

**CITY OF WINSTON-SALEM  
AND EXPERIMENT IN SELF-RELIANCE, INC.**

NORTH CAROLINA    )  
                                  )  
FORSYTH COUNTY     )

**AGREEMENT FOR THE GRANT  
OF CITY OF WINSTON-SALEM FUNDS**

THIS AGREEMENT, made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Winston-Salem, (hereinafter referred to as the City) and Experiment In Self-Reliance Inc., (hereinafter referred to as the Grantee), pursuant to G.S. 160A-20.1 and subject to the restrictions and conditions set forth herein;

**WITNESSETH:**

In consideration of receipt of a grant or appropriation of funds from the Mayor and City Council of the City of Winston-Salem for the fiscal year **2021-2022**, not to exceed the amount of **\$1,000,000**, the Grantee named herein above does hereby agree to abide by the terms of this Agreement.

In consideration of the above, the party does hereby agree as follows:

(1) The Grantee covenants and agrees to expend the funds that are the subject of this Agreement and to perform services in consideration of the receipt of funds in accordance with the work program and/or under the restrictions and conditions as attached to this Agreement and incorporated herein by reference. The Grantee further agrees to expend the City funds in accordance with the Grantee's budget as attached hereto and which is incorporated herein by reference. Funds made available to the Grantee pursuant to this Agreement shall be expended only in accordance with applicable federal, state and local laws.

(2) Termination of this Agreement may occur for reasons described herein or in attachments hereto.

(3) The Grantee agrees that it will supply such records, information or verification relating to expenditures of the funds, or the operations of the Grantee as may reasonably be requested by the City. The Grantee agrees that the City shall have access to the records and premises of the Grantee at all reasonable times, and the Grantee agrees to submit such reports as the City shall request pertaining to the funds granted herein or the operation of the Grantee. The Grantee shall

maintain a written accounting and documentation of all of its receipts and disbursements relating to the grant funds that are the subject of this Agreement. The City reserves the right to require a certified audit pertaining to the use of the grant funds or may perform the audit through the use of its staff.

(4) The Grantee shall perform one of the two following financial reporting requirements:

- (a) Furnish to the City a copy of its audit report performed by a third party certified public accountant as soon as such becomes available to the Grantee to include the fiscal year(s) in which grant proceeds were expended.
- (b) Furnish a copy of a report from a third party certified public accountant including the grant expenditure testing requirements laid out in the Agreed Upon Procedures Engagement template found in Exhibit C;

(5) Funds will be disbursed to the Grantee, in accordance with Exhibit B, for expenses incurred in accordance with the attached budget, unless otherwise specified in the attachments. Further, should the Grantee overspend the attached budget, the City shall have no obligation to reimburse the Grantee for such expenditures.

(6) The City may suspend or terminate the payment of grant funds in whole or in part for any violation of this Agreement. Suspension or termination may be effected for the following reasons as determined by the City, but not limited to these reasons:

- (c) Improper use of grant funds;
- (d) Failure to comply with the terms and conditions of the Agreement;
- (e) Submission to the City of reports which are incorrect or incomplete in any material respect;
- (f) Uncontrollable circumstances, rendering the carrying out of this Agreement improper or infeasible.

In addition, the City may suspend or terminate payment of grant funds if the Grantee fails to make satisfactory progress toward meeting the project services which are the subject of this Agreement and the determination of whether satisfactory progress has been made shall be in the sole discretion of the City.

If for any reason the payment of grant funds is suspended or terminated, the Grantee agrees to promptly remit to the City any payments previously received by the Grantee, which the City deems to have been paid and received in violation of this Agreement.

(7) Any and all alternatives in the restrictions and conditions upon the grant of the funds herein shall be subject to prior review and written approval by the City.

(8) This Agreement and the grant funds that are the subject of this Agreement are expressly non-assignable without the prior written consent and approval of the City. Additionally, this agreement or the funds herein may not be continued by a successor to the Grantee herein named or subcontracted without the prior written consent to the City.

