

**MINUTES OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE**

October 3, 2016

A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on October 3, 2016 in the Training Room of the Municipal Building. David Wilson; Chairman, declared there to be a quorum and called the meeting to order.

ROLL CALL

The following members were present: Buzz Patrick, Dave Mason, Richard Chinn, Louise Dunlap, Chris Johnson, Harold Trapp, Phillip Yager, Hal Osucha, and David Wilson

The following members were absent: None

Also present were: Parker Hardy, Chamber of Commerce; Ray Evans, City of Oak Ridge; Doug Colclasure, Oak Ridge Citizen; and Samantha Royster, Executive Assistant to the IDB.

APPROVAL OF THE AGENDA

Mr. Trapp made a motion to approve the agenda as submitted. Mr. Mason seconded the motion. The motion carried unanimously.

APPROVAL OF THE MINUTES

Mr. Patrick made a motion to approve the minutes of the regular meeting held September 6, 2016 as presented. Mr. Osucha seconded the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Yager presented the financial report for September 2016 which will be placed on file.

Mr. Mason made a motion to approve the financial report as given. Ms. Dunlap seconded the motion. The motion carried unanimously.

PROSPECT ACTIVITY REPORT

Mr. Hardy reported that retail activity remains strong. Hobby Lobby, a company they had been pursuing since 2011, had their grand opening today. He stated that the news of Kmart's closing concerns him; however, the property lends itself well to some of the retail apparel stores they have been pursuing over the last few years. Mr. Hardy also stated that it is fortunate that Kmart has not renewed their lease, so the property will be immediately available to other interested companies.

Mr. Hardy informed the board that he will be inviting them to participate in a presentation in mid-November with the company Retail Strategies. The Chamber has worked previously with Retail Strategies, a company that offers guidance as to what type of business prospects Oak Ridge should be approaching. Previous efforts with the company guided them toward pursuing hobby and sporting goods retailers, a niche which will now be filled by Hobby Lobby and the future Dick's Sporting Goods within the Main Street project.

Mr. Evans expanded on Mr. Hardy's discussion regarding Kmart building. He does not anticipate the site going to only 1 tenant, since it is a 40,000 sq. ft. space. There are not many single retailers looking for that size. Mr. Evans reported that the demolition permit has been issued for the former Ruby Tuesday building, so we should be seeing activity there soon.

Mr. Evans reported good progress is being made on the redevelopment of the TIF property. The most recent activity has been the electrical in the area where Dick's and T J Maxx will be located. These are the first two stores that will be constructed followed by the 4 shops between Belk's and the post office. These 6 store are committed to opening in Spring 2017. There is also significant utility work being done in the hotel area around Wilson Street. Mr. Evans reported that all metal is being recycled and the flooring and other material is being crushed and used as backfill. RealyLink has made the first interest payment on the TIF loan.

Mr. Jones was not present, but Mr. Hardy reported that we continue to work with several existing business on expansions.

ATTORNEY REPORT

No Report

EXECUTIVE ASSISTANT REPORT

Ms. Royster included a written report with the October 2016 board packet detailing the management support services she provided to and on behalf of the IDB for September 2016. The board had no follow-up questions regarding the report, and the report was accepted as presented.

COMMITTEE REPORTS

- a. Finance Committee – No Report
- b. Land Use Committee
 1. Mr. Osucha reported that AFM has possibly located a company that is interested in clearing the timber in Area 5 after two unsuccessful public solicitations for bids. He stated that It may be necessary to call a special meeting to award the contract.
 2. Mr. Osucha reported that the bush hogging has been completed on the 117 acres in Horizon Center.
 3. Mr. Osucha reported that the City has winterized the water meters at 3 of our 4 irrigation systems in Horizon Center. The 4th water meter will be turned off next month and all irrigation systems winterized. He suggested that we not re-activate the irrigation on Renovare in the Spring as it does not have a significant impact on the landscaping in that location.
- c. Special Projects Committee

