

FORSYTH COUNTY
BOARD OF COMMISSIONERS

MEETING DATE: DECEMBER 19, 2016 AGENDA ITEM NUMBER: 5-A&B

SUBJECT:

- A. RESOLUTION AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS TO RECEIVE A GRANT FROM THE NORTH CAROLINA DEPARTMENT OF NATURAL AND CULTURAL RESOURCES TO SUPPORT THE CONSTRUCTION OF A NEW FAMILY MUSEUM**

- B. AMENDMENT TO THE 2016 NEW FAMILY MUSEUM CAPITAL PROJECTS ORDINANCE**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

Session Law 2016-94, Appropriation Act 2016 included a non-recurring appropriation of a grant through the North Carolina Department of Natural and Cultural Resources in the amount of \$1,000,000 to support the construction of a new family museum in downtown Winston-Salem resulting from the merger of The Children's Museum of Winston-Salem and SciWorks.

On June 27, 2016, Forsyth County Board of Commissioners adopted the 2016 New Family Museum Capital Projects Ordinance for the construction of the new museum.

This item seeks adoption of a resolution authorizing execution of necessary documents to receive the State grant and for an amendment to the 2016 New Family Museum Capital Projects Ordinance. 50% of the funds will be used to support design and construction costs as part of the \$700,000 of unidentified income appropriated in the original project ordinance. The remaining 50% will be used for exhibit design or purchase.

The State grant funds are required to be expended by June 30, 2018.

ATTACHMENTS: YES NO

SIGNATURE: DATE: December 14, 2016
County Manager

RESOLUTION AUTHORIZING EXECUTION OF NECESSARY DOCUMENTS TO RECEIVE A GRANT FROM THE NORTH CAROLINA DEPARTMENT OF NATURAL AND CULTURAL RESOURCES TO SUPPORT THE CONSTRUCTION OF A NEW FAMILY MUSEUM

BE IT RESOLVED by the Forsyth County Board of Commissioners that the Chairman or County Manager and the Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, necessary documents to receive grant funds in the amount of \$1,000,000 from the North Carolina Department of Natural and Cultural Resources appropriated under Session Law 2016-94, Appropriation Act 2016 to support the construction of a new family museum in downtown Winston-Salem resulting from the merger of The Children's Museum of Winston-Salem and SciWorks, subject to a pre-audit certificate thereon, by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney.

Adopted this 19th day of December 2016.

**FORSYTH COUNTY, NORTH CAROLINA
AMENDMENT TO THE
2016 NEW FAMILY MUSEUM CAPITAL PROJECTS ORDINANCE**

FROM: BUDGET & MANAGEMENT

MEETING DATE: December 19, 2016

EXPLANATION:

The purpose of this capital projects ordinance (CPO) amendment is to appropriate \$1 million of state grant funds included in the Appropriation Act of 2016, Session Law 2016-94. The funds are to be used to support the construction of a new family museum to house the recently merged Children's Museum of Winston-Salem and SciWorks.

\$500,000 will be used to support design and construction costs and is part of the original appropriation of \$700,000 in miscellaneous income. This appropriation leaves \$200,000 in miscellaneous income to be determined.

The remaining \$500,000 will be used for exhibit purchase or design by the New Family Museum.

These State grant funds are required to be expended by June 30, 2018.

**BE IT ORDAINED BY THE FORSYTH COUNTY BOARD OF COMMISSIONERS THAT THE
2016 NEW FAMILY MUSEUM CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED
AS FOLLOWS:**

| | | |
|-----------|---|--------------------|
| DECREASE: | <u>SECTION 1. REVENUES</u> 2016 NEW FAMILY MUSEUM CPO OTHER REVENUES (993192-1570) | <u>\$500,000</u> |
| INCREASE: | <u>SECTION 1. REVENUES</u> 2016 NEW FAMILY MUSEUM CPO OTHER REVENUES - STATE GRANT(993192-xxxx) | <u>\$1,000,000</u> |
| INCREASE: | <u>SECTION 2. AUTHORIZATION OF PROJECTS & APPROPRIATION OF FUNDS</u> 2016 NEW FAMILY MUSEUM CPO NEW FAMILY MUSEUM EXHIBIT PURCHASE OR DESIGN | <u>\$500,000</u> |