(9) Non-expendable property purchased under this Agreement shall remain the property of the Grantee, unless the attached conditions or budget provides that such property shall become the property of the City.

(10) Grantee is strongly encouraged to make a good faith effort to hire minority and women applicants for employment from the Winston-Salem/Forsyth County area. If Grantee uses grant funds to pay for services, repair or construction work, Grantee is strongly encouraged to hire minority and women service providers and contractors from the Winston-Salem/Forsyth County area. Documentation of such efforts in a manner and on a form acceptable to the City shall be provided by Grantee before the end of the fiscal year in which grant funds were received. Failure to provide such documentation may impact the Grantee's eligibility for a subsequent grant.

(11) Grantee acknowledges that the City will make no payment to Grantee, so long as there is an outstanding debt or obligation due the City. Grantee hereby agrees that any debt they owe the City will be offset against any payments otherwise due the Grantee under this Agreement. If the City assigns any monies due or to become due under this Agreement, such assignment will be subject to all set-offs in favor of the City.

(12) All documentation required by Exhibit A and Exhibit C(1), attached hereto and incorporated herein, must be submitted to the City no later than September 30, 2021. Under Exhibit A, the Grantee shall provide a detailed accounting of the expenses. Under Exhibit C, the Grantee shall provide monthly progress and financial reports for a period of up to 3 months from the date of this agreement, according to the schedule established in Exhibit D. For the report requirements established in Exhibits B and C, failure to submit the required documentation as set forth herein may, in the City's sole and absolute discretion, result in the termination of this

agreement and recapture of any public funds previously provided by City to Grantee under the terms of this agreement. Additionally, failure to comply with the documentation requirements set forth herein may, in the City's sole and absolute discretion, impact the Grantee's eligibility for future grants from the City. Current funding does not guarantee future funding.

(13) Suspension and Debarment; the Grantee hereby certifies that neither they, nor their agents or subcontractors: (i) are presently debarred, suspended, proposed for suspension or debarment from contracting by any Federal or State Department or Agency, or (ii) have been declared ineligible or voluntarily excluded from contracting by or with any Federal or State Department or Agency. Any contract entered into with a contractor or subcontractor that has been debarred or suspended, declared ineligible or voluntarily excluded from contracting with or by any Federal or State Department or Agency may be terminated at the sole discretion of the City.

(14) E-Verify Compliance: Where applicable, Grantee shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if the Grantee utilizes a subcontractor, the Grantee shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General. A violation of this provision or the E-Verify requirements shall be just cause for the City to terminate this contract.

(15) Iran Divestment Act. Grantee hereby certifies that they are not on the North Carolina State Treasurer's list of persons engaging in business activities in Iran, prepared pursuant to NCGS § G.S. 147-86.58, nor will Grantee utilize on this agreement any subcontractor on such list.

(16) Divestment from Companies that Boycott Israel. Grantee hereby certifies that they are not on the North Carolina State Treasurer's list of companies engaged in a boycott of Israel in violation of NCGS 147-86.80 et. seq. and that they will not utilize on this agreement any subcontractor on said list.

(17) Public Records and Confidential Information. All non-confidential information and documents provided by the Grantee to the City shall be treated as a public record under N.C.G.S. 132-1 et. seq. All information or documents provided by the Grantee to the City and marked as "confidential" or with a similar designation under N.C.G.S. 132-1.2 will be treated by the City as confidential and will not be disclosed to any person without the prior written consent of the Grantee, if it meets the criteria outlined in N.C.G.S. 132-1.2 (1)(a through d). However, the

Grantee hereby agrees that said confidential information can be reviewed internally by City staff and any appropriate City committee involved in the process of awarding City contracts. The Grantee agrees to indemnify and hold harmless the City, its officers, employees, elected officials and agents from all costs, damages, and expenses incurred in connection with refusing to disclose any material that the Grantee has designated as confidential pursuant to N.C.G.S. 132-1.2.

