

American Rescue Plan Act (ARPA)/Coronavirus State Local Fiscal Recovery Fund (CSLFRF) Funds  
Subaward Agreement  
Between  
COUNTY of Durham, North Carolina  
and  
AB Community DBA Knox Street Studios

**Article I. Overview.**

**Section 1.1. Parties.** The parties to this agreement are COUNTY of Durham, North Carolina, a North Carolina municipal corporation (“COUNTY”) and AB Community DBA Knox Street Studios, a North Carolina non-profit corporation (“SUBRECIPIENT”).

**Section 1.2. Definitions.** The definitions in 2 CFR 200.1 are hereby incorporated into this Agreement.

**Section 1.3. Roles.** For the purposes of this Agreement, the COUNTY serves as a pass-through entity.

**Section 1.4. Source of Funding.** This Agreement is funded by a portion of the \$62,445,275 allocated to the COUNTY by the Coronavirus State Local Fiscal Recovery Fund created under section 603 of the American Rescue Plan Act of 2021 (ARP/CSLFRF).

**Section 1.5. Purpose.** The purpose of this Agreement is to establish the terms and conditions for a subaward allocated to the SUBRECIPIENT from the COUNTY.

**Section 1.6. Disclosures.** Federal regulations, specifically 2 CFR 200.332(a)(1), require the COUNTY to provide the SUBRECIPIENT with specific information about this subaward. All required information is listed in Exhibit A (Subaward Data).

**Section 1.7. Term.** This Agreement shall govern the performance of the parties for the period May 1, 2024 (the “Effective Date”) through June 30, 2026 (“Expiration Date”), unless earlier terminated by either party in accordance with the terms of this Agreement (“Agreement Term”).

**Article II. Scope of Funded Activities.**

**Section 2.1. Scope of Services.** SUBRECIPIENT shall perform all activities described in the scope of activities, attached hereto as Exhibit B (Scope of Work).

**Section 2.2. Budget.** SUBRECIPIENT shall perform the Scope of Work in accordance with the program budget as approved by the COUNTY and attached hereto as Exhibit C (Approved Budget).

**Section 2.3. Prior Approval for Changes.** SUBRECIPIENT may not transfer allocated funds among cost categories within a budgeted program account without the prior written approval of the COUNTY; nor shall SUBRECIPIENT make any changes, directly or indirectly, to program design, Scope of Work, or Approved Budget without the prior written approval of COUNTY.

**Article III. Compensation.**

**Section 3.1. Payment of Funds.** COUNTY agrees to pay, SUBRECIPIENT for anticipated monthly costs to be incurred and paid by SUBRECIPIENT in accordance with the Approved Budget and for the performance of the Scope of Work under this Agreement in an amount not to exceed \$750,000 (“Total Agreement Funds”). The initial payment will include projected expenses for three months. Subsequent payments will occur for projected expenses for a one-month period.

The amount of Total Agreement Funds, however, is subject to adjustment by the COUNTY if a substantial change is made in the Scope of Work that affects this Agreement or if this Agreement is terminated prior to the expiration of the Agreement. Program funds shall not be expended prior to the Effective Date or following the earlier of the

Expiration Date or the last day of the Agreement Term. Costs incurred shall only be as necessary and allowable to carry out the purposes and activities of the Scope of Work and may not exceed the maximum limits set in the Approved Budget. Expenses charged against the Total Agreement Funds shall be incurred in accordance with this Agreement.

**Section. 3.2. Receipts/Invoices.** On or before the fifteenth (15th) day of each month and in any event no later than thirty (30) days after the earlier of the expiration or termination of this Agreement, SUBRECIPIENT shall submit associated receipts, in a format dictated by COUNTY, for the most recent month ended, to COUNTY's Program Administrator, setting forth actual expenditures of SUBRECIPIENT in accordance with this Agreement. If COUNTY disapproves an expense, then the COUNTY will adjust the amount of the unallowable expense in the subsequent monthly allotment.

**Section. 3.3. COUNTY's Subaward Obligations Contingent on Federal Funding and SUBRECIPIENT Compliance.** The payment of funds to SUBRECIPIENT under the terms of this Agreement shall be contingent on the receipt of such funds by COUNTY from the ARP/CSLFRF and shall be subject to SUBRECIPIENT's continued eligibility to receive funds under the applicable provisions of state and federal laws. If the amount of funds that COUNTY receives from the ARP/CSLFRF is reduced, COUNTY may reduce the amount of funds awarded under this Agreement or terminate this Agreement. COUNTY also may deny payment for SUBRECIPIENT's expenditures for Scope of Work where invoices or other reports are not submitted by the deadlines specified in this Agreement or for failure of SUBRECIPIENT to comply with the terms and conditions of this Agreement.

#### **Article IV. Financial Accountability and Grant Administration.**

**Section. 4.1. Financial Management.** SUBRECIPIENT shall maintain a financial management system and financial records related to all transactions with funds received pursuant to this Agreement and with any program income earned as a result of funds received pursuant to this Agreement. SUBRECIPIENT must administer funds received pursuant to this Agreement in accordance with all applicable federal and state requirements, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, as required by the ARP/CSLFRF Assistance Listing (21.027). SUBRECIPIENT shall adopt such additional financial management procedures as may from time-to-time be prescribed by COUNTY if required by applicable federal or state laws or regulations, or guidelines from US Department of Treasury. SUBRECIPIENT shall maintain detailed, itemized documentation and other necessary records of all income received and expenses incurred pursuant to this Agreement.

**Section. 4.2. Limitations on Expenditures.** COUNTY shall only approve funding SUBRECIPIENT for documented expenditures incurred during the Agreement Term that are: (i) reasonable and necessary to carry out the scope of Scope of Work described in Exhibit B; (ii) documented by contracts or other evidence of liability consistent with the established COUNTY and SUBRECIPIENT procedures; and (iii) incurred in accordance with all applicable requirements for the expenditure of funds payable under this Agreement. COUNTY may not reimburse or otherwise compensate SUBRECIPIENT for any expenditures incurred or services provided prior to the Effective Date or following the earlier of the expiration or termination of this Agreement.

**Section. 4.3. Indirect Cost Rate.** The indirect cost rate, if any, indicated in Exhibit C (Approved Budget) shall apply to this Agreement.

**Section. 4.4. Financial and Other Reports.** SUBRECIPIENT shall submit to COUNTY such reports and back-up data as may be required by the Federal Government or COUNTY, including such reports which enable COUNTY to submit

its own reports to the US Department of Treasury, in accordance with the following schedule, which may be amended from time to time.

<u>REPORT</u>	<u>DEADLINE</u>
Monthly Financial Reports	By the 15 <sup>th</sup> of each month for prior month.
Quarterly Report Reviews	August 31(Q1); November 30(Q2); February 28(Q3); May 31(Q4)
Desk Reviews	Annually (or more frequently if requested by either Party)
Onsite Reviews	Upon request of either party
Annual Audit Review	If necessary, upon request

This provision shall survive the expiration or termination of this Agreement with respect to any reports which the SUBRECIPIENT is required to submit to COUNTY following the expiration or termination of this Agreement.

**Section. 4.5. Improper Payments.** Any item of expenditure by SUBRECIPIENT under the terms of this Agreement which is found by auditors, investigators, and other authorized representatives of the COUNTY, the US Department of Treasury, the NC Department of State Treasurer, or other federal or state instrumentality to be improper, unallowable, in violation of federal or state law, or the terms of this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of SUBRECIPIENT, shall become SUBRECIPIENT's liability, and shall be paid solely by SUBRECIPIENT, immediately upon notification of such, from funds other than those provided by COUNTY under this Agreement or any other agreements between COUNTY and SUBRECIPIENT. This provision shall survive the expiration or termination of this Agreement.

**Section. 4.6. Audits and Access to Records.** SUBRECIPIENT certifies compliance with applicable provisions of 2 CFR 200.501-200.521, and continued compliance with these provisions during the term of this section. If SUBRECIPIENT is not required to have a Single Audit as defined by 200.501, US Department of Treasury requirements, or the Single Audit Act, then SUBRECIPIENT may be required, upon the COUNTY'S request, to have a financial audit performed yearly by an independent Certified Public Accountant. SUBRECIPIENT shall provide notice of the completion of any required audits and will provide access to such audits and other financial information related to the Agreement upon request. SUBRECIPIENT certifies that it will provide COUNTY with notice of any adverse findings which impact this Agreement. This obligation extends for one year beyond the expiration or termination of this Agreement.

**Section. 4.7. Closeout.** Final payment request(s) under this Agreement must be received by COUNTY no later than thirty (30) days after the earlier of the Expiration Date or the last day of the Agreement Term. COUNTY will not accept a payment request submitted after this date without prior authorization from COUNTY. In consideration of the execution of this Agreement by COUNTY, SUBRECIPIENT agrees that acceptance of final payment from COUNTY will constitute an agreement by SUBRECIPIENT to release and forever discharge COUNTY, its agents, employees, officers, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which SUBRECIPIENT has at the time of acceptance of final payment or may thereafter have, arising out of, in connection with or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. The SUBRECIPIENT's obligations to COUNTY under this Agreement shall not terminate until all closeout requirements are completed to the satisfaction of COUNTY. Such requirements shall include submitting final reports to COUNTY and providing any closeout-related information requested by COUNTY by the deadlines specified by COUNTY. This provision shall survive the expiration or termination of this Agreement.

## **Article V. Compliance with Grant Agreement and Applicable Laws.**

**Section. 5.1. General Compliance.** SUBRECIPIENT shall perform all Scope of Work funded by this Agreement in accordance with this Agreement, the award agreement between COUNTY and the US Department of Treasury, and all applicable federal, state, and local requirements, including all applicable statutes, rules, regulations, executive

orders, directives, or other requirements. Such requirements may be different from SUBRECIPIENT's current policies and practices. COUNTY may assist SUBRECIPIENT in complying with all applicable requirements. However, SUBRECIPIENT remains responsible for ensuring its compliance with all applicable requirements.

**Section. 5.2. Expenditure Authority.** This Agreement is subject to the laws, regulations, and guidance documents authorizing and implementing the ARP/CSLFRF grant, including, but not limited to, the following:

**Authorizing Statute.** Section 603 of the *Social Security Act* (42 U.S.C. 803), as added by section 9901(a) of the *American Rescue Plan Act of 2021* (Pub. L. No. 117-2).