Mr. Mason reported that the committee met to review the CAM fee section in the Horizon Center covenants. He stated that they are still gathering information and will meet again this month to finalize their proposal to the board.
- d. Spec Building Committee – No Report
- e. Policies and Procedures Committee
 1. Mr. Trapp made a motion to approve the IDB Internal Controls and Compliance Manual (See Exhibit A). Mr. Osucha seconded the motion. There was discussion regarding the Control Activities Section related to the collection of CAM fees in light of the Special Projects Committee activities regarding this subject. Ms. Dunlap made a motion that the motion to adopt the policy manual be tabled until the next board meeting. Mr. Mason seconded the motion. After further discussion noting that the necessity of implementing the policy as soon as possible as required under State statute and that policies changes could be made at any time, Ms. Dunlap withdrew her motion to table and Mr. Mason withdrew his second. Mr. Wilson called for a vote on the original motion. The motion carried unanimously.
 2. Mr. Patrick made a motion to approve the IDB Procurement Policy (See Exhibit B). Mr. Trapp seconded the motion. After a brief discussion, the motion carried unanimously.

OLD BUSINESS

- a. Mr. Wilson notified the board that we received a check from HJN Properties for its prorated portion of the FY2017 CAM fees prior their sale to LeMond Composites on July 21st. LeMond had previously written us a check for the entire amount of the FY2017 CAM fees. We have reimbursed LeMond for the portion paid by HJN.

NEW BUSINESS

- a. Renewal of the MOU between the IDB and the Chamber of Commerce. Mr. Hardy stated that the only changes to the MOU are 1) rent will increase from \$12,000 per year to \$12,600 per year 2) the term of the MOU will be for two years 3) a 30 day cancellation clause by either party has been added to the MOU. Mr. Mason made the motion to approve the MOU (See Exhibit C) effective October 1, 2016. Mr. Patrick second the motion. The motion carried unanimously.

- b. Mr. Wilson discussed the importance of establishing the Horizon Center Property Owners and Occupants Association as outlined in the Horizon Center Covenants and begin better communication with the owners in the park. He suggested that the IDB board member be the board members of the association, since we are the majority owners. At the recommendation of IDB Counsel, Ms. Dunlap made a motion that the IDB board recommend the Horizon Center Property Owners and Occupants Association Bylaws (See Exhibit D) for adoption by the Association. Mr. Yager seconded the motion. Mr. Chinn, Mr. Trapp, Mr. Osucha, Mr. Wilson, and Mr. Mason voted yes. Mr. Patrick and Mr. Johnson voted no. The motion carried.

The IDB will contact the Horizon Center owners and occupants, send them a copy of the bylaws, and set up a meeting of the Horizon Center Property Owners and Occupants Association.

ADJOURN

Ms. Dunlap made a motion to adjourn the meeting. Mr. Mason second the motion. The motion carried unanimously.

The meeting adjourned at 5:16 P.M.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD

November 7, 2016



Phillip Yager
Secretary/Treasurer

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE**

**INTERNAL CONTROL AND COMPLIANCE
POLICIES AND PROCEDURES MANUAL**

INTRODUCTION

The Industrial Development Board of the City of Oak Ridge (the “IDB”) has the responsibility to be good stewards of public monies and property. In our efforts to serve the public, the IDB established this Internal Control and Compliance Policies and Procedures Manual (the “Manual”) using widely recognized best practices and state and federal directives. This manual has been established to provide reasonable assurance that IDB assets are safeguarded, that accountability is achieved, and that errors in financial records will be less likely to occur and are likely to be identified. It is a means by which IDB resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting IDB resources, both physical (e.g. cash, property, equipment, etc.) and intangible (e.g. reputation).