(18) The City may, with reasonable notice, have access to the organization's personnel and financial records to conduct due diligence reviews of operations.

(19) The attached Exhibits are:

- (a) The Budget;
- (b) Restrictions and Conditions;
- (c) Report Requirements; and
- (d) Certificate in Lieu of Corporate Seal (if needed).

These exhibits are incorporated herein by reference and shall have the same force and effect as if set forth herein.

**IN WITNESS WHEREOF**, the City has caused this Agreement to be duly executed in its behalf; and the Grantee has caused the same to be duly executed in their behalf as of the date first above written.

ATTEST

CITY OF WINSTON-SALEM

\_\_\_\_\_(SEAL)  
Sandra R. Keeney, City Clerk

BY: \_\_\_\_\_  
Lee D. Garrity, City Manager

ATTEST

EXPERIMENT IN SELF-RELIANCE, INC.

\_\_\_\_\_(SEAL)  
(Signature)

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name, Title)

\_\_\_\_\_  
(Print Name, Title)

APPROVED AS TO FORM AND LEGALITY

THIS DOCUMENT HAS BEEN PRE-AUDITED IN  
ACCORDANCE WITH THE NC LOCAL  
GOVERNMENT BUDGET AND FISCAL CONTROL  
ACT

\_\_\_\_\_  
Angela I. Carmon, City Attorney

\_\_\_\_\_  
Lisa Saunders, Chief Financial Officer

## EXHIBIT A

### BUDGET

The Grantor shall issue payments to the Grantee in installments of \$200,000 increments with a maximum payout of up to \$1,000,000. The administrative fee for the Grantee to disburse the funds shall not exceed 18% percent of the funding received. All remaining funds (82%) shall be disbursed to applicants as described in Exhibit B.

**EXHIBIT B**  
**RESTRICTIONS AND CONDITIONS**

Financial assistance shall be disbursed on a reimbursement bases consistent with the following criteria:

1. The applicant for assistance on a reimbursement bases must be a city resident who is low to moderate income based upon guidelines issued by the United States Department of Housing and Urban Development (“HUD”) and must live within the evacuation area or work for a business, located within the evacuation area, that closed as a result of the evacuation request order based on the Weaver Company Fire beginning on January 31, 2022.
2. The reimbursable expenses may include, but are not limited to, hotel expenses, food, loss wages, and other verifiable expenses related to the voluntary evacuation request or mandatory evacuation order.
3. The applicant seeking reimbursement must provide documentation of the expenses for which reimbursement is sought. In the event documentation is not readily available, a self-certification (affidavit) may be accepted (up to a maximum of \$300) in a form approved by the City.
4. Reimbursement of expenses shall not exceed \$1,000 per household.
5. City funds shall be used for the public purpose(s) for which the grant was made.
6. City residents that have been reimbursed through other resources, public or private, will not qualify for reimbursement under this program.
7. Recipients must sign either an application or separate form assigning and consenting to the City’s efforts to seek reimbursement from Weaver or its insurance carrier for the City funds provided to and received by the recipient.



**EXHIBIT C**  
**REPORT REQUIREMENTS**

1. The Grantee will submit a copy of their 2019-2020 Return of Organization Exempt From Income Tax (IRS Form 990).
  
2. The Grantee will submit either (1) an audited financial report or (2) submit an Agreed Upon Procedures Engagement report as outlined below, either which must be conducted by an independent CPA:

Agreed Upon Procedures – In lieu of an audited financial report, the grantee may contract with a certified public accountant or firm to perform the following tasks on grant-related expenses:

- Obtain an executed management representation letter
- Review sample of grant related expenditures for compliance with grant purpose (as indicated in Exhibit A and otherwise referenced in this contract) and time restrictions.
  - Sample must include the minimum number of disbursements necessary to achieve a 90% confidence level and 10% margin of error (the City reserves the right to lower the sample size requirements noted here).
    - All program-related personnel expenditures (indicated as part of the program detailed in Exhibit B) are considered eligible.
    - All program-related equipment and supplies expenditures (indicated as part of the program detailed in Exhibit B) are considered eligible.
    - Land purchases and capital acquisitions/repairs are not eligible.
    - No personal purchases for officers or employees are considered eligible.
- Include a detailed list of all expenditures to a single recipient individually or in the aggregate greater than \$5,000.

