



**GRANT AGREEMENT**

**TEXAS FINANCIAL EDUCATION ENDOWMENT**

<b>TFEE Grantee Number:</b>	
<b>Grantee:</b>	
<b>Amount Awarded:</b>	
<b>Term:</b>	
<b>Contact Person:</b>	
<b>Taxpayer ID Number:</b>	

**SECTION 1. PURPOSE OF THE AGREEMENT**

- 1.1 The purpose of the Texas Financial Education Endowment (TFEE) grant program is to support statewide financial education, literacy, and capability, as well as consumer credit building activities and programs.
- 1.2 The purpose of this Agreement is to provide reasonable contractual controls to ensure that the public purposes of the grant are achieved.

**SECTION 2. DEFINITIONS**

- 2.1 **“Agreement”** means this Grant Agreement and attached exhibits.
- 2.2 **“Capital expenditure”** means property purchased for the program associated with this agreement that has a useful life of more than one year and a cost of more than \$5,000.
- 2.3 **“Financial education, literacy, and capability”** means a set of acquired consumer behaviors and knowledge that lead to long-term, tangible improvements in financial health.
- 2.4 **“Grant”** means the funds awarded to Grantee by Grantor, subject to the requirements of this Agreement, the Program guidelines and other Program requirements. The Grant amount is the “Amount Awarded,” as described above and in the payment schedule in Section 6 of this Agreement.
- 2.5 **“Grantee”** means applicant

- 2.6** “Grantor” means the Finance Commission of Texas and the Texas Financial Education Endowment. The Commission may authorize one or more persons, including the Grant Coordinator, to perform any action that the Commission is authorized to perform as Grantor under this Agreement.
- 2.7** “Grant Coordinator” means Grantor’s representative responsible for coordinating the administration of the TFEE grant program.
- 2.8** “TFEE” – means Texas Financial Education Endowment

### **SECTION 3. TERM OF THE AGREEMENT**

This Agreement will begin on January 1, 2016 and will terminate on December 31, 2017, unless it is terminated earlier in accordance with another provision of this Agreement. Grantor is not obligated to reimburse expenses that were incurred before the beginning or after the termination of this Agreement. Grantees are expected to continue to report grant funded activities until the end of the term of this agreement.

### **SECTION 4. GRANTOR’S OBLIGATIONS**

- 4.1 Award by Grantor.** Subject to the provisions of this Agreement and TFEE guidelines, Grantor hereby awards the Grant to Grantee.
- 4.2 Reimbursement of Grantee Expenses.** Grantor will reimburse Grantee for all actual, allowable, and allocable costs incurred by Grantee pursuant to this Agreement. Grantor will reimburse the costs according to the payment schedule in Section 6 of this Agreement. Grantor is not obligated to pay unauthorized costs. Prior written approval from Grantor is required if Grantee anticipates any of the following: (1) altering the scope of the Grant, (2) adding funds to previously unapproved budget categories, (3) changing funds in any awarded budget category by more than 10% of the total amount awarded, or (4) adding new line items to any awarded budget category.
- 4.3 Maximum Liability of Grantor.** Grantor’s maximum liability under this Agreement is the “Amount Awarded,” as described above and in the payment schedule in Section 6 of this Agreement.
- 4.3 Agreement Not Entitlement or Right.** Reimbursement with Agreement funds is not an entitlement or right. Reimbursement depends, among other things, upon strict compliance with all terms, conditions, and provisions of this Agreement. Grantor and Grantee agree that any act, action, or representation by either party, their agents, or their employees that purports to increase the maximum liability of Grantor is void, without first executing a written amendment to this contract. Grantee agrees that nothing in this Agreement will be interpreted to create an obligation or liability of Grantor in excess of the funds as stated in this Agreement.
- 4.4 Funding Limitation.** Grantee agrees that funding for this contract is subject to the actual receipt of grant funds available for expenditure by TFEE and that these funds are

sufficient to satisfy all of Grantor's duties, responsibilities, obligations, liability, and for reimbursement of all expenses, if any, as set forth in this Agreement or arising out of any performance pursuant to this Agreement. Grantee agrees that notwithstanding any other provision of this Agreement, if funds are not available for expenditure by TFEF, Grantor is not liable to pay the Grantee any remaining balance on this Agreement, and Grantor may terminate the Agreement.

