



MEMORANDUM OF UNDERSTANDING

Between
The Board of County Commissioners
and
The North Carolina Cooperative Extension Service
North Carolina State University
and
The North Carolina Cooperative Extension Program
North Carolina A&T State University

NC STATE UNIVERSITY



PREAMBLE

The North Carolina Cooperative Extension Service (NCCES) was established as a part of the College of Agriculture and Life Sciences of North Carolina State University (NCSU) by federal and state legislation for the specific purpose of “extending” the educational services of the University to the people of the state on subjects related to agriculture and natural resources, family and consumer sciences, 4-H and youth development, and community and rural development. The laws creating the Cooperative Extension Service were specifically designed to assure that the findings of research in these areas are communicated to the people of the state.

Under the Federal Appropriations Act of 1972, funds were provided to the 1862 land-grant universities (NCSU) to enhance the extension outreach of the 1890 universities, which included North Carolina A&T State University (NCA&T). The Food and Agriculture Act of 1977 further stipulated that these funds be appropriated directly to the 1890 institutions, and formalized the North Carolina Cooperative Extension Program (NCCEP) as an official part of the School of Agriculture and Environmental Sciences at NCA&T.

While representing two separate Universities, the North Carolina Cooperative Extension Service (NCSU) and the North Carolina Cooperative Extension Program (NCA&T) work together to better serve the people of the State through the delivery of locally relevant programs, education and expertise.

Legislation further provided for a cooperative relationship among three levels of government—federal, state, and county—to ensure that the needs of all three levels are addressed.

The primary purpose of North Carolina Cooperative Extension is to provide the people of North Carolina with the most current and relevant unbiased research-based information—particularly that which is related to strengthening the economy through profitable, sustainable and safe food, forest and green industry systems; to protecting the environment and natural resources; and to empowering youth and families to lead healthier lives and become community leaders. This is accomplished by Cooperative Extension employees who are charged with carrying out the extension education programs of the university and the U.S. Department of Agriculture.

Cooperative Extension has sufficient flexibility to permit attention to the special problems, needs and interests of the citizens and leadership in each county. Therefore, the programmatic, personnel and funding complement reflects the unique needs of each county. County Advisory Councils are consulted on a regular basis to assist in prioritizing the county educational program content. Program clientele or recipients of services include individuals, families, communities, municipalities, agricultural and seafood processing and marketing firms, other businesses and certain organizations. This includes work with adults and youth in both urban and rural settings.

To assure that educational programs offered by Cooperative Extension meet the needs of local clientele, it is important that both elected and appointed decision makers at each level of government understand their respective responsibilities and relationships in the conduct and funding of this work. To this end, the following portions of this Memorandum of Understanding will detail the individual relationships and mutually agreed upon responsibilities of NCSU, NCA&T and each county that signs this agreement.

Part I.
**The North Carolina Cooperative Extension Service and
the North Carolina Cooperative Extension Program will:**

1. Establish minimum requirements and qualifications for employment in Extension work.
2. Receive and examine applications for employment.
3. Interview and screen applicants to determine their qualifications and availability.
4. Consult with the Board of County Commissioners, or the County Manager as designee, regarding qualified applicants for appointment to vacant or new Extension positions.
5. Consult with the Board of County Commissioners, or the County Manager as designee, regarding the salaries of all Extension employees, including County Extension Directors, Extension Agents, Extension Paraprofessionals, Extension Secretaries, and any other Cooperative Extension-based positions.
6. Determine jointly with the County Board of Commissioners, or the County Manager as designee, the share of salaries to be paid by each and provide the University share of these salaries.
7. Prepare and submit an annual budget to the Board of County Commissioners, or the County Manager as designee, for securing the county's share of funds for salaries and operating expenses each fiscal year.
8. Provide funds for official travel necessary to conduct Extension work to the extent that funds are available and for purposes authorized by state and federal policies.
9. Provide Extension employees with funds for postage, bulletins, leaflets and other publications for delivering Extension programming and conducting regular business.
10. Accept responsibility and provide the leadership for administration and supervision for Extension programs and personnel, including compliance with affirmative action and equal employment opportunity requirements.
11. Develop and administer a personnel management plan that will provide the annual review of each worker's performance, counseling for job improvement where needed, and periodic county program reviews.
12. Provide a staff of specialists to train agents in current technology and other changes affecting agriculture and natural resources, family and consumer sciences, 4-H and youth, and community and rural development and to assist them in conducting work in these areas.
13. Provide Extension workers with training programs as needed to maintain effective program delivery.
14. Seek regular input from the County and maintain a County Advisory Leadership System to ensure that county Extension programs are based on the particular needs of people in their respective county.

