



GUILFORD COUNTY CONTRACT NO. 90007395
Parent Contract No.

THIS CONTRACT is hereby made, entered into, and effective as of July 1, 2026, by and between GUILFORD COUNTY, a body politic and corporate of the State of North Carolina, hereinafter referred to as the "COUNTY," and Youth Focus, Inc., hereinafter referred to as the "AGENCY," and also collectively referred to as the "Parties."

WITNESSETH:

WHEREAS, AGENCY has entered into an agreement with the North Carolina Department of Public Safety ("DPS") under which AGENCY will provide HEARTH Transitional Living Program (HEARTH TLP) services ("the AGENCY - DPS Agreement");

WHEREAS, COUNTY is not a party to the AGENCY - DPS Agreement, the terms, rights, and duties of which exist only between AGENCY and DPS;

WHEREAS, AGENCY and DPS desire for payments from DPS to AGENCY under the AGENCY - DPS Agreement to be handled through DPS's "NC ALLIES" system;

WHEREAS, to facilitate this payment method, AGENCY and DPS have asked that COUNTY serve as a payment processor, utilizing the NC ALLIES system, whose sole role shall be to receive DPS's payments intended for AGENCY under the AGENCY - DPS Agreement and to disburse those payments to AGENCY; and

WHEREAS, COUNTY has agreed to accept this limited role on the terms set forth herein;

NOW, THEREFORE, in consideration of the following, the Parties hereto do mutually agree as follows:

1. PURPOSE. The purpose of this Agreement is to set out the terms under which COUNTY will serve solely as a payment processor, utilizing the NC ALLIES system as set forth in the Attachment A, attached hereto and incorporated herein by reference. COUNTY's only role shall be to receive DPS's payments intended for AGENCY under the AGENCY - DPS Agreement and to disburse those payments to AGENCY. COUNTY is not a grantee or guarantor with respect to DPS or the funds allotted by DPS to Agency. This Agreement is not a grant or subaward to AGENCY, but rather a contract for the payment processing services set out herein. COUNTY has no duties of supervision, monitoring, or oversight with respect to AGENCY's performance of its duties under the AGENCY – DPS Agreement. Any Program Agreement executed before or after this contract shall have no effect on the obligations of the County to monitor, supervise, or provide oversight to the administration of the AGENCY's program.

2. PAYMENT. Disbursements from COUNTY to AGENCY will be made within a reasonable time following execution of this Agreement and COUNTY's receipt of funds due from DPS to AGENCY via NC ALLIES, which the parties anticipate will occur monthly. For the purpose of processing payments, COUNTY shall have the right, but not the duty, to request satisfactory documentation and information from AGENCY and/or DPS to substantiate AGENCY's entitlement to any such disbursement prior to making it. If COUNTY requests such documentation and/or information, COUNTY shall have no obligation to disburse funds to AGENCY until a reasonable time following COUNTY's receipt of such documentation and information substantiating AGENCY's entitlement to the disbursement. The maximum financial

exposure to the COUNTY for monies to be passed through hereunder is **not to exceed \$49,574.00** and in any event payment will be made only from budgeted funds in accordance with N.C.G.S. §159-13(b) (15).

3. RELIANCE ON DPS. COUNTY shall be entitled to rely on and follow any directions and requests that DPS may provide to or make of COUNTY that are related in any way to the AGENCY – DPS Agreement or to this Agreement, including but not limited to withholding funds from AGENCY. COUNTY shall have no liability to AGENCY for acts or omissions by COUNTY that result from its relying on or following directions or requests from DPS that are related in any way to the AGENCY – DPS Agreement or to this Agreement.

4. LIMITATIONS ON COUNTY OBLIGATION. Without expanding on any obligation of COUNTY under this Agreement, COUNTY shall have no obligation to make any payment to AGENCY except from funds which are disbursed by DPS to COUNTY via NC ALLIES for payment to AGENCY and budgeted by COUNTY. In the event of a dispute between DPS and AGENCY, the DPS and AGENCY are solely responsible for settling the dispute.

5. TERM. Payments to be processed pursuant to this Agreement shall be for services provided pursuant to the AGENCY – DPS Agreement from July 1, 2026 through June 30, 2027. Reimbursement requests for services provided outside this time period will not be considered. To allow time for the final month's or months' services to be processed for payment, the term of this Agreement shall be from July 1, 2026 through September 30, 2026. With respect to funds disbursed by DPS for AGENCY for services rendered pursuant to the AGENCY – DPS Agreement between July 1, 2026 and September 30, 2026 which COUNTY has not received or has not disbursed by September 30, 2026, COUNTY may disburse those funds to AGENCY or return them to DPS, at COUNTY's option. If the AGENCY – DPS Agreement is extended beyond September 30, 2026, or replaced with a new AGENCY – DPS Agreement that extends beyond September 30, 2026, AGENCY and COUNTY may agree by mutually executed amendment to extend this Agreement to apply to payments under the AGENCY – DPS Agreement as extended or replaced.

6. TERMINATION.

TERMINATION WITHOUT CAUSE: Either Party may terminate this Agreement for any reason without cause and without penalty upon thirty (30) days written notice to the other Party.

TERMINATION FOR CAUSE: If, through any cause, the AGENCY 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 AGENCY and specifying the effective date thereof.

