

**Contract #**

Fiscal Year Begins07-01-2016 Ends06-30-2017

**1. Contract Documents:** This Contract consists of the following documents:

(1) This contract  
(2) The General Terms and Conditions (Attachment A)  
(3) The Scope of Work, description of services, and rate (Attachment B)  
(4) Federal Certification Regarding Drug-Free Workplace & Certification Regarding Nondiscrimination (Attachment C)  
(5) Conflict of Interest (Attachment D)  
(6) No Overdue Taxes (Attachment E)  
(7) Federal Certification Regarding Environmental Tobacco Smoke (Attachment F)  
(8) Federal Certification Regarding Lobbying (Attachment G)  
(9) Federal Certification Regarding Debarment (Attachment H)  
(10) *If applicable*, HIPAA Business Associate Addendum (checklist and forms)  
(11) Certification of Transportation (Attachment J)  
(12) *If applicable*, IRS federal tax exempt letter or 501 (c)(Attachment K) <http://www.irs.gov/pub/irs-fil/k1023.pdf>  
(13) Certain Reporting and Auditing Requirements (Attachment L)  
(14) State Certification (Attachment M)  
(15) Contract Determination Questionnaire (required)

These documents constitute the entire agreement between the Parties and supersede all prior oral or written statements or agreements.

**2. Precedence among Contract Documents:** In the event of a conflict between or among the terms of the Contract

**Precedence among Contract Documents.** In the event of a conflict between or among the terms of the Contract Documents, the terms in the Contract Document with the highest relative precedence shall prevail. The order of precedence shall be the order of documents as listed in Paragraph 1, above, with the first-listed document having the highest precedence and the last-listed document having the lowest precedence. If there are multiple Contract Amendments, the most recent amendment shall have the highest precedence and the oldest amendment shall have the lowest precedence.

3. **Effective Period:** This contract shall be effective on 07-01-2016 and shall terminate on 06-30-2017. This contract must be twelve months or less.

**4. Contractor's Duties:** The Contractor shall provide the services and in accordance with the approved rate as described in Attachment B, Scope of Work.

5. **County's Duties:** The County shall pay the Contractor in the manner and in the amounts specified in the Contract Documents. The total amount paid by the County to the Contractor under this contract shall not exceed \$ 140,000.00. This amount consists of \$ 0 in Federal funds (CFDA # ), \$ in State Funds, \$ in County funds

a. There are no matching requirements from the Contractor.

b. The Contractor's matching requirement is \$  , which shall consist of:

<input type="checkbox"/> In-kind	<input type="checkbox"/> Cash
<input type="checkbox"/> Cash and In-kind	<input type="checkbox"/> Cash and/or In-kind

The contributions from the Contractor shall be sourced from non-federal funds.

The total contract amount including any Contractor match shall not exceed \$140,000.00 per fiscal year.

## 6. Reporting Requirements:

Contractor shall comply with audit requirements as described in N.C.G.S. § 143C-6-22 & 23 and OMB Circular A-133, and shall disclose all information required by 42 USC 455.104, or, 42 USC 455.105, or 42 USC 455.106.

## 7 Payment Provisions

Payment shall be made in accordance with the Contract Documents as described in the Scope of Work, Attachment B.

8. **Contract Administrators:** All notices permitted or required to be given by one Party to the other and all questions about the contract from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract Administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Contract Administrator by giving timely written notice to the other Party.

**For the County:**

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Name & Title Kimberly D. Harrell, Director County Yadkin Mailing Address P O Box 548 City, State, Zip Yadkinville, NC 27055  Telephone 336-679-4210 Fax 336-679-6358 Email kharrell@yadkincountync.gov	Name & Title Kimberly D. Harrell, Director County Yadkin Street Address P O Box 548 City, State, Zip Yadkinville, NC 27055

**For the Contractor:**

IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Name & Title Jeff Cockerham-Transportation Director Company Name YVEDDI Mailing Address PO BOX 309 City State Zip Boonville, NC 27011  Telephone 336-367-3532 Fax 336-367-3637 Email	Name & Title Jeff Cockerham-Transportation Director Company Name YVEDDI Street Address 533 North Carolina Avenue City State Zip Boonville, NC 27011

9. **Supplementation of Expenditure of Public Funds:**

The Contractor assures that funds received pursuant to this contract shall be used only to supplement, not to supplant, the total amount of federal, state and local public funds that the Contractor otherwise expends for contract services and related programs. Funds received under this contract shall be used to provide additional public funding for such services; the funds shall not be used to reduce the Contractor's total expenditure of other public funds for such services.

10. **Disbursements:**

As a condition of this contract, the Contractor acknowledges and agrees to make disbursements in accordance with the following requirements:

- (a) Implement adequate internal controls over disbursements;
- (b) Pre-audit all vouchers presented for payment to determine:
  - Validity and accuracy of payment
  - Payment due date
  - Adequacy of documentation supporting payment
  - Legality of disbursement
- (c) Assure adequate control of signature stamps/plates;
- (d) Assure adequate control of negotiable instruments; and
- (e) Implement procedures to insure that account balance is solvent and reconcile the account monthly.

11. **Outsourcing to Other Countries:**

The Contractor certifies that it has identified to the County all jobs related to the contract that have been outsourced to other countries, if any. The Contractor further agrees that it will not outsource any such jobs during the term of this contract without providing notice to the County.

**12. Federal Certifications:**

Individuals and Organizations receiving federal funds must ensure compliance with certain certifications required by federal laws and regulations. The contractor is hereby complying with Certifications regarding Nondiscrimination, Drug-Free Workplace Requirements, Environmental Tobacco Smoke, Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, and Lobbying. These assurances and certifications are to be signed by the contractor's authorized representative.

**13. Specific Language Not Previously Addressed:**

( can be deleted if not needed)

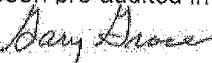
**14. Signature Warranty:** The undersigned represent and warrant that they are authorized to bind their principals to the terms of this agreement.

The Contractor and the County have executed this contract in duplicate originals, with one original being retained by each party.

  
Signature 5/23/16  
KATHY PAYNE EXECUTIVE DIRECTOR  
Printed Name Title

COUNTY   
Signature (must be legally authorized to sign contracts for County DSS) 6/21/16  
Lisa L. HUGHES County Manager 6/21/16  
Printed Name Title

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

  
Digitally signed by Gary  
DN: cn=Gary, o=Finance, ou=Yadkin Co,  
email=ggroce@yadkincountync.gov, c=US  
Date: 2016.06.01 15:58:48 -04'00'  
Signature of County Finance Officer Date

**Attachment A**  
**General Terms and Conditions**

**Relationships of the Parties**

**Independent Contractor:** The Contractor is and shall be deemed to be an independent contractor in the performance of this contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the County.

**Subcontracting:** The Contractor shall not subcontract any of the work contemplated under this contract without prior written approval from the County. Any approved subcontract shall be subject to all conditions of this contract. Only the subcontractors specified in the contract documents are to be considered approved upon award of the contract. The County shall not be obligated to pay for any work performed by any unapproved subcontractor. The Contractor shall be responsible for the performance of all of its subcontractors.

**Assignment:** No assignment of the Contractor's obligations or the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the County may:

- (a) Forward the Contractor's payment check(s) directly to any person or entity designated by the Contractor, or
- (b) Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check(s).

In no event shall such approval and action obligate the County to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.

**Beneficiaries:** Except as herein specifically provided otherwise, this contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this contract, and all rights of action relating to such enforcement, shall be strictly reserved to the County and the named Contractor. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the County and Contractor that any such person or entity, other than the County or the Contractor, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

**Indemnity and Insurance**

**Indemnification:** The Contractor agrees to indemnify and hold harmless the County and any of their officers, agents and employees, from any claims of third parties arising out of any act or omission of the Contractor in connection with the performance of this contract.

**Insurance:** During the term of the contract, the Contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the Contractor shall provide and maintain the following coverage and limits:

- (a) **Worker's Compensation** - The contractor shall provide and maintain Worker's Compensation Insurance as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Contractor's employees who are engaged in any work under the contract. If any work is sublet, the Contractor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the contract.
- (b) **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability.)
- (c) **Automobile Liability Insurance:** The Contractor shall provide automobile liability insurance with a combined single limit of \$500,000.00 for bodily injury and property damage; a limit of \$500,000.00 for uninsured/under insured motorist coverage; and a limit of \$2,000.00 for medical payment coverage. The Contractor shall provide this insurance for all automobiles that are:

- (a) owned by the Contractor and used in the performance of this contract;
- (b) hired by the Contractor and used in the performance of this contract; and
- (c) Owned by Contractor's employees and used in performance of this contract ("non-owned vehicle insurance"). Non-owned vehicle insurance protects employers when employees use their personal vehicles for work purposes. Non-owned vehicle insurance supplements, but does not replace, the car-owner's liability insurance.

The Contractor is not required to provide and maintain automobile liability insurance on any vehicle – owned, hired

or non-owned -- unless the vehicle is used in the performance of this contract.

- (d) The insurance coverage minimums specified in subparagraph (a) are exclusive of defense costs.
- (e) The Contractor understands and agrees that the insurance coverage minimums specified in subparagraph (a) are not limits, or caps, on the Contractor's liability or obligations under this contract.
- (f) The Contractor may obtain a waiver of any one or more of the requirements in subparagraph (a) by demonstrating that it has insurance that provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The County shall be the sole judge of whether such a waiver should be granted.
- (g) The Contractor may obtain a waiver of any one or more of the requirements in paragraph (a) by demonstrating that it is self-insured and that its self-insurance provides protection that is equal to or greater than the coverage and limits specified in subparagraph (a). The County shall be the sole judge of whether such a waiver should be granted.
- (h) Providing and maintaining the types and amounts of insurance or self-insurance specified in this paragraph is a material obligation of the Contractor and is of the essence of this contract.
- (i) The Contractor shall only obtain insurance from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in the State of North Carolina. All such insurance shall meet all laws of the State of North Carolina.
- (j) The Contractor shall comply at all times with all lawful terms and conditions of its insurance policies and all lawful requirements of its insurer.
- (k) The Contractor shall require its subcontractors to comply with the requirements of this paragraph.
- (l) The Contractor shall demonstrate its compliance with the requirements of this paragraph by submitting certificates of insurance to the County before the Contractor begins work under this contract.

#### Transportation of Clients by Contractor:

The contractor will maintain insurance requirements if required as noted under Article 7 Rule R2-36 of the North Carolina Utilities Commission.

#### Default and Termination

**Termination Without Cause:** The County may terminate this contract without cause by giving 30 days written notice to the Contractor.

**Termination for Cause:** If, through any cause, the Contractor shall fail to fulfill its obligations under this contract in a timely and proper manner, the County shall have the right to terminate this contract by giving written

notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the County, become its property and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previously made. Notwithstanding the foregoing provision, the Contractor shall not be relieved of liability to the County for damages sustained by the County by virtue of the Contractor's breach of this agreement, and the County may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the County from such breach can be determined. In case of default by the Contractor, without limiting any other remedies for breach available to it, the County may procure the contract services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by the Contractor shall be an act of default under this contract.