NATURE OF TRANSACTION:
 Additional Revenue Available
 Transfer within Accounts of
 Same fund
 Other: Appropriation of State Grant

**APPROVED BY BOARD OF COUNTY
COMMISSIONERS AND ENTERED ON
MINUTES DATED _____
AGENDA ITEM NUMBER _____**

**CERTIFICATION OF ELIGIBILITY
Under the Iran Divestment Act**

Pursuant to G.S. 147-86.59, any person identified as engaging in investment activities in Iran, determined by appearing on the Final Divestment List created by the State Treasurer pursuant to G.S. 147-86.58, is ineligible to contract with the State of North Carolina or any political subdivision of the State. The Iran Divestment Act of 2015, G.S. 147-86.55 *et seq.** requires that each vendor, prior to contracting with the State certify, and the undersigned on behalf of the vendor does hereby certify, to the following:

1. that the vendor is not identified on the Final Divestment List of entities that the State Treasurer has determined engages in investment activities in Iran;
2. that the vendor shall not utilize on any contract with the State agency any subcontractor that is identified on the Final Divestment List; and
3. that the undersigned is authorized by the Vendor to make this Certification.

Grantee Name: _____

Grantee Address: _____

By: _____
Signature Date

Printed Name Title

The State Treasurer's Final Divestment List can be found on the State Treasurer's website at the address: <https://www.nctreasurer.com/inside-the-department/OpenGovernment/Pages/Iran-Divestment-Act-Resources.aspx> and will be updated every 180 days. For questions about the Department of State Treasurer's Iran Divestment Policy, please contact Meryl Murtagh at Meryl.Murtagh@nctreasurer.com or (919) 814-3852.

* Note: Enacted by Session Law 2015-118 as G.S. 143C-55 *et seq.*, but has been renumbered for codification at the direction of the Revisor of Statutes.

REQUEST FOR PAYMENT OF APPROPRIATION(S) FROM NORTH CAROLINA GENERAL FUND

North Carolina Department of Natural and Cultural Resources – Grants to Non-State Entities

Ronda Tatum
Assistant County Manager
201 North Chestnut St.
Winston-Salem, NC 27101-4120

Attn: Ms. Tatum
2016-17 Allocation: \$1,000,000.00

Purpose: Appropriation used to support the consolidation of the Children's Museum of Winston- Salem and SciWorks into a facility to house both services in the downtown area. Award amounts of more than \$100,000 shall be made in monthly payments.

Part A. TO BE COMPLETED BY ALL RECIPIENTS

- 1. Contact's Name: Ronda Tatum Telephone: 336-703-2013
- 2. Contact's Position in Organization: Assistant County Manager
- 3. Federal Identification Number: 56-6000450
- 4. Kind of Organization: Corporation ___ Trust ___ Partnership ___ Government X
Unincorporated Association ___ Other ___
- 5. Match Required (Circle One): Yes/No On a ___ to ___ basis.
- 6. Fiscal Year of Non-State Entity (e.g. year ending June 30, December 31, other) June 30

Part B. TO BE COMPLETED BY ALL RECIPIENTS. FORM MUST BE NOTARIZED

Signature of individual making request

Notary Public (official seal)

Date Notarized

Return this form to:
Joshua Davis, Strategy & Policy Advisor
NC Department of Natural and Cultural Resources
4605 Mail Service Center
Raleigh, NC 27699-4601

Conference Report on the Base, Capital, and Expansion Budget

FY 16-17

72 Downtown Winston-Salem Museum

Fund Code: 1992

\$1,000,000 NR

Provides a grant to Forsyth County to support the consolidation of the Children's Museum of Winston-Salem and SciWorks into a facility to house both services. Total project costs are estimated to be \$25.0 million with the State providing a matching grant of \$1.0 million in FY 2016-17.

