

**Interlocal Agreement**  
between  
**The Friends of the Spokane County Library District**  
and the  
**Spokane County Library District**

The following will constitute an operating agreement between the Friends Foundation of Spokane County Library District (Friends) and the Spokane County Library District (The District). It will stand until and unless it is modified by mutual agreement of the Friends executive board and Spokane County Library District Board of Trustees. The Friends mission is to raise money and public awareness in the community to support the services and programs of The District. As a non-profit, 501(c)(3) organization, however, it is a legally distinct entity and is not a part of The District.

WHEREAS, pursuant to RCW 27.12.210(5), The District's Board of Trustees is authorized to control the finances of The District; and

WHEREAS, pursuant to RCW 27.12.210(6), The District's Board of Trustees is authorized to accept gifts of money or property for The District's purposes; and

WHEREAS, pursuant to RCW 27.12.210(10), the District's Board of Trustees is authorized to all acts necessary for the orderly and efficient management and control of The District; and

WHEREAS, the District's Board of Trustees desires to have a Friends organization as a tax-exempt non-profit corporation organized and operated exclusively to receive and administer property for the benefit of The Library District and to make contributions, grants, gifts, bequests, trusts, and property to The District; and

WHEREAS, the Friends are empowered to provide services to The District related to the solicitation of contributions, grants, gifts, bequests, trusts, and property for the benefit of The District and other fundraising activities; and

WHEREAS, the purpose of the Friends is to support the mission of The District; and

WHEREAS, the Friends desire to provide certain financial services for The District as described in this Memo of Understanding in furtherance of its corporate purpose;

NOW, THEREFORE, in consideration of the mutual exchange of services and the other covenants and agreements hereinafter mentioned, the parties hereto covenant and agree as follows:

A. THE FRIENDS AGREE TO:

1. Encourage continuous and special philanthropic support, benefactions, and relationships for the benefit of The District.
2. Establish rules, regulations, and procedures for the necessary management of all affairs of the Friends in consonance with the laws and regulations described in section 501(c)(3) of the Internal Revenue Code as now enacted or hereafter amended or supplemented.
3. Accept, hold, administer, invest, and disperse such funds and properties in accordance with its purpose as established within the Friends Articles of Incorporation and Bylaws.
4. Use all assets and earning of the Friends exclusively for District purposes.
5. Engage in and disperse all parts of its funds for any and all lawful activities permitted by the laws and regulations governing tax exempt charitable corporations at the time of dispersal, and which may be necessary or incidental to the furtherance of the purposes of the Friends.
6. Use reasonable portions of its funds and income to pay the administrative expenses of the Friends.
7. Pursuant to RCW 27.12.300, tender immediately to The District all donations and instruments deemed gifts it may receive for which the donor names The District as the recipient. The District administration has the final say in accepting or declining any and all gifts made to The District.
8. Be responsible for and account for, in its own records, all donations and instruments deemed gifts where the donor names the Friends as the recipient.
9. Maintain its stated purposes of existence as set forth herein and in its Articles and Bylaws during the lifetime of the interlocal agreement.
10. Include a member from The District's administration as a non-voting presence at all Friends' meetings and allow room on the agenda for a District report.
11. Provide such other services and undertake such other activities for the benefit of The District as the Friends and The District shall identify from time to time by written addenda to the interlocal agreement.

B. THE DISTRICT AGREES TO:

1. Provide professional staff and services to the Friends, consistent with The District's Board-approved budget, including necessary office space, clerical support, utilities, equipment and furniture, consumable office supplies, telephone service, office equipment including but not limited to photocopiers and facsimile machines, computer hardware, software, productivity tools,

network connectivity, printers, and other computer peripherals. The District further agrees to maintain proper accounting records of the costs of such services.

2. Establish the value of the aforementioned services, space, and equipment which The District provides to the Friends, not to exceed the total amount of 15% of the Communication & Development Department's annual operating costs. The District, pursuant to its budgeting and fiscal policies, shall review the costs to assure that the amount of services agreed upon is not exceeded. Such reports and information shall be made available to the Friends.

3. The District agrees to include the Friends in the long-term planning process to ensure that the Friends are aware of the goals and direction of The District.

4. The District agrees to share with the Friends, the District's strategic initiatives at the beginning of each fiscal year and discuss with Friends how its resources and support might help forward these initiatives.

5. The District agrees to supply the Friends with a "wish list" each year that indicates the anticipated needs for Friends' support.

6. The District agrees to provide public space for Friends membership brochures and promotional materials.

7. The District agrees to provide the Friends with space, surplus books, and surplus library materials for sale in each library, with proceeds from the donations going to the Friends.

#### C. ANNUAL EVALUATION AND REVIEW

The Friends and The District shall annually identify the specific services that the Friends will provide and the specific activities that the Friends will undertake for the benefit of The District, which shall be described in addenda to the interlocal agreement signed by the parties. The Friends shall provide The District with a written report annually, which shall confirm that it has fully complied with its obligation to expend its best efforts to seek to accrue gifts, grants, donations, endowments for the benefits of The District, and set forth its progress in furtherance of the identified activities and services, and list its other accomplishments for the preceding year. Annually, the Friends will share with The District its revenue and expense statements for the preceding year and its end-of-year balance sheet.

#### D. TERM OF INTERLOCAL AGREEMENT

The initial term of this interlocal agreement shall be one year, but such term shall be automatically extended on each anniversary date hereof for an additional one-year period unless either party shall have given written notice to the other, at least 30 days prior to the next anniversary date hereof, of its desire not to extend this interlocal agreement.

E. MODIFICATION

No alteration or modification of any terms of this interlocal agreement shall be valid unless made in writing and signed by the parties.

F. TERMINATION

Notwithstanding the provisions of Term of interlocal agreement, either party may terminate this agreement effective at the end of any District fiscal year, with or without cause, upon 30 days written notice to the other party.

G. ASSIGNMENT

Neither party may assign or transfer this interlocal agreement.

H. GOVERNING LAW AND DISPUTES

This agreement shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by the laws of the State of Washington. Venue for all litigation arising out of this agreement shall be Spokane County, Washington.

Friends of the Spokane County Library District

  
Signature

TAMITHA SHOCKLEY  
Printed Name

VICE-PRESIDENT  
Title

2.3.16  
Date

Spokane County Library District

  
Signature

Mark A Johnson  
Printed Name

CHAIR, BOARD OF TRUSTEES  
Title

2/16/16  
Date