15. Prepare and submit a “Report to the People” to the Board of Commissioners, or the County Manager as designee, at least annually, informing the Board or Manager of Extension programs and work accomplished.

Part II.

The Board of County Commissioners will:

1. Provide the County’s share of salaries and benefits for Extension personnel.
2. Comply with the State of North Carolina’s Worker’s Compensation Act, N.C. General Statute § 97-2(2).
3. Provide offices, equipment, utilities, telephones, office supplies, instructional materials and other items needed for efficient operation of the County Extension Center and program; and comply with the accessibility provisions of the Americans with Disabilities Act.
4. Review and consider the annual budget request from NCCES/NCCEP, and take appropriate action by July 1 of each fiscal year.
5. Provide regular input to the District and County Extension Directors on the particular needs of people in their respective county to help ensure that county Extension programs are based on specific needs and meet county programming plans.

Part III.

The North Carolina Cooperative Extension Service, the North Carolina Cooperative Extension Program, and the Board of County Commissioners mutually agree:

1. That all county Extension employment appointments and separations will be made in consultation between NCCES, NCCEP, or both (based on funding of the position), and the Board of County Commissioners, or the County Manager as designee, and that no official action related to such appointments or separations will be taken by either party regarding appointment or separation prior to discussion of the matter with the other party.
2. That the Board of County Commissioners and NCCES/NCCEP shall each be responsible for compliance with applicable laws and regulations relating to their respective operations.
3. To cooperate in applying affirmative action and equal employment opportunity plans of NCCES/NCCEP.
4. That the policies established by the State of North Carolina under N.C. General Statute §126 and followed by the UNC System be used in granting and administration of leave related to the earning rates, transfer policies, payout computation and timing, and administration of vacation, sick, civil, community involvement, military, Family and Medical Leave, Family Illness Leave, leaves of absence, and other approved leave programs for Cooperative Extension personnel. Educational leaves of absence for EPA employees provided under University policy will be reviewed in consultation with the County.

5. That Extension employees will follow county policies relative to office hours, office closings for inclement weather and holidays, and for the management and use of county property.
6. That Extension employees will not be classified under a county classification system.
7. Send-in Provisions of the Cooperative Arrangement
 - 7.1. Transitioning to Send-In
 - 7.1.1. All new hires to Cooperative Extension beginning January 1, 2007, and thereafter, will be covered under the “send-in” payroll arrangement provisions as outlined below.
 - 7.1.2. All current Extension employees in non-send-in payroll arrangements as of October 1, 2006, will have two open-window options in which to convert from “non-send-in” (also known as “regular”) to “send-in” per their respective individual choices. There will be two annual conversion windows in which the employees will make their choice. These two annual windows will coincide with the annual NC Flex open-enrollment dates for 2006 and 2007 as published by NC Flex. Employees must communicate their desire to change to “send-in” by submitting an official request form available from the College of Life Sciences Personnel Office at NCSU or NCCEP Administrative office. The change will be effective January 1 of the year following the communication of their choice, either 2007 or 2008. The employee must utilize the NC Flex open-enrollment period to change any applicable benefits except for retirement contributions and health insurance. Outside of these two specific open-enrollment periods, current employees will (1) remain in their respective county’s payroll arrangement for the remainder of their employment in their respective county, or (2) change to “send-in” under the provisions outlined in 7.1.3. or 7.1.4. below.
 - 7.1.3. Effective January 1, 2007, and thereafter, all current Extension employees transferring between counties into other Extension positions will be converted to “send-in” upon transfer to the new County.
 - 7.1.4. NCCES/NCCEP will review the total population of non-send-in employees across the state annually each March 1. At such time that the total number of Extension employees across the State falls to or below 50, irrespective of the individual count in any one county, all remaining non-send-in employees will be converted to “send-in” effective January 1 of the next year. NCCES/NCCEP will notify in writing the respective Boards and County Managers by May 1, so that arrangements can be considered in time for the changing fiscal years beginning July 1.
 - 7.2. Establishing Accounts to Operationalize the Send-In Process

To operationalize the “send-in” payroll arrangement, NCCES/NCCEP will establish a Trust Fund Account for the County at NCSU/NCA&T that will serve as the vehicle for the transfer of funds from the County to NCSU/NCA&T for use in paying the county’s agreed-upon share of salary and benefits for Extension personnel.

