable commercial efforts to provide payment using the Grantee’s preferred payment method set forth in Exhibit B.

You will be required to submit report(s) to the Grantor on the use of and outcomes related to grant dollars. The Grantor may decline to consider grant renewals for Grantees who fail to do so. Please see Section 2 below and Exhibit A for additional information on the reporting requirement.

## TERMS AND CONDITIONS

- 1. Use of Funds.** Grantee shall use the Grant, and any interest or other income generated by the grant funds, only for the purposes of the Project described in Exhibit A and in a manner consistent with the terms of this Agreement and the budget set forth in Exhibit A. All grant funds must be expended prior to the due date of the final report. Grantee must use the Grant to support one or more of the 18 counties and Qualla Boundary within the Grantor’s Region. Grantee may not make any changes (i) in the purposes for which the Grant is made or (ii) to any budget cost category that exceeds 10% in a budget year (assuming the budget set forth on Exhibit A has budget cost categories) without the Grantor’s prior written approval. Requests and approvals for amendments to any budget cost category that exceeds 10% in a budget year shall be handled pursuant to Grantor’s forms and procedures.
- 2. Reporting.** The Grantee will submit to Grantor the written reports set forth on Exhibit A detailing Grant progress from a programmatic perspective along with a report of expenditures and confirmation that Grantee is in compliance with the terms of this Agreement. Grantor will provide reporting instructions prior to the due date found in Exhibit A. As part of the financial final report, Grantee will report separately grant dollars spent by county benefited. In addition to written reports, Grantor may request stories that illustrate Grantee’s impact – either by requesting that Grantee share such stories or provide

access to individual(s) to interview for stories. Grantor may also request photographs that illustrate Grantee's work. Grantee will assume responsibility for securing all required photo releases and usage rights for any images provided to Grantor and provide verification of such to Grantor upon request. Requests and approvals for amendments to the due date of the interim, progress or final report (includes narrative and financial) shall be handled pursuant to Grantor's forms and procedures.

- 3. Recordkeeping.** Grantee shall treat the Grant and any interest or income generated by the Grant as restricted assets and shall maintain either a separate account for the Grant on Grantee's books or the Grant in a separate bank account. All expenditures made in furtherance of the Project shall be charged off against the Grant and shall appear on Grantee's books. Grantee shall keep adequate records to substantiate its expenditures of the Grant. Grantee shall make all books and records pertaining to the Grant available to the Grantor at reasonable times for review and audit and shall comply with all reasonable requests of the Grantor for information and interviews regarding use of the Grant. Grantee shall keep copies of all books and records related to this grant and all reports to the Grantor for at least six years after Grantee has expended the last of the Grant.
- 4. Prohibited Uses.** Grantee shall not use any portion of the funds granted in a manner inconsistent with Internal Revenue Code ("IRC") Section 501(c)(3), including:

  - a. Influencing the outcome of any specific election for candidates to public office, or to carry on, directly or indirectly, any voter registration drive within the meaning of Section 4945(d)(2);
  - b. Carrying on propaganda, or otherwise attempting, to influence legislation of any kind by any governmental body or by means of a public vote, interpreted in accordance with the provisions of IRC sections 4945(d)(1) and 4945(e); or
  - c. Inducing or encouraging violations of law or public policy, or causing any private inurement or improper private benefit to occur, or taking any other action inconsistent with either Grantee's (i) status as a Section 501(c)(3) public charity, or (ii) public purposes as a governmental unit described in Section 170 (c)(1), as the case may be.
- 5. Re-grants/Earmarking.** Grantee may regrant or loan a part of this grant if and only if such re-grants fall within the stated purpose of the grant and the Agreement or are in accordance with the charitable purposes of Grantee and Grantor. Grantee acknowledges that Grantor has not earmarked Grant funds under this Agreement for any subgrantee, borrower, or contractor of Grantee, and no agreement otherwise exists that permits the Grantor to cause the selection of any such subgrantee, borrower, or contractor. Grantee has exercised or shall exercise exclusive control, in fact, over any such selection process and has made or shall make the selection of any subgrantee, borrower, or contractor completely independently of the Grantor.