## **SECTION 5. GRANTEE'S OBLIGATIONS**

- 5.1 Performance by Grantee.** Grantee may use the Grant only to create, deliver, or expand Grantee's financial education, literacy, and capability building programs within the State of Texas. Grantee must use the Grant in accordance with all of the following: (1) the terms of this Agreement, (2) TFEF program guidelines and objectives, and (3) Grantee's application, which is attached as Exhibit A and incorporated into this Agreement.
- 5.2 Cooperation; Additional Information.** Grantee must cooperate fully with Grantor. In addition to the information contained in the required reports described in Section 6 of this Agreement, other information may be required as requested by Grantor.
- 5.3 Notification of Change.** Grantee must notify Grantor within 30 days of significant changes or events occurring during the term of this Agreement that could potentially impact the progress or outcome of the Grant, including, but not limited to, the following changes: (1) Grantee's management personnel, (2) physical or mailing address, (3) loss of funding, and (4) changes to Grantee's status with the Internal Revenue Service. Failure to submit required notice will be grounds for termination of this Agreement.
- 5.4 Standards for Financial and Programmatic Management.** Grantee and its governing body bear full and sole responsibility for the integrity of the fiscal and programmatic management of the organization, including financial and programmatic policies and procedures. The fiscal and programmatic management will include accountability for all funds and materials received from Grantor; compliance with Grantor's rules, policies, and procedures, as well as applicable federal and state laws and regulations; and correction of fiscal and program deficiencies identified through self-evaluation or Grantor's monitoring processes. Ignorance of any contract provisions or other requirements referenced in this Agreement will not constitute a defense or basis for waiving or failing to comply with any provisions or requirements. Grantee must develop, implement, and maintain financial management and control systems that include appropriate financial planning, including the development of budgets that adequately reflect all functions and resources necessary to carry out authorized activities and the adequate determination of costs; financial management systems, including accurate and complete payroll, accounting, and financial reporting records; cost source documentation; effective internal and budgetary controls; determination of reasonableness, allocation of costs; and timely and appropriate audits and resolution of any findings; and annual financial statements, including statements of financial position, activities, and cash flows, prepared on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) or other recognized accounting principles.

- 5.5 Applicable Law and Conforming Amendments.** Grantee must comply with all laws, regulations, requirements, and guidelines applicable to a Grantee providing services to the State of Texas, as these laws, regulations, requirements, and guidelines currently exist and as they are amended throughout the term of this Agreement.
- 5.6 Failure to Use Grant for Authorized Purpose.** If Grantee fails to use Grant funds to create, deliver, or expand financial education, literacy, and capability building programs as described in Grantee's application, then Grantor may do one or more of the following: (1) terminate the Agreement, (2) withhold the Grant funds, (3) require that Grantee refund Grant funds received, (4) submit amended report and (5) determine that Grantee is ineligible for future TFEE funds.
- 5.7 Grantee's Status with Texas Comptroller's Office.** If the Texas Comptroller's Office forfeits Grantee's right to transact business in Texas due to failure to pay a franchise tax or for any other reason, then Grantor may do one or more of the following: (1) terminate the Agreement, (2) suspend the Agreement until Grantee returns to good standing with the Comptroller's Office, or (3) take any other action described in paragraph 5.6 of this Agreement.

## **SECTION 6. REPORTING REQUIREMENTS; SCHEDULE OF REPORTS AND PAYMENTS**

- 6.1 Required Reports.** As part of the Grantee's proposed application, Grantee will provide the detailed measurable outcomes that Grantee expects to achieve through use of the Grant funds during the Term of this Agreement. **On or before each due date specified in the schedule below, Grantee must submit to Grantor a report, attached to this Agreement as Exhibit B, that details the progress of the Grant, calculated against the measurable outcomes as stated in the grant application.** On or before the 30<sup>th</sup> day following expiration of the Term in Section 3 of this Agreement, Grantee must submit a final report to Grantor. Grantee agrees to submit a longitudinal report to assess changes in consumer behavior and program impact six months upon program completion

For adult financial education programs, Reimbursement reports will be considered incomplete if they do not include participant sign-in sheets and aggregate pre-and-post survey data. Grantee must retain copies of the pre-and-post surveys for a period of three years after the end of the term of the Agreement