 - 7.2.1. Procedure for Providing Funds to the Account

A State Treasurer’s Electronic Payment System (STEPS) form will be completed and the original submitted to the Associate Director of Cooperative Extension via the appropriate District Extension Director. The County Finance Officer,

or the designated County representative, will receive notification from the NCSU College of Agriculture and Life Sciences Personnel Office or the NCA&T Personnel Office prior to the University's payroll date, generally the last working day of each month, advising the amount due for the current payroll. Within 5 business days following the payday, the respective University will draft against the County's established trust account in the amount communicated.

7.2.2. Administration of the Account

The trust account will be maintained in accordance with the respective NCSU or NCA&T accounting policies and procedures. The trust account will be audited and reconciled by the NCSU College of Agriculture and Life Sciences Business Office or the NCA&T College of Agriculture and Environmental Sciences Business Office, respectively, to ensure the month-end account balance remains zero.

7.3. Employee Benefits

7.3.1. Retirement Benefits

All "send-in" Extension Personnel will participate solely in either the North Carolina Teachers and State Employees Retirement System and accompanying North Carolina Disability Income Plan, or the Optional Retirement Plan, based on eligibility criteria established by the State. They will be eligible solely for respective NCSU or NCA&T employee benefits for which they qualify based on their appointment and FTE, and former federal appointees will maintain federal benefits, the employer-paid parts of which will be paid for solely by NCSU or NCA&T.

7.3.2. Taxes and Fringe Benefits

The County will be responsible for providing their proportional share of fringe benefits for all send-in Extension personnel, including but not limited to the following:

7.3.2(a) Employer contributions to all applicable Federal and State taxes.

7.3.2(b) Employer contribution to the State Retirement System per N.C. General Statute §135, or to the Optional Retirement Plan per N.C. General Statute §135-5.1.

7.3.2(c) Employer contribution to the Health Insurance matching charges per N.C. General Statute §135.

7.3.3. Workers' Compensation will be administered pursuant to N.C. General Statute §97-2(2).

7.3.3(a) The County will provide full and direct coverage for those employees subject to the County workers' compensation insurance within the county insurance program. Employees for whom the County will maintain workers' compensation coverage are the following:

7.3.3(a)(1) All secretarial and any other positions designated as SPA (subject to the State Personnel Act); and

7.3.3(a)(2) All Program Assistants/Associates who are not funded

by directly allocated federal funds such as EFNEP, or Program Assistants/Associates who are paid in part by EFNEP funds but which account for less than 50% funding.

7.3.3(b) NCSU/NCA&T will provide full and direct coverage for their respective Extension employees subject to the respective University's workers' compensation insurance within the respective University's insurance program. Extension employees for whom the respective University will maintain workers' compensation coverage are the following:

7.3.3(b)(1) All County Extension Directors and Extension Agents.

7.3.3(b)(2) All Program Assistants or Associates who are funded by directly allocated federal funds such as EFNEP, or Programs Assistants or Associates who are paid in part by EFNEP funds at equal to or more than 50% funding.

7.3.4. NCSU/NCA&T will process severance pay under reductions-in-force (RIFs) as approved under Office of State Personnel guidelines for County-based employees subject to the State Personnel Act (SPA) and unemployment compensation as mandated by the State.

7.3.5. The County will pay its proportional share of annual/vacation leave, up to a maximum of 240 hours per the OSP and/or UNC System guidelines, and any bonus leave balance as explicitly approved per each county per year granted, upon an employee's separation.

7.3.6. The County will pay its proportional share of state longevity for SPA employees upon an employee's service anniversary date.

7.3.7. The County will pay its proportional share of any accrued "extra" time (hour-for-hour) or overtime (1.5 hour-for-hour) to Extension employees that are subject to Fair Labor Standards Act or North Carolina Wage and Hour Act upon an employee's earning anniversary date or as due to the employee at the time of separation.

7.4 Optional County-paid Salary Increases or Bonuses to Extension Personnel

At their discretion, Counties may award additional permanent salary increases or one-time pay awards to Extension Personnel. If this is so desired by the County under the "send-in" payroll arrangement, this action must be communicated to the appropriate District Extension Director's office no later than the first of any month in which the desired increase or bonus is to be applied.

8. Optional Lock-in Provision

This section, if enacted by separate signature of the County, effects an optional “lock-in” agreement between the County and NCSU/NCA&T for Extension personnel. The “lock-in” provision establishes constants to be maintained over the course of the agreement for cost-share percentages.

