INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE GOVERNOR'S OFFICE OF ECONOMIC RECOVERY
AND
NAVAJO COUNTY COMMUNITY COLLEGE DISTRICT
CONTRACT #GOER-IGA-FY2010-1018

This INTERGOVERNMENTAL AGREEMENT (the “AGREEMENT”) is entered into by and between the Governor’s Office of Economic Recovery (“GOER”), established by Governor Brewer to oversee and discharge funds granted under the American Recovery and Reinvestment Act of 2009 (Recovery Act), and located at 1700 West Washington, Suite 300, Phoenix, Arizona 85007, and the Navajo County Community College District, located at P.O. Box 610, Holbrook, Arizona 86025 pursuant to Arizona Revised Statutes §§ 11-951, 11-952 and 41-101.01.

I. PURPOSE OF THE AGREEMENT

GOER is tasked with oversight and swift distribution of Economic Recovery Funding. In this capacity, GOER has agreed to provide funding to Arizona’s Community Colleges for the purpose of supporting existing programs and keeping tuition and fee increases to a minimum, a project that GOER has determined meets the requirements of projects suitable for Recovery Act funding. The Community Colleges of Arizona play a critical role in meeting workforce demand by providing a pathway for students to complete certificates and associates degree. They serve a diverse group of students, including those student groups traditionally underrepresented in higher education institutions. As the State of Arizona begins its recovery from the current economic downturn, the Community Colleges will play a critical role in providing the trained workforce that the state will depend upon for this recovery. GOER will fund the Navajo County Community College District up to $418,920 for this purpose.

II. WORK STATEMENT AND GENERAL PROVISIONS

The parties mutually agree as follows:

A. Method and Terms of Reimbursement

Recovery Act funds will be transferred to the Navajo County Community College District on a cost reimbursement basis upon receipt and approval of a Payment Request Form showing cumulative expenditures by line item. Items to be reported on are, dollar amount requested, name of project worked on, any Davis-Bacon reports and project status compared to timeline submitted. The Navajo County Community College District will submit to GOER an estimated payment schedule and timeline for project and the Navajo County Community College District will be responsible for paying vendors associated with this project. GOER will provide to the Navajo County Community College District a master template for the Payment Request Form. GOER will reimburse expenses to the Navajo County Community College District using a warrant or by direct deposit of Recovery Act funds to the Navajo County Community College District. Method of transfer will be at the discretion of GOER and the Navajo County Community College District will allow five to seven working days for completion of transfer of Recovery Act funds after receipt of Payment Request Form. Any unspent funds associated with this agreement will be refunded to GOER at completion of stated agreement term. Final payment for this agreement will be released upon receipt of any final reporting requirements which are yet to be determined.
B. Reporting and Compliance Requirements

Payments by GOER to the Navajo County Community College District shall be in strict compliance with OMB Circular A-21, Cost Principles for Educational Institutions (2 CFR 220 A-21) and shall adhere to the Federal Cash Management Improvement Act (CMIA) and comply with guidelines of the State Fiscal Stabilization Fund (SFSF), established under Recovery Act through Public Law 111-5 (H.R.1) and amended by Public Law 111-8 (H.R. 1105).

In addition, the Recovery Act specifically provides that funds may not be used by any state or local government, or any private entity, for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool. The Recovery Act funds may be used in conjunction with other funding as necessary to complete projects, but tracking and reporting of Recovery Act funds must be separate, to meet the reporting and other requirements of the Recovery Act and other applicable law.

The accounting systems of all recipients and sub-recipients must ensure that funds from any award under this Recovery Act solicitation are not commingled with funds from any other source. Misuse of grant funds may result in a range of penalties, including suspension of current and future funds, suspension or debarment from federal grants, recoupment of monies provided under a grant, and civil and/or criminal penalties.

Consistent with the special purposes and goals of the Recovery Act, and its strong emphasis on accountability and transparency, it is essential that all funds from a Recovery Act grant be tracked, accounted for, and reported on separately from all other. Recipients must also be prepared to track and report on the specific outcomes and benefits attributable to use of Recovery Act funds.

Funds associated with this AGREEMENT shall only be used to reimburse the Navajo County Community College District for the purposes set forth on section I of this agreement. The Navajo County Community College District must understand and comply with all applicable Federal and State policies, procedures, and requirements related to Recovery Act monies including, but not limited to, the following:

1). “Buy American Act” Est. 1933
The recipient understands that this award is subject to the provisions of section 1605 of the Recovery Act (“Buy American Act”). No award funds may be used for non-American sources of iron, steel, or manufactured goods for a project for the construction, alteration, maintenance, or repair of a public building or public work, unless the recipient provides advance written notification and upon approval of the federal grant agency, a waiver is issued allowing this activity.

2.) Davis-Bacon and Related Acts: Wage Rate Requirements
All applicants should be aware that the Recovery Act contains a provision on wage rate requirements that concerns projects funded or assisted by Recovery Act funds that employ laborers and mechanics. See section 1606 of the Recovery Act for the full text of this requirement.

3.) ARRA Infrastructure Investment: Preference for Quick-Start Activities
Pursuant to section 1602 of the Recovery Act, recipient of funds under this solicitation for infrastructure investment are to give preference to activities that can be started and completed expeditiously, and also are expected to use grant funds in a manner that maximizes job creation and economic benefit. For the details of this requirement, please refer to the text of section 1602 of the Recovery Act.

