Memorandum of Understanding

(Private Sector Executive Loan Program)

This Memorandum of Understanding ("MOU") is between the **Charles Stewart Mott Foundation**, a Michigan nonprofit corporation with principal offices located at the Mott Building, 503 S. Saginaw Street, Flint, Michigan 48502 (the "Foundation"), and **the Executive Office of the State of Michigan for the Governor's Office of Foundation Liaison (the "Office"),** which is located within the Executive Office in the Romney Building in Lansing. With Karen Aldridge-Eason's ("Eason") full knowledge and approval, the Foundation shall assign Eason, its employee, to serve as a volunteer to the Office, as a part of the Governor's Private Sector Executive Loan Program. As Foundation Liaison to the Governor, Eason shall provide evaluation, advice, and consulting, while remaining an employee of the Foundation. This MOU will confirm the parties' understanding regarding the purpose, scope and limits of this arrangement.

This MOU is a part of an initiative spearheaded by the Council of Michigan Foundations ("CMF"), which has been instrumental in defining the Office and the position of Foundation Liaison ("Liaison"). CMF, with the financial support of its members, is supporting this initiative financially by providing a program associate Maura Dewan and shared time of a Public Policy Fellow to the Office, paying certain expenses of the Office and reimbursing the Foundation for a portion of Eason's compensation. CMF also works with an Advisory Committee to the Office in assisting in defining the Liaison's objectives, suggesting strategies, and evaluation of Eason. CMF is neither Eason's employer nor a party to this MOU.

CMF's obligations to the State are embodied in its Memorandum of Understanding with the State. CMF's obligations to the Foundation are embodied in its Memorandum of Understanding with the Foundation.

1. In response to Michigan Governor Rick Snyder's request to maintain a Private Sector Executive Loan Program to support the State of Michigan, the Foundation and Eason have agreed that Eason will volunteer her services as Liaison to the Office at no direct cost to the Office or the State of Michigan.

2. Eason shall act in the capacity of a volunteer as defined by MCL 691.1401(h) when providing the services described in this MOU.

3. Eason will serve as Foundation Liaison for the Governor's Office of the Foundation Liaison. The functions and activities of the Liaison will be amended as the Governor and the Director of Strategy for the Governor identify the priorities of the Administration. However, the three initial objectives of the OFL as set forth below will continue to guide the functions and activities of the Liaison with appropriate amendment to insure alignment with the priorities of Governor Snyder:

    - **To increase state officials' understanding of philanthropy and to identify opportunities for partnering with state government.** The Liaison will work

with the Governor's staff, appropriate State agencies and selected members of the Legislature to increase the understanding and identification of partnership opportunities for philanthropy and Michigan's public sector.

- **To support models that improve efficiency and/or effectiveness of State government.** The Liaison will provide information and technical support to State officials and to Michigan grantmakers and foundation grantmakers making grants in Michigan to develop relationships concerning program models for continuous improvement of the operation of State programs which support the Governor's strategic policy priorities.

- **To respond to opportunities for new local, regional and statewide public-private partnerships to serve populations in the implementation of government programs.** The Liaison will utilize the considerable experience of foundations and public-private partnerships which already exist to help to identify opportunities for partnerships and models for possible replication. The Liaison will also work to bring together private partners to support initiatives to make more efficient use of state funds and state administered funds in local communities.

4. Eason will serve as Liaison at the pleasure of the Governor, except as limited by 7(c) below. The Liaison will be provided with specific assignments and the State's job expectations, requirements and limitations, and the Liaison's specific duties and work performance will be monitored by the Director of Strategy of the Governor's Office. In accordance with the reporting required by foundations funding the Office, CMF will, with input from the Director of Strategy for the Governor, provide periodic evaluations of the Liaison's work.

5. Eason has been asked to serve as Liaison because of her knowledge of philanthropy, state government, and the grantmaking process. It is expected that her work will create and enhance relationships between the foundation community and state government.

6. Eason may also participate in a cross agency review of other private sector loaned executive activities.

7. Term; Early Termination Provisions.

    a. This initiative will be in effect on January 1, 2015 through December 31, 2018 and may be extended for a three month period or longer by mutual consent of the parties.

    b. This MOU may be terminated at any time by the State at the Governor's pleasure with 30 days' notice to the Foundation and CMF.

c. This MOU also can be terminated at any time by the Foundation with 30 days' notice for any reason. In addition, this MOU can be terminated if:

i. Eason voluntarily resigns.

ii. Eason should become disabled, as determined under the Foundation Long Term Disability Plan.

8. Eason is volunteering services and will not be paid by the Office or the State of Michigan for these services. It is further understood that the Foundation will continue to compensate Eason as its employee while participating in the Private Sector Executive Loan Program. Eason will be assigned by the Foundation on a full-time basis to this program. The Office is not the employer of Eason and she is not a state employee for any purposes including, but not limited to, retirement, workers' compensation, unemployment, hospitalization, health, or disability benefits.

9. CMF will compensate Eason for certain travel, meal, and other expenses incurred while serving as a volunteer to the Office, in accordance with CMF's contract with the Foundation. If authorized in advance by CMF, CMF shall pay certain business expenses, and limited travel expenses, either by reimbursing Liaison or paying the expenses directly, upon receipt of proper written request and substantiation, consistent with existing CMF expense reimbursement policies.

10. The State will provide Eason with office space and support items for MOU-related services, including computer system access, telephone support and office supplies.

11. The Governor's Office ("State") retains all intellectual property rights to any document or work product developed by Eason. The State will not be charged nor owe payment for any document or work product developed.

12. Eason's role will be strictly limited to functioning in an advisory capacity. Eason will not be expected to nor will they have authority to make any substantive decisions affecting the operations of the State or of the Executive Office including, but not limited to, decisions pertaining to budget, accounting and allocation of funds, investment of funds, staffing, or changes in administrative services provided by the State to the public. The Governor's Office, with support from the Advisory Committee to the Office, will remain responsible for making any and all substantive decisions with respect to evaluation and implementation of recommendations, analysis, or advice provided by Eason.

13. Eason will remain subject to and will adhere to the Foundation's policy with respect to conflicts of interest and representing the Foundation with integrity. Eason will promptly disclose to the Foundation any situation that could result in an actual or potential conflict of interest while serving as Liaison.

14. Eason will adhere to any guidelines provided to her by the Governor's Office regarding conflicts of interest and the reporting of potential conflicts. She will also comply with the Governor's Executive Orders, Executive Directives, Executive Office Policies, and other applicable state policies and work rules, including policies prohibiting discrimination and harassment.

15. Eason will adhere to confidentiality requirements as set forth in Office policy, State policy and Federal and State laws and regulations. Eason will not divulge information and materials she obtains in connection with her volunteer services provided to the Office, even if not otherwise subject to confidentiality requirements under Office or State policy or Federal or State laws and regulations, without express written authorization by the Governor and his designee. In the event authorization is given, Eason will protect and refrain from divulging any information that would identify individuals served by the Governor's Office.

Approved:

For the Governor's Executive Office
By: Dennis Muchmore

June 1, 2015
Date

Mary A. Gailbreath

For the Charles Stewart Mott Foundation
By: Mary A. Gailbreath
VP- Administration & Secretary/Treasurer

6/26/15
Date