8.1 Salary Adjustments for SPA Employees under the Lock-in Provision

County and NCSU/NCA&T will fund salary adjustments and increases so that the funding percentages agreed upon in the lock-in section below are maintained. The full compensation plan for state employees as approved by the General Assembly will serve as the basis for compensation adjustments and both the County and NCSU/NCA&T will adhere to the lock-in plan’s effective dates and implementation instructions. Extension personnel receiving salary from grant funds will be governed by the terms and conditions of the applicable grant within the scope and applicability of NCSU/NCA&T personnel policies governing grants. These compensation components include, but are not limited to:

- 8.1.1. Across-the-board adjustments,
- 8.1.2. Cost-of-living adjustments (COLA),
- 8.1.3. Merit adjustments,
- 8.1.4. Bonuses (in any form conveyed), and
- 8.1.5. Promotion, classification, market, or equity adjustments.

8.2. Salary Adjustments for EPA Employees under the Lock-In Provision

County and NCSU/NCA&T will fund salary adjustments and increases so that the funding percentages agreed upon in the lock-in section below are maintained. The full compensation plan for University employees as approved by the General Assembly and implemented by the Office of the President, University of North Carolina System, will serve as the basis for all compensation adjustments and both the County and NCSU/NCA&T will adhere to the plan’s effective dates and implementation instructions. Extension personnel receiving salary from grant funds will be governed by the terms and conditions of the applicable grant within the scope and applicability of NCSU/NCA&T personnel policies governing grants. These compensation components include, but are not limited to:

- 8.2.1. Across-the-board adjustments,
- 8.2.2. Cost-of-living adjustments (COLA),
- 8.2.3. Merit adjustments,
- 8.2.4. Bonuses (in any form conveyed), and
- 8.2.5. Promotion, classification, market, or equity adjustments.

8.3. Enacting the Lock-in Provision

By signing at this section separately, the County and NCSU/NCA&T shall adhere to the following provisions, guidelines, and procedures.

Salary and Benefits

Salaries and benefits, as delineated above in 7.3, may be split on the basis of either (Option A) type of employee (EPA and/or SPA), or (Option B) individual position.

The County and NCSU/NCA&T agree on the following proportional salary and benefits funding percentages, applicable throughout the duration of this Memorandum of Understanding:

8.3. Option A.

All EPA employees _____ % County _____ % NCSU/NCA&T

All SPA employees _____ % County _____ % NCSU/NCA&T

* any position added to this county’s staff of Extension Personnel subsequent to the effective date of this Agreement will adhere to the above percentages.

Board Chair or County Manager Signature	Printed Name	Title	Date
<i>Signature for Option A Lock-in Provision ONLY</i>			

OR

8.3. Option B. Each position shared per the list of detailed percentages below:

_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
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_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T
_____	_____ % County	_____ % NCSU/NCA&T

* any position added to this county’s staff of Extension Personnel through mutual agreement between the County and NCSU/NCA&T subsequent to the effective date of this Agreement will document the funding splits in correspondence between this County and NCSU/NCA&T, and will become a part of this Agreement.

Board Chair or County Manager Signature	Printed Name	Title	Date
<i>Signature for Option B Lock-in Provision ONLY</i>			

9. A semi-annual meeting will be convened to maintain communication of ideas, developments, concerns and changes within the scope of the Counties and Cooperative Extension relationship. Members of the committee will include representatives of the North Carolina Association of County Commissioners (NCAAC), representatives from County Governments as recommended by the NCAAC, and administrators and designees of Cooperative Extension.

We are in agreement with the above description of the responsibilities and relationships, and that this Memorandum of Understanding may be reviewed at any time. Each party is responsible for all actions for which they have sole responsibility or for which they take unilateral action.

Signatures of the persons below authorize execution of this document, commencing on _____ (date), and continuing year-to-year, unless otherwise terminated in writing by either party under notification to the other party no less than one-hundred twenty (120) days prior to the desired termination date. Termination of this agreement shall have the effect of withdrawal of Cooperative Extension activities and programs in the County.

Signature: _____ Date: _____
Chairperson or Designee
Board of County Commissioners
_____ *County*

Signature: _____ Date: _____
Director
North Carolina Cooperative Extension Service
North Carolina State University

Signature: _____ Date: _____
Administrator
North Carolina Cooperative Extension Program
North Carolina A&T State University