

OPERATIONS AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2011, by and between the WEST VIRGINIA STATE UNIVERSITY RESEARCH AND DEVELOPMENT CORPORATION, a West Virginia not-for-profit corporation ("WVSURDC") and the WEST VIRGINIA STATE UNIVERSITY, a State institution of higher education existing under the laws of the State of West Virginia ("University").

WITNESSETH:

WHEREAS, WVSURDC was formally incorporated and has been affiliated with the University since its inception in 1991, through its established bylaws, with the main purpose of providing services and activities related to promotion, encouragement, and stimulation of research for and on behalf of West Virginia State University; and

WHEREAS, WVSURDC has been created to foster and support research at West Virginia State University; and further to provide services for inventions of West Virginia State University faculty, staff, and students; and

WHEREAS, WVSURDC has been designated by WVSU to fulfill the provisions of the West Virginia Code pertaining the role of public institutions to work in the partnership with business, industry or government and encourage the acceptance of gifts, grants, contracts and equipment, and the sharing of facilities, equipment and skilled personnel to promote and develop joint, applied research and development, technical assistance and instructional programs in West Virginia; and

WHEREAS, WVSURDC has an approved Affiliation Agreement with the West Virginia State University Board of Governors on behalf of West Virginia State University providing for services and activities related to the promotion, encouragement, and stimulation of research; and

WHEREAS, WVSURDC and the University desire to describe the features, purposes and mechanisms of the relationship by which WVSURDC and the University will implement the Affiliations Agreement between WVSURDC and the West Virginia State University Board of Governors; and

WHEREAS, WWSURDC and the University intend that this Operations Agreement be the agreement which fulfills the Affiliation Agreement;

WHEREAS, WWSURDC and the University recognize that in order for WWSURDC to accomplish its responsibilities related to the administration of research and development on behalf of the University, it will be necessary for WWSURDC to utilize a portion of the Facilities and Administrative cost reimbursement recovered by WWSURDC as hereinafter provided.;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto mutually agree and contract as follows:

ARTICLE 1

TERM

- 1.1 **Term.** This Operations Agreement is effective beginning July 1, 2011, and will be automatically renewed from fiscal year to fiscal year (e.g. state fiscal year) unless terminated or revised in writing by the parties as provided hereinafter within ninety (90) days of the commencement of each new fiscal year.
- 1.2 **Notice by the University.** In the event that the University shall elect not to renew this Operations Agreement, the University shall endeavor to give WWSURDC prompt notice of such said election by the Board not to renew.
- 1.3 **Annual Review.** In January of each year, WWSURDC and the University shall begin a review of this Operations Agreement, including any subsequently adopted amendments hereto. Such review shall be completed on or before April 1st for the purpose of determining whether any amendments if this Operations Agreement are appropriate.
- 1.4 **Amendments.** This Operations Agreement may be amended at any time upon mutual written agreement of the parties hereto, with said amendments to be executed by the Executive Director of the WWSURDC and the President of WWSU or the President's designee

ARTICLE 2
MANAGEMENT

- 2.1 Project Management. As agent for the University on selected extramurally funded projects, WVSURDC will exercise executive management and signatory authority to those projects applied for and awarded to WVSURDC under terms of the Affiliations Agreement with the West Virginia State University Board of Governors.

The University, as hereinafter described, will exercise operational project management responsibility through those offices and functions as established by the University.

- 2.2 Service Management. Reimbursable services to be provided by the University to WVSURDC (and vice versa) shall include those services and functions requested by WVSURDC as required to meet policy, administrative, and regulatory requirements of those entities sponsoring projects administered by WVSURDC. Such WVSURDC service related policies may be amended or otherwise changed from time to time upon reasonable notice to and agreement by the University.

Compensation to the University by WVSURDC will be as hereinafter provided.

- 2.3 Support Services. Except as necessary to meet its obligation related to the administration of research and development on behalf of the University, WVSURDC will compensate the University for expenses planned and budgeted in the University's annual budget. Notice of the transfer amount will be given to WVSURDC by the University through its Vice President for Finance.

Funding for WVSURDC expenses in support of furthering research and the administration of research and development will be provided from working capital, available through WVSURDC, and derived from direct or indirect funding sources (e.g. facilities and administrative costs, retained reimbursement from sponsors).

ARTICLE 3

FINANCIAL OPERATIONS

- 3.1 Financial Reporting, Billing and Audits. The WVSURDC will provide such financial reports, billing documents, and audits on behalf of the University as required by sponsoring agencies. Federal, State, and other accounting support will also be provided as required.
- 3.2 Facilities and Administrative Cost Proposal. WVSURDC and the University will cooperate in the development of a Facilities and Administrative cost proposal consistent with the requirements of Department of Health and Human Services (DHHS) or such other appropriate cognizant agency or corporate body.
- 3.3 Government Requirements. The WVSURDC, on behalf of the University, shall provide the accounting services herein described in accordance with the government standards and the appropriate generally accepted accounting principles.

ARTICLE 4

GENERAL TERMS AND CONDITIONS

- 4.1 Assurances. The WVSURDC assures that all necessary assurances and support activities will be maintained by the WVSURDC to enable the University to provide appropriate confirmation to sponsoring agencies. Specific agreements as may be required between the parties to effect WVSURDC compliance with the Federal and State law shall be subject and consistent with this Operations Agreement.
- 4.2 Situs. This Agreement is executed pursuant to and shall be construed under the laws of the State of West Virginia.

IN WITNESS WHEREOF, West Virginia State University Research and Development Corporation and West Virginia State University, have caused their names to be signed hereto by their proper officers thereunto duly authorized, all as of the day and year written above.

WEST VIRGINIA STATE UNIVERSITY

By: _____

Hazo W. Carter Jr.,
President

WEST VIRGINIA STATE UNIVERSITY
RESEARCH AND DEVELOPMENT CORPORATION

By: _____

Brunetta Dillard
Executive Director