**Implementing Regulations.** Subpart A of 31 CFR Part 35 (Coronavirus State and Local Fiscal Recovery Funds), as adopted in the *Coronavirus State and Local Fiscal Recovery Funds* interim final rule (86 FR 26786, applicable May 17, 2021, through March 31, 2022) and final rule (87 FR 4338, applicable January 27, 2022, through the end of the ARP/CSLFRF award term), and other subsequent regulations implementing Section 603 of the Social Security Act (42 U.S.C. 803).

**Guidance Documents.** Applicable guidance documents issued from time-to-time by the US Department of Treasury, including the currently applicable version of the *Compliance and Reporting Guidance: State and Local Fiscal Recovery Funds*.<sup>1</sup>

This Agreement is also subject to all applicable laws of the State of North Carolina.

**Section. 5.3. Federal Grant Administration Requirements.** SUBRECIPIENT shall comply with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 2 CFR Part 200 (UG), as adopted by the Department of Treasury at 2 CFR Part 1000 and as set forth in the [Assistance Listing for ARP/CSLFRF \(21.027\)](#). These requirements dictate how SUBRECIPIENT must administer the subaward and how COUNTY must oversee SUBRECIPIENT.

The applicable UG provisions are as follows:

[Subpart A, Acronyms and Definitions](#)

[Subpart B, General provisions](#)

[Subpart C, Pre-Federal Award Requirements and Contents of Federal Awards](#) (except 2 CFR 200.204, .205, .210, and .213)

[Subpart D, Post Federal; Award Requirements](#) (except 2 CFR 200.305(b)(8) & (9), .308, .309, and .320(c)(4))

[Subpart E, Cost Principles](#)

[Subpart F, Audit Requirements](#)

[2 CFR Part 25](#) (Universal Identifier & System for Award Management)

[2 CFR Part 170](#) (Reporting Subaward and Executive Compensation Information)

[2 CFR Part 180](#) (OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement))

SUBRECIPIENT shall document compliance with UG requirements, including adoption and implementation of all required policies and procedures, within thirty (30) days of the execution of this Agreement and during all subsequent reviews during the term of the Agreement. COUNTY may provide sample policies or other assistance to SUBRECIPIENT in meeting these compliance requirements. Regardless of COUNTY's assistance, it is the SUBRECIPIENT's responsibility to properly comply with all UG requirements. Failure to do so may result in termination of the Agreement by COUNTY.

---

<sup>1</sup> <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>.

#### Section. 5.4. Procurement Requirements.

- (a) **Federal.** Consistent with UG compliance requirements, including the standards in 2 CFR 200.318 for the acquisition of property, equipment, supplies, or services required under this Agreement, SUBRECIPIENT shall adopt and enact procurement procedures. SUBRECIPIENT's documented procurement procedures must conform to the procurement standards identified in Subpart D of 2 CFR Part 200 (Procurement Standards). Such standards include, but are not limited to, the following:
1. All procurement transactions for property or services shall be conducted in a manner providing full and open competition, consistent with standards outlined in 2 CFR 200.320(1)-(3) and (5), which allows for non-competitive procurements only if either (1) the item is below the micro-purchase threshold; (2) the item is only available from a single source; (3) the public exigency or emergency will not permit a delay from publicizing a competitive solicitation; or (4) after solicitation of a number of sources, competition is determined inadequate.
  2. SUBRECIPIENT shall maintain oversight to ensure that SUBRECIPIENTS perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
  3. Pursuant to 2 CFR 200.321, SUBRECIPIENT shall take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
  4. SUBRECIPIENT shall "maintain records sufficient to detail the history of procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, SUBRECIPIENT selection or rejection, and the basis for the contract price." 2 CFR 200.318(i).
- (b) **Local.** In addition to the requirements described in subsection (a), the SUBRECIPIENT shall comply with the following:
1. **Reporting.** SUBRECIPIENT shall document, in its quarterly report to **COUNTY**, the status of all contracts executed in connection with this Agreement.
  2. **COUNTY review of solicitations.** Except for micro-purchases made pursuant to 2 CFR 200.320(a)(1) or procurements by small purchase procedures pursuant to 2 CFR 200.320(a)(2), if SUBRECIPIENT proposes to enter into any contract for the performance of any of the Scope of Work under this Agreement, then the SUBRECIPIENT shall forward to COUNTY a copy of any solicitation (whether competitive or non-competitive) at least fifteen (15) days prior to the publication or communication of the solicitation. COUNTY will review the solicitation and provide comments, if any, to SUBRECIPIENT within three (3) business days. Failure to respond within three (3) business days does not constitute approval by the COUNTY. Consistent with 2 CFR 200.324, COUNTY will review the solicitation for compliance with applicable procurement standards. COUNTY's review and comments shall not constitute a binding approval of the solicitation. Regardless of COUNTY's review, SUBRECIPIENT remains bound by all applicable laws, regulations, and Agreement terms. If during its review COUNTY identifies any deficiencies, then COUNTY will communicate those deficiencies to SUBRECIPIENT as quickly as possible within the three (3) business day window outlined above. COUNTY may also, upon request, review all proposals or responses to solicitations issued by SUBRECIPIENT. COUNTY can only disapprove the selection of any entity by SUBRECIPIENT if the COUNTY determines that such selection would violate a provision of Federal, State, or local requirements, or the terms and conditions of this agreement.
  3. **COUNTY review of contracts.** Except for micro-purchases pursuant to 2 CFR 200.320(a), if SUBRECIPIENT proposes to enter into any contracts for the performance of any of the Scope of Work under this

Agreement, then SUBRECIPIENT shall forward to COUNTY a copy of the written contract prior to contract execution. COUNTY shall review the unexecuted contract for compliance with applicable requirements and provide comments, if any, to SUBRECIPIENT within three (3) business days. Failure to respond within three (3) business days does not constitute approval by the COUNTY. Consistent with 2 C.F.R. §200.324, COUNTY will review the unexecuted contract for compliance with the procurement standards outlined in 2 C.F.R. §§200.318 through 200.327 as well as Appendix II to 2 C.F.R. Part 200. COUNTY's review and comments shall not constitute an approval of the contract. Regardless of COUNTY's review, SUBRECIPIENT remains bound by all applicable laws, regulations, and Agreement terms. If during its review COUNTY identifies any deficiencies, then COUNTY will communicate those deficiencies to SUBRECIPIENT as soon as possible within the three (3) business day window outlined above. SUBRECIPIENT must correct the noted deficiencies before executing the contract.

- (c) **Conflicts of Interest.** In addition to the requirements described in subsections (a) and (b), SUBRECIPIENT shall comply with the following provisions related to conflicts of interest:
1. **Conflict of Interest Policies.** For any procurements conducted with grant funds under this agreement, SUBRECIPIENT shall maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts in conformance with 2 CFR 200.318(e). No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real OR apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the SUBRECIPIENT. SUBRECIPIENT shall immediately disclose in writing to COUNTY any potential conflict of interest affecting the awarded funds in accordance with 2 CFR 200.112.
  2. **Organizational Conflicts of Interest.** If SUBRECIPIENT has a parent, affiliate, or subsidiary organization, SUBRECIPIENT must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, SUBRECIPIENT would be unable or appear to be unable to be impartial in conducting a procurement action involving a related organization. SUBRECIPIENT must ensure that no transactions are conducted using funds under this agreement where there is an organizational conflict of interest.
  3. **Termination of Agreement.** If SUBRECIPIENT enters into a contract where there was a conflict of interest or organizational conflict of interest, it will be grounds for the COUNTY to terminate this grant agreement in accordance with the provisions of Article VII. Default and Termination.
- (d) **Mandatory Contract Provisions.** SUBRECIPIENT must include contract provisions required by UG and other state and federal laws and regulations, and as otherwise dictated by COUNTY.

**Section 5.5. Subawards.** In executing this Agreement, SUBRECIPIENT may not enter a subaward without prior written approval from COUNTY. Any planned subawards must be awarded on a competitive basis.

**Section 5.6. Property Management.** All real property acquired or improved, and equipment or supplies purchased in whole or in part with ARP/CSLFRF funds, must be used, insured, managed, and disposed of in accordance with 2 CFR 200.311 through 2 CFR 200.316.

**Section 5.7 Program Income.** If SUBRECIPIENT earns program income, as defined in 2 CFR 200.1 during the term of the subaward, it must segregate the gross proceeds of the program income and follow the provisions in 2 CFR 200.307. Any anticipated program income shall be budgeted in Exhibit C and reported to the COUNTY. Any unanticipated Program Income shall be managed in accordance with COUNTY policy

**Section. 5.8. Federal Restrictions on Lobbying.** SUBRECIPIENT shall comply with the restrictions on lobbying in 31 CFR Part 21. Pursuant to this regulation, SUBRECIPIENT may not use any federal funds to pay any person to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal

loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. SUBRECIPIENT shall certify in writing that SUBRECIPIENT has not made, and will not make, any payment prohibited by these requirements using the form provided in Exhibit D (Lobbying Certifications).

**Section. 5.9. Universal Identifier and System for Award Management (SAM).** SUBRECIPIENT shall obtain, and provide to the COUNTY, a unique entity identifier assigned by the System for Award Management (SAM), which is accessible at [www.sam.gov](http://www.sam.gov).

**Section. 5.10. Equal Opportunity & Other Requirements.** SUBRECIPIENT shall adopt and enact a nondiscrimination policy consistent with the requirements in this section.

**Civil Rights Laws.** SUBRECIPIENT shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d *et seq.*) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.

**Fair Housing Laws.** SUBRECIPIENT shall comply with the Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 *et seq.*), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.

**Disability Protections.** SUBRECIPIENT shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.

**Age Discrimination.** SUBRECIPIENT shall comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 CFR Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.

