

**IDAHO DEPARTMENT OF COMMERCE**  
**Rural Idaho Economic Development Professional Memorandum of Understanding**

This Memorandum of Understanding (MOU), is between the Idaho Department of Commerce, herein after called the DEPARTMENT, and XXXXXXXXXXXXXXXX herein after called the GRANTEE for the purpose of implementing the Rural Idaho Economic Development Professional Program.

Section 1 Intent- The intent of this MOU is to provide funding for the purpose of delivering locally based, full service economic development services to rural communities across the State of Idaho. Economic development services will include but are not limited to business recruitment, business expansion, business retention, business start ups and support for the DEPARTMENT'S programs and initiatives.

Section 2 Period of Performance – Based on the availability of funding, the period of performance will start July 1, 2010 and will terminate June 30, 2011. At its discretion the DEPARTMENT may initiate additional MOU's for 12 month periods beginning July 1, 2011 and July 1, 2012 respectively.

Section 3 Assistance Amount – The amount of assistance awarded under this MOU is \$XX,XXX. The GRANTEE and their partners agree to provide \$XX,XXX in matching funds as identified in the GRANTEE'S response to the RFP. It is the DEPARTMENT'S expectation that the GRANTEE'S dependence upon state funding will diminish with subsequent MOUs. The DEPARTMENT reserves the right to issue subsequent MOUs with state funding levels below those issued for the period ending June 30, 2011.

Section 4 Allowable Cost – The use of DEPARTMENT funds is limited to the salary and benefits of the professional hired to carry out the intent of the program as described in Section 1 of the MOU. DEPARTMENT funds may not be used for any other purpose including any administrative expenses incurred by the GRANTEE or its partners. Matching funds may be used for salary, benefits and all other expenses associated with the GRANTEE'S program.

Section 5 Governance – The GRANTEE will establish a local board to direct the activities of the economic development professional hired under the auspices of this agreement. The GRANTEE and its board will provide for all necessary operational expenses associated with fulfilling the intent of this agreement. These expenses include, but are not limited to, professional office space, telephone, computer and internet access, necessary office equipment, clerical support and monies sufficient to provide for travel within the area, the state and to out-of-state marketing opportunities, training and

funds to develop marketing materials for the area. The GRANTEE and its Board will assume direct responsibility for fundraising. It is expected that a quorum of the voting board members will meet no less than once per every other month (6 times per year).

The DEPARTMENT will be granted "ex-officio" status with all rights and privileges afforded to board members. The DEPARTMENT representative will abstain voting but fully participate in the hiring and evaluation of staff paid for with DEPARTMENT funds.

Section 6 Performance – The GRANTEE in cooperation with the DEPARTMENT will establish a set of performance goals. These goals will be articulated in attachment A of this memorandum entitled "Performance". The GRANTEE in cooperation with the DEPARTMENT shall establish fundraising and/or sustainability goals. These goals will be articulated in attachment B of this memorandum entitled "Sustainability". At the end of the "Period of Performance" outlined in Section 2 of the MOU the grantee will submit a yearend financial report showing revenues and expenses in a format to be determined by the DEPARTMENT. The GRANTEE will document that all matching funds pledged for expenditure in the RFP were spent.

Section 7 Conduct – The GRANTEE, its board, employees and contractors shall adhere to all Idaho Statutes pertaining to Open Meetings, Public Information and Ethics. Execution of this MOU by the GRANTEE serves as an acknowledgement that they, their partners and board are familiar with all statutes, rules, regulations, and guidelines noted in this paragraph.

Section 8 Payments – Payments will be conveyed to the GRANTEE in two equal installments. A first installment of \$XX,XXX may be requested at any time within the first 180 days of this agreement. A second installment of \$XX,XXX may be requested on or after the 181<sup>st</sup> day of this agreement provided the GRANTEE is compliant with all reporting and performance requirements. In the event that the GRANTEE is deficient in reporting, performance or fundraising benchmarks the DEPARTMENT may withhold payment pending the correction of any reporting, fundraising or performance deficiencies.

