

THIS AGREEMENT, made and entered into by and between the TOWN OF CHAPEL HILL, a North Carolina Municipal Corporation, 405 Martin Luther King Jr. Boulevard, Chapel Hill, North Carolina, hereinafter referred to as "Town" and (INSERT NAME AND ADDRESS OF ASSOCIATED NON-PROFIT), hereinafter referred to as "NONPROFIT" or Contractor.

WITNESSETH:

WHEREAS, the Town recognizes the importance of charitable giving to help fund the mission of the TOWN DEPARTMENT, and;

WHEREAS, in addition to direct gifts and donations to TOWN DEPARTMENT, gifts and donation can be made to NONPROFIT;

WHEREAS, the NONPROFIT is a 501 (c)(3) non-profit organization established to provide financial support to enhance the capabilities, resources and services of the TOWN DEPARTMENT and;

WHEREAS, the NONPROFIT is engaged in fundraising activities on behalf of the TOWN DEPARTMENT, including the receipt of gifts in the form of cash and non-cash items for the benefit of the TOWN DEPARTMENT, and;

WHEREAS, it is in the mutual interest of the Town and the NONPROFIT to formalize the relationship to support communication and coordination of efforts between TOWN DEPARTMENT AND NONPROFIT and align with all financial policies and fiscal practices of the Town;

NOW, THEREFORE, in consideration of the above-stated premises and the mutual covenants and conditions hereinafter set forth, the Town and NONPROFIT agree as follows:

1. Duties of the Town: The Town agrees to:
  - a. Facilities: If Town provides office or other space in a Town Facility on an ongoing basis to NONPROFIT, terms and conditions are outlined here
  - b. Events: If Town provides space in Town Facility for NONPROFIT fundraising events, then terms and conditions are spelled out here.
  - c. Use of TOWN DEPARTMENT name: The NONPROFIT, consistent with parameters established herein, may conduct fund raising activities in the name of the

TOWN DEPARTMENT. The fund raising activities must be:

- i. Consistent with the TOWN DEPARTMENT'S mission and NONPROFIT's stated mission to provide financial support to enhance the capabilities, resources and the services of TOWN DEPARTMENT
- ii. Mutually agreed upon and coordinated with the leadership of the TOWN DEPARTMENT, including joint design of campaigns, initiatives, endowments, etc. and associated communications.

2. Duties of the NONPROFIT: The NONPROFIT agrees to:

- a. The NONPROFIT shall maintain its status as an organization exempt from Federal income taxation under 501(c)(3)
- b. The NONPROFIT will provide annual evidence of insurance and/or bonding, protecting the assets against malfeasance in an amount equal to the total of all assets.
- c. The NONPROFIT agrees to provide to the Town documents consistent with the notification requirements for Type III Supporting Organizations under federal guidelines, including:
  - i. Notice describing the type and amount of support provided
  - ii. Copy of tax return (form 990)
  - iii. Copy of governing documentsThese documents will be provided by the last day of the fifth month following the close of the taxable year.
- d. The NONPROFIT shall involve TOWN DEPARTMENT staff in the governance and activities of the NONPROFIT including:
  - i. The TOWN DEPARTMENT Director or designee will have a designated, ex officio seat on the NONPROFIT'S governing board.
  - ii. TOWN DEPARTMENT Director or designee will be invited to all NONPROFIT committee meetings.
  - iii. TOWN DEPARTMENT Director or designee will be notified of any proposed changes to NONPROFIT Policies or Bylaws
- e. The NONPROFIT will mutually design and coordinate fund raising efforts with TOWN DEPARTMENT staff, including:
  - i. Identification of fund raising goals and priorities
  - ii. Joint design of fund raising marketing and communications media
  - iii. Collaborative planning of use of TOWN DEPARTMENT space for fund raising events