**6.2 Schedule of Reports and Payments.**

<b>Reporting Period</b>	<b>Report Due Date</b>
January 1, 2016 – June 30, 2016	Report #1 July 31, 2016
July 1, 2016 – December 31, 2016	Report #2 January 30, 2017
January 1, 2017 – June 30, 2017	Report #3 July 30, 2017
July 1, 2017 – December 31, 2017	Report #4 and final January 30, 2018
January 1, 2018 – June 30, 2018	Six month follow up report July 31, 2018

**6.3 Written Explanation of Variance.** Grantee must provide a written explanation to Grantor for any variances on the periodic reports for any performance by Grantee that varies from projected performance. In addition to the written explanation, Grantee must promptly answer any questions by Grantor, whether in writing or otherwise, in connection with the periodic reports presented to Grantor.

**6.4 Continued Obligation to Report.** If Grantee exhausts all funds prior to the completion of the grant term the Grantee is obligated to continue to track and report grant related activities for the remaining duration of the term outlined in this agreement.

**6.5 Failure to Comply with Reporting Requirements.** If Grantee fails to comply with any of the reporting requirements in this Agreement, then Grantor may do one or more of the following: (1) terminate the Agreement, (2) withhold the Grant funds, (3) require that Grantee refund Grant funds received, (4) submit an amended report, and (5) determine that Grantee is ineligible for future TFEE funds.

**6.6 Payments.** Grantee shall request disbursement of grant funds by submitting a (Grant Reimbursement Report) to Grantor for approved budget work performed on the project. No more than half of the total award shall be disbursed in first year of cycle (unless the grant is on a 1 year cycle) Disbursement is contingent upon approval of the disbursement request by Grantor.

**6.7 Disbursement Request Template.** The format to use for submitting disbursement request will be provided in the grant report. Each disbursement request shall contain supporting documentation or back-up documentation for all amounts shown on the request, including receipts for all materials and supplies, all Grantee staff time shown by number of hours worked and hourly rate, and all contractor or sub-contractor services, which can be identifiable to reconcile expenditures.

## SECTION 7. RECORDKEEPING AND MONITORING

- 7.1 Duty to Maintain Records.** Grantee must maintain adequate records to support its charges, procedures, and performances for all work related to this Agreement. Grantee must also maintain records that are deemed necessary by Grantor, the State Auditor's Office, other auditors of the State of Texas, or any other persons designated by Grantor, to ensure proper accounting for all costs and performances related to this Agreement.
- 7.2 Record Retention.** For a period of three years after the end of the term of the Agreement, or until full and final resolution of all audit or litigation matters that arise after the expiration of the term, whichever is later, Grantee must maintain any records that are necessary to fully disclose the extent of services provided under this Agreement, including but not limited to any daily activity reports, time distribution and attendance records, and other records that may show the basis of the charges made or performances delivered.
- 7.3 Access by Grantor and State Auditor's Office.** During the Term and for at least three years thereafter, Grantee must allow Grantor and the State Auditor's Office access to and the right to examine the organization, program, premises, books, accounts, records, files, and other papers or property belonging to or in use by Grantee and pertaining to this Agreement or the use of funds pursuant to this Agreement, in order to ascertain complete compliance with the provisions of this Agreement and with TFEE program guidelines. Grantee must maintain these records at a location that is readily accessible to Grantor. Grantor has the right to make a visual inspection of any assets, goods, or products purchased with Grant funds.
- 7.4 Audits or Investigations.** Grantee understands that acceptance of Grant funds under this Agreement acts as acceptance of the authority of the Grantor to conduct an audit or investigation in connection with Grant funds. Grantee further agrees to cooperate fully with the Grantor and the State Auditor's Office, or their successors, in the conduct of any audit or investigation, including providing all records requested. Grantee will ensure that this clause concerning the authority to audit the funds received by Grantee is included in any subcontract it awards.
- 7.5 Location.** Any audit of records will be conducted at Grantee's principal place of business or a location of Grantee's operations during Grantee's normal business hours. Grantee must provide to Grantor or its designees, on Grantee's premises (or if the audit is being performed on a subcontractor, the subcontractor's premises if necessary) private space, office furnishings (including lockable cabinets), telephone and facsimile services, utilities and office-related equipment, and duplicating services as Grantor or its designees may reasonably require to perform the audits described in this Agreement.
- 7.6 Disallowance of Grant Funds.** Grantee understands and agrees that Grantee will be liable to the Grantor for any costs disallowed as a result of any audit or investigation, and must, upon demand, immediately reimburse the Grantor for disallowed costs.

