

**Northwest Michigan Council of Governments
and
Northwest Michigan Works!, Inc., d/b/a
Northwest Michigan Workforce Development Board**

**LOCAL AGREEMENT FOR ADMINISTRATION OF
WORKFORCE, ECONOMIC, PLANNING, AND
COMMUNITY DEVELOPMENT SERVICES
And
OPERATION AS A REGIONAL PROSPERITY BOARD**

Section 1: Introduction and Purpose

Consistent with Section 890 of Public Act 59 of 2013, and as may be amended, the Northwest Michigan Council of Governments (acting on behalf of the Local Units of Government representing the Michigan counties of Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee and Wexford, and hereinafter the NWMCOG) and Northwest Michigan Works, Inc., a Michigan non-profit corporation doing business as the Northwest Michigan Workforce Development Board (hereinafter the WDB) agree to cooperatively provide workforce development, economic development, regional planning, community development, and associated services for eligible persons, businesses, units of government, and organizations in the Northwest Michigan service area through creation and operation as a Regional Prosperity Board.

To facilitate this joint effort, the NWMCOG and the WDB concur on the shared and unique rights, duties and responsibilities as specified in this Agreement. This Agreement shall supersede, amend, and replace the prior "Local Agreement for Administration of Workforce Economic Development Services," as previously amended November 10, 2008.

Section 2: Northwest Michigan Council of Governments (NWMCOG)

A. The Northwest Michigan Council of Governments, organized pursuant to Michigan 1967 PA 7, to serve as a Regional Planning Commission as provided by 1945 PA 281 (MCL 125.11 to 125.25), is an eligible Grant Recipient as that term is defined under federal and state regional planning and workforce development initiatives. As such, NWMCOG is charged with obligations set forth in an Interlocal Agreement dated April 15, 1988, in the statutes and regulations adopted under all funding sources relative to the programs it is authorized to operate, and as further established by this Agreement. NWMCOG, in its capacity as Grant Recipient, shall receive and assume liability for, and exercise oversight with respect to, funds granted under the funding authorities, where such local liability is required by a federal or state funding source.

As set forth by the terms of this Agreement and for mutual consideration hereby acknowledged, the NWMCOG board hereby contracts with the WDB for operations and personnel staffing of its responsibilities to be carried out pursuant to agreements or statute.

Grants for which NWMCOG serves as a grant recipient will be administered pursuant to the terms of the grant, and pursuant to state and federal law.

B. As set forth by the terms of this Agreement, and for mutual consideration hereby acknowledged, NWMCOG agrees to meet not less than quarterly with the Board of the WDB to jointly convene as a Regional Prosperity Board for the purposes and in the manner as set forth in Section 4 herein. Notwithstanding anything to the contrary which could be implied in this Agreement, the NWMCOG retains its statutory right to meet independently as a board as it sees fit, including the right to:

- a. Fulfill its fiduciary responsibilities to confirm that the WDB and the Regional Prosperity Board, and their Committees are performing adequately and appropriately with respect to their delegated fiduciary responsibilities; and
- b. Consider and discuss topics of mutual county interests, concerns or needs.

NWMCOG agrees to accept grants as the Grant Recipient, and cause sufficient proceeds to be transferred to the WDB for operation of any such grant as set forth above. For ease of administration, NWMCOG also agrees to retain a joint Chief Executive Officer with the Workforce Development Board for the purposes outlined in Section 5, unless otherwise directed in writing as provided in Section 6 of this Agreement. Notwithstanding anything which could be implied above, NWMCOG will retain sufficient funds from grant proceeds to provide its core administrative services relative to its role as Grant Recipient, including, but not limited to, expenses related to its CEO, accounting, insurance, and audit responsibilities.

Section 3: Northwest Michigan Works! Inc., d/b/a Northwest Michigan Workforce Development Board

A. The Northwest Michigan Workforce Development Board is designated pursuant to MCL 408.127 and 129 as an authorized function of Northwest Michigan Works! Inc., a Michigan non-profit corporation formed in 1977, which operates under federal tax exempt status as an IRS Section 501(c)(3) charitable enterprise (WDB). The WDB is currently authorized as a Michigan Workforce Development Agency, which also operates under the Federal Workforce Investment Act of 1998, and the membership of its Board is established to be consistent with state and federal law.

As set forth by the terms of this Agreement and for mutual consideration hereby acknowledged, the Northwest Michigan Workforce Development Board (WDB) hereby contracts with NWMCOG to accept operational responsibility and staffing responsibility of personnel for overseeing the policy, planning, operation, delivery, quality, performance, and monitoring of all workforce development programs, economic development programs, regional planning programs, and community development programs under any grants received by the NWMCOG, in a manner consistent with federal and state laws and regulations governing such activities. The WDB shall provide access and reporting related to all such activities sufficient to provide NWMCOG with information to exercise its required oversight as a Grant Recipient as referenced above, and otherwise commits to administer its use of grants received by NWMCOG pursuant to the terms of the grant and pursuant to state or federal law. The WDB shall establish reasonable

administrative fees for NWMCOG pursuant to this Agreement, not to exceed the administrative rate permitted by each grant and, further, shall provide periodic accountings for the use of each such grant. NWMCOG reserves the right to annually audit all such accounts provided by the WDB at its cost.

