



**GREAT LAKES—ST. LAWRENCE RIVER BASIN WATER RESOURCES
COUNCIL**

**RESOLUTION #28—ADOPTION OF AMENDED MEMORANDUM OF
UNDERSTANDING**

WHEREAS, Section 2.1 of the Great Lakes—St. Lawrence River Basin Water Resources Compact (Compact) creates the Great Lakes-St. Lawrence River Basin Water Resources Council (Council) as a body politic and corporate as an agency and instrumentality of the governments of the respective parties to the Compact; and

WHEREAS, Section 2.5 of the Compact states in part that “[t]he Council may employ or appoint professional and administrative personnel, including an Executive Director, as it may deem advisable, to carry out the purposes of this Compact”; and

WHEREAS, the duties and responsibilities of the Council can only be performed efficiently with the support of a secretariat; and

WHEREAS, on or about December 8, 2010, the Council entered into a Memorandum of Understanding (MOU) with the Council of Great Lakes Governors, Inc., an Illinois not-for-profit corporation (“CGLG”), for the provision by CGLG of executive and secretarial support to the Council; and

WHEREAS, the CGLG and the Council desire to amend and update the MOU between the CGLG and the Council.

NOW, THEREFORE, BE IT RESOLVED that the Council hereby reaffirms its appointment of the CGLG to serve as the secretariat to the Council and otherwise provide support for the activities of the Council.

BE IT FURTHER RESOLVED that the Chair of the Council is directed to execute the revised MOU, in the form attached to this Resolution as Attachment A, with the Executive Director of the CGLG.

/s/ 

Peter R. Johnson, Compact Council Secretary

***Adopted by the Great Lakes—St. Lawrence River Basin Water Resources Council on
December 6, 2013***

December 6, 2013
Attachment "A"

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE COUNCIL OF GREAT LAKES GOVERNORS, INC.

AND

THE GREAT LAKES - ST. LAWRENCE RIVER BASIN WATER RESOURCES COMPACT
COUNCIL

This memorandum ("MOU" or "Agreement") sets forth an agreement whereby the Council of Great Lakes Governors, Inc. ('CGLG') will provide services as outlined herein to and for the Great Lakes – St. Lawrence River Basin Water Resources Compact Council (herein referred to as the 'Compact Council'). The Compact Council will, through its ordinary governance and budgetary process, determine on an annual basis the funding levels necessary to support the services described in this Agreement, and the budget adopted by the Compact Council, shall define specifically such services.

This Agreement is expressly intended to represent a good faith commitment by both parties to mutual advancement of their respective agendas and to the continued and heightened cooperation between the parties for the advancement of effective governmental functioning and their respective priorities. This Agreement is evidence of the two organizations' recognition of their commonality of interests and the desirability of joint efforts and commitments.

References to "the Compact" or "Compact" are to the Great Lakes-St. Lawrence River Basin Water Resources Compact, as enacted under U.S. Public Law No. 110-342. All terms not otherwise defined in this Agreement shall be defined pursuant to the definitions included in the Compact.

In accordance with this understanding, the parties specifically agree as follows:

I. SERVICES TO BE PROVIDED

That for the consideration set forth herein and in the attached budget which is incorporated by reference, CGLG will provide Compact Council management and support services to the Compact Council as specifically set forth in its budget and as set forth in this Agreement itself and consistent with the powers and duties given to the Compact Council and its Chair. In addition, subject to the limitation of funds available under the budget as approved each fiscal year, CGLG staff assigned to the support of the Compact Council may also perform other services for the Compact Council as

practicable and directed by the leadership and officers of the Compact Council. CGLG further pledges in good faith to attempt to maximize coordination between the Compact Council and the other constituencies which are part of the CGLG in furtherance of mutual goals, and the Compact Council pledges in good faith to participate in the general activities of CGLG to the greatest extent practicable.

II. GENERAL

- A. This Agreement constitutes the sole Agreement and understanding between the parties except as it may be modified or supplemented by subsequent written agreements.
- B. Where documents or other materials are required by this Agreement to be delivered by the Compact Council to CGLG, or by CGLG to the Compact Council, such delivery shall unless otherwise noted be accomplished by mailing or otherwise delivering such documents or other materials to the Executive Director if to CGLG, or to the Chair of the Compact Council or his or her primary alternate in the case of the Compact Council.
- C. This Agreement shall be for a term of one year, commencing upon the 8th day of December, 2010, and continuing through the 8th Day of December, 2011. This Agreement shall continue in perpetuity, but may be canceled by either party upon sixty (60) days written notice to the other party. Upon notice of cancellation, representatives of the parties shall meet within fifteen (15) days to agree upon the timetable and manner of the dissolution of the parties' arrangements under this Agreement, and to minimize damage or inconvenience to either party resulting from the cancellation. Unless canceled, this Agreement is automatically renewed for successive one (1) year term each year. Upon such dissolution, CGLG shall retain the right to copy any and all records of the Compact Council for tax or other purposes, provided copies of all such records are, upon request, provided to the Compact Council.
- D. Notwithstanding any other provision of this Agreement, the officers and members of the Compact Council shall determine all policy positions and activities of the Compact Council on all matters not related to the administration of this Agreement.
- E. This Memorandum of Agreement shall in all respects be governed by the laws of the State of Illinois. The parties agree that any dispute relating to the terms of this Agreement shall be subject to the jurisdiction of the courts of the State of Illinois, or the U.S. District Court for the Northern District of Illinois.
- F. No officer or employee of the parties hereto shall be deemed to have authority to extend or supplement the terms of this Agreement except the Executive Director (or designee of the

Executive Director) for CGLG, and the Compact Council, and no such extension or supplement shall be valid unless in writing.

