

**INTERLOCAL AGREEMENT BETWEEN THE GUILFORD COUNTY SOIL AND WATER
CONSERVATION DISTRICT AND GUILFORD COUNTY, NORTH CAROLINA**

THIS AGREEMENT is made and entered into on _____ day of _____, 2017, effective July 1, 2017, by and between The Guilford County Soil and Water Conservation District (“District”), a legal subdivision of the State of North Carolina, and a public body corporate and politic organized under N.C. Gen. Stat. § 139-1, *et seq.*, and Guilford County, North Carolina (“County”), a body politic and corporate and political subdivision of the State of North Carolina, for the purpose of establishing a Guilford County budget and assigned fund balance to transition current and future funds held by and received from the North Carolina Foundation for Soil & Water Conservation, Inc. (“Foundation”) bank account and to provide local, annual financial audit services of the funds received from the Foundation bank account to the District. The District and the County are also hereinafter referred to collectively as the “Parties.”

WHEREAS, the Foundation bank account was established to maintain accounts exclusively for funds deposited with the Foundation by local soil and water conservation districts and to which the District began depositing on June 15, 2004. Funds from the County deposited into the Foundation account are primarily derived from revenue through the following:

1. District’s No-Till Drill rentals;
2. District’s Annual Tree Sale event; and
3. Donations to the District

WHEREAS, any revenue collected locally for the District is transmitted and deposited into the Foundation account under the Foundation’s 501(c)(3) tax-exempt status and subsequently disbursed to the District after written request by the District; and

WHEREAS, the funding for the District typically does not exceed Ten Thousand Dollars and 00/100 cents (\$10,000.00) at any point in time and current funds reflected as of May 3, 2017, totaling Six Thousand Seven Hundred Sixteen Dollars and 14/100 Cents (\$6,716.14); and

WHEREAS, the County maintains an account ledger for the monthly revenue and expenditures for the District among many other co-mingled funds in the account which have been deposited by other sources and not specifically for the District; and

WHEREAS, although no discrepancies have arisen regarding the District funds, the District has determined that it is in the public interest to continue providing as much transparency as possible regarding the District funds;

WHEREAS, any local cash received is converted into a money order or official cashier’s check and sent to the Foundation for deposit and logged under the District;

WHEREAS, the District Board of Supervisors (hereinafter, referred to as the “District Board”) has the authority, by majority vote, to approve disbursement of funds for expenditures followed by a check request by District staff for a specific amount and purpose and written by the Foundation; and

WHEREAS, the funds disbursed to the District from the Foundation bank account are not currently part of and are aside from the County’s annual budget and are used by the District Board to supplement program funding as needed for its educational programs in elementary, middle, and high schools, including, but not limited to, its annual poster, speech and essay contest, staff training, and supporting other public educational and awareness efforts regarding soil and water activities and programs such as the Annual Awards Banquet;

WHEREAS, the District Board desires to retain its continued, discretionary autonomy to manage the funds it receives, retaining its procedure of operating by majority vote of the District Board, in order to continue advancing the mission and goals of the ninety-six (96) local North Carolina Soil and Water Conservation Districts.

WHEREAS, the District Board also desires to retain the option to withdraw from this Agreement within a reasonable time period of its request, in writing, with notice to the County and upon mutual agreement of the Parties; and

WHEREAS, the District and the County are authorized to contract, including pursuant to N.C. Gen. Stat. 139-8(a)(9) and N.C. Gen. Stat. 153A-11, and to enter into agreements with one another for joint or cooperative action; and

WHEREAS, this Agreement describes and defines the mutual understanding of the Parties made with the intention of approving and implementing a Guilford County budget and assigned fund balance line item specifically for the District Foundation account funds disbursed to the District and which will essentially operate as a departmental account;

NOW THEREFORE, for the mutual benefits to be derived by both Parties by providing more accurate accounting, transparency, and annual financial auditing practices regarding the District funds, the Parties enter into the following Agreement:

1. Accounting.
 - a. Fund Accounts. Guilford County agrees to and shall maintain a separate account for the District funds detailing the funds collected by the Guilford County (the "GC SWCD Fund") on behalf of the District and separate accounting shall be made for each program or activity identified below:
 - i. District's No-Till Drill rentals;
 - ii. District's Annual Tree Sale event;
 - iii. Donations to the District;
 - iv. County Appropriations (Special Fund);
 - v. State Matching Monies (Special Fund);
 - vi. Municipal and Township Funds (General District Operations Only); and
 - vii. Special Accounts (Grants and/or Contracts)
 - b. District Expenses and Administrative Costs. The District's expenses and administrative costs shall be linked to the specific program or activity most closely related to their use when practicable, or prorated across all activities, in the case of general operating expenses.
2. Maintenance of Records. The District shall continue to maintain all books, documents, receipts, invoices, and records, including payroll records, necessary to sufficiently and properly reflect the expenditures of the GC SWCD Fund. The accounting records maintained by both the District and the County shall provide for a separate recording and reporting of all GC SWCD Fund receipts and expenditures. Financial records pertaining to matters authorized by this Agreement are subject to inspection and audit by representatives of County. In addition, financial reports shall be audited by the County on a schedule as determined by the protocols and recommendation of the State Auditor. Financial records shall be preserved and made available to the County and its agents for a period of six (6) years after the last expenditure of funds, or in the event of an audit, records shall be kept until the audit is completely resolved.

3. The District shall retain its continued, discretionary autonomy to manage the funds it receives, retaining its procedure of operating by majority vote of the District Board, in order to continue advancing the mission and goals of the ninety-six (96) local North Carolina Soil and Water Conservation Districts.
4. The District shall retain the option to withdraw from this Agreement within a reasonable time period of its request, in writing, with notice to the County and upon mutual agreement of the Parties. District withdrawal from this Agreement will only occur if the withdrawal can be accomplished such that both the District and the County will be in compliance with all federal, state, and local laws upon completion of the withdrawal. No other prerequisites are required in order to allow the District to initiate and complete withdrawal from this Agreement.
5. Notice. For all purposes under this Agreement, except for service of process, any notices from the District shall be given by the District to:
 - a. Clerk to the Board
Post Office Box 3427
Greensboro, North Carolina 27402; and to the
 - b. Guilford County Attorney
Post Office Box 3427
Greensboro, North Carolina 27402

Notice to the District for all purposes under this Agreement shall be given to:

- a. Chairman of the Board of Supervisors

_____; and to the
 - b. District Soil Conservationist or Department Director

6. Compliance with Laws. The District and the County shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations applicable to the performance of this Agreement.
 7. Term and Effective Date. This Agreement shall be effective upon adoption of the authorizing action by the last governing body to act, and shall remain in effect until otherwise mutually agreed upon by the Parties, in writing, and with proper notice.
 8. Amendments. All modifications or alterations to this Agreement shall be made by written amendment to this Agreement which shall be signed by both Parties.
 9. Severability. If any provision of this Agreement should be held unenforceable, then such provision will be modified to reflect the Parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.
 10. Headings/Titles/Wording. Inclusion of titles of paragraphs or section headings, capitalization of certain words or phrases and/or bold face typestyle of certain words or phrases in this Agreement are for convenience purposes only and shall not be used to interpret or construe the provisions of this Agreement. The terms "Contract" and "Agreement" have the same meaning and may be used interchangeably throughout this document. The terms "Attachment," "Exhibit," and "Addendum" have the same meaning and may be used interchangeably throughout this document.

12. **Jurisdiction.** The Parties agree that this Agreement is subject to the jurisdiction and laws of the State of North Carolina. Any controversies arising out of this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

WITNESS, the following signatures and seals, all pursuant to authority duly granted, effective as of the day and year first above written.

ATTEST:

Date

☐ Robin Keller,
Guilford County Clerk to Board; OR

(COUNTY SEAL)

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

Date

ATTEST:

Corporate Secretary

Printed Name:

(CORPORATE SEAL)

OR ☐ No Corporate Seal Exists _____
Initials