**Waiver of Default:** Waiver by the County of any default or breach in compliance with the terms of this contract by the Provider shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be modification of the terms of this contract unless stated to be such in writing, signed by an authorized representative of the County and the Contractor and attached to the contract.

**Availability of Funds:** The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the County.

**Force Majeure:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

**Survival of Promises:** All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

### Intellectual Property Rights

**Copyrights and Ownership of Deliverables:** All deliverable items produced pursuant to this contract are the exclusive property of the County. The Contractor shall not assert a claim of copyright or other property interest in such deliverables.

**Federal Intellectual Property Bankruptcy Protection Act:** The Parties agree that the County shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365 (n) and any amendments thereto.

### Compliance with Applicable Laws

**Compliance with Laws:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

**Title VI, Civil Rights Compliance:** In accordance with Federal law and U.S. Department of Agriculture (USDA) and U.S. Department of Health and Human Services (HHS) policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age or disability. Under the Food Stamp Act and USDA policy, discrimination is prohibited also on the basis of religion or political beliefs.

**Equal Employment Opportunity:** The Contractor shall comply with all federal and State laws relating to equal employment opportunity.

**Health Insurance Portability and Accountability Act (HIPAA):** The Contractor agrees that, if the County determines that some or all of the activities within the scope of this contract are subject to the Health Insurance Portability and Accountability Act of 1996, P.L. 104-91, as amended ("HIPAA"), or its implementing regulations, it will comply with the HIPAA requirements and will execute such agreements and practices as the County may require to ensure compliance.

**Trafficking Victims Protection Act of 2000 :**  
The Contractor will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104)

**Executive Order # 24:** It is unlawful for any vendor, contractor, subcontractor or supplier of the state to make gifts or to give favors to any state employee. For additional information regarding the specific requirements and exemptions, contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

### Confidentiality

**Confidentiality:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the County. The Contractor acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this contract.

### Oversight

**Access to Persons and Records:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. Additionally, as the State funding authority, the Department of Health and Human Services shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

**Record Retention:** Records shall not be destroyed, purged or disposed of without the express written consent of the Division. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has been started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later. The record retention period for Temporary Assistance for Needy Families (TANF) and MEDICAID and Medical Assistance grants and programs must be retained for a minimum of ten years.

### Warranties and Certifications

**Date and Time Warranty:** The Contractor warrants that the product(s) and service(s) furnished pursuant to this contract ("product" includes, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) that perform any date and/or time data recognition function, calculation, or sequencing will support a four digit year format and will

provide accurate date/time data and leap year calculations. This warranty shall survive the termination or expiration of this contract.

**Certification Regarding Collection of Taxes:** G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors that meet one of the conditions of G.S. 105-164.8(b) and yet refuse to collect use taxes on sales of tangible personal property to purchasers in North Carolina. The conditions include: (a) maintenance of a retail establishment or office; (b) presence of representatives in the State that solicit sales or transact business on behalf of the vendor; and (c) systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. The Contractor certifies that it and all of its affiliates (if any) collect all required taxes.

#### E-Verify

**Pursuant to G.S. 143-48.5 and G.S. 147-33.95(g),** the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)

#### Miscellaneous

**Choice of Law:** The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties to this contract, are governed by the laws of North Carolina. The Contractor, by signing this contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be the county in which the contract originated. The place of this contract and all transactions and agreements relating to it, and their situs and forum, shall be the county where the contract originated, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

**Amendment:** This contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the County and the Contractor.

**Severability:** In the event that a court of competent jurisdiction holds that a provision or requirement of this contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this contract shall remain in full force and effect.

**Headings:** The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

**Time of the Essence:** Time is of the essence in the performance of this contract.

**Key Personnel:** The Contractor shall not replace any of the key personnel assigned to the performance of this contract without the prior written approval of the County. The term "key personnel" includes any and all persons identified as such in the contract documents and any other persons subsequently identified as key personnel by the written agreement of the parties.

**Care of Property:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished to it for use in connection with the performance of this contract and will reimburse the County for loss of, or damage to, such property. At the termination of this contract, the Contractor shall contact the County for instructions as to the disposition of such property and shall comply with these instructions.

**Travel Expenses:** Reimbursement to the Contractor for travel mileage, meals, lodging and other travel expenses incurred in the performance of this contract shall not exceed the rates established in County policy.

**Sales/Use Tax Refunds:** If eligible, the Contractor and all subcontractors shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

**Advertising:** The Contractor shall not use the award of this contract as a part of any news release or commercial advertising.

**ATTACHMENT B – Scope of Work      Federal Tax Id. or SSN  
Contract #**

**A. CONTRACTOR INFORMATION**

1. Contractor Agency Name: Yadkin Valley Economic Development District, Inc.
2. *If different* from Contract Administrator Information in General Contract:  
Address

Telephone Number:      Fax Number:      Email:

3. Name of Program (s):

4. Status:       Public       Private, Not for Profit       Private, For Profit

5. Contractor's Financial Reporting Year      July 1, 2016 through June 30, 2017

**B. Explanation of Services to be provided and to whom (include SIS Service Code):**  
Transportation of Medicaid and Work First Clients to Authorized Destinations (See Attachment B-1)

**C. Rate per unit of Service (define the unit):**

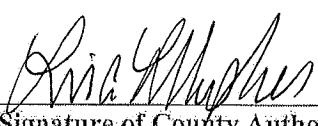
1. Direct mileage: @ \$3.30 per mile

Not to exceed \$140,000.00

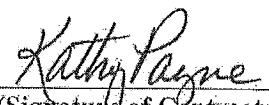
**D. Number of units to be provided:**

**E. Details of Billing process and Time Frames;** YVEDDI will submit bills to Yadkin County Human Services Agency by the 10th day of each month.

**F. Area to be served/Delivery site(s):** Authorized Destinations

  
(Signature of County Authorized Person)

6-21-14  
(Date Submitted)

  
(Signature of Contractor)

5/23/14  
(Date Submitted)

#### Attachment B-1 Scope of Work and Payment

Contractor shall provide transportation services for all eligible Medicaid clients of the county, as requested by the county. As requested by the county, the Contractor shall promptly (or at a time designated by the county) pick up each client at the location designated by the county and take the client to the destination designated by the client or the county.

The contract driver will assist each client from the door of the pick-up location into the vehicle and then, upon arrival at the destination, will assist the client from the vehicle to the sign in area or other entrance of the destination. The driver will ensure that the client is safe and secure before leaving. On the return trip, the driver will similarly assist the client in entering and leaving the vehicle and will ensure that the client is safe and secure before departing.

The Contractor shall designate one full time employee responsible for coordinating all transportation of Medicaid clients for the county. The Contractor shall provide the county with contact information for that person and with the telephone numbers and other methods of scheduling transportation during the Contractors hours of operation.

Contractor shall screen all prospective employees for drugs and will perform a criminal background check on all prospective employees before hiring. The Contractor shall administer random drug testing to all employees after hiring. The contractor shall ensure that all drivers have a safe driving record and are otherwise capable of performing services required this contract in a safe manner and in accordance with industry standards. The Contractor shall ensure that all drivers and other employees providing services under this contract are fully trained in basic First Aid, CPR, and in preventing the transmission of blood borne pathogens. The contractor shall ensure that all of its drivers and employees training in these subjects are kept up to date and in accordance with industry standards.

For services provided under this contract, the County shall pay the Contractor \$3.30 per mile, which is measured from the location a client is pickup up in Yadkin County to the destination. If the client is accompanied by a caregiver, the Contractor shall allow the caregiver to accompany the client at no additional charge.

The contractor shall bill the County monthly for services provided under this contract by the 10<sup>th</sup> day of each month and shall provide documentation to the county's satisfaction of the services performed under this contract and the mileage traveled in order to obtain the payments provided for in this contract. The County and the Contractor acknowledge and agree that the county shall pay Contractor with Federal Grant funds designated for that purpose and the County's obligation to pay the Contractor under this contract shall be only to the extent that such Federal Grant Funds are available. The county shall not be required to expand County funds in order to pay the Contractor any amounts under this contract.

At all times that this contract is in effect, the Contractor shall maintain commercial general liability Insurance covering its services under this contract of at least One Million Dollars (\$1,000,000) per occurrence and two million (\$2,000,000) in the aggregate as well as automobile liability Insurance covering its services under this contract of at least One Million Five Hundred thousand (\$1,500,000) combined single limit. Upon request, the Contractor shall provide the County documentation demonstrating that this insurance coverage is in place.

## ATTACHMENT C

### CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS AND CERTIFICATION REGARDING NONDISCRIMINATION

Yadkin County Department of Social Services

- I. By execution of this Agreement the Contractor certifies that it will provide a drug-free workplace by:
  - A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - B. Establishing a drug-free awareness program to inform employees about:
    - (1) The dangers of drug abuse in the workplace;
    - (2) The Contractor's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - C. Making it a requirement that each employee be engaged in the performance of the agreement be given a copy of the statement required by paragraph (A);
  - D. Notifying the employee in the statement required by paragraph (A) that, as a condition of employment under the agreement, the employee will:
    - (1) Abide by the terms of the statement; and
    - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - E. Notifying the County within ten days after receiving notice under subparagraph (D)(2) from an employee or otherwise receiving actual notice of such conviction;
  - F. Taking one of the following actions, within 30 days of receiving notice under subparagraph (D)(2), with respect to any employee who is so convicted:
    - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
    - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (A), (B), (C), (D), (E), and (F).

II. The site(s) for the performance of work done in connection with the specific agreement are listed below:

1. 1413 West Main Street  
(Street address)  
  
Yadkinville, NC 27055  
(City, county, state, zip code)
  
2. 533 North Carolina Avenue  
(Street address)  
  
Boonville, NC 27011  
(City, county, state, zip code)

Contractor will inform the County of any additional sites for performance of work under this agreement.

False certification or violation of the certification shall be grounds for suspension of payment, suspension or termination of grants, or government-wide Federal suspension or debarment **45 C.F.R. Section 82.510. Section 4 CFR Part 85, Section 85.615 and 86.620.**

#### **Certification Regarding Nondiscrimination**

**The Vendor certifies** that it will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (h) the Food Stamp Act and USDA policy, which prohibit discrimination on the basis of religion and political beliefs; and (i) the requirements of any other nondiscrimination statutes which may apply to this Agreement.

Contract #  
(Contractor)

Kathy Payne  
Signature

EXECUTIVE DIRECTOR  
Title

YV FDDI

Agency/Organization

5/23/14

Date

(Certification signature should be same as Contract signature.)

# CONFLICTS OF INTEREST

---

Employees, committee members, volunteers and board members of **YVEDDI** may not engage in any activity or practice that is in conflict with the interests of the Agency, its vendors or clients.

No regular employee may hold dual, joint or simultaneous employment with a YVEDDI client or vendor without first notifying their supervisor. Upon notification to the supervisor, the Executive Director will determine if a conflict of interest exists.