**Americans with Disabilities Act.** SUBRECIPIENT shall comply with Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

**Section. 5.11. Suspension and Debarment.** SUBRECIPIENT shall comply with the Office of Management and Budget (OMB) Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR Part 180, as adopted by the U.S. Department of Treasury at 31 CFR Part 19. SUBRECIPIENT represents that neither it, nor any of its principals has been debarred, suspended, or otherwise determined ineligible to participate in federal assistance awards or contracts. SUBRECIPIENT further agrees that it will notify COUNTY immediately if it or any of its principals is placed on the list of parties excluded from federal procurement or nonprocurement programs available at [www.sam.gov](http://www.sam.gov).

**Section. 5.12. Federal Funding Accountability and Transparency Act of 2006.** SUBRECIPIENT shall provide COUNTY with all information requested by COUNTY to enable COUNTY to comply with the reporting requirements of the *Federal Funding Accountability and Transparency Act of 2006* (31 U.S.C. 6101 note).

**Section. 5.13. Licenses, Certifications, Permits, Accreditation.** SUBRECIPIENT shall obtain and keep current any license, certification, permit, or accreditation required by federal, state, or local law and shall submit to COUNTY proof of any licensure, certification, permit or accreditation upon request.

**Section. 5.14. Publications.** Any publications produced with funds from this Agreement shall display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to Durham County, North Carolina by the U.S. Department of the Treasury."

**Section 5.15. Program for Enhancement of SUBRECIPIENT Employee Protections.** SUBRECIPIENT is hereby notified that they are required to: inform its employees working on any federal award that they are subject to the whistleblower rights and remedies of the program; inform its employees in writing of employee whistleblower protections under 41 U.S.C §4712 in the predominant native language of the workforce; and include such requirements in any agreement made with a subcontractor or subgrantee.

**Section 5.16. Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment.** Pursuant to 2 CFR 200.216, SUBRECIPIENT shall not obligate or expend funds received under this Subaward to: (1) procure or obtain; (2) extend or renew a contract to procure or obtain; or (3) enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services (as described in Public Law 115-232, section 889) as a substantial or essential component of any system, or as a critical technology as part of any system.

**Section 5.17. Use of Name.** Neither party to this Agreement shall use the other party's name, trademarks, or other logos in any publicity, advertising, or news release without the prior written approval of an authorized representative of that party. The parties agree that each party may use factual information regarding the existence and purpose of the relationship that is the subject of this Agreement for legitimate business purposes, to satisfy any reporting and funding obligations, or as required by applicable law or regulation without written permission from the other party. In any such statement, the relationship of the parties shall be accurately and appropriately described.

**Section 5.18. Highest Compensated Officers.** The names and total compensation of the five most highly compensated officers of SUBRECIPIENT shall be listed if the SUBRECIPIENT in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b)(1) Code of 1986. If this requirement applies to SUBRECIPIENT, SUBRECIPIENT will submit the list of its five most highly compensated officers to COUNTY within thirty (30) days of the execution of this Agreement and yearly thereafter during the Agreement term.

**Section 5.19. Statement of Assurances.** SUBRECIPIENT certifies compliance with SF 424B (Statement of Assurances – Non-Construction) and SF424D (Statement of Assurances – Construction).

**Section 5.20. RESERVED.**

**Section 5.21. Stevens Amendments Requirements.** SUBRECIPIENT shall identify that federal assistance funds were used to fund Scope of Work under this Agreement in any publicity and /or signage relating to the funded project or program.

## **Article VI. Cooperation in Monitoring and Evaluation.**

**Section. 6.1. COUNTY Responsibilities.** COUNTY shall monitor, evaluate, and provide guidance and direction to SUBRECIPIENT in the conduct of Scope of Work performed under this Agreement. COUNTY must determine whether SUBRECIPIENT has spent funds in accordance with applicable laws, regulations, including the federal audit requirements and agreements and shall monitor the activities of SUBRECIPIENT to ensure that SUBRECIPIENT has met such requirements. COUNTY may require SUBRECIPIENT to take corrective action if deficiencies are found.

The type and degree of monitoring activities depends on the results of the SUBRECIPIENT Risk Assessment, as detailed in COUNTY's Subaward and Monitoring Policy for the expenditure of ARP/CSLFRF funds (see policy at [American Rescue Plan Act \(ARPA\) Funds | Durham County \(dconc.gov\)](#)).

The following specific monitoring activities apply to this Agreement:

- (a) Monthly Financial Reports
- (b) Quarterly Report Reviews
- (c) Annual Desk Reviews (or more frequently if requested by either Party)
- (d) Onsite Reviews (upon request of either Party), and
- (e) Annual Audit Review, if necessary, upon request.

**Section. 6.2. SUBRECIPIENT Responsibilities.**

- (a) **Cooperation with COUNTY Oversight.** SUBRECIPIENT shall permit COUNTY to carry out monitoring and evaluation activities, including any performance measurement system required by applicable law, regulation, funding sources guidelines or by the terms and conditions of the applicable grant award, and SUBRECIPIENT agrees to ensure, to the greatest extent possible, the cooperation of its agents, employees and board members in such monitoring and evaluation efforts. This provision shall survive the expiration or termination of this Agreement.
- (b) **Cooperation with Audits.** SUBRECIPIENT shall cooperate fully with any reviews or audits of the activities under this Agreement by authorized representatives of COUNTY, the North Carolina State Auditor, the US Department of Treasury, and the US Government Accountability Office. SUBRECIPIENT agrees to ensure to the extent possible the cooperation of its agents, employees, and board members in any such reviews and audits. This provision shall survive the expiration or termination of this Agreement.

**Section 6.3. Interventions.** If COUNTY determines that SUBRECIPIENT is not in compliance with this Agreement, COUNTY may initiate an intervention, in accordance with 2 CFR 200.208 and 2 CFR 200.339. The degree of

SUBRECIPIENT's performance or compliance deficiency will determine the degree of intervention. All possible interventions are listed below and will depend on the degree of deficiency in SUBRECIPIENT's performance or compliance deficiency.

If COUNTY determines that an intervention is warranted, it shall provide written notice to SUBRECIPIENT of the intervention within thirty (30) days of the completion of a report review, desk review, onsite review, audit review, or procedures engagement review or as soon as possible after the COUNTY otherwise learns of a compliance or performance deficiency related to the execution of this Agreement. The written notice shall notify SUBRECIPIENT of the following related to the intervention:

- (1) The nature of the additional requirements;
- (2) The reason why the additional requirements are being imposed;
- (3) The nature of the action needed to remove the additional requirement, if applicable;
- (4) The time allowed for completing the actions if applicable; and
- (5) The method for requesting reconsideration of the additional requirements imposed.

COUNTY may impose the following interventions on SUBRECIPIENT, based on the level of the compliance or performance deficiency that COUNTY determines:

**Level 1 Interventions.** These interventions may be required for minor compliance or performance issues.

- (1) SUBRECIPIENT addresses specific internal control, documentation, financial management, compliance, or performance issues within a specified time period
- (2) More frequent or more thorough reporting by the SUBRECIPIENT
- (3) More frequent monitoring by the COUNTY
- (4) Required SUBRECIPIENT technical assistance or training
- (5) Required impact visits to determine actions that may be needed
- (6) Regular Office Hours calls (based on needs)

**Level 2 Interventions.** These interventions may be required for more serious compliance or performance issues.

- (1) Restrictions on funding payment requests by SUBRECIPIENT
- (2) Disallowing payments to SUBRECIPIENT
- (3) Requiring repayment for disallowed cost items
- (4) Imposing probationary status on SUBRECIPIENT

**Level 3 Interventions.** These interventions may be required for significant and/or persistent compliance or performance issues.

- (1) Temporary or indefinite funding suspension to SUBRECIPIENT
- (2) Nonrenewal of funding to SUBRECIPIENT in subsequent year
- (3) Terminate funding to SUBRECIPIENT in the current year
- (4) Initiate legal action against SUBRECIPIENT
- (5) Interviews with Staff of SUBRECIPIENT
- (6) Audit assistance

Interventions will remain in place until the underlying performance or compliance deficiency is addressed to the sole satisfaction of COUNTY.

**Section 6.4. Records Retention and Access.** SUBRECIPIENT shall maintain all records, books, papers, and other documents related to its performance of Scope of Work under this Agreement (including without limitation personnel, property, financial and medical records) through at least December 31, 2031, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit, or other inquiry involving this Agreement. SUBRECIPIENT shall make all records, books, papers, and other documents that relate to this Agreement available at all reasonable times for inspection, review, and audit by the authorized representatives of COUNTY, the North Carolina State Auditor, the US Department of Treasury, the US Government Accountability Office, and any other authorized state or federal oversight office.

**Section 6.5. Key Personnel.** SUBRECIPIENT shall identify all personnel who will be involved in performing Scope of Work and otherwise administering the Agreement, including at least one project manager and one fiscal officer (Key Personnel). SUBRECIPIENT shall notify COUNTY of any changes to these personnel within thirty (30) days of the change. Key personnel names, titles, and contact information are listed in Exhibit E (Key Personnel).

#### **Article VII. Default and Termination.**

**Section. 7.1. Termination for Cause.** COUNTY may terminate this Agreement for cause after three days written notice. Cause may include misuse of funds, fraud, lack of compliance with applicable rules, laws and regulations, failure to perform on time, or failure to comply with any of the requirements of this Agreement.

**Section 7.2. Termination for Convenience (“TFC”).**

**7.2(a) Procedure.** Without limiting any party’s right to terminate for breach, the parties agree that the COUNTY may, without cause, and in its discretion, terminate this contract for convenience by giving the SUBRECIPIENT written notice that refers to this section. TFC shall be effective at the time indicated in the notice.

**7.2(b) Obligations.** Upon TFC, all obligations that are still executory on both sides are discharged except that any right based on prior breach or performance survives, and the indemnification provisions shall remain in force. At the time of TFC or as soon afterwards as is practical, the SUBRECIPIENT shall give the COUNTY all Work, including partly completed Work. In case of TFC, the SUBRECIPIENT shall follow the COUNTY’s instructions as to which subcontracts to terminate.