State approved grant for Family Museum

73 Grants-in-Aid

Fund Code: 1992

\$100,000 NR

Provides a \$50,000 grant-in-aid to each of the following entities: the Town of Fuquay-Varina for the Fuquay-Varina Arts Center and Dreams of Wilmington, Inc., a non-profit providing arts programming to youth in the Wilmington, NC area. The revised net appropriation for these entities is \$100,000.

74 Fair Bluff Community Library

Fund Code: 1992

\$50,000 NR

Provides a grant-in-aid to the Fair Bluff Community Library in Columbus County. The revised net appropriation to the Fair Bluff Community Library is \$50,000.

State Historic Sites

75 Tryon Palace

Fund Code: 1242

\$100,000 NR

Provides additional funding to Tryon Palace on a nonrecurring basis to support the facility and its functions. The revised net appropriation for Tryon Palace is \$2.7 million.

76 Brunswick Town

Fund Code: 1241

\$50,000 NR

Provides additional funds to Brunswick Town State historic site on a nonrecurring basis to support the facility and its functions. The revised net appropriation to State historic sites is \$7.5 million.

77 Fort Dobbs State Historic Site

Fund Code: 1241

\$150,000 NR

Provides additional funds to the Fort Dobbs State historic site on a nonrecurring basis to support the facility and its functions. The revised net appropriation to State historic sites is \$7.5 million.

78 Transportation Museum

Fund Code: 1241

\$150,000 NR

Provides additional funds to the Transportation Museum on a nonrecurring basis to support the facility and its functions. The revised net appropriation to the Transportation Museum is \$475,514.

Grant Contract

This Contract is hereby entered into by and between the North Carolina Department of Natural and Cultural Resources (the "Agency") and the Forsyth County (the Grantee") (referred to collectively as the "Parties"). The Grantee's federal tax identification number is 56-6000450.

This Contract consists of the following documents:

- 1) The General Terms and Conditions
- 2) The Scope of Work, description of services (Attachment A)
- 3) The line item budget and budget narrative (Attachment B)
- 4) Notice of Certain Reporting and Audit Requirements (Attachment C)
- 5) Iran Divestment Act Certification form (Attachment D)

These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements. The awarding of this grant is subject to allocation and appropriation of funds to the Agency for the purposes set forth in the contract.

General Terms and Conditions

DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 09 NCAC 03M.0102 unless otherwise defined in this Contract. If the adopting authority changes the rule or statute that is the source of the definition, the change shall be incorporated herein:

"Agency" means the North Carolina Department of Natural and Cultural Resources.

"Audit" means an examination of records or financial accounts to verify their accuracy.

"Certification of Compliance" means a report provided by the Grantee to the Agency that states that the Grantee has met the reporting requirements established by this Contract and included as a statement of certification by the Agency as part of the Grantee reporting package.

"Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.

"Contract" means a legal instrument that is used to document a relationship between the Agency and the Grantee.

"Fiscal Year" means the annual operating year of the non-State entity.

"Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.

"Grant" means financial assistance provided by a State agency to an eligible Grantee to carry out activities identified in the Grant Contract.

"Grantee" means an entity that receives State financial assistance.

"Local Government" has the meaning in G.S. 159-7(15)

"Non-State Entity" has the meaning in G.S. 143-C-1-1(d)(18).

"Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.

"State financial assistance" means State funds disbursed as a grant, cooperative agreement, non-cash contribution, food commodities, or direct appropriation to a Grantee or subrecipient as defined in this Contract.

"Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

"State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are disbursed as financial assistance to other organizations.

"Subrecipient" means a non-State entity that receives State financial assistance from a Grantee to carry out part of a State program; but does not include an individual that is a beneficiary of such program. This definition of "subrecipient" applies throughout this Contract.