## SECTION 8. USE OF GRANT FUNDS AND PROPERTY

- 8.1 Allowable Expenditures.** Grantee may use the Grant funds only for allowable expenditures as identified in Grantee's application and authorized pursuant to the Uniform Grant Management Standards for the State of Texas, as adopted by the Governor of the State of Texas pursuant to Chapter 783 of the Texas Government Code. Grant funds may not be used for capital expenditures (land or any items over \$5,000). Grantee must produce proof of payment (stamped paid invoices or receipts) of all allowable expenditures. All costs must be directly attributable to the project that is the subject of this Agreement. Grantee may not use Grant funds for any of the following: (1) entertainment or alcoholic beverages, (2) to directly fund class action suits, lawsuits against governmental entities, or lobbying for or against any candidate or issue, or (3) to sue or otherwise support a cause of action, claim, or defense against Grantor or the State of Texas.
- 8.2 Salary.** Salary costs will be reimbursed for direct program activity. Any salary charged to grant must be accurately recorded. Grantee must submit timesheets with specific duties performed in relation to grant activity in order for salary to be considered for reimbursement. This documentation must be submitted with grant reimbursement report.
- 8.3 Consultant Services** (a.) Grantees normally are expected to utilize the services of their own officers or employees to the maximum extent in managing and performing the activities supported by TFEE grant. Where it is necessary for a grantee to enter into a sub award for the services of persons who are not its officers or employees, it is expected to do so in accordance with its own written organizational standards.

If the need for consultant services is anticipated, the proposal narrative should provide appropriate rationale, and the summary proposal budget should estimate the amount of funds that may be required for this purpose. To the extent possible, consultant rates should show separate amounts for actual services and each of the components of the rate (such as fringe benefits, indirect costs, and other expenses).

Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill and who are not officers or employees of the performing organization are allowable when reasonable in relation to the services rendered. However, payment for a consultant's services may not exceed more than 30% of actual award.

In determining the allowable costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors, among others, are relevant:

- the nature and scope of the service rendered in relation to the service required

- the necessity of issuing a sub award for the service considering the organization's capability in the particular area
- the past pattern of such costs, particularly in the years prior to the award of grant
- the impact of government contracts and grants on the organization's total activity (e.g., what new problems have arisen)
- the service can be performed more economically by employment rather than by consulting
- the qualifications of the individual or concern rendering the service and the normal/customary fees charged and received by the individual for comparable services
- the adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation and termination provisions).
- Costs of legal or lobbying services are unallowable in the grant

**8.4 Allowable Travel Expenditures.** Travel costs will be reimbursed for certain expenses at the rates authorized by this grant agreement as guided by rules and rates promulgated by the Comptroller of Public Accounts. All travel must be performed in conjunction with official TFEE business. It is the responsibility of each grantee to track and submit (with grant reports) the completed mileage log for travel reimbursement. Failure to comply with the travel guidelines will result in delay of payment or rejection of travel reimbursement. When tracking mileage grantees must use Mileage Log included in the attached grant report.

Grantees should use online mapping tools to compare and commute point-to-point mileage. The allowable reimbursement is determined using the lower of the actual miles driven or the mileage calculated, point to point. The Grantor is not required to reimburse grantees at the maximum rate. The Grantor's maximum mileage reimbursement rate for travel by grantees is \$0.56 per mile. Mileage to and from ordinary in-town errands will not be reimbursed.

**Mileage is consistent with state reimbursement rates set by the State Comptroller and is subject to change. As of the date of this Agreement, mileage is \$0.56 cents per mile. Please refer to** Uniform Grant Management Standards (UGMS) for conditions related to all travel, lodging, and food related reimbursement expenses.

Refer to: <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.660.htm> for specific travel allowances, definitions, and restrictions.

Parking will be reimbursed by the agency as long as it is incurred for official TFEE business.

Grantees are encouraged to compare airline costs and use the lesser amount. To be reimbursed for airline travel you must submit the receipts that contain the following information: grantee (employee) name, airline, cost of airfare, travel dates, destinations, ticket number, and seating class. Grantees must also show proof of payment for airfare.