Employees are required to disclose in writing to their supervisor any proprietary or financial interest they or their immediate family have in an organization from which the Agency receives funds or does business. The Executive Director will determine if a conflict of interest exists.

Employees will not accept gifts from any client. No employee shall accept or seek anything with a value of more than \$25.00. Nothing of value should be sought or accepted where it might reasonably be inferred that the purpose of the gift is to influence the employee's decision regarding Agency business with the donor. All gifts sought or accepted should be disclosed to the Program Director or the Executive Director.

Employees will not directly or indirectly attempt to influence the internal operations and decision making process of the Board of Directors, advisory boards or committees.

The Executive Director will make a case-by-case determination regarding the hiring of an employee's relative, to assure a conflict of interest does not exist. The Agency will not hire a relative of an employee who would supervise the other.

If one employee marries another or develops a close intimate relationship, both may retain their positions if they do not work in the same department and are not under the direct or indirect supervision of each other.

No person may be hired for a position while an immediate member of his or her family, serves on the Board of Directors.

Additionally, to avoid a conflict of interest or an appearance of conflict of interest, no employee may initiate or participate in, directly or indirectly, decisions involving a direct benefit, e.g., initial employment or rehire, promotion, salary, performance appraisals, work assignments or other working conditions to those immediate family members, defined as parents, spouse or persons in the same household with whom you share a common domestic life, children, stepchildren, brothers, sisters and grandparents.

The potential for conflict of interest may also exist in close personal relationships which involve other than family relationships. The agency views such conflicts of interest as seriously as it does those involving family members or blood relatives.



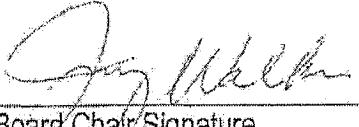
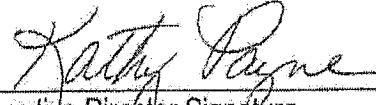
Personnel Committee: February 10, 2015

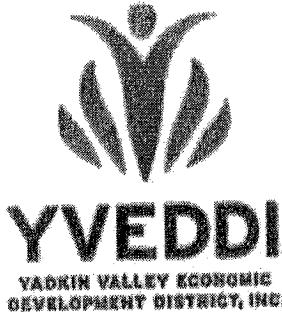
## HUMAN RESOURCE POLICIES

Board Approval: 3-12-15

# Approval of Human Resource Policies

Approval: (Signatures)

	3-12-15
Board Chair Signature	Date
	3-12-15
Executive Director Signature	Date
	February 23, 2015
Head Start Policy Council Chair Signature	Date



Cindi Dixon, Board Chair

COPY

January 29, 2016

Date

To: State Agency Head and Chief Fiscal Officer

**Certification:**

We certify that the Yadkin Valley Economic Development District, Inc. does not have any overdue tax debts, as defined by N.C.G.S. 105-243.1, at the federal, State, or local level. We further understand that any person who makes a false statement in violation of N.C.G.S. 143C-6-23(c) is guilty of a criminal offense punishable as provided by N.C.G.S. 143C-10-1b.

**Sworn Statement:**

Cindi Dixon and Kathy Payne being duly sworn, say that we are the Board Chair and Executive Director, respectively, of Yadkin Valley economic Development District, Inc. of Boonville in the State of North Carolina; and that the foregoing certification is true, accurate and complete to the best of our knowledge and was made and subscribed by us. We also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

Cindi Dixon

Board Chair

Kathy Payne

Executive Director

  
Head Start  
\* NC Pre-Kindergarten

  
Migrant Head Start

Community Services

Domestic Violence Program  
\* Sexual Assault  
\* Displaced Homemakers  
\* Family Violence Prevention

Public Transportation

Senior Enrichment Program  
\* Meals on Wheels  
\* Congregate Nutrition Sites  
\* Legal Services

Family Resource Center

Senior Centers of Excellence  
\* East Bend  
\* Yadkin County  
\* Yadkin Valley  
\* Surry County

Pilot Mtn. Senior Center

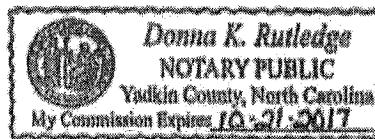
Retired & Senior Volunteer Program

Weatherization

Sworn to and subscribed before me on the day of the date of said certification.

Donna K. Rutledge  
(Notary Signature and Seal)

My Commission Expires: 10/31/2017



**ATTACHMENT F**

**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

Yadkin County Human Services Agency

Certification for Contracts, Grants, Loans and Cooperative Agreements

Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 per day and/or the imposition of an administrative compliance order on the responsible entity.

By signing and submitting this application, the Contractor certifies that it will comply with the requirements of the Act. The Contractor further agrees that it will require the language of this certification be included in any subawards which contain provisions for children's services and that all subgrantees shall certify accordingly.

Kathy Payne  
Signature

EXECUTIVE DIRECTOR  
Title

YVETTE  
Agency/Organization

5/23/14  
Date

(Certification signature should be same as Contract signature.)

**Attachment G**

**Yadkin County Human Services Agency**

**Certification Regarding Lobbying**

**Certification for Contracts, Grants, Loans and Cooperative Agreements**

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 any Federal, state or local government agency, a Member of Congress, a Member of the General Assembly, an officer or employee of Congress, an officer or employee of the General Assembly, an employee of a Member of Congress, or an employee of a Member of the General Assembly in connection with the awarding of any Federal or state contract, the making of any Federal or state grant, the making of any Federal or state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal or state 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 Federal, state or local government agency, a Member of Congress, a Member of the General Assembly, an officer or employee of Congress, an officer or employee of the General Assembly, an employee of a Member of Congress, or an employee of a Member of the General Assembly in connection with the awarding of any Federal or state contract, the making of any Federal or state grant, the making of any Federal or state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal or state 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.
- (4) 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 into 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.

Notwithstanding other provisions of federal OMB Circulars A-122 and A-87, costs associated with the following activities are unallowable:

**Paragraph A.**

- (1) Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity;
- (2) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;
- (3) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation;

- (4) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign; or
- (5) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

The following activities as enumerated in Paragraph B are excepted from the coverage of Paragraph A:  
**Paragraph B.**

- (1) Providing a technical and factual presentation of information on a topic directly related to the performance of a grant, contract or other agreement through hearing testimony, statements or letters to the Congress or a State legislature, or subdivision, member, or cognizant staff member thereof, in response to a documented request (including a Congressional Record notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the recipient member, legislative body or subdivision, or a cognizant staff member thereof; provided such information is readily obtainable and can be readily put in deliverable form; and further provided that costs under this section for travel, lodging or meals are unallowable unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearing.
- (2) Any lobbying made unallowable by subparagraph A (3) to influence State legislation in order to directly reduce the cost, or to avoid material impairment of the organization's authority to perform the grant, contract, or other agreement.
- (3) Any activity specifically authorized by statute to be undertaken with funds from the grant, contract, or other agreement.

**Paragraph C.**

- (1) When an organization seeks reimbursement for indirect costs, total lobbying costs shall be separately identified in the indirect cost rate proposal, and thereafter treated as other unallowable activity costs in accordance with the procedures of subparagraph B.(3).
- (2) Organizations shall submit, as part of the annual indirect cost rate proposal, a certification that the requirements and standards of this paragraph have been complied with.
- (3) Organizations shall maintain adequate records to demonstrate that the determination of costs as being allowable or unallowable pursuant to this section complies with the requirements of this Circular.
- (4) Time logs, calendars, or similar records shall not be required to be created for purposes of complying with this paragraph during any particular calendar month when: (1) the employee engages in lobbying (as defined in subparagraphs (a) and (b)) 25 percent or less of the employee's compensated hours of employment during that calendar month, and (2) within the preceding five-year period, the organization has not materially misstated allowable or unallowable costs of any nature, including legislative lobbying costs. When conditions (1) and (2) are met, organizations are not required to establish records to support the allowability of claimed costs in addition to records already required or maintained. Also, when conditions (1) and (2) are met, the absence of time logs, calendars, or similar records will not serve as a basis for disallowing costs by contesting estimates of lobbying time spent by employees during a calendar month.
- (5) Agencies shall establish procedures for resolving in advance, in consultation with OMB, any significant questions or disagreements concerning the interpretation or application of this section. Any such advance resolution shall be binding in any subsequent settlements, audits or investigations with respect to that grant or contract for purposes of interpretation of this Circular; provided, however, that this shall not be construed to prevent a contractor or grantee from contesting the lawfulness of such a determination.

**Paragraph D.**

Executive lobbying costs. Costs incurred in attempting to improperly influence either directly or indirectly, an employee or officer of the Executive Branch of the Federal Government to give consideration or to act regarding a sponsored agreement or a regulatory matter are unallowable. Improper influence means any influence that induces or tends to induce a Federal employee or officer to give consideration or to act regarding a federally sponsored agreement or regulatory matter on any basis other than the merits of the matter.

Kathy Payne

Signature

EXECUTIVE DIRECTOR

Title

YVETTE

Agency/Organization

5/23/14

Date

(Certification signature should be same as Contract signature.)

ATTACHMENT H

Yadkin County Human Services Agency

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY  
AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS**

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant will provide immediate written notice to the person to which the proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter any lower tier covered transaction with a person who is debarred, suspended, determined ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from covered transaction, unless it knows that the (Federal Certification - Debarment) (07/08)

certification is erroneous. A participant may decide the method and frequency of which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized in paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension, and/or debarment.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Kathy Payne  
Signature

EXECUTIVE DIRECTOR  
Title

Y VEDDI  
Agency/Organization

5/23/14  
Date

(Certification signature should be same as Contract signature.)

Yadkin County Human Services Agency  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**BUSINESS ASSOCIATE ADDENDUM**

This Agreement is made effective the 1<sup>st</sup> day of July, 2016, by and between Yadkin County Human Services Agency (County Department of Social Services) ("Covered Entity") and YVEDDI Transportation (name of contractor) ("Business Associate") (collectively the "Parties").

**1. BACKGROUND**

- a. Covered Entity and Business Associate are parties to a contract entitled (identify contract) YVEDDI Transportation (the "Contract"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. Covered Entity is an organizational unit of Yadkin County as the Yadkin County Human Services Agency (DSS) as a health care component for purposes of the HIPAA Privacy Rule.
- c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule.
- d. The Parties enter into this Business Associate Addendum to the Contract with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate, and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

**2. DEFINITIONS**

Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

- a. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- b. "Individual" shall have the same meaning as the term "individual" in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- c. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.
- d. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- e. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.103.

- f. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.
- g. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy Rule.

### **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.
- b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
- e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- f. Business Associate agrees to provide access, at the request of Covered Entity, to Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- g. Business Associate agrees, at the request of the Covered Entity, to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526.
- h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Yadkin County Human Services Agency, in a time and manner designated by the Secretary, for purposes of the Yadkin County Human Services Agency determining Covered Entity's compliance with the Privacy Rule.
- i. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528, and to provide this information to Covered Entity or an Individual to permit such a response.