TERMS AND CONDITIONS

1. **Choice of Law:** The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the Parties to this Contract, are governed by the laws of North Carolina. The Grantee, by signing this Contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this Contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.
2. **Grantee's Duties:** The Grantee shall complete and submit to the Agency the "REQUEST FOR PAYMENT OF APPROPRIATION(S) FROM NORTH CAROLINA GENERAL FUND" form, including the required enclosures.

The Grantee shall provide the services as described in Attachment A, Scope of Work and Description of Services and in accordance with the approved budget in Attachment B. In addition, the Grantee shall maintain all grant records for a period of five years or until all audit exceptions have been resolved, whichever is longer.

3. **Agency Duties:** Grants shall be paid at the direction of the State Budget Officer. The total amount paid by the Agency to the Recipient under this Contract is \$1,000,000. The Agency may provide

monitoring and oversight through a combination of periodic e-mails, calls, visits, and review of reports, invoices and deliverables.

4. **Independent Contractor:** The Grantee is and shall be deemed to be an independent contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or shall secure at its own expense, all personnel required in performing the services under this Contract. Such employees shall not be employees of, or have any individual contractual relationship with, the Agency.
5. **Key Personnel:** The Grantee shall not substitute key personnel assigned to the performance of this contract without prior written approval by the Agency's Contract Administrator. The individuals designated as key personnel for purposes of this contract are those specified in the Grantee's proposal.
6. **Assignment:** No assignment of the Grantee's obligations or the Grantee's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:
 - (a) Forward the Grantee's payment check(s) directly to any person or entity designated by the Grantee, or
 - (b) Include any person or entity designated by Grantee as a joint payee on the Grantee's payment check(s). In no event shall such approval and action obligate the State to anyone other than the Grantee and the Grantee shall remain responsible for fulfillment of all contract obligations.
7. **Beneficiaries:** Except as herein specifically provided otherwise, this Contract shall inure to the benefit of and be binding upon the Parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, shall be strictly reserved to the Agency and the named Grantee. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Agency and Grantee that any such person or entity, other than the Agency or the Grantee, receiving services or benefits under this Contract shall be deemed an incidental beneficiary only.
8. **Indemnification:** The Grantee shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Grantee in the performance of this Contract and that are attributable to the negligence or intentionally tortious acts of the Grantee provided that the Grantee is notified in writing within 30 days that the State has knowledge of such claims. The Grantee represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of Grantee goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this Contract.
9. **Termination by Mutual Consent:** The Parties may terminate this Contract by mutual consent with 60 days notice to the other Party, or as otherwise provided by law. In that event, all finished or unfinished deliverable items prepared by the Grantee under this Contract shall, at the option of the Agency, become its property. If the Contract is terminated by the Agency as provided herein, the Grantee shall be paid for services satisfactorily completed, less payment or compensation previously made. Unexpended funds held by the Grantee shall revert to the Agency upon termination of this Contract.

10. **Termination for Cause:** If, through any cause, the Grantee shall fail to fulfill its obligations under this Contract in a timely and proper manner, the Agency shall have the right to terminate this Contract by giving written notice to the Grantee and specifying the effective date thereof. Unexpended funds held by the Grantee shall revert to the Agency upon termination of this Contract. In that event, all finished or unfinished deliverable items prepared by the Grantee under this Contract shall, at the option of the Agency, become its property and the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Grantee shall not be relieved of liability to the Agency for damages sustained by the Agency by virtue of the Grantee's breach of this Contract, and the Agency may withhold any payment due the Grantee for the purpose of setoff until such time as the exact amount of damages due the Agency from such breach can be determined.

In case of default by the Grantee, the State may procure the services from other sources and hold the Grantee responsible for any excess cost occasioned thereby. The State reserves the right to require a performance bond or other acceptable alternative performance guarantees from successful offeror without expense to the State.