B. As set forth by the terms of this Agreement, and for mutual consideration hereby acknowledged, the WDB agrees to meet not less than quarterly with the Board of the NWMCOG to jointly convene as a Regional Prosperity Board for the purposes, and in the manner as set forth in Section 4 herein. Notwithstanding anything to the contrary which could be implied in this Agreement, the WDB retains the right to meet independently as a board as it sees fit, and to fulfill its legislative and regulatory responsibilities, including determination that the NWMCOG and the Regional Prosperity Board and its committees are performing adequately with respect to their delegated workforce development program responsibilities.

The WDB also agrees to retain a joint Chief Executive Officer with the NWMCOG Board for the purposes outlined in Section 5, unless otherwise directed in writing as provided in Section 6 of this agreement.

Section 4: Regional Prosperity Board

The NWMCOG Board and the WDB Board agree to convene jointly not less frequently than on a quarterly basis as a Regional Prosperity Board (RPB) in accordance with By-laws detailed on *Attachment A*. Additional public and private sector representatives may be added in accordance with the By-laws. The Regional Prosperity Board will recommend action by majority direction from a quorum of the RPB to fulfill the following:

- a. Provide policy guidance for and development of activities operated under the funding sources received by either NWMCOG or WDB;
- b. Recommend allocation of funds received from the various funding sources in accordance with the associated plans;
- c. Exercise oversight (review, monitor and evaluate) with respect to activities operated under the RPB;
- d. Provide research, data and guidelines to support board decisions with respect to all agency programs and services;
- e. Recommend eligibility determination of persons receiving assistance under the various development and other programs;
- f. Recommend service providers in accordance with the various program plans and in compliance with all applicable federal and state laws and regulations;
- g. In cooperation with the Chief Executive Officer, market programs and services under the RPB;

- h. Determine the name of its consortium and the corresponding board name; Regional Prosperity Board is, for purposes of this Agreement, considered to be the generic name for this association according to state guidelines;
- i. Assist selection and evaluate performance of the Chief Executive Officer to serve the Regional Prosperity Board under this Agreement. (The Chief Executive Officer shall be the Executive Director of WDB and NWMCOG);
- j. Assist development of overall administrative policies under which the Chief Executive Officer shall operate.

Section 5: Chief Executive Officer

The Chief Executive Officer shall have rights, duties and responsibilities as follows:

- a. Shall establish and manage administrative systems necessary to meet Federal, State and Local requirements;
- b. Shall submit an annual budget and any subsequent budget modifications to the NWMCOG and the WDB meeting as the Regional Prosperity Board for approval;
- c. Shall provide to the NWMCOG and the WDB meeting as the Regional Prosperity Board such information as they request including such information as is necessary to fulfill oversight responsibilities;
- d. Shall set and implement policy and procedures consistent with NWMCOG, WDB, and Regional Prosperity Board guidelines;
- e. Shall establish and operate service delivery systems in accordance with NWMCOG, WDB, and Regional Prosperity Board guidelines and plans;
- f. Shall provide executive leadership and management for all program operations and personnel, who shall serve as employees of NWMCOG or WDB for purposes associated with the Agreement.

Section 6: Modification, Amendment and Termination

This agreement becomes effective upon signing and shall remain in effect until modified, amended or terminated.

A. This Agreement may be terminated following ninety (90) days' written notice from either party to the other. In the event of termination as set forth herein, only the Regional Prosperity Board functions and requirements shall be terminated at the end of ninety (90) days, and the NWMCOG and WDB hereby agree to reconstitute their Local Agreement for Administration of Workforce Economic Development Services in the form as amended November 10, 2008, until otherwise agreed upon by each Board.


B. In addition to termination as set forth above, this Agreement may be modified or amended in whole or in part, by the affirmative action of a majority of both the NWMCOG and

the WDB. Modification of any particular section shall require the entire document to be reissued and approved by a majority of each board. Notice as required above shall be made in writing to the Chief Executive Officer.

On behalf of the Northwest Michigan Council of Governments and Michigan Works! Inc., d/b/a Northwest Michigan Workforce Development Board, the Chairperson of the NWMCOG and the Chairperson of the WDB, do hereby sign this Agreement the 11th day of August, 2014.

NORTHWEST MICHIGAN COUNCIL OF GOVERNMENTS

By: Larry C. Inman, Chairperson
Typed Name & Title




Signature

August 11, 2014

NORTHWEST MICHIGAN WORKS!, INC., d/b/a NORTHWEST MICHIGAN WORKFORCE DEVELOPMENT BOARD

By: David R. Adams, Chairperson
Typed Name & Title



Signature

August 11, 2014