- iv. Annual evaluation of fund raising efforts
  - v. Notification to DEPARTMENT DIRECTOR or designee of receipt of all gifts, including amount and donor information
  - vi. Agreement on acceptance of conditional gifts prior to acceptance
- f. The NONPROFIT agrees to maintain annual operating expenditures below 20% of the annual revenue from fundraising activities.
- g. In the event the NONPROFIT is dissolved, all remaining assets shall be distributed in accordance with the NONPROFIT's Articles of Incorporation and applicable state law to the Town to be used for the benefit of the TOWN DEPARTMENT.
3. Representations on Tax Deductibility: Contributions directly to the TOWN DEPARTMENT are, under current law, tax deductible in the same manner as contributions to the NONPROFIT. The Parties agree that the NONPROFIT will not, in any of its promotional activities, provide information indicating that contributions to the TOWN DEPARTMENT should be made to the NONPROFIT in order for contributions to be tax-deductible.
4. Indemnification and Hold Harmless: The Contractor agrees to indemnify and hold harmless the Town of Chapel Hill and its officers, agents and employees from all loss, liability, claims or expense (including reasonable attorneys' fees) arising from bodily injury, including death or property damage to any person or persons caused in whole or in part by the negligence or willful misconduct of the Contractor except to the extent same are caused by the negligence or misconduct of the Town.
5. Insurance Provisions: The Town requires evidence of Contractor's current valid insurance (if applicable) in the amounts stated below during the duration of the named project and further requires that the Town be named as an additional insured for Comprehensive General Liability and Business Automobile policies. The required coverage limits are: 1) Comprehensive General Liability and Business Automobile - \$1,000,000 per occurrence and 2) Workers' Compensation - \$100,000 for both employer's liability and bodily injury by disease for each employee and \$500,000 for the disease policy limit.
6. Non-Discrimination: The NONPROFIT contractually agrees to administer all functions pursuant to this Agreement without discrimination because of race, creed, sex, national origin, age, economic status, sexual orientation, gender identity or gender expression.
7. Federal and State Legal Compliance: The NONPROFIT must be in full compliance with all applicable federal and state laws, including those on immigration.
8. E-Verify: The NONPROFIT shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, should Contractor utilize a subcontractor(s), Contractor shall require the subcontractor(s) to comply with the requirements of Article 2,

Chapter 64 of the General Statutes. Pursuant to North Carolina General Statute § 143-133.3 (c)(2), contracts solely for the purchase of apparatus, supplies, materials, and equipment are exempt from this E-Verify provision.

9. Amendment: This Agreement may be amended in writing by mutual agreement of the Town and the NONPROFIT.
10. Termination of Agreement: Either party may terminate this Agreement at any time by giving the other party thirty (30) days written notice of termination prior to the end of the term as described herein.
11. Interpretation/Venue: This Agreement shall be construed and enforced under the laws of North Carolina. The courts and the authorities of the State of North Carolina shall have exclusive jurisdiction over all controversies between the parties which may arise under or in relation to this Agreement. In the event of any dispute between the parties, venue is properly laid in Orange County, North Carolina for any state court action and in the Middle District of North Carolina for any federal court action. Contrary to any provision that may be contained in any exhibit attached hereto the Town shall not consent to 1) resolving any dispute by means of arbitration and/or 2) waiver of a trial by jury.
12. Termination of NONPROFIT: In the event that the NONPROFIT shall cease to exist as an organization or fails to provide the services described or shall significantly reduce its services or accessibility to the TOWN DEPARTMENT during the term of this Agreement; or in the event that they shall fail to render a satisfactory accounting as provided herein, then and in that event the Town may terminate this Agreement and call for any funds raised on behalf of TOWN DEPARTMENT to be surrendered to the Town for the benefit of the TOWN DEPARTMENT.
13. Severability: The parties intend and agree that if any provision of this Agreement or any portion thereof shall be held to be void or otherwise unenforceable, all other portions of this Agreement shall remain in full force and effect.
14. Term: This Agreement, unless amended as provided herein, shall be effective \_\_\_\_\_ through \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereunto cause this Agreement to be executed in their respective names.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME & TITLE

\_\_\_\_\_  
ATTEST

\_\_\_\_\_  
PRINTED NAME & TITLE

**TOWN OF CHAPEL HILL**

\_\_\_\_\_  
DEPARTMENT HEAD OR DEPUTY/TOWN MANAGER

ATTEST BY TOWN CLERK:

\_\_\_\_\_  
TOWN CLERK

TOWN SEAL

**Town Clerk** attests date this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Approved as to Form and Authorization

\_\_\_\_\_  
TOWN LEGAL STAFF

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

\_\_\_\_\_  
FINANCE OFFICER