#### **4. PERMITTED USES AND DISCLOSURES**

- a. Except as otherwise limited in this Agreement or by other applicable law or agreement, if the Contract permits, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure:
  - 1) would not violate the Privacy Rule if done by Covered Entity; or
  - 2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may use Protected Health Information as necessary for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that:
  - 1) disclosures are Required By Law; or
  - 2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- d. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the Contract permits, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B).
- e. Notwithstanding the foregoing provisions, Business Associate may not use or disclose Protected Health Information if the use or disclosure would violate any term of the Contract or other applicable law or agreements.

#### **5. TERM AND TERMINATION**

- a. **Term.** This Agreement shall be effective as of the effective date stated above and shall terminate when the Contract terminates.
- b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
  - 1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

- 2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or
- 3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.

c. **Effect of Termination.**

- 1) Except as provided in paragraph (2) of this section or in the Contract or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- 2) In the event that Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

**6. GENERAL TERMS AND CONDITIONS**

- a. This Agreement amends and is part of the Contract.
- b. Except as provided in this Agreement, all terms and conditions of the Contract shall remain in force and shall apply to this Agreement as if set forth fully herein.
- c. In the event of a conflict in terms between this Agreement and the Contract, the interpretation that is in accordance with the Privacy Rule shall prevail. In the event that a conflict then remains, the Contract terms shall prevail so long as they are in accordance with the Privacy Rule.
- d. A breach of this Agreement by Business Associate shall be considered sufficient basis for Covered Entity to terminate the Contract for cause.

SIGNATURES: Kathy Layne

Date: 5/23/14

**Yadkin County Human Services Agency**  
**GOVERNMENT BUSINESS ASSOCIATE ADDENDUM TO MEMORANDUM OF**  
**UNDERSTANDING**

This Agreement is made effective the 1<sup>st</sup> day of July, 2016, by and between the Yadkin County Human Services Agency (name County Department of Social Services) ("Covered Entity") and YVEDDI Transportation (name of contractor) ("Business Associate" "Governmental Agency") (collectively the "Parties").

**1. BACKGROUND**

- a. Covered Entity and Business Associate are parties to a Memorandum of Understanding ("entitled" or "dated" identify contract) YVEDDI Transportation (the "MOU"), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- b. Covered Entity is an organizational unit of Yadkin County as the Yadkin County Human Services Agency as a health care component for purposes of the HIPAA Privacy Rule.
- c. The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a "business associate" within the meaning of the HIPAA Privacy Rule.
- d. The Parties enter into this Business Associate Addendum to the MOU with the intention of complying with the HIPAA Privacy Rule provision that a covered entity may disclose protected health information to a business associate, and may allow a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

**2. DEFINITIONS.**

Unless some other meaning is clearly indicated by the context, the following terms shall have the following meaning in this Agreement:

- a. "HIPAA" means the Administrative Simplification Provisions, Sections 261 through 264, of the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- b. "Individual" shall have the same meaning as the term "individual" in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- c. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.
- d. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

- e. "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.103.
- f. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his designee.
- g. Unless otherwise defined in this Agreement, terms used herein shall have the same meaning as those terms have in the Privacy Rule.

### **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.
- b. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- d. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
- e. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- f. Business Associate agrees to provide access, at the request of Covered Entity, to Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- g. Business Associate agrees, at the request of the Covered Entity, to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526.
- h. Unless otherwise prohibited by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- i. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528, and to provide this information to Covered Entity or an Individual to permit such a response.

#### **4. PERMITTED USES AND DISCLOSURES**

- a. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the MOU, provided that such use or disclosure:
  - 1) would not violate the Privacy Rule if done by Covered Entity; or
  - 2) would not violate the minimum necessary policies and procedures of the Covered Entity.
- b. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use Protected Health Information as necessary for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- c. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that:
  - 1) disclosures are Required By Law; or
  - 2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- d. Except as otherwise limited in this Agreement or by other applicable law or agreements, if the MOU permits, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B).
- e. Notwithstanding the foregoing provisions, Business Associate may not use or disclose Protected Health Information if the use or disclosure would violate any term of the MOU or by other applicable law or agreements.

#### **5. TERM AND TERMINATION**

- a. **Term.** This Agreement shall be effective as of the effective date stated above and shall terminate when the MOU terminates.
- b. **Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:
  - 1) Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement and services provided by Business Associate, to the extent permissible by law, if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
  - 2) Immediately terminate this Agreement and services provided by Business Associate, to the extent permissible by law; or

- 3) If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.

c. **Effect of Termination.**

- 1) Except as provided in paragraph (2) of this section or in the MOU or by other applicable law or agreements, upon termination of this Agreement and services provided by Business Associate, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- 2) In the event that Business Associate determines that returning or destroying the Protected Health Information is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

## 6. GENERAL TERMS AND CONDITIONS

- a. This Agreement amends and is part of the MOU.
- b. Except as provided in this Agreement, all terms and conditions of the MOU shall remain in force and shall apply to this Agreement as if set forth fully herein.
- c. In the event of a conflict in terms between this Agreement and the MOU, the interpretation that is in accordance with the Privacy Rule shall prevail. In the event that a conflict then remains, the MOU terms shall prevail so long as they are in accordance with the Privacy Rule.
- d. A breach of this Agreement by Business Associate shall be considered sufficient basis for Covered Entity to terminate the MOU for cause.

SIGNATURES:



Date: 5/23/14

Rev: 7-1-2013

This document will be used to determine if you have a business associate relationship with a contractor. This form should be completed on all contracts that have a HIPAA covered health care component. This would include all health related information.

Contractor: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Date: \_\_\_\_\_

## HIPAA ASSESSMENT FORM

Questions	Notes	Steps
1. Has a relationship been initiated Select allows the contractor to perform a function or activity for, or on behalf of, County Department of Social Services HIPAA covered health care component?		YES—Go to Question 2. NO—Stop. There is no business associate relationship.
2. Is the function or service to be Select rendered by the contractor on an activity other than treatment of clients?	NOTE: The sharing of Individually identifiable health information with another treatment contractor for treatment purposes only does not require a business associate agreement. See 45 CFR §164.502(e)(1)(ii)(A)	YES—Go to Question 3. NO—Stop. There is no business associate relationship.
3. Does the function or service to Select be rendered by the contractor involve the use or disclosure of the County Department of Social Services individually identifiable health information?	NOTE: Data that does not contain A County Department of Social Services individually identifiable health information is not covered by HIPAA and thus does not have to be protected through a business associate agreement.	YES—Go to Question 4. NO—Stop. There is no business associate relationship.
4. Are the services rendered by Select staff from the contractor performed on the premises of the covered health care component, using the component's resources and following the component's policies and procedures?	NOTES: Whenever a service is rendered on the premises of a covered component, utilizing the component's resources and following the component's policies and procedures, the person rendering such services is considered a member of the component's workforce, and is required to comply with the component's privacy policies and procedures. No business associate agreement is required.	NO—Go to Question 5. YES—Stop. There is not business associate relationship.
5. Is the contractor performing a Select type(s) of function/activity for or on the behalf of the County Department of Social Services HIPAA covered health	Check appropriate service(s): <input type="checkbox"/> Attorney Representing Agency <input type="checkbox"/> Benefits Management	YES—You have identified a business associate relationship. The specified function/activity, which involves the sharing of individually identifiable

component that is directly related to the covered health component's continued operation?

- Patient Accounts Billing
- Claims Processing
- Claims Administration
- Bill Collections
- Professional Services
- Special Population Assessments
- Data Analysis
- Data Processing
- Data Administration
- JCAHO
- Council on Accreditation
- Re-pricing
- Rate Setting
- Practice Management
- Software Support
- Utilization Review
- Quality Assurance
- Contract Analysis
- Central Office Supervision
- Security
- Dietary
- Machine Maintenance
- Facility Maintenance
- Landscaping
- Housekeeping
- Hardware Support
- Audits/Surveys
- Purchasing

health information, is provided by the contractor. This constitutes a business associate relationship as such information must be protected the same as required of the HIPAA covered health care component. There are two types of business associate relationships: External Business Associate relationships: You have identified an External business associate relationship if you are contracting with any entity outside city, county or state government. A Business Associate Addendum must be signed and included with the contract. If you are completing a Memorandum of Agreement (MOA) with a governmental entity the Government Associate Addendum must be utilized.

NO—STOP. There is no business associate relationship.

#### ADDITIONAL REQUIREMENTS

**NOTE:** Make sure all county requirements are met for internally notifying the correct parties for External and Internal Business Associates

Rev: 7-1-2013

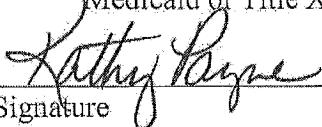
**ATTACHMENT J**

**CERTIFICATION REGARDING TRANSPORTATION**

Yadkin County Human Services Agency

By execution of this Agreement the Contractor certifies that it will provide safe client transportation by:

1. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be at least 18 years of age;
2. Insuring that all drivers (including employees, contractors, contractor's employees, and volunteers) shall be licensed to operate the specific vehicle used in transporting clients in accordance with Chapter 20-7 of the General Statutes of North Carolina and the Division of Motor Vehicle requirements;
3. Insuring that all vehicles transporting clients shall have at least the minimum level of liability insurance appropriate for the type of vehicle as defined by Article 7, Rule R2-36 of the North Carolina Utilities Commission;
4. Insuring that the contractor shall have written policies and procedures regarding how drivers handle and report client emergencies and/or vehicle crashes involving clients to contractor and how contractor notifies the Yadkin County Department of Social Services;
5. Insuring that no more than one quarter of one percent of all trips be missed by the contractor during the course of the contract period; (*Medicaid only*)
6. Insuring that that no more than five percent (5%) of trips should be late for recipient drop off to their appointment per month; (*Medicaid only*)
7. Contractor will maintain records documenting the following (*County may require contractor to provide*):
  - a. Valid current copies of Drivers License for all drivers;
  - b. Current valid Vehicle Registration, for all vehicles transporting clients;
  - c. Driving records for all drivers for the past three years and with annual updates;
  - d. Criminal Background checks through North Carolina Law Enforcement or NCIC prior to employment and every three years thereafter;
  - e. Alcohol and Drug Testing policy to meet the Federal Transit Authority guidelines.
8. Disclosing, at the outset of the contract, upon renewal and upon request, any criminal convictions or other reasons for disqualifications from participation in Medicare, Medicaid or Title XX programs (*signature on this form confirms this statement*).

  
Signature

EXECUTIVE DIRECTOR

Title

Y V E D D I  
Agency/Organization

5/23/14  
Date

(Certification signature should be same as Contract signature.)

## ATTACHMENT K

### What is a Private Non Profit Agency?

**Answer:** A private non profit is an organization that is incorporated under State law and whose purpose is not to make a profit, but rather to further a charitable, civic, religious, scientific, or other lawful purpose. The Secretary of State's office grants corporate status to organizations in North Carolina.

