



December 5, 2017

Morris White III
Cooperative Extension Director
Durham County Cooperative Extension
721 Foster Street
Durham, NC 27701

Dear Morris,

I am pleased to inform you that the Trustees of The Duke Endowment have approved a grant to Durham County Cooperative Extension (the "Grantee") in the amount \$240,000 to expand the Incredible Years program in Durham County. This letter and the attached Grant Agreement No. 2001-SP and General Terms and Conditions outline the terms of accepting our grant.

Please review the Grant Agreement and General Terms and Conditions carefully, and once we have received your executed Grant Agreement, we will make an initial payment to you within sixty (60) days of its execution.

We anticipate paying the grant according to the following schedule:

2017 - \$80,000
2018 - \$80,000
2019 - \$80,000

Please understand that the Endowment, in its sole discretion, reserves the right to discontinue, modify or withhold any payments if Grantee fails to: 1) satisfy the special conditions identified in the enclosed Grant Agreement; 2) make sufficient progress toward proposed outcomes; 3) provide proper accounting of grant expenditures at requested intervals; or 4) meet any other terms and conditions of this grant.

If you would like to publicize your grant through traditional and social media channels, please send a copy of the text to Jeri Krentz, our associate director of communications, at jkrentz@tde.org for her review. You'll find helpful communication resources, including a news release template, on our website at www.dukeendowment.org.

We are pleased to be a part of this project.

Sincerely,

Phillip H. Redmond Jr.
Director, Child Care

GENERAL TERMS AND CONDITIONS
FOR GRANTS MADE BY
THE DUKE ENDOWMENT

These General Terms and Conditions are expressly incorporated by reference in the Grant Agreement between The Duke Endowment (the "Endowment") and the Grantee identified in that Grant Agreement and are effective as if set forth in full in that Grant Agreement.

1. **Use of Funds.** The funds provided to Grantee by the Endowment under the terms of the Grant Agreement are for the express purpose or project described in the Grant Agreement, shall be exclusively so used by Grantee, and shall be so designated on the books and records of Grantee.
2. **Tax Status.** By executing and delivering the Grant Agreement to the Endowment, Grantee represents and certifies to the Endowment that (i) it is either a charitable organization described in sections 501(c)(3) and 509(a)(1), (2) or (3) of the Internal Revenue Code of 1986, as amended (the "Code"), or a governmental entity described in Code section 170(c)(1); (ii) no person or organization has advised Grantee that it is in jeopardy of ceasing to be so described; (iii) receipt of the grant funds from the Endowment will not adversely affect its tax status; and (iv) Grantee will inform the Endowment immediately in writing of any change in its tax status. Grantee (other than a governmental entity described in Code section 170(c)(1)) shall have submitted to the Endowment a determination or confirmation letter from the Internal Revenue Service which states that Grantee is described in Code sections 501(c)(3) and 509(a)(1), (2) or (3). In its sole discretion, the Endowment may request that Grantee provide a more current letter than that presented by Grantee. Unless waived in writing by the Endowment, Grantee must have furnished to the Endowment a photocopy of such a letter before any payment will be made to Grantee under the Grant Agreement. If Grantee is a Type I, II or III supporting organization under Code section 509(a)(3), additional certifications will be required. Furthermore, if Grantee is a Type III supporting organization, Grantee represents and certifies that it is a functionally integrated Type III supporting organization under the Code.
3. **Termination by Grantee's Breach.** Notwithstanding anything to the contrary stated herein or in the Grant Agreement, the Grant Agreement shall terminate and all disbursements or expenditures to or by Grantee of the grant funds shall cease if (i) any of the representations or certifications contained in the information submitted by Grantee during the grant application process (the "Grant Request") or the Grant Agreement shall cease to be correct; (ii) Grantee shall fail to perform any of the terms of the Grant Request, the Grant Agreement or any of the requirements of the Endowment; (iii) Grantee shall become insolvent or, in the opinion of the Endowment, otherwise become unable or unwilling to honor the Grantee's obligations in the Grant Request or the Grant Agreement; or (iv) Grantee shall cease active operations. In such events, Grantee shall return immediately any unexpended portion of the grant to the Endowment and shall have no further right or claim to such funds. In addition to all other remedies available to the Endowment in such event, Grantee agrees that it will reimburse the Endowment for its attorneys', accountants' and auditors' fees and expenses and the expenses of judicial and administrative action.
4. **Prohibited Uses.** Grantee will not use any portion of the grant funds provided to it by the Endowment or any of the data, analyses or other information produced utilizing the grant funds, directly or indirectly:
 - (a) to produce literature or any other form of propaganda of any nature or kind, to campaign or otherwise to attempt to influence legislation within the meaning of the Code or other federal or state laws proscribing such activities by charitable organizations, or
 - (b) to attempt to influence the outcome of any election or to conduct or sponsor any voter registration drive within the meaning of the Code or other federal or state laws proscribing such activities by charitable organizations.
5. **Reports.** Grantee shall make interim and final reports to the Endowment setting forth in sufficient detail its progress towards achieving the grant's outcomes and expenditures. Reports should include information about evidence of success, any lessons learned, actual expenses incurred, encumbrances, unexpended balance of funds available, and other relevant facts, and shall retain in its files the supporting documentation for such reports for at least four (4) years following completion of the project or program.
6. **Unexpended Funds.** Any principal portion of the grant funds remaining unexpended at the end of the project described in the Grant Agreement shall be returned to the Endowment, and Grantee shall have no right or claim to any unexpended grant funds returned to the Endowment, except as may otherwise be approved in writing by the Endowment.
7. **Repayment by Grantee.** If, at any time within twelve (12) months, in the case of a grant for operating expenses, or within sixty (60) months, in the case of a grant for capital expenditures, after the date of the disbursement by the Endowment of the grant funds appropriated to Grantee under the Grant Agreement, (i) Grantee sells, exchanges, leases or otherwise transfers for