6. **No Pledge.** Neither this Agreement nor any other statement, oral or written, nor the making of any contribution or grant to Grantee, shall be interpreted to create any pledge or any commitment by the Grantor or by any related person or entity to make any other grant or contribution to Grantee or any other entity for this or any other purpose. The Grant contemplated by this Agreement shall be a separate and independent transaction from any other transaction between the Grantor and Grantee or any other entity.
7. **Representation and Warranty Regarding Tax Status.**
- a. By entering into this Agreement, Grantee represents and warrants that Grantee is either (i) exempt from federal income tax under IRC Section 501(c)(3) and is not a private foundation within the meaning of IRC Section 509(a) nor a Type III non-functionally integrated IRC Section 509(a)(3) supporting organization or any other IRC Section 509(a)(3) supporting organization that is controlled directly or indirectly by a disqualified person with respect to Grantee or (ii) a governmental unit described in Section 170 (c)(1).
  - b. Grantee's tax status has not been revoked and, to Grantee's knowledge, Grantee is not under review or audit by the Internal Revenue Service. Upon request, Grantee will provide Grantor with current documentation of its tax status.
  - c. Grantee's receipt of the Grant and compliance with the terms of this Agreement will not cause Grantee to be in violation or conflict with the governing documents of Grantee or any law to which Grantee is subject, or to be in breach or default of any contract or license to which Grantee is a party; nor will it have any material adverse effect on Grantee's tax or legal status.
  - d. There is no pending proceeding or investigation directed at the Grantee by a federal, state, tribal, or local administrative agency or authority that could have a material adverse impact on the Grantee's ability to perform its obligations under this Agreement.
  - e. Grantee will not use Grant funds to compensate any person that Grantor has identified in writing to Grantee as a disqualified person within the meaning of IRC Section 4946.
  - f. If the Grantee is a council of government, Grantee represents and warrants that local governments fund its operations, appoint its directors, and supervise the organization.
8. **Notice.** Grantee shall give the Grantor immediate written notice upon the occurrence of any of the following: (i) any change in either Grantee's tax-exempt or public charity status, or its status as a governmental unit described in Section 170 (c)(1), as the case may be; (ii) a proceeding or investigation directed at the Grantee or an employee, director or officer of the Grantee by a federal, state, tribal, or local administrative agency or authority ("**Government Proceeding**") that could have a material adverse impact on

the Grantee's ability to perform its obligations under this Agreement; or (iii) a Government Proceeding related to a claim alleging the diversion of grant funds to a non-charitable purpose, financial impropriety, fraud or breach of fiduciary duty. Written notification will be provided to the General Counsel of Dogwood Health Trust at [impactgrants@dht.org](mailto:impactgrants@dht.org).

9. **Publications; License.** Any information contained in publications, studies, or research funded by this grant shall be made available to the public following such reasonable requirements or procedures as the Grantor may establish from time to time. Grantee grants to the Grantor a perpetual, irrevocable, fully-paid up, royalty-free, nonexclusive license to publish, use, distribute, reproduce, copy, and prepare derivative works based upon any publications, studies, or research funded by this grant at the sole discretion of the Grantor.
10. **Grant Announcements and Communications.** Grantee shall submit in advance to the Grantor, for review and revision at the sole discretion of the Grantor, any press releases or external announcements Grantee intends to make regarding the grant, and any publications referring to the grant Grantee intends to publish, other than in its internal publications (annual reports, newsletters, etc.), organizational social media, or tax returns. The Grantor, in its sole discretion, may include information on the grant in its newsletters, website, social media and periodic public reports.
11. **Terrorist Activity.** Grantee warrants that it does not support or conduct, directly or indirectly, violence or terrorist activities of any kind.
12. **Liability.** Grantee agrees that, to the extent permitted by North Carolina Tort Claims Act, Grantee will be solely responsible for its acts and omissions in carrying out the activities and purposes of the Grant.
13. **No Agency.** Grantee and not the Grantor is solely responsible for all activities supported by the Grant, the content of any product created with the grant funds, and the manner in which such products may be disseminated. This Agreement shall not create any agency relationship, partnership, or joint venture between the parties, and Grantee shall make no such representation to anyone.
14. **Assignment.** Grantee may not assign any rights or delegate any obligations created by this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of Grantor. Any assignment in violation of the foregoing is null and void. This Agreement will be binding upon the successors, legal representatives and permitted assigns of the parties.
15. **Waivers.** The failure of the Grantor to exercise any of its rights under this Agreement shall not be deemed to be a waiver of such rights.
16. **Remedies.** Grantee shall repay to the Grantor any portion of the Grant which is not spent or committed for the charitable purposes of this Agreement. If the Grantor determines, in its sole discretion, that Grantee has substantially violated or failed to carry out any

provision of this Agreement, including but not limited to failure to submit reports when due, the Grantor may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee under this or any other grant agreement, and the Grantor may demand the return of all or part of the unexpended Grant, which Grantee shall immediately repay to the Grantor. Grantor may, in its sole discretion, discontinue or suspend funding if making such payment might, in the judgment of the Grantor, expose the Grantor to liability, adverse tax consequences, or constitute a taxable expenditure. The Grantor may also avail itself of any other remedies available by law.