### What is a 501(c)(3) designation?

**Answer:** When the agency becomes a state private non profit corporation, it can then apply for 501(c)(3) designation through the IRS. Once the IRS grants 501(c)(3) status, the organization is exempt from certain taxes and any donations to the charitable organization are tax deductible. Many individuals and organizations prefer to make donations to 501(c)(3) private non profits.

### Who can obtain a 501(c)(3) designation?

**Answer:** Any organization or group can apply for 501(c)(3) status, provided their charter or mission focuses on the non profit's objective.

Another option is to apply for a 509(a)(1) status which falls under the 501(c)(3) umbrella. Being a 509(a)(1) designates an organization as a tax-free public charity that receives most of its support from a governmental unit or from the general public. Becoming a 509(a)(1) provides public recognition of tax-exempt status, advance assurance to donors of deductibility of contributions, exemption from certain State and federal taxes, and non profit mailing privileges. Organizations that typically qualify are churches, educational institutions, hospitals, and governmental units.

To learn more about non profits, visit [www.irs.gov](http://www.irs.gov), or call the tax-exempt helpline at 877-829-4933.

### How does a Private Non Profit obtain Tax Exempt Status?

A private non profit must apply to the IRS for tax exempt status. To qualify, applicants must complete and submit to the IRS Form 1023. Once federal tax exempt status is granted, the private non profit applies for State tax exempt status by completing Form CD-435 and submitting it to the N. C. Department of Revenue.

*(Instructions in blue italic should be deleted. This Attachment applies to non governmental contracts determined as financial assistance, by the Contract Determination Questionnaire. The grantee's reporting threshold may change from year to year; they should be reminded of the reporting requirements on a yearly basis. This Attachment references GS143C-6-22 & 23 which is effective as of July 1, 2007.)*

**Attachment L**  
**Notice of Certain Reporting and Audit Requirements**

Grantee shall comply with all rules and reporting requirements established by statute or administrative rules. All reports must be submitted to the addresses below.

The applicable prescribed requirements are found in North Carolina General Statute 143C-6-22 & 23 entitled "Use of State Funds by Non-State Entities" and Implementation of Required Rules, 09 NCAC 03M .0102 -0802, North Carolina Administrative Code, issued September 2005.

The Contractor's fiscal year runs from July 1, 2016 to June 30, 2017.

G.S. 143C-6-23 requires every nongovernmental entity that receives State or Federal pass-through grant funds directly from a State agency to file annual reports on how those grant funds were used. There are 3 reporting levels which are determined by the total direct grant receipts from all State agencies in your fiscal year:

- Level 1: Less than \$25,000
- Level 2: At least \$25,000 but less than \$500,000
- Level 3: \$500,000 or more

A grantee's reporting date is determined by its fiscal year end and the total funding received directly from all State agencies. For those grantees receiving less than \$500,000, the due date is 6 months from its fiscal year end. For those receiving \$500,000 or more, the due date is 9 months from its fiscal year end. In addition to the reports, grantees receiving \$500,000 or more must submit a yellow book audit in electronic or hard copy to the Office of the State Auditor and to all funding State agencies at the addresses below.

**All annual grantee reports required by GS 143C-6-23 must be completed online at [www.NCGrants.gov](http://www.NCGrants.gov).** The online reporting system will automatically place your organization on the Noncompliance list if your reports have not been completed in [www.NCGrants.gov](http://www.NCGrants.gov) by your required due date.

To access the online grants reporting system go to [www.NCGrants.gov](http://www.NCGrants.gov) and click on the LOGIN tab at the top of the page. You must have a NCID to access the online reporting system. To obtain a user manual or request assistance with the system please go to <https://www.ncgrants.gov/NCGrants/Help.jsp>. You can also email requests for assistance directly to [NCGrants@osbm.nc.gov](mailto:NCGrants@osbm.nc.gov).

Once you have logged in you will see your "Grantee Summary / Data Entry Screen".

- Your summary screen will identify your correct level of reporting, i.e., Level 1, 2 or 3, based on the State grant funds paid to your organization during your fiscal year.
- The summary will show all the grants contained in the [www.NCGrants.gov](http://www.NCGrants.gov) system that have been awarded to your organization. The program will automatically provide links to the reports that correspond to your reporting level, and only those reports, for each grant. Check to make sure that the grant(s) shown in the system correspond with what you show as having received from each agency for your fiscal year.
- If you have questions, need help in resolving any differences between your records and online reporting system or need corrections to be made to the data you enter, send an e-mail to [NCGrants@osbm.nc.gov](mailto:NCGrants@osbm.nc.gov) to request help.

All grantees must file their required reports online at [www.NCGrants.gov](http://www.NCGrants.gov) without exception.

## **IMPORTANT NOTE FOR AUDITS**

If you expend more than \$500,000 in Federal grant funds from all sources, then you must have an A-133 single audit performed. If you are at this level for federal reporting and you are required to file a yellow book audit with the State under G.S. 143C-6-23, then you may substitute the A-133 audit for the yellow book audit.

If you are required to have an A-133 audit performed and you receive any Federal grant funds passed through the North Carolina Department of Health and Human Services, you are required to file the A-133 audit with the North Carolina Department of Health and Human Service.

If you expend more than \$500,000 and you are required to file a yellow book audit with the State Auditor under G.S. 143C-6-23, then you are also required to file the yellow book audit with the North Carolina Department of Health and Human Service.

A planned enhancement to the system is the capability for the grantee to directly upload a pdf version of their audit directly into the online system where it will be accessible to both the funding agency/agencies and the Office of the State Auditor.

Please send the required audit to the following address:

Mail to:            DHHS Office of the Controller  
                          Attention: Audit Resolution  
                          2019 Mail Service Center  
                          Raleigh, NC 27699-2019

Or direct delivery to:    1050 Umstead Drive  
                                  Raleigh, NC 27606

### **Equipment Purchased with Contract Funds:**

Title to equipment costing in excess of \$500.00 acquired by the Contractor with funds from this contract shall vest in the Contractor, subject to the following conditions.

- A. The Contractor shall use the equipment in the project or program for which it was acquired as long as needed. When equipment is no longer needed for the original project or program or if operations are discontinued, or at the termination of this contract the Contractor shall contact the Division for written instructions regarding disposition of equipment.
- B. With the prior written approval of the Division, the Contractor may use the equipment to be replaced as trade-in against replacement equipment or may sell said equipment and use the proceeds to offset the costs of replacement equipment.
- C. For equipment costing in excess of \$500.00, equipment controls and procedures shall include at a minimum the following:
  1. Detailed equipment records shall be maintained which accurately include the:
    - a. Description and location of the equipment, serial number, acquisition date/cost, useful life and depreciation rate;
    - b. Source/percentage of funding for purchase and restrictions as to use or disposition; and
    - c. Disposition data, which includes date of disposal and sales price or method used to determine fair market value.
  2. Equipment shall be assigned a control number in the accounting records and shall be tagged individually with a permanent identification number.

3. Biennially, a physical inventory of equipment shall be taken and results compared to accounting and fixed asset records. Any discrepancy shall immediately be brought to the attention of management and the governing board.
4. A control system shall be in place to ensure adequate safeguards to prevent loss, damage, or theft of equipment and shall provide for full documentation and investigation of any loss or theft.
5. Adequate maintenance procedures shall be implemented to ensure that equipment is maintained in good condition.
6. Procedures shall be implemented which ensure that adequate insurance coverage is maintained on all equipment. A review of coverage amounts shall be conducted on a periodic basis, preferably at least annually.

D. The Contractor shall ensure all subcontractors are notified of their responsibility to comply with the equipment conditions specified in this section.

## Reporting Requirements of N. C. General Statute 143C-6.23

Use these charts to determine GS 143C-6.23 reporting requirements.

Total Funds from All State Agencies	Reports Due	Reports Due Date
	(Key all reports into online reporting system at <a href="http://www.NCGrants.gov">www.NCGrants.gov</a> , including online submission of the audit when the system has the capability). Until that point, audits should be mailed to both the Office of the State Auditor and the NC Department of Health and Human Services (DHHS).)	
Level 1 \$1 - \$24,999	<ul style="list-style-type: none"> <li>• Certification</li> <li>• State Grants Compliance Reporting Receipt of &lt; \$25,000.*</li> </ul>	Within 6 months of entity's fiscal year end
Level 2 \$25,000 - \$499,999	<ul style="list-style-type: none"> <li>• Certification</li> <li>• State Grants Compliance Reporting Receipt of &gt;= \$25,000</li> <li>• Schedule of Receipts and Expenditures*</li> <li>• Program Activities and Accomplishments</li> </ul>	Within 6 months of entity's fiscal year end
Level 3 \$500,000 or more	<ul style="list-style-type: none"> <li>• Certification</li> <li>• State Grants Compliance Reporting Receipt of &gt;= \$25,000</li> <li>• Audit [A-133 Single Audit if &gt;= \$500,000 in federal funds or Yellow Book Audit]</li> <li>• Schedule of Federal and State Awards (May be included in the audit)</li> <li>• Program Activities and Accomplishments</li> </ul>	Within 9 months of entity's fiscal year end

Use this chart to determine where to send copies of GS 143C-6.23 reports.

<p>Grantees receiving \$500,000 or more must send one copy of each audit report to DHHS.</p>	<p>Mail to: DHHS Office of the Controller Attention: Audit Resolution 2019 Mail Service Center Raleigh, NC 27699-2019</p> <p>Or direct delivery to: 1050 Umstead Drive Raleigh, NC 27606</p>
<p>Grantees receiving \$500,000 or more must send one copy of each audit report to the State Auditor.</p> <p>In addition, grantees must submit copies of their audits to <a href="http://www.NCGrants.gov">www.NCGrants.gov</a> for compliance purposes.</p>	<p>Mail to: Office of the State Auditor 20601 Mail Service Center Raleigh, NC 27699-0601</p> <p>Or direct delivery to: 2 South Salisbury Street Raleigh, NC 27603</p>

## Attachment M

### State Certification

#### Contractor Certifications Required by North Carolina Law

##### Instructions

The person who signs this document should read the text of the statutes listed below and consult with counsel and other knowledgeable persons before signing.

- The text of Article 2 of Chapter 64 of the North Carolina General Statutes can be found online at:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter\\_64/Article\\_2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_64/Article_2.pdf)
- The text of G.S. 105-164.8(b) can be found online at:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_105/GS\\_105-164.8.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_105/GS_105-164.8.pdf)
- The text of G.S. 143-48.5 (S.L. 2013-418, s. 2.(d)) can be found online at:  
<http://www.ncga.state.nc.us/Sessions/2013/Bills/House/PDF/H786v6.pdf>
- The text of G.S. 143-59.1 can be found online at:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.1.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.1.pdf)
- The text of G.S. 143-59.2 can be found online at:  
[http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_143/GS\\_143-59.2.pdf](http://www.ncga.state.nc.us/EnactedLegislation/Statutes/PDF/BySection/Chapter_143/GS_143-59.2.pdf)
- The text of G.S. 147-33.95(g) (S.L. 2013-418, s. 2. (e)) can be found online at:  
<http://www.ncga.state.nc.us/Sessions/2013/Bills/House/PDF/H786v6.pdf>

##### Certifications

(1) **Pursuant to G.S. 143-48.5 and G.S. 147-33.95(g),** the undersigned hereby certifies that the Contractor named below, and the Contractor's subcontractors, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system." E-Verify System Link: [www.uscis.gov](http://www.uscis.gov)

Local government is specifically exempt from Article 2 of Chapter 64 of the North Carolina General Statutes. However, local government is subject to and must comply with North Carolina General Statute §153A-99.1., which states in part as follows:

Counties Must Use E-Verify. - Each county shall register and participate in E-Verify to verify the work authorization of new employees hired to work in the United States.