cash, a promissory note, an ownership interest or other valuable consideration more than fifty percent (50%) of its assets, or transfers control of more than fifty percent (50%) of the voting authority of Grantee's governing body, to an organization (or to one or more directors, officers, partners, employees or agents of an organization) that is not, at the time of such transaction or transfer of voting authority, a governmental entity or a nonprofit organization described in section 501(c)(3) of the Code eligible to receive Endowment funds, or a partnership, joint venture or limited liability company composed exclusively of such entities; or (ii) Grantee changes its form of organization to that of a for-profit or business corporation, partnership, limited liability company or other entity; or (iii) Grantee changes its operating purpose or method (whether or not such purpose or method is nonprofit or for-profit), Grantee shall, within ten (10) days after the date of such transaction or change of form, repay to the Endowment, in cash, an amount equal to the total grant funds appropriated and paid to Grantee under the Grant Agreement and not previously repaid to the Endowment by Grantee.

8. **Audit by the Endowment; Recovery.** The Endowment reserves the right to audit or have audited at its own expense the books and records of Grantee insofar as such records relate to the disposition of the funds appropriated to Grantee by the Endowment, and Grantee agrees to provide all necessary assistance in connection therewith. Should the audit reveal, in the opinion of the Endowment, irregularities in the disposition of funds appropriated to Grantee, the Endowment reserves the right to pursue any and all remedies available to it, including, but not limited to, the recovery of legal, accounting and auditing fees and expenses and the expenses of judicial and administrative action.
9. **Prohibited Benefits.** None of the grant funds provided to Grantee by the Endowment may be used by Grantee to make any gift or other payment to a Trustee or employee of the Endowment, other than a payment of reasonable compensation to such person for personal services rendered or goods provided by such person to Grantee in carrying out the activities of Grantee. The Endowment and Grantee expressly acknowledge that the appropriation made by the Endowment to Grantee in the Grant Agreement has not been influenced by or conditioned upon the making of any such compensatory payments to anyone by Grantee.
10. **Evaluation.** Grantee will cooperate with the Endowment in undertaking an evaluation of evidence of success and the use of the grants funds appropriated in the Grant Agreement, including, without limitation, allowing Trustees, employees or agents of the Endowment to inspect the premises and/or books and records of Grantee.
11. **Public Information.** Grantee will allow the Endowment to review and approve the text of any proposed publicity concerning this grant prior to its release. The Endowment may, in its sole and absolute discretion, release to the public through any means and at any time information related to this grant and its grantmaking activities, including but not limited to the grant amount, the Grantee's name and address, the purpose of the grant, and any evaluation of the Grantee or of the uses of grant funds.
12. **Governmental Action.** If any law, regulation or order now or hereafter in effect shall render any provision of the Grant Agreement void, unenforceable or unlawful, or subject the Endowment to any tax or penalty, either party may terminate the Grant Agreement forthwith by a written notice. Immediately upon such termination, all further disbursement or expenditure of the grant funds shall cease, and Grantee shall (i) return any unexpended portion of the grant funds to the Endowment and (ii) have no further right or claim to such funds or appropriations.
13. **No Waiver.** No waiver by any party of any of the covenants, agreements or obligations contained herein or in the Grant Agreement shall be construed as a waiver of any succeeding breach thereof, and no delay or omission on the part of any party to the Grant Agreement to exercise any rights acquired through the default of any other party shall be construed as a waiver of, or impair such right.
14. **Exclusive Commitment.** Grantee acknowledges and agrees that the Endowment has no further obligation to Grantee beyond that stated in the Grant Agreement, without regard to the adequacy, or inadequacy, of the grant funds for the completion of the program or project described therein.
15. **Governing Law.** The Grant Agreement shall be interpreted in accordance with the laws of the State of North Carolina, and the Endowment shall be entitled to specific performance of any provision of the Grant Agreement because of the inadequacy of monetary damages for a charitable funding organization like the Endowment.
16. **Captions.** Captions of paragraphs used herein are for convenience of reference only and shall not be used to modify or alter the express terms and conditions set forth in this document.