**7.2(c) Payment.** The COUNTY shall pay the SUBRECIPIENT an equitable amount for the costs and charges that accrue because of the COUNTY’s decisions with respect to the subcontracts, but excluding profit for the SUBRECIPIENT. Within 20 days after TFC, the COUNTY shall pay the SUBRECIPIENT one hundred dollars as a TFC fee and shall pay the SUBRECIPIENT for all Work performed except to the extent previously paid for. Work shall be paid for in accordance with the method (unit prices, hourly fees, etc.) to be used for payment had the Work been completed except to the extent it would be inequitable to either party, and if Work was to be paid for on a lump-sum basis, the COUNTY shall pay the part of the lump sum that reflects the percentage of completion attained for that Work. The SUBRECIPIENT shall not be entitled to any payment because of TFC except as stated in this section, whether on the basis of overhead, profit, damages, other economic loss, or otherwise.

**Section 7.3. Termination by Mutual Agreement.** COUNTY and SUBRECIPIENT may agree to terminate this Agreement for their mutual convenience through a written amendment to this Agreement. The amendment will state the effective date of the termination and the procedures for proper closeout of the Agreement.

**Section 7.4. Termination Procedures.** If this Agreement is terminated, SUBRECIPIENT may not incur new obligations for the terminated portion of the Agreement after SUBRECIPIENT has received the notification of termination. SUBRECIPIENT must cancel as many outstanding obligations as possible. Costs incurred after receipt of the termination notice will be disallowed. SUBRECIPIENT shall not be relieved of liability to COUNTY because of any breach of Agreement by SUBRECIPIENT. COUNTY may, to the extent authorized by law, withhold payments to SUBRECIPIENT for the purpose of set-off until the exact amount of damages due COUNTY from SUBRECIPIENT is determined. The COUNTY Manager or its designee shall have the authority to terminate this agreement under Article VII.

#### **Article VIII. General Conditions.**

**Section. 8.1. E-Verify Requirements.** (a) If this Agreement is awarded pursuant to North Carolina General Statutes (NCGS) 143-129 – (i) the SUBRECIPIENT represents and covenants that the SUBRECIPIENT and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the NCGS; (ii) the words “SUBRECIPIENT,” “SUBRECIPIENT’s subcontractors,” and “comply” as used in this subsection (a) shall have the meanings of “SUBRECIPIENT,” “SUBRECIPIENT’s subcontractors,” and “comply” respectively as intended by NCGS 143-129(j); and (iii) the COUNTY is relying on this subsection (a) in entering into this Agreement. (b) If this Agreement is

subject to NCGS 143-133.3, the SUBRECIPIENT and its subcontractors shall comply with the requirements of Article 2 of Chapter 64 of the NCGS.

**Section. 8.2. Indemnification.**

(a) In general. The terms of subsection (c) (Standard Indemnification Provision) below shall apply to the SUBRECIPIENT, subject to subsections (d) through (k), where applicable.

(b) Definitions. These definitions apply to this Section unless otherwise stated.

SUBRECIPIENT – Each party to this contract except the COUNTY of Durham.

Construction agreement – any promise or agreement in, or in connection with, a contract or agreement relative to the design, planning, construction, alteration, repair, or maintenance of a building, structure, highway, road, appurtenance, or appliance, including moving, demolition, and excavating connected therewith.

Defend – In this Section except in subsection (e), defend means to pay for or furnish counsel at the expense of the SUBRECIPIENT to defend any of the Indemnitees against claims alleged or brought against any of the Indemnitees by a third party alleged or brought in any court or other tribunal, including forms of alternative dispute resolution required by law or contract, before the court or tribunal has reached a final determination of fault.

Derivative parties – with respect to a party, any of that party’s subcontractors, agents, employees, or other persons or entities for which the party may be liable or responsible as a result of any statutory, tort, or contractual duty.

Design professional – a person or entity who is licensed under and provides professional services regulated by Chapters 83A, 89A, 89C, 89E, or 89F of the N. C. General Statutes.

Design professional agreement – any promise or agreement in, or in connection with, a contract or agreement with a design professional to provide design professional services.

Design professional services – a service or work performed by a design professional for which licensure is required under Chapters 83A, 89A, 89C, 89E, or 89F of the N. C. General Statutes.

Fault – a breach of contract; negligent, reckless, or intentional act or omission constituting a tort under applicable statutes or common law; or violations of applicable statutes or regulations.

Indemnitees – COUNTY and its officers, officials, independent SUBRECIPIENTS, agents, and employees, excluding the SUBRECIPIENT.

Subcontractor – any person or entity, of any tier, providing labor or material through the SUBRECIPIENT for use on the project at issue in the applicable construction agreement or design professional agreement.

(c) Standard Indemnification Provision. (i) The SUBRECIPIENT shall defend, indemnify, and hold harmless Indemnitees from and against all Charges that arise in any manner from, in connection with, or out of this contract as a result of acts or omissions of the SUBRECIPIENT or its derivative parties. In performing its duties under this subsection “c,” the SUBRECIPIENT shall at its sole expense defend Indemnitees with legal counsel reasonably acceptable to COUNTY. (ii) “Charges” means claims, judgments, costs, damages, losses, demands, liabilities, duties, obligations, fines, penalties, royalties, settlements, and expenses. Included without limitation within “Charges” are (1) interest and reasonable attorney’s fees assessed as part of any such item, and (2) amounts for alleged violations of sedimentation pollution, erosion control, pollution, or other environmental laws, regulations, ordinances, rules, or orders – including but not limited to any such alleged violation that arises out of the handling, transportation, deposit, or delivery of the items that are the subject of this contract. By appropriate litigation, each Indemnitee, severally, shall have the right to enforce this section (titled “Indemnification”) directly against the SUBRECIPIENT, but not against the COUNTY of Durham.

(d) Restriction regarding Indemnitees’ Negligence. This contract shall not require the SUBRECIPIENT to indemnify or hold harmless Indemnitees against liability for damages arising out of bodily injury to persons or damage to property proximately caused by or resulting from the negligence, in whole or in part, of Indemnitees.

(e) Restriction regarding Fault in Construction Agreements and Design Professional Agreements. If this contract is a construction agreement or design professional agreement, nothing in this contract requires the SUBRECIPIENT to indemnify or hold harmless Indemnitees or any other person or entity against losses, damages, or expenses unless the fault of the SUBRECIPIENT or its derivative parties is a proximate cause of the loss, damage, or expense indemnified.

- (f) Restriction regarding Negligence of Design Professionals. Nothing in this contract requires the SUBRECIPIENT, provided that it is a design professional, to defend Indemnitees or any other person or entity against liability or claims for damages, or expenses, including attorney's fees, proximately caused or allegedly caused by the professional negligence, in whole or in part, of the SUBRECIPIENT, the COUNTY, or their derivative parties, whether the claim is alleged or brought in tort or contract.
- (g) Liability When at Fault. The parties intend that nothing in this contract shall be construed to exclude from any indemnity or hold harmless provisions enforceable under subsection (d) (Restriction regarding Indemnitees' Negligence) and subsection (e) (Restriction regarding Fault in Construction Agreements and Design Professional Agreements) any attorneys' fees, litigation or arbitration expenses, or court costs actually incurred by the COUNTY to defend against third party claims alleged in any court, tribunal, or alternative dispute resolution procedure required of the COUNTY by law or by contract, if the fault of the SUBRECIPIENT or its derivative parties is a proximate cause of the attorney's fees, litigation or arbitration expenses, or court costs to be indemnified. Every provision in this contract that violates the parties' intent expressed in the preceding sentence shall be construed and revised to the extent that it is lawful in order to make the provision conform with such intent.
- (h) Insurance Contracts and Bonds. This Section does not affect an insurance contract, workers' compensation, or any other agreement issued by an insurer; and this Section does not apply to lien or bond claims asserted under Chapter 44A of the N.C. General Statutes.
- (i) Other Provisions. Every provision in this contract that violates subsection (d) (Restriction regarding Indemnitees' Negligence), subsection (e) (Restriction regarding Fault in Construction Agreements and Design Professional Agreements), or subsection (f) (Restriction Regarding Negligence of Design Professionals) shall be construed and revised to the extent that it is lawful in order to make the provision conform with those subsections.
- (j) Survival. This Section shall remain in force despite termination of this contract (whether by expiration of the term or otherwise) and termination of the services of the SUBRECIPIENT under this contract.
- (k) Compliance with Law. This Section shall be applied to the maximum extent allowed by law but it shall be construed and limited as necessary to comply with N.C.G.S. § 22B-1. This Section is not to be construed in favor or against any party as the drafter. The preceding sentence is not intended to imply or direct how the remainder of this Section or of this contract is to be construed.

**Section. 8.3. Insurance.** The SUBRECIPIENT shall maintain insurance not less than the following:

SUBRECIPIENT shall procure and maintain for the duration of the contract the following insurance coverage from an insurance company(s) possessing a rating of A-VII or higher from the A.M. Best Company and licensed to do business in North Carolina. All of the policies required of the SUBRECIPIENT shall contain a waiver of subrogation provision to waive all rights of recovery under subrogation or otherwise against the COUNTY. In the event SUBRECIPIENT'S Insurance Policy or Certificate of Insurance conflicts with the aforesaid language concerning "waiver of subrogation" this contract shall govern. SUBRECIPIENT shall advise the COUNTY of any cancellation, non-renewal, or material change in any policy within ten (10) days of notification of such action and provide updated certificates of insurance evidencing renewals within fifteen (15) days of expiration. SUBRECIPIENT'S insurance shall be primary and any insurance or self-funded liability programs maintained by the COUNTY shall not contribute with respect to the SUBRECIPIENT's insurance. COUNTY shall not be listed as an additional insured on any Insurance Policy or Certificate of Insurance of the SUBRECIPIENT. In the event SUBRECIPIENT'S Insurance Policy or Certificate of Insurance conflicts with the aforesaid language concerning "additional insured" this contract shall govern.

**8.3(a). Commercial General Liability:** Insurance Services Office (ISO) Form CG 00 01 on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than **\$1,000,000** per occurrence and **\$2,000,000** aggregate.

**8.3(b). Commercial Automobile Liability:** ISO Form CA 00 01 covering any auto with limit not less than **\$1,000,000** per accident for bodily injury and property damage.

**8.3(c). Worker's Compensation and Employers Liability:** as required by The State of North Carolina, with statutory limits, and Employers Liability Insurance with a limit of no less than **\$1,000,000** per occurrence.