- 8.5 Disbursement of Grant Funds.** Payments are made on a reimbursement basis after Grantor receives Grantee's Account and Report on Use of Grant Funds including receipts and invoices for all expenditures and accompanying reports, as provided in the schedule in Section 6 of this Agreement. These receipts and invoices must match the funds requested on Grantee's initial budget, unless otherwise approved in writing by the Grantor. Advance payments and any reimbursed grant funds that have not been used must be returned to the Grantor within 30 days of termination.
- 8.6 Misuse of Grant Funds.** Grantor may require a refund of Grant funds already disbursed to Grantee if one or more of the following events occur: (1) Grant funds are misused, (2) Grant funds are used in an illegal manner, (3) Grant funds are used for non-allowable expenses, (4) Grantee violates the terms or conditions of this Agreement, or (5) Grantor discovers that Grantee made any misrepresentations to Grantor in obtaining this Grant. This provision is not exclusive of other grounds for withholding or refunding of funds or any other remedy, civil or criminal, which may be available to Grantor.
- 8.7 Use of Property.** During the Term of this Agreement, any property acquired with Grant funds must be used in accordance with this Agreement, to accomplish the purposes of the Grant and the Program.
- 8.8 Records of Property.** Grantee must maintain appropriate records of goods or property purchased with Grant funds and must develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of these goods or property.
- 8.9 Purchase of Equipment; Title Upon Termination.** Grantee may not give any security interest, lien or otherwise encumber any item of equipment purchased with funds under this Agreement. Grantee must permanently identify all equipment purchased under this contract by appropriate tags or labels affixed to the equipment. Grantee must maintain a current inventory of all equipment or assets, which is available to Grantor at all times upon request. Grantee must administer a program of maintenance, repair, and protection of equipment or assets under this contract so as to ensure the full availability and usefulness of the equipment or assets. In the event Grantee is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assets provided under this contract, it must use the proceeds to repair or replace these equipment or assets. To the extent that Grantor reimburses Grantee for its purchase of equipment and supplies with funds from this contract, Grantee agrees that upon termination of the contract, title to or ownership of all these purchased equipment and supplies, at the sole option of Grantor, will remain with Grantor.
- 8.10 Intellectual Property.** Grantee understands and agrees that where funds obtained under this Agreement may be used to produce original books, manuals, films, or other

original material and intellectual property, Grantee may copyright such material subject to the royalty-free, non-exclusive, and irrevocable license that is reserved by Grantor and that Grantee hereby grants to Grantor. Grantor has the unrestricted right to use, copy, modify, prepare derivative works, publish, and distribute, at no additional cost to Grantor, in any manner that Grantor deems appropriate at its sole discretion, any component of intellectual property made the subject of this Agreement.

## **SECTION 9. TERMINATION OF THE AGREEMENT**

- 9.1 Termination for Convenience.** Either party may terminate this Agreement before the end of the Term, without cause, by delivering a written notice of termination to the other party at least 30 days before the termination. Early termination of this Agreement will not relieve Grantee from reporting requirements, recordkeeping requirements, or liability to refund Grant funds in the event of misuse. If Grantee terminates the agreement after receiving reimbursements in an amount that exceeds a pro rata portion of the total awarded amount over the elapsed Term of the Agreement, then Grantee must refund the portion of the reimbursement that exceeds the pro rata portion of the total awarded amount. For example, if Grantee has received a reimbursement of 40% of the total amount of the Grant, but only 30% of the Term of the Agreement has elapsed as of the date of termination, then Grantee must refund 10% of the total amount of the Grant to Grantor. Grantor, at its option, may allow Grantee to provide a refund that is less than the refund specified in this paragraph.
- 9.2 Termination for Cause.** In the event that Grantee fails to perform or comply with an obligation of the terms, conditions, and provisions of this Agreement, Grantor may, upon written notice of the breach to Grantee, immediately terminate all or any part of this Agreement.
- 9.3 No Reimbursement Upon Termination.** In the event of termination of this Agreement, Grantor will make no further disbursement of Grant funds to Grantee beyond those already approved at the time of termination, and Grantee specifically waives all rights to any these funds. Grantee must refund the Grantor any unused funds at the time of termination.