(2) **Pursuant to G.S. 143-59.1(b),** the undersigned hereby certifies that the Contractor named below is not an "ineligible Contractor" as set forth in G.S. 143-59.1(a) because:

(a) Neither the Contractor nor any of its affiliates has refused to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina when the sales met one or more of the conditions of G.S. 105-164.8(b); **and**

(b) [check **one** of the following boxes]

Neither the Contractor nor any of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c) (2) after December 31, 2001; **or**

The Contractor or one of its affiliates has incorporated or reincorporated in a "tax haven country" as set forth in G.S. 143-59.1(c)(2) after December 31, 2001 **but** the United States is not the

principal market for the public trading of the stock of the corporation incorporated in the tax haven country.

(3) Pursuant to G.S. 143-59.2(b), the undersigned hereby certifies that none of the Contractor's officers, directors, or owners (if the Contractor is an unincorporated business entity) has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934 within 10 years immediately prior to the date of the bid solicitation.

(4) The undersigned hereby certifies further that:

- (a) He or she is a duly authorized representative of the Contractor named below;
- (b) He or she is authorized to make, and does hereby make, the foregoing certifications on behalf of the Contractor; and
- (c) He or she understands that any person who knowingly submits a false certification in response to the requirements of G.S. 143-59.1 and -59.2 shall be guilty of a Class I felony.

YAPKIN VALLEY ECONOMIC DEVELOPMENT DISTRICT INC.

Contractor's Name

Kathy Payne

5/23/14

Signature of Contractor's Authorized Agent

KATHY PAYNE

Date

Printed Name of Contractor's Authorized Agent

EXECUTIVE DIRECTOR

Title

TJ Cockerham

TRANSPORTATION DIRECTOR

Title

Signature of Witness

JEFF COCKERHAM

5/23/14

Printed Name of Witness

Date

The witness should be present when the Contractor's Authorized Agent signs this certification and should sign and date this document immediately thereafter.

NORTH CAROLINA

ADDENDUM TO CONTRACT Attachment

YADKIN COUNTY

THIS AGREEMENT made and entered into the 1st day of July, 2016 by and between YADKIN VALLEY ECONOMIC DEVELOPMENT DISTRICT, INC. (Contractor),

and

YADKIN COUNTY Department of Social Services

WITNESSETH:

THAT WHEREAS the above mentioned parties desire to enter into an agreement, the terms of which are set forth heretofore in the documents preceding this addendum, including all attachments and exhibits as set out

AND WHEREAS the parties have agreed upon the additional terms hereinafter set forth.

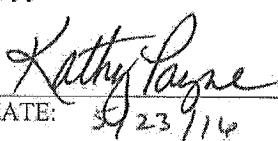
NOW, FOR AND IN CONSIDERATION of the mutual covenants and agreements herein contained, the receipt of which is hereby acknowledged, the parties do contract and agree, each with the other, as follows:

1. Either party may terminate this agreement with written notice given to the other party thirty (30) days prior to said termination. Said written notice shall be acknowledged by the other party by either its acceptance of same or some return receipt from certified mail.
2. The general public will have a vacant seat on all Yadkin Valley Economic Development District, Inc. routes.
3. Cost sharing will be used to reduce cost.
4. Yadkin Valley Economic Development District, Inc. will use a fully allocated cost model to fix rates.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate originals, one of which is retained by each of the parties, the day and year first above written.

YADKIN VALLEY ECONOMIC DEVELOPMENT DISTRICT, INC.

BY:

  
DATE: 5/23/14

(Signature)

Yadkin County Department of Social Services

BY:

  
DATE:

(Signature)

Article 7. Insurance.

Rule R2-36. Security for the protection of the public.

(a) All common motor carriers, including exempt-for-hire passenger carriers, shall obtain and keep in force and maintain, on file at all times with the Division of Motor Vehicles public liability and property damage insurance issued by a company authorized to do business in North Carolina in amounts not less than the following:

SCHEDULE OF LIMITS Motor Carriers - Bodily Injury Liability - Property Damage Liability			
(1)	(2)	(3)	(4)
Kind of Equipment	Limit for bodily injuries to or death of one person.	Limit for bodily injuries to or death of all persons, injured or killed in any one accident (aggregate), maximum of \$100,000 for bodily injuries to or death of one person)	Limit for loss of damage to any one article to property of others (excluding cargo)
Flight Equipment			
All motor vehicles used in the transportation of household goods with a GVM of 26,000 lbs. or less.	\$100,000	\$200,000	\$50,000
All motor vehicles used in the transportation of household goods with a GVM of 26,000 lbs. or more shall maintain coverage in the amount of \$750,000 for public liability and property damages required by federal law.			
Passenger Equipment	The minimum levels of financial responsibility funds prescribed for motor carriers of passengers pursuant to the provisions of 49 U.S.C. § 10927(a)(1), which are \$6,000,000 for vehicles with a seating capacity of 16 passengers or more and \$1,600,000 for vehicles with a seating capacity of 16 passengers or less. Provided, however, that a passenger carrier providing transportation of passengers exclusively		

for or under the control of a local Board of Education operating under the authority of the State, or the State Department of Education, or the United States Department of Defense; to the extent that said arm of the United States Government maintains local boards of education in the State of North Carolina, shall obtain and keep in force at all times public liability and property damage insurance in the minimum amounts provided for in 49 U.S.C. § 10927(a)(1) or in a minimum amount not less than said limits as may be specified and approved by the local Board of Education or State Department of Education, or the United States Department of Defense contracting with said passenger carrier, provided, however, that in no event shall the minimum level of financial responsibility be less than \$1,000,000.00. Provided, further, that no bus company operating solely within the State of North Carolina and which is exempt from regulation under the provisions of G.S. 92-260(a)(7) shall be required to file with the Commission proof of the financial responsibility in excess of one million five hundred thousand dollars (\$1,500,000).

(b) The policy shall have attached thereto endorsement Form F and as evidence of such insurance there shall be filed with the Division of Motor Vehicles certificate of insurance Form E.

(c) In addition to the foregoing insurance, all common carriers of household goods and the motor carriers voluntarily participating in this rule pursuant to G.S. 82-182.2 shall maintain the following cargo and general liability insurance coverage to compensate shippers or consignees for loss of or damage to household goods belonging to shippers or consignees and coming into the possession of motor common carriers in connection with their transportation service, in not less than the following amounts: (1) Cargo insurance for loss of or damage to household goods carried on any one motor vehicle - \$35,000; and for loss of or damage to or aggregate of losses or damages of or to household goods occurring at any one time and place - \$50,000. The policy shall have attached thereto endorsement Form I or a facsimile thereof and as evidence of such insurance there shall be filed with the Division of Motor Vehicles certificate of insurance Form H or a facsimile thereof. (2) General liability insurance for loss of or damage to property of shipper or consignee in the amount of \$50,000. A certificate of insurance proving such coverage shall be provided to the Commission (a) prior to being issued a certificate of exemption and (b) with the filing of each annual report.

(d) No insurance policy, endorsement, rider or certificate of insurance issued by any insurance company, covering the liability of any motor carrier authorized to operate in North Carolina under a certificate issued by the North Carolina Utilities Commission will be accepted by the Division of Motor Vehicles for filing, unless the same is signed by an officer of the insurance company or by a North Carolina resident agent of the insurance company duly licensed by the Insurance Commissioner of the State of North Carolina.

(e) To the end that the Commission or Division of Motor Vehicles may be advised of the risks and liabilities assumed by such motor carriers under such insurance policies, no deductible agreement between insurer and insured shall be deemed valid and enforceable against the insured. Unless a true and correct copy of such agreement, countersigned as required in subsection (d) hereof, shall have been first filed with and approved by the Commission.

(f) A common carrier or exempt for-hire passenger carrier may qualify as self-insurer, or be permitted to post bond in lieu of insurance upon application to and written approval by the Commission, but no such application will be approved unless it shall appear to the satisfaction of the Commission that the applicant is in such financial condition as to be able to pay personal injury and property damage claims arising out of motor vehicle accidents from its own assets without seriously affecting its financial stability and the continuation of its operations. The Division of Motor Vehicles will accept only surety companies, authorized to do business in North Carolina, as surety on bonds referred to in this rule.

(g) In all cases under this rule, actual filing must be made with the Division of Motor Vehicles before operations begin. Household goods carriers must also provide the certificate of insurance providing proof of general liability coverage in the amount of \$60,000 before operations begin. Letters or telegrams to the effect that insurance is in force will not be accepted in lieu of actual filing.

(h) Repealed.

(NCUC Docket No. M-100, Sub 12, 10/5/67; NCUC Docket No. M-100, Sub 30, 8/25/70; NCUC Docket No. M-100, Sub 75, 10/27/77; NCUC Docket No. M-100, Sub 81, 8/1/79; NCUC Docket No. M-100, Sub 112, 7/1/88; NCUC Docket No. M-100, Sub 112, 11/12/88; NCUC Docket No. M-100, Sub 115, 2/28/88; NCUC Docket No. T-100, Sub 32, 8/25/98; T-100, Sub 49, 02/22/02; NCUC Docket No. T-100, Sub 49, 02/02/04.)

Article 2.

Verification of Work Authorization.

**§ 64-25. (For effective date, see Editor's note.) Definitions.**

The following definitions apply in this Article:

- (1) Commissioner. - The North Carolina Commissioner of Labor.
- (2) Employ. - Hire an employee.
- (3) Employee. - Any individual who provides services or labor for an employer in this State for wages or other remuneration. The term does not include an individual whose term of employment is less than nine months in a calendar year.
- (4) Employer. - Any person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. This term does not include State agencies, counties, municipalities, or other governmental bodies.
- (5) E-Verify. - The federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.
- (6) Unauthorized alien. - As defined in 8 U.S.C. § 1324a(h)(3). (2011-263, s. 3; 2013-418, s. 2(f).)

**§ 64-26. (For effective date, see Editor's note) Verification of employee work authorization.**

- (a) Employers Must Use E-Verify. - Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify.
- (b) Employer Preservation of E-Verify Forms. - Each employer shall retain the record of the verification of work authorization required by this section while the employee is employed and for one year thereafter.
- (c) Repealed by Session Laws 2013-418, s. 2(g), effective September 4, 2013. (2011-263, s. 3; 2013-418, s. 2(g).)