By requiring insurance herein, the COUNTY does not represent that coverage and limits will necessarily be adequate to protect SUBRECIPIENT, and such coverage and limits shall not be deemed as a limitation on SUBRECIPIENT's liability under the indemnities granted to the COUNTY in this Contract. SUBRECIPIENT shall provide the COUNTY a valid certificate of insurance, in advance of the performance of any work, exhibiting coverage required. SUBRECIPIENT shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

The failure of the COUNTY at any time to enforce the insurance provisions, to demand such certificates of insurance, or to identify a deficiency shall not constitute a waiver of those provisions, nor reduce obligations of the SUBRECIPIENT to maintain such insurance or to meet its obligations under the indemnification provisions. Notwithstanding the foregoing, nothing contained in this section shall be deemed to constitute a waiver of the governmental immunity of the COUNTY, which immunity is hereby reserved to the COUNTY.

**Section. 8.4. Choice of Law and Forum; Service of Process.** (i) This Contract shall be deemed made in Durham County, North Carolina, and shall be governed by and construed in accordance with the law of North Carolina, with the exclusive forum and venue for all actions arising out of this Contract being the North Carolina General Court of Justice, in Durham County. Such actions shall neither be commenced in nor removed to federal court. This subsection shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this subsection. (ii) If the SUBRECIPIENT is not a natural person (for instance, the SUBRECIPIENT is a corporation or limited liability company), this subsection (ii) applies. "Agent for Service of Process" means every person now or hereafter appointed by the SUBRECIPIENT to be served or to accept service of process in any State of the United States. Without excluding any other method of service authorized by law, the SUBRECIPIENT agrees that every Agent for Service of Process is designated as its non-exclusive agent for service of process, summons, and complaint.

**Section. 8.5. Notice.**

- (a) In General. This subsection (a) pertains to all notices related to or asserting default, breach of contract, claim for damages, suspension or termination of performance, suspension or termination of contract, and extension or renewal of the term.
- (b) Means of Delivery of Notice. (i) Common Carrier. All such notices shall be in writing and sent by common carrier or personal delivery. Those sent by common carrier shall include instructions to obtain the recipient's signature and/or a signature at the recipient's address. Common carrier means UPS, FedEx, a designated delivery service authorized pursuant to 26 U.S.C. 7502(f)(2), or United States Postal Service (USPS). (ii) Notice given by Personal Delivery. If the sender causes the notice to be hand delivered to a natural person 18 years or older at the address of the SUBRECIPIENT indicated under subsection (f) below, notice is deemed given. (iii) Common Carrier Leaves Notice. If the sender obtains a signature through a common carrier pursuant to subsection (i), notice is deemed given. If, however, the common carrier does not obtain such a signature between 8:30 AM – 4:30 PM Monday-Friday on a day that is not a Holiday but leaves the notice in a place that it deems safe without obtaining a signature, this process constitutes delivery of the notice provided that the sender also sends the notice by email or fax. Notice is deemed given on the later of (x) the leaving of the notice by the common carrier and (y) the email or fax. A notice is deemed emailed on the date that the sender attempts to send it. A notice is deemed faxed at the earlier of when successfully received or when faxing is unsuccessfully attempted three times at least ten minutes apart. (iv) Requested Additional Method. Regardless of the method of giving notice, the sender is requested but not required to also send it by fax or email.
- (c) When Notice Period Is Less than 9 Days. If a required notice period is less than 9 days, the sender is requested to make reasonable attempts, before or promptly after giving notice under subsection (b), also to orally communicate the substance of the contents of the written notice, in person or by telephone. Failure to satisfy this subsection shall not render the written notice invalid.
- (d) When Undeliverable Notice Is Deemed Sent by Common Carrier. If a notice sent by common carrier is undeliverable because the address or other information provided to the sender by the other party (the intended recipient) is incorrect, incomplete, or out of date, or for any other reason; and the

sender also sends the notice by fax or email, notice is deemed given on the later of (x) the sender's placing the notice in the custody of the common carrier and (y) the fax or email. A notice is deemed emailed on the date that the sender attempts to send it. A notice is deemed faxed at the earlier of when successfully received or when faxing is unsuccessfully attempted three times at least ten minutes apart.

(e) Change of Address. A change of address, fax number, email address, telephone number, or person to receive notice shall be made by notice given to the other party.

(f) Addresses. Subject to change pursuant to subsection (e), the addresses for these notices are:

To the COUNTY:  
COUNTY of Durham  
7<sup>th</sup> Floor, 201 East Main Street  
Durham, NC 27701

To the SUBRECIPIENT:  
AB Community DBA Knox Street Studios  
1307 W. Knox Street  
Durham, NC 27705

**Section. 8.6. Nonwaiver.** No action or failure to act by the COUNTY shall constitute a waiver of any of its rights or remedies that arise out of this Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

**Section. 8.7. Performance of Government Functions.** Nothing contained in this Contract shall be deemed or construed so as to in any way estop, limit, or impair the COUNTY from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

**Section. 8.8. Severability.** If any provision of this Contract shall be unenforceable, the remainder of this contract shall be enforceable to the extent permitted by law.

**Section. 8.9. Assignment.** Successors and Assigns. Without the COUNTY's written consent, the SUBRECIPIENT shall not assign (which includes to delegate) any of its rights (including the right to payment) or duties that arise out of this Contract. The COUNTY Manager may consent to an assignment without action by the Durham County Board of Commissioners. Unless the COUNTY otherwise agrees in writing, the SUBRECIPIENT and all assignees shall be subject to all of the COUNTY's defenses and shall be liable for all of the SUBRECIPIENT's duties that arise out of this Contract and all of the COUNTY's claims that arise out of this Contract. Without granting the SUBRECIPIENT the right to assign, it is agreed that the duties of the SUBRECIPIENT that arise out of this Contract shall be binding upon it and its heirs, personal representatives, successors, and assigns.

**Section. 8.10. Compliance with Law.** In performing all of the Project, the SUBRECIPIENT shall comply with all applicable law.

**Section. 8.11. Notice of COUNTY Policy.** THE COUNTY OPPOSES DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, DISABILITY, FAMILIAL STATUS, MILITARY STATUS, SEXUAL ORIENTATION, GENDER IDENTITY, AND PROTECTED HAIRSTYLE AND URGES ALL OF ITS SUBRECIPIENTS TO PROVIDE A FAIR OPPORTUNITY FOR MINORITIES AND WOMEN TO PARTICIPATE IN THEIR WORK FORCE AND AS SUBCONTRACTORS AND VENDORS UNDER COUNTY CONTRACTS.

**Section. 8.13. No Third-Party Rights Created.** This Contract is intended for the benefit of the COUNTY and the SUBRECIPIENT and not any other person.

**Section. 8.14. Principles of Interpretation and Definitions.** (1) The singular includes the plural and the plural the singular. The pronouns "it" and "its" include the masculine and feminine. References to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation. References to contracts and agreements shall be deemed to include all amendments to them. The words

“include,” “including,” etc. mean include, including, etc. without limitation. (2) References to a “Section” or “section” shall mean a section of this contract. (3) “Contract” and “Agreement,” whether or not capitalized, refer to this instrument. (4) “Duties” includes obligations. (5) The word “person” includes natural persons, firms, companies, associations, partnerships, trusts, corporations, governmental agencies and units, and other legal entities. (6) The word “shall” is mandatory. (7) The word “day” means calendar day. (8) A definition in this Contract will not apply to the extent the context requires otherwise.

**Section. 8.15. Modifications. Entire Agreement.** A modification of this Contract is not valid unless signed by both parties and otherwise in accordance with requirements of law. Further, a modification is not enforceable against the COUNTY unless it is signed by the COUNTY Manager, a deputy or assistant COUNTY Manager, or, in limited circumstances, a COUNTY department director. This Contract contains the entire agreement between the parties pertaining to the subject matter of this Contract. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed, or implied, between the parties, other than as set forth or referenced in this Contract.

**Section. 8.16. COUNTY’s Manager’s Authority.** To the extent, if any, the COUNTY has the power to suspend or terminate this contract or the SUBRECIPIENT’s services under this Contract, that power may be exercised by COUNTY Manager or a deputy or assistant COUNTY Manager without action by the Durham County Board of Commissioners.

IN WITNESS WHEREOF, the COUNTY and the SUBRECIPIENT have caused this contract to be executed under seal themselves or by their respective duly authorized agents or officers.

**COUNTY OF DURHAM**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Dr. Kimberly J. Sowell, County Manager

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

By: \_\_\_\_\_  
Tiffany Murray, Durham County Chief Financial Officer

---

**CONTRACTOR**

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

Print Name/Title: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

**Exhibit A: Subaward Data**

SUBRECIPIENT Name	AB Community dba Knox Street Studios
SUBRECIPIENT Unique Entity Identifier:	S9NKPGRKJMM3
Federal Award Identification Number (FAIN):	35-333003
Federal Award Date of Award to the Recipient by the Federal Agency:	May 2021
Subaward Period of Performance Start Date:	May 1, 2024
Subaward Period of Performance End Date:	June 30, 2026
Amount of Federal Funds Obligated by this Action by the Pass-Through Entity to the SUBRECIPIENT:	\$750,000
Total Amount of Federal Funds Obligated to the SUBRECIPIENT by the Pass-Through Entity Including the Current Obligation:	\$750,000
Total Amount of the Federal Award Committed to the SUBRECIPIENT by the Pass-Through Entity:	\$750,000
Federal Award Project Description:	Knox St. Studios will assist in the implementation of a comprehensive and holistic entrepreneurial support system for qualifying small businesses in Durham County, with an emphasis on providing supports focused on capacity building, access to networks, and access to capital.
Name of Federal Awarding Agency:	U.S. Treasury Department
Name of Pass-Through Entity:	Durham County Government
Contact Information for COUNTY of Durham Authorizing Official:	Dr. Kimberly Sowell, County Manager <a href="mailto:ksowell@dconc.gov">ksowell@dconc.gov</a> (919) 560-0000
Contact Information for COUNTY Project Manager:	Andrew Miracle, Director, Economic Development <a href="mailto:amiracle@dconc.gov">amiracle@dconc.gov</a> (919) 560-0006
CFDA Number and Name:	21.027
Identification of Whether Subaward is R&D:	No
SUBRECIPIENT Indirect Costs:	10% (De Minimis Rate)

## **Exhibit B: Scope of Services**

### **Project Overview**

The intended purpose of the allocated funds is to support Knox St. Studios' (KSS's) 'Durham Rising: Supporting Underrepresented Entrepreneurs Initiative', which is designed to offer a multifaceted solution that encompasses financial, intellectual, and relational capital to address the persistent challenges faced by historically underrepresented businesses in Durham County, particularly in the aftermath of the COVID-19 pandemic. KSS will utilize the funds to establish a comprehensive entrepreneurial support system tailored to the unique needs of historically underrepresented businesses with 50 or fewer employees in Durham County that have confronted economic challenges and disparities in access to opportunities, education, and economic inclusion.