## **SECTION 10. DISPUTE RESOLUTION**

- 10.1 Mediation; Noncompliance Actions.** To the extent authorized by law, Grantor and Grantee may use a dispute resolution process before pursuing termination or litigation. Grantor and Grantee may sign an amended Grant Agreement or Noncompliance Action Plan agreeing to the amended terms. The Noncompliance Action Plan may include increased communications between Grantor and Grantee, site visits, audits, and additional reports. The dispute may be mediated by a mutually acceptable third party. If mediation occurs, Grantor and Grantee will pay all costs of any mediation equally. Grantor's participation in any mediation or nonbinding dispute resolution process will not be construed as a waiver by Grantor of any of the following: (1) any rights, privileges, defenses, remedies, or immunities available to Grantor as an agency of the

State of Texas or otherwise available to Grantor, (2) Grantor's termination rights, or (3) other termination provisions or expiration dates of this Agreement.

- 10.2 Resolution of Certain Claims Against Grantor.** Notwithstanding paragraph 10.1, for any contractual claim against Grantor subject to Texas Government Code, Chapter 2260, the parties will use the dispute-resolution process provided in Texas Government Code, Chapter 2260, and in Title 7, Chapter 10 of the Texas Administrative Code.

## **SECTION 11. AGREEMENT MODIFICATIONS**

- 11.1 Amending Agreement.** Except as provided in this section of the Agreement, this Agreement embodies the entire agreement between the parties, and there are no covenants, agreements, representations, warranties, or restrictions between the parties other than those specifically set forth in the Agreement. Except as provided in this section, no modification or amendment to this Agreement is valid unless in writing and signed by the parties.
- 11.2 Grantor's Notice of Amendment.** Upon notice, Grantor may amend this Agreement by submitting the amended changes to Grantee in writing. Continued performance of this Agreement by Grantee after notice has been given pursuant to this section will be deemed to be acceptance of any amended terms.
- 11.3 Grantee's Request for Amendment.** Grantee may request an amendment to the Agreement by submitting the requested change, in writing, to the Grant Coordinator. All requests for an amendment to the Agreement must include a summary of Grantee's financial education, literacy, and capacity building program and a statement explaining the need for the change.
- 11.4 Changes Become Part of Agreement.** Changes approved in accordance with this section become a part of this Agreement, superseding all inconsistent provisions.

## **SECTION 12. GENERAL TERMS AND CONDITIONS**

- 12.1 Delegation to Third-Party.** Grantee is not relieved of its duties and obligations imposed by this Agreement through delegation by Grantee to a third party.
- 12.2 Agreement Binding.** This Agreement will be binding on and inure to the benefit of the parties and their officers, administrators, legal representatives, and successors, except as otherwise expressly provided herein. Grantee may not assign or subcontract any of its rights or duties under this Agreement without the written consent of Grantor. The parties intend to be legally bound and have executed this Agreement as evidenced by their signatures on the date indicated below. This Agreement is not effective until it has been signed by both parties.
- 12.3 No Creation of Debt.** This Agreement will not be construed as creating any debt on behalf of the State of Texas or Grantor in violation of Article III, Section 49 of the Texas Constitution.

- 12.4 Authorized Representative.** Each person signing expressly represents that he or she is duly authorized to do so and to bind the party on whose behalf they are signing. All documents requiring Grantee's signature must be executed by an individual with the authority to legally bind Grantee.
- 12.5 Indemnification.** Grantee agrees to indemnify and hold harmless Grantor, Grantor's agents, and Grantor's employees, from any and all liability, claims, demands, and causes of action arising from or related to Grantee's performance under this Agreement, including all reasonable attorneys' fees incurred in defending or settling any of these claims.
- 12.6 No Employer Relationship.** Grantee and Grantee's employees and agents have no employer-employee relationship with Grantor or any state agencies that Grantor oversees. Grantee expressly agrees that it is an independent contractor.
- 12.7 Representations and Warranties of Grantor and Grantee.** Grantor and Grantee each represent and warrant that it has full right and authority to enter into this Agreement and to grant the other party the rights set forth in this Agreement and that all necessary approvals have been obtained. Each party represents and warrants that it is in good standing in all jurisdictions in which it is required to be so qualified for performance of this Agreement, and all necessary certifications, registrations, approvals and licenses have been obtained, and all necessary fees paid.
- 12.8 Applicable Law; Venue for Litigation.** This Agreement will be governed by and construed in accordance with the laws and court decisions of the State of Texas. Except where state law establishes mandatory venue, Grantee agrees that any action, suit, litigation or other legal proceeding arising out of or in any way relating to this Agreement will be commenced exclusively in the Travis County District Court or the United States District Court, Western District, Austin Division, and to the extent allowed by law, irrevocably and unconditionally consents to the exclusive jurisdiction of those courts for the purpose of prosecuting or defending any litigation. Grantee hereby waives and agrees not to assert by way of motion, as a defense, or otherwise, in any suit, action, or proceeding, any of the following: (1) any claim that Grantee is not personally subject to the jurisdiction of the above-named courts, (2) any claim that the suit, action or proceeding is brought in an inconvenient forum, and (3) any claim that venue is improper.
- 12.9 Headings.** Captions and headings of the sections or paragraphs of this Agreement are for convenience and reference only and do not affect, modify, or amplify the provisions of this Agreement, nor will they be employed to interpret or aid in the construction of this Agreement.
- 12.10 Severability.** If any part of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, that portion will be deemed severed from this Agreement and the remaining part will remain in full force and effect, and the