3. The Grantee will submit the following as part of the quarterly reports.
  - o Progress reports about the use of the funds by the Grantee, including the specific programs employed to provide assistance and demographic data of the individuals receiving support through these programs. Demographic data shall include race, age, gender, and residency (i.e., zip code). In those limited situations, where efforts by the Grantee to collect all of the required demographic data have proven, in the opinion of City staff, to have been exercised in good faith, City staff may modify, appropriately, this demographic requirement, to accept general information regarding the overall population served by the Grantee, provided said information still provides a sufficient basis to determine that the targeted population has been served. Progress reports also shall include data on workload and outcomes achieved.
  - o The Grantee must submit monthly progress and financial reports, with a final report submitted no later than one month from the end of the disbursement period.
  
4. As a condition of entering into this Agreement, the Grantee represents and warrants that it will fully comply with the City's Non-Discrimination Policy, as set forth in Chapter 2, Section 2-8 Entitled "Policy of Nondiscrimination" of the Winston-Salem City Code. As part of such compliance, the Grantee shall not discriminate on the basis of race, ethnicity, color, creed, religion, sex, sexual orientation, gender identity, gender expression, pregnancy, veteran status, disability, age, marital status, familial status, protected hairstyle, political affiliation or national origin in the screening of applicants, the hiring and treatment of its employees, the provision of the services set forth herein, and the solicitation, selection, hiring, or treatment of its sub-grantees/subcontractors, vendors or suppliers, (hereinafter collectively "subcontractors"), if any, in connection with this Agreement or contract solicitation process if applicable, nor shall the Grantee retaliate against any person or entity for reporting instances of such discrimination. The Grantee shall enact employment policies consistent with this obligation to refrain from such discrimination and shall provide evidence of such to the City within 90 calendar days of the first receipt of City funds. The Grantee shall provide equal opportunity for subcontractors to participate in all of its subcontracting and supply opportunities, if any, under this Agreement, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to

remedy the effects of marketplace discrimination that has occurred or is occurring in the marketplace. The Grantee understands and agrees that a violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of the Grantee from participating in City contracts or other sanctions.

5. As a condition of entering into this Agreement, the Grantee agrees to: (a) promptly provide to the City in a format specified by the City all information and documentation that may be requested by the City from time to time regarding the screening of applicants, the hiring and treatment of its employees particularly if City funds were used for such, and the solicitation, selection, treatment and payment of subcontractors, if any, in connection with this Agreement; and (b) if requested, provide to the City within sixty days after the request a truthful and complete list of the names of all subcontractors that the Grantee has used under this Agreement, including the total dollar amount paid by the Grantee on each subcontract or supply contract. The Grantee further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Non-Discrimination Policy, to provide any documents, relevant to such investigation, that are requested by the City. The Grantee agrees to provide to the City from time to time on the City's request, payment affidavits detailing the amounts paid by the Grantee to subcontractors and suppliers in connection with this Agreement within a certain period of time. Such affidavits shall be in the format specified by the City from time to time. Nothing in this Agreement shall infringe upon the rights of the Grantee afforded by state or federal law.

**EXPERIMENT IN SELF-RELIANCE, INC.**

**EXHIBIT D: CERTIFICATE IN LIEU OF CORPORATE SEAL**

I certify that I am the secretary to the Board of Directors for Experiment In Self- Reliance, Inc., that this agency has no corporate seal, that I attested the execution of this contract by our Executive Officer, and that this contract is to be treated by both parties as if a corporate seal had been affixed hereto.

\_\_\_\_\_, Secretary  
**EXPERIMENT IN SELF-RELIANCE, INC.**