

NORTH CAROLINA

AGREEMENT

UNION COUNTY

THIS CONTRACT is made and entered into as of \_\_\_\_\_, by and between UNION COUNTY, a political subdivision of the State of North Carolina ("Union"), and UNION COUNTY COMMUNITY ARTS COUNCIL, INC., a North Carolina nonprofit corporation with principal offices in Union County, North Carolina (the "Community Partner").

WITNESSETH

WHEREAS, pursuant to G.S. § 153A-149(c)(30), Union County is authorized to provide for the public welfare through the maintenance and administration of public assistance programs; and

WHEREAS, pursuant to G.S. § 153A-449 Union County may contract with and appropriate money to any person, association, or corporation, in order to carry out any public purpose that the county is authorized by law to engage in; and

WHEREAS, the Community Partner is a nonprofit corporation organized for the purpose of encouraging, promoting, coordinating and sponsoring the development of the arts in Union County; and

WHEREAS, the Union County Board of Commissioners desires to provide financial assistance to the Community Partner; and

WHEREAS, these recitals as set forth herein shall be incorporated into and made a part of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto do each contract and agree with the other as follows:

1. This contract is effective July 1, 2025 and terminates June 30, 2026 (the "Term"). This contract may be terminated by either party at any time upon written notice to the other party. For satisfactory performance of the services described in Paragraph 2 of this Agreement, Union shall pay to Community Partner the amount appropriated by the Union County Board of Commissioners for that fiscal year. The Union County Board of Commissioners has appropriated Fifty Two Thousand Eighteen Dollars (\$52,018) for Fiscal Year 2025-2026. This amount will be payable in equal quarterly increments of Thirteen Thousand Four Dollars and Fifty Cents (\$13,004.50). The first quarterly increment shall be paid within twenty (20) days of execution of this Agreement. Remaining increments will be paid on October 1, January 1, and April 1 during the Term. This contract does not obligate the Union County Board of Commissioners to appropriate any funding to Community Partner in future fiscal years.
2. Community Partner shall use funds provided by Union County exclusively for encouraging, promoting, coordinating and sponsoring the development of the arts in Union County. All services shall be provided without regard to race, color, national origin, sex, handicap, or age. All funds provided by Union shall be expended by the Community Partner for a public purpose.

3. Community Partner shall maintain accurate and detailed records, in accordance with generally accepted accounting principles, consistently applied, of all expenditures or costs relating to any work performed pursuant to this contract. For all work being performed pursuant to this contract, Union has the right to inspect, examine, and make copies of any and all books, accounts, records and other writings relating to the performance of the work. Such audit rights shall be extended to Union or to any representative designated by Union. Audits shall take place at times and locations mutually agreed upon by both parties, although the Community Partner must make the materials to be audited available within one (1) week of the request for them.

In addition, within six (6) months of the end of its fiscal year, Community Partner shall provide to Union's County Manager an annual report detailing how Community Partner has used appropriated funding to promote the public welfare in Union County through its purpose as stated in the recitals herein. This report should incorporate annual performance data to support the impact.

On a quarterly basis, Community Partner shall provide a performance report to Union County's Manager that indicates how the organization is performing related to output and outcome goals, including but not limited to those performance measures submitted at the time of application for funds. The report shall be submitted on the last day of the month following the end of each fiscal quarter of the fiscal year that the organization has received appropriated funds. These performance reports shall be submitted on October 31<sup>st</sup>, January 31<sup>st</sup>, April 30<sup>th</sup>, and July 31<sup>st</sup>.

In the event that the amount provided by Union exceeds \$25,000 during the Term, the Community Partner shall provide Union with an audit report or certified financial statements within six (6) months following the end of the Term. Statements should be prepared in accordance with generally accepted auditing standards, on the overall operations which includes a Statement of Financial Position, Statement of Activities, Statement of Functional Expenses, and Statement of Cash Flows. If the audit is not received in a timely manner, Union reserves the right to suspend payment on any funds appropriated in the following fiscal year(s), for so long as the Community Partner has failed to submit the audit.

4. In the event any audit or examination of financial records related to this contract concludes or shows that funds provided pursuant to this contract have been expended in a manner inconsistent with or not permitted by the terms and conditions of this contract, Union reserves the right to require the Community Partner to return to Union any funds improperly expended by the Community Partner. Nothing in this Section 4 or anything else in this contract shall be interpreted as to limit Union's legal rights or the remedies available to Union to enforce this contract.
5. In performing the services hereunder, Community Partner shall comply with all laws, rules, regulations, ordinances, codes, orders and actions of the United States of America and of any state or political subdivisions thereof or of any other governmental unit or agency that may now or hereafter be applicable to the performance of the services by Community Partner.
6. Community Partner agrees to protect, defend, indemnify and hold Union, its officers, employees and agents free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind in connection with or

arising out of this contract and/or the performance hereof that are due to the negligence of the Community Partner, its officers, employees or agents. Community Partner further agrees to investigate, handle, respond to, provide defense for, and defend the same at its sole expense and agrees to bear all other costs and expenses related thereto.

7. Community Partner is an independent contractor and neither Community Partner, nor its officers, employees, or agents shall be considered for any purposes to be agents of Union.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have hereunto set their hands and seals, and have caused this Agreement to be duly executed, this the day and year first above written.

WITNESS:

**UNION COUNTY**

By: \_\_\_\_\_  
Clerk to the Board

By: \_\_\_\_\_(SEAL)  
County Manager

WITNESS:

**UNION COUNTY COMMUNITY ARTS  
COUNCIL, INC.**

By: \_\_\_\_\_

By: \_\_\_\_\_(SEAL)

Approved as to Legal Form \_\_\_\_\_

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Finance Director