parties will promptly negotiate to replace invalid or unenforceable portions that are essential parts of this Agreement.

**12.11 Waiver.** A waiver by Grantor of any provision hereunder will not operate as a waiver of any other provision, or continuing waiver of the same provision in the future.

**12.12 No Waiver of Sovereign Immunity.** Grantor and Grantee agree that no provision of this Agreement is in any way intended to constitute a waiver by Grantor or the State of Texas of any immunities from suit or from liability that the Grantor or the State of Texas may have by operation of law.

**12.13 Construction of Agreement.** Both parties agree that they participated in the creation of this Agreement, and the Agreement's terms are a product of the negotiation between the parties. In the event there is a dispute regarding the meaning of any provision of this Agreement, no provision will be construed in favor of or against any party's position on the grounds that the party was the drafter of this Agreement.

**12.14 Exhibits.** The following document is incorporated into this Agreement as an exhibit:

Exhibit A - Notification Letter    Exhibit B - Grantee's Application    Exhibit C - Grant Report

**12.15 Uniform Grant Management Standards (UGMS).** In accordance with Texas Government Code §783.007, this Agreement must comply in all respects with the Uniform Grant Management Standards (UGMS). In the case of any conflicts between UGMS and this Agreement, the UGMS will control.

### **SECTION 13. TEXAS PUBLIC INFORMATION ACT NOTICE**

**ALL INFORMATION PROVIDED BY GRANTEE PURSUANT TO THIS AGREEMENT IS SUBJECT TO THE TEXAS PUBLIC INFORMATION ACT, TEXAS GOVERNMENT CODE, CHAPTER 552, AND MAY BE SUBJECT TO DISCLOSURE TO THE PUBLIC.**

### **SECTION 14. CERTIFICATIONS**

#### **14.1 Certifications.**

By signing below, Grantee makes all of the following certifications:

- (a) All information provided in connection with Grantee's application is true and correct to the best of Grantee's knowledge.
- (b) Any misrepresentation or false statement made by Grantee, or an authorized agent of Grantee, in connection with Grantee's application, whether intentional or not, will constitute grounds for denial of the application or revocation of the Grant.
- (c) Any payments owed to Grantee in connection with this application may be reduced or denied because of Grantee's owing any debt to the State of Texas, and any payments owed to Grantee in connection with this Agreement may be

denied because of delinquency in payment of a guaranteed student loan or for failure to pay child support.

- (d) Grantee does not and will not knowingly employ an undocumented worker who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States. Grantee understands that if, after receiving a grant, Grantee is convicted of a violation under 8 U.S.C. Section 1324a(f), Grantee must repay the amount of the Grant with interest, at the rate and according to the other terms provided by an agreement under Section 2264.053 of the Texas Government Code, not later than the 120th day after the date of the public agency, state or local taxing jurisdiction, or economic development corporation notifies Grantee of the violation.

**14.2 Notice of Penalties: The penalty for knowingly making false statements or false entries, or attempts to secure money through fraudulent means, may include fines, incarceration, and forfeiture of funds under applicable state law.**

By their signatures below, the parties agree to the terms of this Agreement.

**Texas Financial Education Endowment**  
**2601 North Lamar Blvd**  
**Austin, Texas 78705**

**Agency**  
**Address Block**  
**City, State, Zip**

By: \_\_\_\_\_  
Commissioner Leslie Pettijohn  
Consumer Credit Commissioner, on behalf  
of the Texas Financial Education Endowment

By: \_\_\_\_\_  
Director of Grants Management

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

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