Knox St. Studios (KSS), alongside community partners, seeks to connect, and encourage current and aspiring HUB/SEDI entrepreneurs impacted by the COVID-19 Pandemic by creating a comprehensive and holistic entrepreneurial support system for qualifying small business operating in Durham County. KSS's work will educate, advise, and prepare businesses to excel and thrive through Capacity Building, Access to Networks, and Access to Capital.

As part of the American Rescue Plan Act (ARPA) Nonprofit Grant Program, Phase 2 Small Business Support, KSS is one of two entities to receive funding under this program. KSS will work in partnership with Forward Cities, the other recipient under the grant program, to support the E3 small business ecosystem that maximizes the coordination of service-delivery and impact for Durham County entrepreneurs. "Durham Rising" reflects the program name submitted in the initial ARPA application and funded parties will work to achieve consistent branding of the ARPA-funded E3 small business ecosystem moving forward.

### **Project Objectives**

In the aftermath of the COVID-19 pandemic, historically underrepresented businesses in Durham County have found themselves navigating an unprecedented landscape rife with challenges. The challenges faced by these businesses were not just economic; they extended to disparities in access to opportunities, education, and inclusion. While the broader economy and some small businesses are showing signs of recovery, it's crucial to recognize that historically underrepresented businesses continue to grapple with these challenges. Despite North Carolina's recognition as the number one state for business by CNBC in July 2022, a sobering report from Prosperity Now, known as the "Road to Zero Wealth," projects a disconcerting future where African-American wealth may dwindle to zero by 2053. This jarring revelation underscores the critical need for a new approach to business support.

The overarching goal of KSS's project is to establish a comprehensive entrepreneurial support system tailored to the specific needs of historically underrepresented businesses with 50 or fewer employees in Durham County. KSS's project includes the following goals and objectives:

### **Objective 1: Identifying and Prioritizing Historically Underrepresented Businesses for Support**

This project's pivotal objective is to proactively identify and prioritize historically underrepresented businesses for targeted support. KSS's focus encompasses two distinct groups: the first comprises early stage businesses (1-3 years in operation) that emerged during the global pandemic, often out of sheer necessity. The second group encompasses growth-stage businesses (4-8 years in operation) that not only endured the challenges of the pandemic but are now navigating the recovery phase or scaling their operations. KSS will leverage its extensive network of established partnerships to effectively reach out to and recruit owners of historically underrepresented businesses, ensuring they receive the tailored support necessary to address their unique challenges and fuel their continued growth and success.

### **Objective 2: Providing Access to Skill-Building Programs**

Recognizing the importance of equipping small business owners and their employees with essential digital skills in today's rapidly evolving landscape, the second objective for the project will be to facilitate access to skill-building programs. The focus will be on connecting small business owners and their employees with programs that offer certifications in Digital Marketing and e-commerce, UX Design, Cybersecurity, Project Management, and Data Analytics, empowering entrepreneurs with the tools they need to thrive in the digital age.

### **Objective 3: Providing Access to Trusted Advisors**

As historically underrepresented businesses need more than transactional assistance, the third objective of the program is to provide small business owners with access to trusted advisors and mentors. Trusted Advisors will be included in every part of KSS's project. In the Early Stage Incubator, the Associate Director acts as a trusted advisor and connector during the **10 hours** of cohort check-ins. During the Support to Scale program, KSS's contracted investment services firms will offer at least **10 hours** of individual consultation to help the entrepreneurs move through the necessary steps to secure funding to scale. Additionally, KSS's Startup Weekends and similar events will provide participants with informal opportunities to connect with advisors who are committed to their long-term success.

These advisors will offer essential guidance and mentorship, ensuring that entrepreneurs and businesses have the support they need to navigate the complexities of the business world.

In sum, KSS will provide **25/30 hours a month** of direct 1:1 counseling to total a minimum of **500 hours** over the course of the contract. Services may ramp up starting in month four. Eligible counseling hours may include entrepreneurs referred from Forward Cities as well as counseling provided to KSS program graduates upon completion of programming outlined in the Scope of Services. While counseling referrals will prioritize technology and growth-stage businesses (4-8 years in operation), referrals to KSS may go beyond those criteria as defined by the needs and makeup of the entrepreneurs within the ecosystem.

### **Objective 4: Enhancing HUB Sustainability and Scalability through Capital Readiness**

The fourth objective of the project will be to enhance the sustainability and scalability of participating small businesses through a focus on capital readiness and preparing business owners to be in the best financial position to sustain and scale their ventures. KSS will identify investment services firms to

collaborate with its team on business topics including improving loan preparedness, enhancing business and personal credit, mastering P&L management, and honing general business practices. In addition, KSS's contracted investment services firms will offer technical assistance programs to help current business property owners and aspiring owners navigate the acquisition and management of commercial real estate to help create more sustainable businesses, as well as Venture Capital preparedness.

#### **Objective 5: Provide HUBs Access to Capital**

To help remove barriers for HUBs to accessing crucial resources, KSS's project will provide a centralized platform for businesses to access the right resources tailored to their unique needs. One of KSS's partners in this project, NC IDEA, an entrepreneurial ecosystem builder and grant maker, has committed up to \$100,000 in Micro and Seed grant funding to offer immediate financial support and to position these businesses for future funding opportunities. No County funds will be used to provide grant funding to participating businesses.

#### **Objective 6: Holistic Support**

Through this project, KSS will also aim to provide holistic support to assist entrepreneurs in overcoming obstacles that might otherwise hinder their access to the resources, events, and training provided. This comprehensive approach will ensure historically underrepresented businesses have the necessary support to thrive and succeed.

#### **Objective 7: Utilize Data and Reporting for Better Service Offering and Outcomes**

To improve KSS's service offerings and outcomes under the project, KSS will contract through a Request for Proposals with an organization to support data collection, research, and reporting. This partnership will allow KSS to leverage data and insights to better understand the challenges faced by historically underrepresented businesses. This will ensure that KSS's project will be responsive, effective, and continuously improving to meet the evolving needs of these businesses.

#### **Project Description**

KSS will serve the lead organization for the Durham Rising initiative. KSS's main responsibilities include coordinating and seamlessly integrating the services offered by its partner organizations and competitively selected contractors. KSS will also assume the overall management and strategic direction of the project. This involves executing a comprehensive strategy for outreach and engagement designed to attract entrepreneurs to the programs and assessing their specific needs. Following these assessments, KSS will ensure participants receive customized support by connecting them with the appropriate services offered within its primary programs: the Early Stage Accelerator and Support to Scale Incubator.

#### **MWBE Participation**

In addition to prioritizing Historically Underrepresented Businesses to participate in its programming, KSS will seek to intentionally partner with MWBEs to provide services to the County under this grant.

## **Early Stage Accelerator**

The Early Stage Accelerator will be facilitated by KSS and offered twice (**2 cohorts**) during the grant period. This process is specifically designed to nurture small cohorts of **5-7 diverse businesses and individual entrepreneurs**, preparing them for the next phase of their business development. This unique program will combine comprehensive guidance, specialized curricula, and immersive entrepreneurial experiences to foster creativity, critical thinking, and effective problem-solving, among other entrepreneurial skills.

In partnership with NC IDEA, KSS will provide access to the Ice House Entrepreneurship Program (IHEP), a versatile curriculum emphasizing developing an entrepreneurial mindset. IHEP offers **30 hours** of programming, empowering participants through experiences that cultivate essential skills such as communication, teamwork, and innovative problem-solving. The NC IDEA team, in partnership with Knox St. Studios, will be responsible for identifying and training facilitators, providing course licenses, and facilitating the integration of the Ice House curriculum into our project activities.

To maximize accessibility and engagement, the Early-Stage Accelerator will be designed to be hybrid, with IHEP modules available virtually and supplemental programming, primarily directed by KSS, offered in person. Sessions will be hosted at KSS's physical location and, where applicable, virtually to ensure broad participation. Efforts will also be made to utilize other venues, engage more community partners, and expand the program's reach. KSS's Project Manager will play a crucial role in coordinating the use of space and identifying additional locations, fostering accessibility and engagement with other Entrepreneurial Support Organizations (ESOs), and thereby creating a seamless entry point for entrepreneurs.

Each cohort will also participate in five cohort meetings, totaling **10 hours** of peer learning and sharing, to be facilitated by the KSS Project Director. These meetings will be a platform for the contracted Data Firm and KSS to gather insights into the entrepreneurs' ongoing needs, allowing for further customization of the program offerings as it progresses. This approach will not only enhance the curriculum but also strengthen the support network around each entrepreneur, ensuring they receive the most relevant and practical guidance and resources.

## **Start-Up Weekend**

KSS will host **two** Start-Up Weekends as part of the Early Stage Accelerator program, each offering a dynamic and intensive entrepreneurial experience. These weekends are meticulously crafted to foster entrepreneurship, innovation, diversity, and opportunity, providing significant benefits to early-stage businesses. Entrepreneurs dedicate **50 hours** to the in-person event itself, and an additional **50 hours** per weekend are allocated for preparation, amounting to over **100 hours** of preparation across both weekends.

The staffing for these weekends involves KSS's full support, with all three budgeted KSS positions actively providing services to ensure the event's success. This comprehensive involvement underscores KSS's commitment to delivering a high-impact experience for the participants.

Typically, the Start-Up Weekends serve **35 to 50 entrepreneurs**, offering them an opportunity to expand their networks. The events benefit from the contributions of around **20 volunteers** who play a crucial role in building relationships with entrepreneurs and business owners, thereby broadening their support networks.