In addition, in the event of default by the Grantee under this Contract, the State may immediately cease doing business with the Grantee, immediately terminate for cause all existing contracts the State has with the Grantee, and de-bar the Grantee from doing future business with the State.

Upon the Grantee filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Grantee, the State may immediately terminate, for cause, this Contract and all other existing contracts the Grantee has with the State, and de-bar the Grantee from doing future business.

11. **Waiver of Default:** Waiver by the Agency of any default or breach in compliance with the terms of this Contract by the Grantee shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this Contract unless stated to be such in writing, signed by an authorized representative of the Agency and the Grantee and attached to the Contract.
12. **Availability of Funds:** The Parties to this Contract agree and understand that the payment of the sums specified in this Contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Agency.
13. **Force Majeure:** Neither Party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.
14. **Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the Contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.
15. **Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this Contract are the exclusive property of the Agency. The Grantee shall not assert a claim of copyright or other property interest in such deliverables.

16. **Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the Agency shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n) and any amendments thereto.
17. **Compliance with Laws:** The Grantee shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
18. **Equal Employment Opportunity:** The Grantee shall comply with all federal and State laws relating to equal employment opportunity. The Grantee shall take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability.
19. **Access to Persons and Records:** The State Auditor and the Agency Internal Auditors shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with N.C.G.S. 147-64.7. The Grantee shall retain all records for a period of five years following completion of the Contract. Additionally, as the State funding authority, the Agency shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.
20. **Record Retention:** Records shall not be destroyed, purged or disposed of without the express written consent of the Agency. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the Contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.
21. **Amendment:** This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.
22. **Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect.
23. **Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the Contract and should not be used to construe the meaning thereof.
24. **Certification Regarding Collection of Taxes:** N.C.G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors that meet one of the conditions of N.C.G.S. 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Grantee certifies that it and all of its affiliates (if any) collect all required taxes.

25. **Travel Expenses:** Travel expenses shall not be reimbursed in the performance of this Contract. If travel is necessary in the performance of this Contract, it shall be included in the approved project budget and narrative.
26. **Sales/Use Tax Refunds:** If eligible, the Grantee and all subrecipients shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this Contract, pursuant to N.C.G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.
27. **Entire Agreement:** This Contract and any documents incorporated specifically by reference represent the entire agreement between the Parties and supersede all prior oral or written statements or agreements. This Request for Proposals, any addenda thereto, and the offeror's proposal are incorporated herein by reference as though set forth verbatim. All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the Contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
28. **By N.C.G.S. §133-32,** it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor) to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies. This prohibition covers those vendors and contractors who:
- (1) have a contract with a government agency; or
 - (2) have performed under such a contract within the past year; or
 - (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review G.S. § 133-32.

29. **Effective Period:** This Contract shall be effective upon signature by all Parties to this Contract and shall terminate upon final expenditure of all funds and submission of all reports as required by law.
30. **Conflict of Interest Policy:** Grantees shall have on file with the Agency a copy of the Grantee's policy addressing conflicts of interest that may arise involving the Grantee's management employees and the members of its governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the Grantee's employees or members of its board or other governing body, from the Grantee's disbursing of state funds and shall include actions to be taken by the Grantee or the individual, or both to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before Agency may disburse the grant funds. [N.C.G.S. 143C-6-23 (b)(2007)]
31. **Requirements:** The Agency has determined that this Contract is subject to the reporting requirements described in the Notice of Certain Reporting and Audit Requirements (Attachment C).

The Grantee must ensure that when grant funds are audited that they are audited in compliance with state and federal audit requirements for local governments and public authorities, institutions of higher education, and nonprofit organizations, and, as applicable, according to the standards of the federal Single Audit Act and Circular A-133 "Audits of States, Local Governments, and Nonprofit Organizations" as supplied by the Executive Office of the President, Office of Management and Budget, Washington, DC.