**§ 64-27. Commissioner of Labor to prepare complaint form.**

- (a) Preparation of Form. - The Commissioner shall prescribe a complaint form for a person to allege a violation of G.S. 64-26 or G.S. 143-133.3. The form shall clearly state that completed forms may be sent to the Commissioner.
- (b) Certain Information Not Required. - The complainant shall not be required to list the complainant's social security number on the complaint form or to have the complaint notarized. (2011-263, s. 3; 2015-294, s. 3.)

**§ 64-28. Reporting of complaints.**

- (a) Filing of Complaint. - Any person with a good faith belief that a violation of G.S. 64-26 or G.S. 143-133.3 has occurred may file a complaint with the Commissioner setting forth the basis for that belief. The complaint may be on a form prescribed by the Commissioner pursuant to G.S. 64-27 or may be made in any other form that gives the Commissioner information that is

sufficient to proceed with an investigation pursuant to G.S. 64-29. Nothing in this section shall be construed to prohibit the filing of anonymous complaints that are not submitted on a prescribed complaint form.

(b) False Statements a Misdemeanor. - A person who knowingly files a false or frivolous complaint under this section is guilty of a Class 2 misdemeanor. (2011-263, s. 3; 2015-294, s. 4.)

#### **§ 64-29. Investigation of complaints.**

(a) Investigation. - Upon receipt of a complaint filed in accordance with G.S. 64-28, the Commissioner shall investigate whether a violation of G.S. 64-26 or G.S. 143-133.3 has in fact occurred.

(b) Certain Complaints Shall Not Be Investigated. - The Commissioner shall not investigate complaints that are based solely on race, religion, gender, ethnicity, or national origin.

(c) Assistance by Law Enforcement. - The Commissioner may request that the State Bureau of Investigation assist in investigating a complaint under this section.

(d) Subpoena for Production of Documents. - The Commissioner may issue a subpoena for production of employment records that relate to the recruitment, hiring, employment, or termination policies, practices, or acts of employment as part of the investigation of a valid complaint under this section. (2011-263, s. 3; 2015-294, s. 5.)

#### **§ 64-30. Actions to be taken; hearing.**

If, after an investigation, the Commissioner determines that the complaint is not false or frivolous:

- (1) If the alleged violation is of G.S. 64-26:
  - a. The Commissioner shall hold a hearing to determine if a violation of G.S. 64-26 has occurred and, if appropriate, impose civil penalties in accordance with the provisions of this Article.
  - b. If, during the course of the hearing required by sub-subdivision a. of this subdivision of this section, the Commissioner concludes that there is a reasonable likelihood that an employee is an unauthorized alien, the Commissioner shall notify the following entities of the possible presence of an unauthorized alien:
    1. United States Immigration and Customs Enforcement.
    2. Local law enforcement agencies.
- (2) If the alleged violation is of G.S. 143-133.3, the Commissioner shall hold a hearing to determine if a violation of the applicable statute has occurred and, if appropriate, shall take action under G.S. 64-33.1. (2011-263, s. 3; 2015-294, s. 6.)

#### **§ 64-31. Consequences of first violation of G.S. 64-26.**

(a) Affidavit Must Be Filed. - For a first violation of G.S. 64-26, the Commissioner shall order the employer to file a signed sworn affidavit with the Commissioner within three business days after the order issued pursuant to this subsection is issued. The affidavit shall state with

specificity that the employer has, after consultation with the employee, requested a verification of work authorization through E-Verify.

(b) Effect of Failure to File Affidavit. - If an employer fails to timely file an affidavit required by subsection (a) of this section or by G.S. 64-32 or G.S. 64-33, the Commissioner shall order the employer to pay a civil penalty of ten thousand dollars (\$10,000). (2011-263, s. 3; 2015-294, s. 7.)

**§ 64-32. Consequences of second violation of G.S. 64-26.**

For a violation of G.S. 64-26 that occurs after an order has been issued pursuant to G.S. 64-31, the Commissioner shall order the measures required by G.S. 64-31(a) and shall also order the employer to pay a civil penalty of one thousand dollars (\$1,000), regardless of the number of required employee verifications the employer failed to make. (2011-263, s. 3; 2015-294, s. 8.)

**§ 64-33. Consequences of third or subsequent violation of G.S. 64-26.**

For a violation of G.S. 64-26 that occurs after an order has been issued pursuant to G.S. 64-32, the Commissioner shall order the measures required by G.S. 64-31(a), and shall also order the employer to pay a civil penalty of two thousand dollars (\$2,000) for each required employee verification the employer failed to make. (2011-263, s. 3; 2015-294, s. 9.)

**§ 64-33.1. Consequences of violation of G.S. 143-133.3.**

For violation of G.S. 143-133.3, the Commissioner shall notify the board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, found to have committed the violation that the board or governing body of the State, or of any institution of the State government, or of any political subdivision of the State, is in violation of the applicable statute. The Department of Labor shall maintain a list of any boards or governing bodies of the State, or of any institutions of the State government, or of any political subdivisions of the State, issued notices pursuant to this section and shall make that list available on its Web site. (2015-294, s. 10.)

**§ 64-34. (For effective date, see Editor's note) Commissioner to maintain copies of orders.**

The Commissioner shall maintain copies of orders issued pursuant to G.S. 64-31, 64-32, and 64-33, and shall maintain a database of the employers and business locations that have a violation of G.S. 64-26 and make the orders available on the Commissioner's Web site. (2011-263, s. 3.)

**§ 64-35. (For effective date, see Editor's note) Work authorization shall be verified through the federal government.**

When investigating a complaint under this Article, the Commissioner shall verify the work authorization of the alleged unauthorized alien with the federal government pursuant to 8 U.S.C. § 1373(c). The Commissioner shall not attempt to independently make a final determination of whether an alien is authorized to work in the United States. (2011-263, s. 3.)

**§ 64-36. (For effective date, see Editor's note) Appeal of Commissioner's order.**

A determination by the Commissioner pursuant to this Article shall be final, unless within 15 days after receipt of notice thereof by certified mail with return receipt, by signature confirmation as provided by the U.S. Postal Service, by a designated delivery service authorized pursuant to 26 U.S.C. § 7502(f)(2) with delivery receipt, or via hand delivery, the employer charged with the violation takes exception to the determination, in which event final determination shall be made in an administrative proceeding pursuant to Article 3 of Chapter 150B of the General Statutes and in a judicial proceeding pursuant to Article 4 of Chapter 150B of the General Statutes. (2011-263, s. 3.)

**§ 64-37. (For effective date, see Editor's note) Rules.**

The Commissioner may adopt rules needed to implement this Article. (2011-263, s. 3.)

**§ 64-38. (For effective date, see Editor's note) Article does not require action that is contrary to federal or State law.**

This Article shall not be construed to require an employer to take any action that the employer believes in good faith would violate federal or State law. (2011-263, s. 3.)

**105-164.8. Retailer's obligation to collect tax; remote sales subject to tax.**

(a) Obligation. - A retailer is required to collect the tax imposed by this Article notwithstanding any of the following:

- (1) That the purchaser's order or the contract of sale is delivered, mailed, or otherwise transmitted by the purchaser to the retailer at a point outside this State as a result of solicitation by the retailer through the medium of a catalogue or other written advertisement.
- (2) That the purchaser's order or the contract of sale is made or closed by acceptance or approval outside this State, or before any tangible personal property or digital property that is part of the order or contract enters this State.
- (3) That the purchaser's order or the contract of sale provides that the property shall be or is in fact procured or manufactured at a point outside this State and shipped directly to the purchaser from the point of origin.
- (4) That the property is mailed to the purchaser in this State or a point outside this State or delivered to a carrier outside this State f.o.b. or otherwise and directed to the purchaser in this State regardless of whether the cost of transportation is paid by the retailer or by the purchaser.
- (5) That the property is delivered directly to the purchaser at a point outside this State.
- (6) Any combination in whole or in part of any two or more of the foregoing statements of fact, if it is intended that the property purchased be brought to this State for storage, use, or consumption in this State.

(b) Remote Sales. - A retailer who makes a remote sale is engaged in business in this State and is subject to the tax levied under this Article if at least one of the following conditions is met:

- (1) The retailer is a corporation engaged in business under the laws of this State or a person domiciled in, a resident of, or a citizen of, this State.
- (2) The retailer maintains retail establishments or offices in this State, whether the remote sales thus subject to taxation by this State result from or are related in any other way to the activities of the establishments or offices.
- (3) The retailer solicits or transacts business in this State by employees, independent contractors, agents, or other representatives, whether the remote sales thus subject to taxation by this State result from or are related in any other way to the solicitation or transaction of business. A retailer is presumed to be soliciting or transacting business by an independent contractor, agent, or other representative if the retailer enters into an agreement with a resident of this State under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an Internet Web site or otherwise, to the retailer. This presumption applies only if the cumulative gross receipts from sales by the retailer to purchasers in this State who are referred to the retailer by all residents with this type of agreement with the retailer is in excess of ten thousand dollars (\$10,000) during the preceding four quarterly periods. This presumption may be rebutted by proof that the resident with whom the retailer has an agreement did not engage in any solicitation in the State on behalf of the seller that would satisfy

the nexus requirement of the United States Constitution during the four quarterly periods in question.

- (4) Repealed by Session Laws 1991, c. 45, s. 16.
- (5) The retailer, by purposefully or systematically exploiting the market provided by this State by any media-assisted, media-facilitated, or media-solicited means, including direct mail advertising, distribution of catalogs, computer-assisted shopping, television, radio or other electronic media, telephone solicitation, magazine or newspaper advertisements, or other media, creates nexus with this State. A nonresident retailer who purchases advertising to be delivered by television, by radio, in print, on the Internet, or by any other medium is not considered to be engaged in business in this State based solely on the purchase of the advertising.
- (6) Through compact or reciprocity with another jurisdiction of the United States, that jurisdiction uses its taxing power and its jurisdiction over the retailer in support of this State's taxing power.
- (7) The retailer consents, expressly or by implication, to the imposition of the tax imposed by this Article. For purposes of this subdivision, evidence that a retailer engaged in the activity described in subdivision (5) is *prima facie* evidence that the retailer consents to the imposition of the tax imposed by this Article.
- (8) The retailer is a holder of a wine shipper permit issued by the ABC Commission pursuant to G.S. 18B-1001.1.

(c) Local Tax. - A retailer who is required to collect the tax imposed by this Article must collect a local use tax on a transaction if a local sales tax does not apply to the transaction. The sourcing principles in G.S. 105-164.4B determine whether a local sales tax or a local use tax applies to a transaction. A "local sales tax" is a tax imposed under Chapter 1096 of the 1967 Session Laws or by Subchapter VIII of this Chapter, and a local use tax is a use tax imposed under that act or Subchapter. (1957, c. 1340, s. 5; 1987 (Reg. Sess., 1988), c. 1096, s. 4; 1991, c. 45, s. 16; 2001-347, s. 2.10; 2003-402, s. 13; 2003-416, s. 24(b), (c); 2009-451, s. 27A.3(a).)