### **Support to Scale Incubator**

The Support to Scale Incubator will have **two cohorts** over the grant period, one dedicated to commercial real estate and the other to venture capital. This initiative, led by KSS as the primary convenor and manager, will be a collaboration with an RFP-selected investment services firm designed to propel business owners 4-8 years into their journey toward significant growth and scalability. KSS will facilitate the incubator, managing both people and content, and work closely with participants to build an enriching experience tailored to their growth needs.

Each cohort member is allocated **16 hours** of program time, which is divided into 8 hours of session engagement and 8 hours of guided support. This structured approach ensures that each entrepreneur receives focused and personalized assistance. The incubator is set to serve a total of **10 entrepreneurs**, with an expectation of 5 participants per cohort, allowing for intimate and impactful engagement.

The program's curriculum will be designed to guide businesses toward sustainable growth and expansion through various means. For the commercial real estate track, this will include facilitating property ownership and effective management of real estate assets. For the venture capital track, the focus will be on assisting in securing growth capital through venture funding, equity, and loans, providing strategies for mergers and acquisitions and offering succession planning guidance.

In collaboration with the contracted investment services firm, the Support to Scale Incubator will offer comprehensive technical assistance, catering specifically to the unique needs of each cohort. The incubator will address the immediate requirements of current business property owners and entrepreneurs aspiring to navigate the complexities of commercial real estate or venture capital, while also covering broader aspects such as funding preparedness, improving business and personal credit, mastering profit and loss management, and refining general business practices.

This initiative will focus on impact investing, particularly emphasizing support for Main Street entrepreneurs from SEDI communities. The goal of this component of the project is to increase the number of businesses owned by people of color that own the real estate where their companies operate, fostering a more equitable and inclusive entrepreneurial ecosystem. Through this targeted support, the planned Support to Scale Incubator aims to empower businesses for long-term success, contributing positively to the communities they serve.

In addition to the previously mentioned support tracks, the project will offer the following services:

#### **Access to Capital**

NC IDEA is committed to providing up to \$100,000 in grant funding to advance the project's objective of creating pathways for high-growth entrepreneurship opportunities within the ARPA project participants. Collaborating with NC IDEA, the KSS team will design an awards program tailored to offer critical early-

stage funding. The awards program will prioritize female and minority-owned businesses that either meet or have the potential to meet NC IDEA's grant eligibility criteria. No County funds will be used to provide grant funding to participating businesses.

### **Access to Upskill – Technical Education Program**

Knox Street Studio will procure certification programming relevant to small businesses to offer comprehensive skill development in digital disciplines. The project plans to focus on the following certifications: Digital Marketing and e-commerce & Cybersecurity, with the option to offer Project Management, UX Design and Data Analytics. KSS plans to provide approximately **50 employees of eligible small businesses** (including sole proprietors) with the skills and certifications necessary to thrive in today's digital landscape and support the work in their respective small businesses.

Participants in the program will engage in a comprehensive curriculum, choosing between two specialized tracks: digital marketing or cybersecurity. The curriculum is crafted to provide participants with a well-rounded and practical skill set through a blend of foundational topics, hands-on exercises, and real-world applications.

#### *Digital Marketing Track*

The digital marketing track encompasses vital areas such as customer engagement, content marketing, and analytics. According to projections by the Bureau of Labor Statistics, the roles in the industry will grow by over 6% in the next decade. Participants will gain a profound understanding of modern marketing strategies, equipping them for roles in an industry experiencing exponential growth.

#### *Cybersecurity Track*

The curriculum covers critical topics for those opting for the cybersecurity track, including risk management, network security, and Python automation. With the demand for cybersecurity professionals projected to grow by an impressive 32% over the next decade, participants will acquire skills that are not only in high demand but also essential for safeguarding digital systems.

#### *Supplemental Offering*

In addition to the core curriculum, the program offers enriching supplemental experiences to ensure holistic skill development and empowerment.

Life Skills and Tech Talks: Industry experts will conduct engaging talks that provide valuable insights, share industry trends, and offer practical advice to participants on business/life skills, including personal financial accounting, homeownership, and demystifying entrepreneurship. These sessions aim to equip participants with specific skills and the broader knowledge needed for success in their professional and personal lives.

These supplemental offerings are integral to the program, ensuring participants receive not only technical skills but also the practical knowledge.

#### **Support Structure**

Recognizing the unique needs of our participants, we will provide a robust support structure that combines the benefits of virtual accessibility for the course with the option for in-person connections.

Personalized One-on-One Check-ins: Understanding the importance of individualized support, the program includes at least eight personalized one-on-one check-in sessions. These sessions give participants dedicated time to address their specific challenges, set personalized goals, and receive guidance tailored to their unique circumstances.

Collaborative Cohort Bi-Weekly Virtual Check-ins: To foster community and mutual support, we will conduct bi-weekly virtual check-in sessions for the entire cohort. These collaborative sessions build connections among participants, share experiences, and create a supportive network. In a virtual environment, these check-ins serve as a platform for community building, ensuring that participants feel connected and engaged throughout the program.

To further support this objective, KSS will lead a **Tech Industry Awareness Campaign** to include workshops focused on increasing and promoting the pipeline of tech entrepreneurs with a possible youth focus. KSS will host a minimum of **5 workshops** focused on growing tech skills for entrepreneurs that feature the application of technology fields and/or include panels of tech companies to promote emerging fields.

### **Project Summary**

- Start-up Weekends
  - Total program hours: 100 (50 hours of service delivery, 50 hours of prep)
  - Number of entrepreneurs: 35-50 (x2)
  - Number of cohorts: 2
  
- Access to Trusted Advisors
  - 500 hours of 1:1 direct counseling
  
- Access to Upskill
  - Certification and Training
    - Number of entrepreneurs receiving tech certifications: 30
      - Personalized One-on-One Check-ins: 8
      - Collaborative Cohort Virtual Check-ins: Bi-Weekly
    - Number of entrepreneurs receiving upskill training: 20
  - Tech Skills Workshops
    - Number of workshops: 5
  
- Early-stage Accelerator (with third party support)
  - Total program hours: 40 (30 hours of programming, 10 hours of peer learning)
  - Number of entrepreneurs served: 5-7 (x2)
  - Number of cohorts: 2
  
- Support-to-Scale Incubator (with third party support)
  - Total program hours: 32
  - 8 hours of session engagement and 8 hours of guided support (x2)
  - Number of entrepreneurs: 5 (x2)
  - Number of cohorts: 2

- Access to Capital (with third party in-kind donation)
  - \$100,000 in grant-funding

### **Project Impact**

The success of the Durham Rising project will be evaluated through a comprehensive framework that focuses on quantitative and qualitative metrics including surveys and focus groups. KSS will work alongside the selected Data Services firm to ensure that KSS is measuring the program's impact.

### **Key Performance Indicators (KPIs) and Evaluation Measures:**

#### **Business Growth and Viability**

- Business Survival Rate: Target - Achieve a 75% business survival rate among program participants.
- Revenue Growth: Target - Facilitate an average annual revenue growth of at least 10% for participating businesses.

#### **Access to Capital and Funding**

- Amount of Capital Secured: Target - Help businesses secure at least \$750K in capital collectively through grants, loans, and equity investments.
- NC IDEA Grant Outcomes: Target - Facilitate at least 10 grants from NC IDEA MICRO and SEED programs for project participants.

#### **Skill Development and Education**

- Certification Completion: Target - 75% of participants complete certifications through the offered program.
- Feedback and Self-assessment: Target - Receive positive feedback and self-assessment from at least 90% of participants.

#### **Impact on Equity and Inclusion**

- Demographic Data: Target - Ensure that at least 60% of project participants come from historically underrepresented communities.
- Historically Underutilized Business (HUB) Certifications: Target - At least 50% of participating businesses without HUB Certification achieve HUB certification.

#### **Support to Scale Incubator Outcomes**

- Property Ownership: Target - Help a minimum of 1 historically underrepresented businesses acquire commercial real estate.
- Financial Management: Target - Improve loan preparedness and financial practices for at least 70% of participating businesses.

#### **Community and Regional Impact**

- Community Feedback: Target - Collect positive feedback and experiences from at least 80% of the local community and participating businesses.

### **Delivery of Services**

Knox St. Studios (KSS) will be responsible for performing the work and achieving the stated goals and objectives of the "Durham Rising" project. The leadership team of KSS, including Talib Graves-Manns, Lee Gray and Richard Brown, brings a wealth of experience, expertise, and a deep commitment to community development, social impact, and economic empowerment. Knox St. Studios is under the leadership of Talib Graves-Manns, who serves as the Executive Director of AB Community, doing business as Knox St. Studios. Since 2015, Mr. Graves-Manns has played integral roles in various entrepreneurial ventures and initiatives.

Notably, he served as the Google Entrepreneur-in-Residence from 2015 to 2016. Furthermore, he has been instrumental in establishing a CDFI-backed HBCU Entrepreneurship Center. His extensive experience includes co-founding and managing Partners in Equity and Black Wall Street Homecoming. In these roles, Mr. Graves-Manns has been responsible for various cross-functional tasks and day-to-day operations, with a significant focus on business strategy and driving growth. Mr. Graves-Manns has earned a degree in psychology from Hampton University in Hampton, VA, in 2003. Additionally, he completed his MBA at Wake Forest University in Winston-Salem, NC, in 2009.

Lee Gray serves as the Associate Director at Knox St. Studios and complements the leadership team as a dedicated professional with a passion for community-oriented and social impact endeavors. In her role, Lee effectively manages programs, oversees project implementation, and sets the strategic direction for the organization. Lee is a North Carolina A&T State University graduate, and her career path has seen her lead teams in Design and Visual Merchandising for well-known national clothing brands such as Nordstrom, Belk, and Bevello. Her experience extends to Community Development at the state level, where she contributed her skills and expertise. She has also been selected as the Ecosystem Builder-in-Residence for the statewide Black Wall Street Forward initiative in Fayetteville. Lee's educational background includes a Masters in Operations Management, a B.S. in Marketing and International Business, and career certificates in Non-Profit Management, Fashion Design, and Merchandising.