Section 9 Accountability – On a monthly basis the GRANTEE shall report to the DEPARTMENT performance results via the DEPARTMENT'S electronic reporting system and or other mechanisms and formats prescribed by the DEPARTMENT. The DEPARTMENT may make periodic inspections of the GRANTEE'S records and books. All books and records shall be maintained for a period of no less than three years after the termination of the MOU.

Section 10 Amendments – The DEPARTMENT may amend this MOU on its own initiative. The GRANTEE may request amendments provided that the proposed changes do not affect any measures such as matching funds or board composition that might have substantially influenced the DEPARTMENT’S decision to select the GRANTEE for participation in the Rural Idaho Economic Development Professional Program.

Section 11 Termination – The DEPARTMENT shall have the right to terminate this MOU, in whole or in part, anytime before the date of completion whenever it is determined that the GRANTEE has failed to comply with the conditions of the MOU, or the funding for the program supporting the MOU is reduced or eliminated.

The DEPARTMENT may cancel this MOU at any time with or without cause upon thirty (30) days written notice to the GRANTEE specifying the effective date of the termination.

The GRANTEE may cancel this MOU at any time with or without cause upon thirty (30) days written notice to the GRANTEE specifying the effective date of the termination.

In the event that the GRANTEE terminates the MOU and is in good standing at the time of termination, a prorated share of DEPARTMENT funds shall be retained by and or repaid to the DEPARTMENT. If the GRANTEE is not in good standing at the time of termination then all DEPARTMENT funds may be subject to repayment.

Section 12 Relationship Of Contracting Parties - The contracting parties agree that no employer-employee relationship is established between the DEPARTMENT and the GRANTEE by the terms of this MOU. The GRANTEE further indemnifies the State of Idaho and the DEPARTMENT and holds them harmless against any and all suits, actions, claims or losses of every kind, nature, and description, including costs, expenses, and attorney fees, that may be incurred by reason of any act or omission, neglect or misconduct of the GRANTEE that may arise out of this agreement on its performance.

Section 13 Intellectual Property – All records, reports, information, data, and other materials prepared by the GRANTEE, its’ employee or any agents hired with program funds pursuant to this agreement are to be the property of the GRANTEE. All such materials developed under this contract shall not be subject to copyright or patent nor used for any for profit purpose in the United States or in any other country without the prior written approval of the DEPARTMENT. The DEPARTMENT shall have unrestricted access to these materials.

APPROVED:

\_\_\_\_\_  
Donald A Dietrich, Director  
Idaho Department of Commerce

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Elected Official of Program Sponsor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Fiscal Agent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Federal Tax Identification Number

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For Internal Use of the Department  
Reviewed and Approved

\_\_\_\_\_  
Randy Shroll  
Program Manager  
Business & Economic Development

\_\_\_\_\_  
Date

\_\_\_\_\_  
Lisa Robbins  
Financial Manager

\_\_\_\_\_  
Date

## **Attachment A Performance**

1. Business Recruitment -
2. Business Expansion –
3. Business Retention –
4. Business Start Ups –
5. Professional Development -
6. Gem State Prospector-
7. Other-

Note: Performance measures will be customized on a program by program basis. At a minimum each performance measure will include numerical goals that parallel Rural Idaho Economic Development Professional Program reporting format. The department reserves the right to include additional performance requirements in advance of issuing a formal MOU.

Attachment B  
Sustainability

1. Board Training and Development (It will be expected that the board will participate in X amount of trainings to be conducted by the DEPARTMENT and/ or its partners.) –
2. Staff Professional Development (Staff paid for with Department funds will participate in X amount of trainings conducted by the DEPARTMENT and/or its partners.)-
3. Private Participation (During the period of the MOU the GRANTEE will be required to engage in activities to increase private sector participation in all aspects of the organization. This standard may include both prescribed activities and board membership quotas )-
4. Fundraising (The GRANTEE and its board will be expected to raise funds above and beyond the minimum match required. Expect this section to include specific fund raising goals, descriptions of fundraising efforts and/or timelines for completing fundraising efforts)
5. Organizational Marketing (Here the DEPARTMENT will be looking for a list of efforts to be undertaken by the GRANTEE to market their individual program and timelines for completing those efforts)

Note: Sustainability measures will be customized on a program by program basis. The department reserves the right to include additional sustainability requirements in advance of issuing a formal MOU.