4.) Recovery Act: Contracts
Generally speaking, the Recovery Act places special emphasis on the use of fixed-price contracts awarded through competitive procedures.
5.) National Environmental Policy Act Requirements
Under section 1609 of the American Recovery and Reinvestments Act of 2009 all recipients must comply with any applicable environmental impact requirements of the National Environmental Policy Act of 1970 (NEPA), as amended, (42 U.S.C. 4371 et seq.), 40 CFR parts 1500 through 1508 and any State government requirements that implement NEPA.

III. EFFECTIVE DATE, TERM, TERMINATION, RENEWAL, AMENDMENT

A. Effective Date
This AGREEMENT shall become immediately effective only upon the following: (1) execution by GOER and the Navajo County Community College District, and (2) execution by GOER’s and the Navajo County Community College District’s attorneys, whose execution shall determine that this AGREEMENT is in proper form and within the powers and authority granted to GOER and the Navajo County Community College District under the laws of the State of Arizona.

B. Term, Termination, Renewal
This AGREEMENT shall begin on July 1, 2009 and terminate on June 30, 2010, unless terminated as provided herein, or extended. Either party may terminate this AGREEMENT at any time by providing thirty (30) days written notice to the other party. If this AGREEMENT is extended by mutual written consent of the parties, all terms, conditions and provisions of the original AGREEMENT shall remain in full force and effect and apply during any extension period.

C. Amendment
This AGREEMENT may be modified, altered, extended or amended only in writing signed by, or on behalf of, both parties.

IV. NOTICES
Any and all notices, requests or demands given or made upon the parties hereto, pursuant to or in connection with this AGREEMENT, unless otherwise noted, shall be delivered in person or sent by United States Mail, postage prepaid, to the parties at their respective addresses as set forth immediately below:

<table>
<thead>
<tr>
<th>GOER</th>
<th>Navajo County Community College District</th>
</tr>
</thead>
<tbody>
<tr>
<td>James J. Apperson</td>
<td>Jeanne Swarthout, Ph.D.</td>
</tr>
<tr>
<td>Director</td>
<td>President</td>
</tr>
<tr>
<td>Governor’s Office of Economic Recovery</td>
<td>Navajo County Community College District</td>
</tr>
<tr>
<td>1700 West Washington, Suite 300</td>
<td>(Northland Pioneer College)</td>
</tr>
<tr>
<td>Phoenix, Arizona 85007</td>
<td>P.O. Box 610</td>
</tr>
<tr>
<td>Phone: (602) 542-6402</td>
<td>Holbrook, AZ 86025</td>
</tr>
<tr>
<td></td>
<td>Phone: (928) 524-7640</td>
</tr>
</tbody>
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V. ARBITRATION
This AGREEMENT is subject to arbitration to the extent required by A.R.S. § 12-1518.
VI. NON-AVAILABILITY OF FUNDS

Every payment obligation of GOER under this AGREEMENT is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this AGREEMENT, either party may terminate this AGREEMENT at the end of the period for which funds are available. No liability shall accrue to GOER or the State of Arizona in the event this provision is exercised, and GOER and the State of Arizona shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

VII. CANCELLATION FOR CONFLICT OF INTEREST

This AGREEMENT is subject to cancellation pursuant to Arizona Revised Statutes § 38-511, the provisions of which herein incorporated by reference.

VIII. AUDIT OF RECORDS

Pursuant to Arizona Revised Statutes § 41-1351, GOER shall retain all data, books, and other records relating to this AGREEMENT. Navajo County Community College District is subject to all audit oversight policy and procedure established by GOER.

IX. GOVERNING LAW

This AGREEMENT is made under, and is to be construed in accordance with, the laws of the State of Arizona. In the event of litigation arising under, out of, or relating to, this AGREEMENT, GOER and Navajo County Community College District hereby stipulate to the exclusive jurisdiction and venue of the Maricopa County Superior Court in Phoenix, Arizona.

X. ENTIRE AGREEMENT

This AGREEMENT contains the entire agreement and understanding of the parties hereto. There are no representations or provisions other than those contained herein, and this AGREEMENT supersedes all prior agreements between the parties, whether written or oral, pertaining to the same subject matter of this AGREEMENT.

XI. INVALIDITY OF PART OF THIS AGREEMENT

The parties agree that should any part of this AGREEMENT be held to be invalid or void, the remainder of the AGREEMENT shall remain in full force and effect and shall be binding upon the parties.

XII. COUNTERPARTS

This AGREEMENT may be executed in any number of duplicate originals, photocopies or facsimiles, all of which (once each party has executed at least one such duplicate original, photocopy, or facsimile) will constitute one and the same document.

XIII. INTERPRETATION

This AGREEMENT is not to be construed or interpreted for or against either of the parties on the grounds of sole or primary authorship or draftsmanship.
XIV. PARAGRAPH HEADINGS

The paragraph headings in this AGREEMENT are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this AGREEMENT or any of its provisions.

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XV. IN WITNESS WHEREOF, the parties agree to execute this AGREEMENT.

Governor's Office of Economic Recovery  
1700 W. Washington, Suite 300  
Phoenix, Arizona 85007

Navajo County Community College District  
P.O. Box 610  
Holbrook, AZ 86025

James J. Apperson,  
Director  
Governor's Office of Economic Recovery

Jeanne Swarthout, Ph.D.  
President  
Navajo County Community College District

This AGREEMENT is in proper format and is within the powers and authority granted to the respective public agency.

Joe Kanefield  
Chief Legal Counsel  
Governor's Office

Kathryn A. Munro  
Legal Counsel  
Mangum, Wall, Stoops, & Warden, P.L.L.C.