Richard Brown is the Director of Tech Career & Apprentice at Knox St. Studios, where he spearheads the Google Certificates program and oversees various initiatives aimed at bridging the digital divide. With a diverse background spanning community organizing, construction project coordination, and software engineering, Richard brings a wealth of experience to his role. Prior to joining Knox St. Studios, he served as a Community Organizer at the Community Reinvestment Association of North Carolina and as a Construction Project Coordinator at The North Carolina Institute of Minority Economic Development. Additionally, Richard has worked as a Software Engineer at The Iron Yard, bringing technical expertise to his community-focused endeavors.

In addition to the leadership provided by Knox St. Studios and its team, KSS will utilize an RFP process to ensure that we have a Data Services Firm and Investment Services(s) firms that are adept at and have experience in working with underserved populations and businesses.

## **Ecosystem Support**

Knox St. Studios is part of a pair of organizations that received support through the American Rescue Plan Act (ARPA) Nonprofit Grant Program, Phase 2 Small Business Support. The underlying intent of these awards is to create a small business ecosystem that maximizes the coordination of service-delivery and impact for Durham County entrepreneurs. To that end, Knox St. Studios will support the ecosystem through the following activities:

- Bi-weekly check-ins with Forward Cities attended by Executive Director and Program Director
- Monthly E3 Alliance meeting attended by Executive Director and Program Director (80% of meetings)
- Attendance at and session content for Monthly E3 networking/workshop event by Program Director or other paid staff
- Attendance by all paid staff at the Inaugural ecosystem-wide gathering event
- Coordinate receipt of client referrals with Forward Cities through Sourcelink (no cost associated) as well as all metrics referenced in "Project Summary" and "Project Impact" sections
- Once the ecosystem needs assessment is completed by Forward Cities, implement a feasible recommendation for an education program that is within scope.

## **Project Sustainability**

KSS has crafted a sustainability plan for the "Durham Rising" project to ensure its long-term impact and effectiveness even after ARPA funding is no longer available. This comprehensive approach encompasses various strategies and partnerships to secure ongoing support and resources.

First and foremost, diversifying funding sources will be a key element of the sustainability plan. While ARPA funding provides a crucial initial boost, KSS recognizes the need to secure additional grants, donations, and investments from the public and private sectors. This includes identifying and pursuing opportunities at the federal, state, and local levels and engaging with philanthropic organizations, foundations, and corporate partners who share our commitment to promoting economic development and inclusion.

KSS's project also places a strong emphasis on building and strengthening partnerships with organizations and institutions that align with its mission. These collaborations will not only provide financial support but also in-kind contributions and resources that complement our offerings. KSS will seek potential partnerships with local universities, community colleges, business associations, and economic development agencies, as these can significantly contribute to our sustainability.

Moreover, KSS plans to generate revenue through fee-based services and programs tailored to businesses and entrepreneurs requiring specialized support. These offerings will create a reliable revenue stream to support ongoing operations while ensuring KSS can continue providing our services at no cost to those who need them most.

## **Timeline and Milestones**

The below serves as a targeted project timeline for the initiative:

### Quarter 1

- Project embarks on Project Initiation. Project Director will assemble project team, coordinator partners, release RFP and complete partnership agreements are thoroughly reviewed and finalized, ensuring that roles and expectations are clearly defined.
- Project shifts its focus to Outreach and Enrollment. The Outreach Coordinator will engage in a robust awareness campaign, and outreach activities are initiated to actively engage potential participants and entrepreneurs. Data Services Provider will provide support by developing process and assessment tools to ensure that businesses and entrepreneurs meet the criteria (Business must have less than 50 employees, and have less than \$2 million in annual revenue). Potential participants will be assigned to the Early Stage Accelerator and Support to Scale Incubator Cohort based on initial assessments.

### Quarter 2/Quarter 3

- Commencement of Program Delivery for Cohort(s) 1. The Early Stage Accelerator extends its support to early-stage businesses, providing them with the essential tools they need. Simultaneously, the Support to Scale Incubator imparts valuable skills and knowledge to participants, while the Techstars Start-Up Weekend ignites entrepreneurship and innovation within this cohort.

### Quarter 3/Quarter 4

- Start Up Weekend
- Support to Scale moves into individual support and execution.

### Quarter 4

- Year 1 Evaluation is undertaken. This comprehensive assessment is led by Data Services Firm and focuses on evaluating the project's performance and identifying areas for potential improvement and adjustment.

### Year 2

- Follows a similar trajectory of Year 1 for Cohort(s) 2 of Support to Scale, Early Stage Accelerator, and Start Up Weekend.
- This project timeline remains flexible, allowing for necessary adaptations to effectively address the participants' capacity and needs. This adaptability ensures that the project remains responsive, continually aligning with its objectives to make a meaningful impact.

**Exhibit C: Approved Budget**

Durham County Government - ARPA Nonprofit Grant Award		
Expenses	Notes/Explanations	Total Requested Budget Amount
Personnel Costs Contribution	<b>Name/type of position, salary, benefits, other compensation</b>	Personnel Costs Contribution
Program Director (Executive Director) Project Coordinator (Associate Director) Admin and Outreach Manager (Director)	<p>Program Director/Executive Director: The Program Director is responsible for overseeing the entire project, managing staff, and ensuring program goals are met. This includes strategic planning, decision-making, and project coordination. The Program Director is also the primary point of contact for grant management, fiscal management and reporting.</p> <p>Project Coordinator: The Project Coordinator assists the Program Director in managing the day-to-day operations, ensuring project milestones are achieved, and facilitating communication among team members. The Project Coordinator is also the primary liaison with program participants and supports in Data Collection and Milestone tracking.</p> <p>Admin and Outreach Specialist: responsible for engaging with the community, identifying potential participants, and promoting the program. They play a vital role in recruiting historically underrepresented businesses. In addition, the outreach specialist will recruit and engage with partner organizations who will participate in mentorship opportunities and volunteer for Start Up weekend, and other programs. Also provides administrative support to the project team, manages documentation, schedules meetings, and handles logistical aspects of the program.</p>	<p>Year 1 Salary: \$175,000 Fringe: \$12,000</p> <p>Year 2 Salary: \$175,000 Fringe: \$12,000</p>
	PERSONNEL SUBTOTAL	\$374,000.00
Program Costs		
Equipment & Supplies	<p>Technology and Software: This budget supports the acquisition and maintenance of necessary technology and software tools, which enable efficient project management, participant engagement, and reporting 2 years of programming. Program Materials: Program materials encompass various educational resources, training materials, and supplies needed to support skill-building programs and workshops for the historically underrepresented businesses 2 years of programming. Food, Decorations, Signage for StartUp Weekends, Convenings and Program Meetings</p>	\$29,000.00
Space and Convening Costs	Facility rentals in Durham County for special events such as Startup Weekends and Cohort Convenings, etc.	\$22,000.00

<p>TA Service Provider Compensation</p>	<p>All third-party contracts will be awarded through a competitive Request for Proposal process as required by the Uniform Guidance and the County’s current grant agreement contract (Uniform Guidance governs all procurement and subawards).</p> <p>Marketing and Outreach Manager: Marketing and Outreach funds are allocated for activities that raise awareness about the project, promote participation, and reach potential historically underrepresented business owners effectively for 2 years of programming. Also includes, marketing consultant contract.</p> <p>Data Services Firm: We will engage a Data Services firm based in North Carolina that will provide a suite of assessment, data, research, and reporting services tailored to our specific needs. This firm will bring to the table a wealth of expertise in working with historically underrepresented businesses, which is critical for our objectives. The Data Consultant from this firm will specialize in data analysis and reporting, offering us the insights necessary to understand the unique challenges faced by these businesses. Our partnership with the firm will ensure that KSS gains the requisite knowledge to offer support that is meticulously tailored to the needs of underrepresented businesses, thereby enhancing our impact and effectiveness.</p> <p>The scope of services from this firm will include a comprehensive assessment and data collection phase, where a thorough investigation of the current landscape for underrepresented businesses within our industries and regions of interest will be conducted. This will be followed by the development and implementation of strategic data collection methodologies aimed at gathering relevant and efficient information.</p> <p>In the subsequent data analysis phase, the firm will employ advanced statistical and data analysis techniques to scrutinize the collected data. This will enable us to identify trends, challenges, and opportunities specific to underrepresented businesses, ensuring that our insights are both accurate and reliable.</p> <p>Finally, the Data Services firm will prepare detailed reports that encapsulate the findings from their analysis, including actionable insights and recommendations. These reports will be instrumental in guiding KSS to better support underrepresented businesses.</p> <p>Moreover, the firm will provide data visualization and executive summaries to make the complex data understandable to non-technical stakeholders within KSS, facilitating a broad-based understanding and application of these insights to create a more inclusive and supportive environment for underrepresented businesses.</p>	<p>\$75,000.00</p> <p>\$80,000.00</p>
---	---	---------------------------------------



### Exhibit D: Lobbying Certification

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

---

Signature of SUBRECIPIENT's Authorized Official

---

Name and Title of SUBRECIPIENT's Authorized Official

---

Date

**Exhibit E: Key Personnel**

COUNTY INFORMATION	
Administrative Address:	COUNTY of Durham, 7 <sup>th</sup> Floor, 201 East Main St., Durham, NC 27701
Invoice Address:	COUNTY of Durham, 7 <sup>th</sup> Floor, 201 East Main St., Durham, NC 27701
Project Manager Name:	Claudia Hager
Project Manager Title:	Deputy County Manager
Project Manager Email:	chager@dconc.gov
Project Manager Phone:	919-560-0004
Fiscal Officer Name:	Crystally Wright Covington
Fiscal Officer Title:	Deputy Finance Director
Fiscal Officer Email:	<a href="mailto:cwright@dconc.gov">cwright@dconc.gov</a>
Fiscal Officer Telephone:	919-560-0049
SUBRECIPIENT INFORMATION	
Administrative Address:	
Invoice Address:	
Project Manager Name:	
Project Manager Title:	
Project Manager Email:	
Project Manager Telephone:	
Fiscal Officer Name:	
Fiscal Officer Title:	
Fiscal Officer Email:	
Fiscal Officer Telephone:	