32. **Disbursements:** As a condition of this Contract, Grantee acknowledges and agrees to make disbursements in accordance with the following requirements:
- (a) Implement adequate internal controls over disbursements;
 - (b) Assure adequate control of signature stamps/plates;
 - (c) Assure adequate control of negotiable instruments; and
 - (d) Implement procedures to ensure that account balance is solvent and reconcile the account monthly.
33. **Outsourcing/Assignability/Subcontracting:** The Grantee shall not subcontract any of the work contemplated under this Contract without prior written approval from the Agency. The Agency shall not be obligated to pay for any work performed by any unapproved subcontractor or subrecipient. The Grantee or subrecipient is not relieved of any of the duties and responsibilities of this Contract. Furthermore, any subrecipient must agree to abide by the standards contained in this Contract and to provide all information to allow the Grantee to comply with these standards.
34. **Contract Administrators:** All notices permitted or required to be given by one Party to the other and all questions about the Contract from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract 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 Contract Administrator by giving timely written notice to the other Party.

For the Agency:

| IF DELIVERED BY US POSTAL SERVICE | IF DELIVERED BY ANY OTHER MEANS |
|--|---|
| Name Title Joshua Davis, Strategy and Policy Advisor Agency Department of Natural and Cultural Resources Mail Service Center Number 4601 Raleigh, NC 27699-4605 Tel 919-807-7277 Fax 919-715-8724 Email Joshua.Davis@ncdcr.gov | Name Title Joshua Davis, Strategy and Policy Advisor Agency Department of Natural and Cultural Resources Street Address 109 East Jones Street City, NC Zip Raleigh, NC 27601 |

For the Grantee:

| IF DELIVERED BY US POSTAL SERVICE | IF DELIVERED BY ANY OTHER MEANS |
|--|---------------------------------|
| Ronda Tatum Assistant County Manager Forsyth County 201 North Chestnut St Winston-Salem, NC 27101-4120 Tel 336-703-2013 Email tatumrd@forsyth.cc | |

35. **Signature Warranty:** The undersigned represent and warrant that they are authorized to bind their principals to the terms of this Contract.

[THIS SPACE INTENTIONALLY LEFT BLANK]

In Witness whereof, the Grantee and the Agency have executed this Contract in duplicate originals, with one original being retained by each Party.

GRANTEE NAME

Signature of Authorizing Official Date

Printed Name Title

Name of Fiscal Agent of the GRANTEE NAME (if using one):

Signature of Authorizing Official Date

Printed Name Title

[CORPORATE SEAL] – (optional)

North Carolina Department of

Susan Kluttz, Secretary Date

North Carolina Source of Funds:

Account Code: 536XXX

Attachment A
Scope of Work

Session Law 2016-94, Appropriation Act 2016 includes a non-recurring appropriation through the North Carolina Department of Natural and Cultural Resources in the amount of one million dollars. These state grant funds will be used to support the consolidation of the Children's Museum of Winston- Salem and SciWorks into a facility to house both services in the downtown area.

On June 27, 2016, the Forsyth County Board of Commissioners approved the adoption of a 2016 New Family Museum Capital Project Ordinance for the construction of the New Family Museum. The project ordinance provided construction funds to the newly merged Children's Museum and SciWorks Nature Science Center for a new downtown Family Museum.

The new museum is projected to be approximately 70,000 square feet with 40,000 square feet of exhibit space. Total project costs are estimated to be between \$27 million- \$30.47 million with \$17.34 million provided by the Grantee for construction and design. The merged children's Museum/SciWorks is to provide an additional \$10,000,000 for exhibits (\$500 per square foot- 20,000 sq foot) through a major capital campaign going public in January 2017. The proposed project is slated to be built at the site of the Old Sheriff's Office at 3rd Street and Town Run Lane in downtown Winston-Salem. All state grant funds will be used by June 30, 2018; however, the project will not be completed by this date.