7. ASSUMPTION. The AGENCY shall not assign any interest in this Agreement and shall not transfer any interest in the Agreement without prior written approval of the COUNTY. If AGENCY should undergo merger, acquisition, bankruptcy or any change in their ownership or their name for any reason, AGENCY must immediately notify GUILFORD COUNTY in writing of these changes and provide GUILFORD COUNTY with legal documentation supporting these changes such as an Assumption Agreement, Bill of Sale, Articles of Incorporation, Articles of Amendment, sales contract, merger documents, etc. Further, AGENCY will submit the name and address of the assuming AGENCY'S registered agent for service of process and/or all notices required under the Contract. This Contract may not be assumed or otherwise transferred to another party by the AGENCY without the express written consent of GUILFORD COUNTY, which said consent will be evidenced by acceptance memo or letter from the GUILFORD COUNTY Manager, or designee, to the original AGENCY under the Contract and the assuming AGENCY.

8. EQUAL OPPORTUNITY. In connection with the performance of this Agreement, the AGENCY shall not discriminate against any employee, applicant for employment, or program participant because of race, religion, color, sex, age, handicap, or national origin.

9. RECORDS. The AGENCY shall maintain all accounts, books, ledgers, journals, and records in accordance with generally accepted accounting principles, practices and procedures.

All books and records related to payments subject to this Agreement, including but not limited to documentation of the services or other items supporting those payments, shall be maintained by the AGENCY for a period of at least three (3) years from the date of the final payment under this Agreement and shall be made available for audit or evaluation upon request during regular business hours of the AGENCY.

10. INSURANCE

WORKERS COMPENSATION: AGENCY agrees to maintain coverage to apply for all employees for statutory limits in compliance with the applicable state and federal laws. The policy must include employer's liability with limits of at least \$1,000,000.00 for each accident, \$1,000,000.00 for each employee, with at least a \$1,000,000.00 aggregate policy limit.

COMMERCIAL PROFESSIONAL LIABILITY: AGENCY does hereby agree to maintain limits of at least \$1,000,000.00 per occurrence, per location, single limit for bodily injury liability and property damage liability, with at least a \$2,000,000.00 aggregate limit, per location. This shall include premises and/or operations, independent contractors, products and/or completed operations, broad form property damage and explosion, collapse and underground damage coverage, and a contractual liability endorsement.

BUSINESS AUTO LIABILITY: AGENCY does hereby agree to maintain limits of at least \$1,000,000.00 per accident combined single limit for bodily injury liability and property damage. This should include owned vehicles, plus hired and non-owned vehicles.

COMMERCIAL GENERAL LIABILITY: AGENCY does hereby agree to maintain limits of at least \$1,000,000.00 per occurrence, per location, single limit for bodily injury liability and property damage liability, with a \$2,000,000.00 aggregate limit, per location. This shall include premises and/or operations, independent contractors, products and/or completed operations, broad form property damage and explosion, collapse and underground damage coverage, and contractual liability endorsement.

11. INDEMNIFICATION. As a condition of receiving funds from GUILFORD COUNTY, the AGENCY agrees to fully indemnify and hold harmless GUILFORD COUNTY, its officers, agents, and employees from and against any and all claims, demands, payments, suits, actions, costs, recoveries, judgments, and costs of defense (including attorney's fees) related to any of the forgoing, of every kind and description arising out of or occurring in connection with, directly or indirectly, activities funded in part or in whole with funds made available under this Agreement.

12. INDEPENDENT CONTRACTOR. The COUNTY is in no way responsible for the administration and supervision of the AGENCY'S officers, employees, and agents, which persons it is agreed are not officers, employees, or agents of the COUNTY.

13. AMENDMENTS. This Agreement may only be revised by written Agreements mutually agreed upon and executed by and between the COUNTY and the AGENCY.

14. ENTIRE AGREEMENT. This Contract, including the Exhibits and/or Attachments, if any, sets for the entire Agreement between the Parties. All prior conversations or writings between the Parties hereto or their representatives are merged within and extinguished. This Contract shall not be modified except by a writing subscribed to by all the Parties.

15. JURISDICTION/LAWS. The Parties agree that this Contract is subject to the jurisdiction and laws of the State of North Carolina. Any controversies arising out of this Contract shall be governed by and construed in accordance with the laws of the State of North Carolina.

16. FEDERAL FUNDING The Parties agree that when utilizing federal funding in the performance of this Agreement, the Parties shall comply with all applicable provisions of 2 C.F.R. §200.326 and 2 C.F.R. Part 200, Appendix II, (Uniform Guidance), including, but not limited to: The Equal Employment Opportunity Clause (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland “Anti-Kickback” Act (40

U.S.C. §3145, as supplemented by Department of Labor (DOL) regulations, 29 C.F.R. Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708, as supplemented by DOL regulations at 29 C.F.R., Part 5. See 2 C.F.R. Part 200, Appendix II(E); Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-1387); Debarment and Suspension (Executive Orders 12549(1986) and 12689(1989) at 2 C.F.R. Part 180 and the DHS’ regulations at 2 C.F.R. Part 3000 (Nonprocurement Debarment and Suspension); Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); Procurement of Recovered Materials (2 C.F.R. Part 200, Appendix II(J) and §200.322); Rights To Inventions by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements (37 C.F.R. Part 401); Record Retention Requirements (2 C.F.R. §200-324); and subsequent amendments, which are incorporated herein by reference.

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This Contract continues with signatures on the following page.)