III. FINANCIAL

That CGLG will maintain the Treasury of the Compact Council as part of its unified accounting and financial structure for CGLG and its affiliated associations, and will handle all functions associated with Treasury management. This will include the use of an appropriate account structure and audit trail which shall be that utilized by CGLG for its own and other affiliated Associations' activities; receipt and deposit of all Compact Council income on a timely basis as required by relevant CGLG policies; and the payment of expenses of the Compact Council as authorized by the Executive Director (or designee of the Executive Director) of CGLG. CGLG will maintain a record of income and expenses of the Compact Council; prepare for its own use and the use of the Compact Council, year-to-date financial statements and distribute the same on a timely basis to the Compact Council; and respond to inquiries from the Compact Council members regarding its financial status and operations.

- A. The Compact Council designates CGLG as the fiscal agent of the Compact Council, and further agrees to utilize the CGLG Chart of Accounts and uniform financial statements as the sole basis for the financial records and reporting to be maintained and certified by CGLG. CGLG agrees to supplement its financial reports with a management report, written or oral, to be prepared by Compact Council staff, to provide additional activity codes in its Chart of Accounts for Compact Council-specific items, and upon request to provide Compact Council's financial data in a format so that Compact Council members and their staff may manipulate the information according to the needs of the Compact Council members.
- B. The Compact Council agrees not to change its fiscal year (July 1- June 30) during the term of this Agreement without consultation with CGLG.
- C. The Compact Council certifies by means of this Agreement that it does not have its own separate tax status nor has it applied for one and been denied.
- D. CGLG will prepare the tax return of the Compact Council each year so long as this contract shall be in force, and such return shall be a part of CGLG's group return and such return shall state the financial condition and activities of the Compact Council as audited by the overall audit of CGLG and its' affiliates.

The Compact Council agrees to adhere to any direction given by the CGLG regarding its use of its Employer Identification Number and Creation of Independent Bank Accounts, as

outlined in the CGLG Rules for Financial Management.

- E. The Compact Council agrees to provide to CGLG in a timely manner for each year in which this Agreement is in effect, a copy of its budget as approved pursuant to its procedures, as well as a duly enacted resolution of approval of the budget and a copy of the current articles of organization and bylaws of the Council, leadership roster, and dues schedule. The Compact Council shall in its budget calculate costs based on a direct charge basis for all services to be provided by CGLG pursuant to this Agreement, including square footage, fees and other items in accordance with the schedule approved by CGLG's Executive Committee for expense items, and a copy of the schedule as currently approved is attached hereto and incorporated herein (Attachment #3). Said budget shall in its line items conform to the attached Chart of Accounts of CGLG, and shall be incorporated in this contract by reference insofar as it shall include funds to be expended by CGLG for staff and other support for the Compact Council.
- F. The Compact Council agrees that it will not involve CGLG in lobbying activities of a type or to a degree inconsistent with that permitted under Section 501(c)(3) of the Internal Revenue Code.
- G. CGLG agrees that should the Compact Council/CGLG relationship be terminated, it will cooperate with Compact Council in the transfer of any current or future grants and contracts in which Compact Council is the principal awardee, upon approval of the granting agency, and upon receipt of a full and complete release by Compact Council and the grantor/contractor of any and all responsibilities and obligations under the grant or contract.

IV. INDIRECT COSTS

The Compact Council will be charged 15 percent of direct expenses as indirect costs, which will be included in any budget approved by the Compact Council.

V. MANAGEMENT AND ADMINISTRATION

- A. The Compact Council is empowered, under the language of the Compact, to select and hire the Executive Director. Staff for the Compact Council shall be selected and hired by the Executive Director (in consultation with the Compact Council members). Staff from CGLG may be assigned, on an as needed basis, to assist in activities of the Council (as requested by the Executive Director). All employees engaged in work on behalf of the Compact Council shall be immune from suit and liability, either personally or in their official capacity, to the extent permitted under the Constitution and laws of the member States for state officials, employees, and agents.

- B. The Council agrees that the Employee policies of CGLG shall apply to and be adhered to by staff employed by CGLG and assigned to the support of the Compact Council.
- C. The Compact Council agrees that proposals for new projects which would involve CGLG or CGLG staff, whether grant proposals or otherwise, shall be reviewed by the CGLG.
- D. The Compact Council agrees to adhere to CGLG's policy on the CGLG identity and use of the CGLG mark of any logos. The CGLG agrees to adhere to the Compact Council's policy on the Compact Council identity and use of the Compact Council mark of any logos.
- E. CGLG and the Compact Council agree that any and all material printed, produced and/or published with Compact Council funds shall be copyrighted by the Compact Council, which shall be the owner of the material except as CGLG and the Compact Council shall otherwise agree in writing in regard to a specific item of published material.

Given under our hands as duly authorized representatives of the Compact Council and of CGLG, this the 6th day of December, 2013.

By: _____
Chair, Great Lakes – St. Lawrence River Basin Water
Resources Council

By: _____
Executive Director, Council of Great Lakes Governors, Inc.