Grantee construction funds for this project will be provided through a variety of mechanisms including the sale of county assets and other sales, a transfer from the General Fund, and other funding sources including a grant included in the state fiscal year 2016-17 budget. It is anticipated that the New Family Museum will seek to raise \$10 million over the next four years to contribute to the project costs for exhibits. The Grantee will use grant funds for exhibits for the Museum. Additionally, the New Family Museum nonprofit will contribute \$340,000 for design costs.

A breakdown of the Grantee's portion to fund the new museum construction is as follows:

Total Revenues to Fund the project:

Sale of Surplus Property - \$12,800,000 (pending sale of Sturmer Park for \$11.5 million and \$800,000 from the potential sale of the old EAD building)

Other Sales - \$1,000,000 (sale of beds at the Springwood Care Facility to Liberty Health) Special Gifts- \$340,000 (from SciWorks/Children's Museum) for design costs

Misc. Income- \$700,000 (\$500,000 from State Grant for construction and design costs and \$200,000 from other sources to be identified)

Transfer from the General Fund - \$2,500,000

Total Grantee Expenditure for the Project: \$17,340,000

Museum Exhibit Costs (not included in costs above) - \$500,000 from the State Grant

The Grantee may use short-term financing for this project until final county asset sales are realized if the funds are needed.

Attachment B
Line Item Budget and Narrative

These grant funds will be used to support the consolidation of the Children's Museum of Winston-Salem and SciWorks into a facility to house both services in the downtown area. The one million dollars provided by the State will be used as follows: 50% (\$500,000 for construction costs, which may include design costs) and 50% (\$500,000 for Museum exhibits, which may include design costs). All state grant funds will be used by June 30, 2018; however, the project will not be completed by this date.

Attachment C
Notice of Certain Reporting and Audit Requirements

The Grantee shall comply with the all rules and reporting requirements established by statute or administrative rules. For convenience, the requirements are set forth in this Attachment.

Reporting Thresholds.

There are three reporting levels established for grantees and subrecipients receiving State financial assistance. Reporting levels are based on the level of State financial assistance from all funding sources. The reporting levels are:

- (1) Level I – A grantee or subrecipient that receives, holds, uses, or expends State financial assistance in an amount less than twenty-five thousand dollars (\$25,000) within its fiscal year.
- (2) Level II - A grantee or subrecipient that receives, holds, uses, or expends State financial assistance in an amount of at least twenty-five thousand (\$25,000) or greater, but less than five hundred thousand dollars (\$500,000) within its fiscal year.
- (3) Level III – A grantee or subrecipient that receives, holds, uses, or expends State financial assistance in an amount equal to or greater than five hundred thousand dollars (\$500,000) within its fiscal year.

Reporting requirements for grantees that meet the following reporting standards on an annual basis:

- (1) All grantees and subrecipients shall provide a certification that State financial assistance received or held was used for the purposes for which it was awarded.
- (2) All grantees and subrecipients shall provide an accounting of all State financial assistance received, held, used, or expended.
- (3) Level II and III grantees and subrecipients shall report on activities and accomplishments undertaken by the Grantee, including reporting on any performance measures established in this Contract.
- (4) Level III grantees and subrecipients shall have a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards, also known as the Yellow Book.

All reports shall be filed with the Agency in the format and method specified by the Agency no later than three months after the end of the Grantee's fiscal year, unless the same information is already required through more frequent reporting. Audits must be provided to the funding Agency no later than nine months after the end of the Grantee's fiscal year. The Grantee shall use the reporting package forms provided by the Agency in making and submitting reports to the Agency.

Unless prohibited by law, the costs of audits made in accordance with the provisions of this Contract shall be allowable charges to State and Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with cost principles outlined in the Code of Federal Regulations, 2 CFR Part 200. The cost of any audit not conducted in accordance with this Contract shall not be charged to State awards.

Notwithstanding the provisions of this Contract, a grantee may satisfy the reporting requirements of this Contract by submitting a copy of the report required under federal law with respect to the same funds.