17. **Captions.** All captions and headings in this Agreement are for the purposes of reference and convenience only. They shall not limit or expand the provisions of this Agreement.
18. **Entire Agreement.** This Agreement supersedes any prior or contemporaneous oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to its subject matter. This Agreement may not be amended or modified, except in a writing signed by both parties.
19. **Survival.** A party's obligations under this Agreement that by their nature are intended to survive termination or expiration of this Agreement shall so survive.
20. **Governing Law.** This Agreement shall be governed by the laws of the State of North Carolina applicable to contracts to be performed entirely within the State. For the purpose of any action or proceeding arising out of or relating to this Agreement, each of the parties hereto irrevocably (a) submits to the exclusive jurisdiction of the state courts of North Carolina and to the jurisdiction of the United States District Court for the Western District of North Carolina and (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in any North Carolina state or U.S. federal court sitting in the County of Buncombe, North Carolina.

Please have an authorized officer of your organization sign this Agreement and return it to the Grantor. You may return the signed Agreement via AdobeSign, or send it to [finance@dht.org](mailto:finance@dht.org) or 890 Hendersonville Rd, Suite 300, Asheville, NC 28803. Please keep a copy of the signed Agreement for your files.

If you have any questions concerning this grant or the grant agreement, please don't hesitate to email [impactgrants@dht.org](mailto:impactgrants@dht.org) or contact your DHT Community Investment Team contact.

On behalf of Dogwood Health Trust's Board and staff, let me express how delighted we are to support your organization. We wish you every success.

Sincerely,

Dogwood Health Trust

\_\_\_\_\_  
*Authorized Signature*

Susan Mims, MD, MPH  
*Name*

President & CEO  
*Title*

\_\_\_\_\_  
*Date*

Accepted on behalf of organization by:

Date: \_\_\_\_\_

\_\_\_\_\_  
*Authorized Signature*

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Title*



EXHIBIT A

*Grantee legal name: Henderson County*

*Tax ID Number: 56-6000307*

*Type of organization: Government Entity*

*Organization contact: John Mitchell, County Manager*

*Grant contact: Jodi Grabowski, Behavioral Health System Coordinator*

*Dogwood Strategic Priority: Behavioral Health & Substance Use Disorder (100%)*

*Project title: Treatment Court Prosecutorial Services Gap*

*Project:*

*Support for staffing Henderson County's Adult Recovery Court (ARC), a judicial program that creates opportunities for justice-involved individuals to access evidence-based services and recovery supports.*

*Grant amount: \$35,000.00*

*Payment schedule:*

- *The entire grant amount set forth above will be disbursed within 30 days of Grantor's receipt of this signed grant agreement.*

*Budget:*

*\$35,000 for court staffing*

*Reporting requirements:*

*Grantee will submit annual reports to Dogwood Health Trust for the duration of the grant period. Reports must detail the grant progress and include information on the*

*following output and outcome measurements, including progress toward targets where listed:*

*Outputs:*

*Completed ARC team; staffing/court sessions held*

*Outcomes:*

*# of Referrals, assessments, admissions, completions, and dismissals of charges.*

*Recidivism rate for ARC participants at grant termination.*

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**Final Report (narrative and financial)**

**Due Date: 2/7/2024**

As part of the narrative final report, Grantee will report percent of grant funds spent by county, including the Qualla Boundary. This figure may be an estimate based on a good-faith approximation of the geographic breakdown of work completed.

EXHIBIT B

Please choose your payment method and provide the required details below.

Select...

**Wire or ACH (*PREFERRED*)**

<i>Bank / Institution Name</i>	
<i>ABA # (for Wire) or Routing # (for ACH)</i>	
<i>Account #</i>	

**E-check, sent via email**

<i>Email Address</i>	
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**Paper check, sent via USPS**

<i>Mailing Address</i>	
<i>City, State, Postal Code</i>	

For grants paid in installments, your Dogwood Impact Team contact will work with you to confirm that all requirements for subsequent payments have been met and confirm payment details at that time.

**Signature:**

**Email:** s.mims@dht.org

**Signature:**

**Email:** jmitchell@hendersoncountync.gov