**§ 143-59.1. Contracts with certain foreign vendors.**

(a) Ineligible Vendors. - The Secretary of Administration, State Chief Information Officer, and other entities to which this Article applies shall not contract for goods or services with either of the following:

- (1) A vendor if the vendor or an affiliate of the vendor if the Secretary of Revenue has determined that the vendor or affiliate of the vendor meets one or more of the conditions of G.S. 105-164.8(b) but refuses to collect the use tax levied under Article 5 of Chapter 105 of the General Statutes on its sales delivered to North Carolina. The Secretary of Revenue shall provide the Secretary of Administration periodically with a list of vendors to which this section applies.
- (2) A vendor if the vendor or an affiliate of the vendor incorporates or reincorporates in a tax haven country after December 31, 2001, but the United States is the principal market for the public trading of the stock of the corporation incorporated in the tax haven country.

(b) Vendor Certification. - The Secretary of Administration shall require each vendor submitting a bid or contract to certify that the vendor is not an ineligible vendor as set forth in subsection (a) of this section. Any person who submits a certification required by this subsection known to be false shall be guilty of a Class I felony.

(c) Definitions. - The following definitions apply in this section:

- (1) Affiliate. - As defined in G.S. 105-163.010.
- (2) Tax haven country. - Means each of the following: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Gibraltar, Isle of Man, the Principality of Monaco, and the Republic of the Seychelles. (1999-341, s. 7; 2002-189, s. 6; 2003-413, s. 28; 2012-79, s. 2.14; 2015-241, s. 7A.4(r).)

**§ 143-59.2. Certain vendors prohibited from contracting with State.**

(a) Ineligible Vendors. - A vendor is not entitled to enter into a contract for goods or services with any department, institution, or agency of the State government subject to the provisions of this Article if any officer or director of the vendor, or any owner if the vendor is an unincorporated business entity, within 10 years immediately prior to the date of the bid solicitation, has been convicted of any violation of Chapter 78A of the General Statutes or the Securities Act of 1933 or the Securities Exchange Act of 1934.

(b) Vendor Certification. - The Secretary of Administration shall require each vendor submitting a bid or contract to certify that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violation referenced in subsection (a) of this section within 10 years immediately prior to the date of the bid solicitation. Any person who submits a certification required by this subsection known to be false shall be guilty of a Class I felony.

(c) Void Contracts. - A contract entered into in violation of this section is void. A contract that is void under this section may continue in effect until an alternative can be arranged when: (i) immediate termination would result in harm to the public health or welfare, and (ii) the continuation is approved by the Secretary of Administration. Approval of continuation of contracts under this subsection shall be given for the minimum period necessary to protect the public health or welfare. (2002-189, s. 5.)

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

SESSION LAW 2013-418  
HOUSE BILL 786

AN ACT TO REQUIRE THE DEPARTMENT OF PUBLIC SAFETY TO STUDY MEASURES FOR ADDRESSING THE PROBLEM OF ILLEGAL IMMIGRATION IN THIS STATE; AND TO CLARIFY WHICH EMPLOYERS ARE SUBJECT TO THE STATE'S E-VERIFY LAWS.

Whereas, the North Carolina General Assembly recognizes that the issue of immigration is the responsibility of the federal government; and

Whereas, the federal government has failed to address the need for enforcement of existing immigration laws or to act decisively to correct, amend, and reform existing immigration procedures and policies; and

Whereas, federal courts have consistently upheld the authority of the federal government to restrict the efforts of states to uphold and enforce federal immigration laws in order to protect their citizens and their economies; and

Whereas, the federal government has endowed illegally present aliens with certain entitlements to be provided by the various states via unfunded mandates; and

Whereas, those unfunded mandates and the failure to address illegal immigration places an unwarranted strain on our State's law enforcement agencies, educational institutions, and social safety nets and undermines our trust in the rule of law; and

Whereas, the General Assembly of North Carolina recognizes its responsibility to protect and defend the citizens and the economy of the State of North Carolina; and

Whereas, North Carolina recognizes that the greatness of this State is the result of appreciating, incorporating, and welcoming the vast diversity of immigrants who lawfully assimilate into the culture and fabric that is North Carolina; and

Whereas, we do now encourage the North Carolina congressional delegation to exert the strongest effort possible to enact appropriate federal legislation to secure our nation's borders, uphold existing immigration laws, and reform the procedures and policies regarding the immigration process in order to facilitate an even and orderly process for those wishing to immigrate to our country; and

Whereas, we encourage the President to work in a dedicated and cooperative fashion with Congress to restore dignity and transparency to the immigration process; and

Whereas, the wealth, beauty, and strength of North Carolina rests not only with her natural attributes of mountains, beaches, and abundant resources but in the character of her people and their ability to address problems and challenges before them with an objective resolve tempered with a sense of fairness and consideration for all people; Now, therefore,

The General Assembly of North Carolina enacts:

**SECTION 1.**(a) The Department of Public Safety, in conjunction with the agencies and industries described in subsection (b) of this section, shall study the potential impact on public safety, the State economy, and illegal immigration to this State of adopting any or all of the following measures:

- (1) Increasing the penalties for crimes related to the possession, manufacture, or sale of false drivers licenses and other identification documents.
- (2) Creating a rebuttable presumption against the pretrial release of undocumented aliens who commit serious crimes.
- (3) Requiring a secured appearance bond as a condition of pretrial release for undocumented aliens who have committed serious crimes.



\* H 7 8 6 - V - 6 \*

- (4) Requiring undocumented alien prisoners to reimburse the State for the cost of their incarceration after conviction of a crime.
- (5) Establishing standards of reasonable suspicion to guide law enforcement officers in conducting immigration status checks when conducting a lawful stop, detention, or arrest.
- (6) Prohibiting the use of consular documents from being considered a valid means of establishing a person's identity by a justice, judge, clerk, magistrate, law enforcement officer, or other State official.
- (7) Implementing a process for undocumented aliens to obtain a temporary driving privilege. This portion of the study shall:
  - a. Examine the impact that such a process would have on highway safety, insurance rates, and claims for accidents that occur at the hands of the uninsured.
  - b. Estimate the number of individuals who would seek to obtain a temporary driving privilege through such a process.
  - c. Determine whether there are adequate insurance products available to insure individuals who obtain the temporary driving privilege.
  - d. Examine any other matters that the Division of Motor Vehicles deems relevant.
- (8) Adopting measures that have been adopted in other States to combat the problem of illegal immigration.

**SECTION 1.(b)** In conducting the study required by this section, the Department of Public Safety shall consult with the Department of Insurance, the Division of Motor Vehicles, the Department of Commerce, representatives of the service and agricultural industries, representatives of the immigrant community, and any other agencies, institutions, or individuals that the Department deems appropriate.

**SECTION 1.(c)** The study shall examine the potential impact of the measures described in subsection (a) of this section:

- (1) On the State economy.
- (2) On the community of lawful immigrants in this State.
- (3) On the provision of social services.
- (4) On tax collection.
- (5) On law enforcement.
- (6) In light of the impact of similar measures enacted in other states on these areas.
- (7) In light of their relation to the uncertainty that all businesses, including the high-tech, agriculture, hospitality, and other service sectors endure under our current federal system. The Department of Commerce shall be the lead coordinating agency for purposes of this subdivision.

**SECTION 3.(d)** The Department of Public Safety shall report its findings and recommendations to the Chairs of the Joint Legislative Oversight Committee on Justice and Public Safety no later than March 1, 2014. The Department of Public Safety may use funds available to contract for services related to this study.

**SECTION 2.(a)** G.S. 153A-449 reads as rewritten:

**"§ 153A-449. Contracts with private entities; contractors must use E-Verify.**

(a) Authority. — A county may contract with and appropriate money to any person, association, or corporation, in order to carry out any public purpose that the county is authorized by law to engage in.

(b) Contractors Must Use E-Verify. — No county may enter into a contract unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

**SECTION 2.(b)** G.S. 160A-20.1 reads as rewritten:

**"§ 160A-20.1. Contracts with private entities; contractors must use E-Verify.**

(a) Authority. — A city may contract with and appropriate money to any person, association, or corporation, in order to carry out any public purpose that the city is authorized by law to engage in.

(b) Contractors Must Use E-Verify. — No city may enter into a contract unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

**SECTION 2.(e)** G.S. 143-129 is amended by adding a new subsection to read:

"(j) No contract subject to this section may be awarded by any board or governing body of the State, institution of State government, or any political subdivision of the State unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

**SECTION 2.(d)** Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

**"§ 143-48.5. Contractors must use E-Verify.**

No contract subject to the provisions of this Article may be entered into unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

**SECTION 2.(e)** G.S. 147-33.95 is amended by adding a new subsection to read:

"(g) No contract subject to the provisions of this Part may be entered into unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

**SECTION 2.(f)** G.S. 64-25(3) reads as rewritten:

**"§ 64-25. Definitions.**

The following definitions apply in this Article:

(3) Employee. — Any individual who provides services or labor for an employer in this State for wages or other remuneration. The term does not include an individual whose term of employment is less than nine months in a calendar year.

SECTION 2.(g) G.S. 64-26(c) is repealed.

**SECTION 3.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 26<sup>th</sup> day of July, 2013.

s/ Tom Apodaca  
Presiding Officer of the Senate

s/ Thom Tillis  
Speaker of the House of Representatives

VETO Pat McCrory  
Governor

Became law notwithstanding the objections of the Governor at 9:20 a.m. this 4<sup>th</sup> day of September, 2013.

s/ Sarah Lang  
Senate Principal Clerk

RFP Number (if applicable): \_\_\_\_\_

Name of Vendor or Bidder: YVEDDI Transportation

**IRAN DIVESTMENT ACT CERTIFICATION  
REQUIRED BY N.C.G.S. 143C-6A-5(a)**

As of the date listed below, the vendor or bidder listed above is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 143-6A-4.

The undersigned hereby certifies that he or she is authorized by the vendor or bidder listed above to make the foregoing statement.

\_\_\_\_\_  
*Kathy Payne*  
Signature

5/23/14  
\_\_\_\_\_  
Date

\_\_\_\_\_  
*Kathy Payne*  
Printed Name

\_\_\_\_\_  
*Executive Director*  
Title

**Notes to persons signing this form:**

N.C.G.S. 143C-6A-5(a) requires this certification for bids or contracts with the State of North Carolina, a North Carolina local government, or any other political subdivision of the State of North Carolina. The certification is required at the following times:

- When a bid is submitted
- When a contract is entered into (if the certification was not already made when the vendor made its bid)
- When a contract is renewed or assigned

N.C.G.S. 143C-6A-5(b) requires that contractors with the State, a North Carolina local government, or any other political subdivision of the State of North Carolina must not utilize any subcontractor found on the State Treasurer's Final Divestment List.

The State Treasurer's Final Divestment List can be found on the State Treasurer's website at the address [www.nc treasurer.com/Iran](http://www.nc treasurer.com/Iran) and will be updated every 180 days.