State of Tennessee statutes require the Comptroller’s Office, Department of Audit to prescribe uniform accounting systems for entities that handle public funds. Those statutes require public officials to adopt and use the system designated by the Comptroller’s Office. The Tennessee Legislature amended TCA Section 9-2-102 in 2015 to require local governments to establish and maintain internal controls in accordance with guidance issued by the U.S. Government Accountability Office (GAO). The guidance is titled *Standards for Internal Control in the Federal Government* (Green Book). The Green Book follows the format developed by the Committee of Sponsoring Organizations (COSO) which has been the gold standard of internal control for all entities except the federal government for several years.

The internal control system consists of three (3) objectives and five (5) main components. Within the 5 components there are seventeen (17) principles that apply to certain components. The state considers the 5 elements mandatory and the 17 principles are optional. The IDB has chosen to only address the minimum requirements of the state in this manual however the 17 principles from the Green Book are presented below for informational purposes and to help explain the 5 components.

THREE (3) OBJECTIVES OF INTERNAL CONTROLS:

1. **Reporting-** financial reporting will be reliable
2. **Operations-** effectiveness and efficiency of operations
3. **Compliance-** compliant with applicable laws, regulations, contracts and grant agreements

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Internal Control and Compliance Policies and Procedures Manual

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Approved by Board Resolution Dated:

FIVE (5) MAIN COMPONENTS OF INTERNAL CONTROLS THAT ARE REQUIRED TO BE ADDRESSED:

1. **Control Environment**- the foundation for an internal control system
2. **Risk Assessment**- the identification and analysis of relevant risks to the achievement of objectives, forming a basis for how the risks should be managed
3. **Control Activities**- the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system
4. **Information and Communication**- systems or processes that support identification, capture, and exchange of information that personnel and management use to support the internal control system
5. **Monitoring**- processes used to assess the quality of internal control performance over time

The purpose of this manual is to ensure that the objectives of reporting and compliance are established. The policies to achieve the objectives are derived from various financial best practices, state and federal laws and regulations, and policies that have been developed to suit specific needs of IDB functions and resources. Detailed procedures have been developed and documented as a means for the IDB to comply with its established policies.

OV2.09 THE GREEN BOOK

Figure 3: The Five Components and 17 Principles of Internal Control:

CONTROL ENVIRONMENT:

1. The oversight body and management should demonstrate a commitment to integrity and ethical values.
2. The oversight body should oversee the entity's internal control system.
3. Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.
4. Management should demonstrate a commitment to recruit, develop, and retain competent individuals.
5. Management should evaluate performance and hold individuals accountable for their internal control responsibilities.

RISK ASSESSMENT:

6. Management should define objectives clearly to enable the identification of risks and define risk tolerances.
7. Management should identify, analyze, and respond to risks related to achieving the defined objectives.
8. Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
9. Management should identify, analyze, and respond to significant changes that could impact the internal control system.

CONTROL ACTIVITIES:

10. Management should design control activities to achieve objectives and respond to risks.
11. Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
12. Management should implement control activities through policies.

INFORMATION AND COMMUNICATION:

13. Management should use quality information to achieve the entity's objectives.
14. Management should internally communicate the necessary quality information to achieve the entity's objectives.
15. Management should externally communicate the necessary quality information to achieve the entity's objectives.

MONITORING:

16. Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
17. Management should remediate identified internal control deficiencies on a timely basis.

Source: GAO. GAO-14-704G.

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COMPONENT 1: CONTROL ENVIRONMENT

Organizational Structure

The Industrial Development Board of Directors (IDB) is comprised of nine (9) members appointed by Oak Ridge City Council for six-year staggered terms of office. The IDB is a nonprofit, public corporation whose purpose is as prescribed by the Industrial Development Corporation Act of Tennessee as set forth in the State statute TCA §7-53-101 et seq. These powers enable the IDB to acquire, own, lease and dispose of properties to promote industry and to develop trade by attracting manufacturing, industrial and commercial enterprises to Oak Ridge. The IDB meets regularly on the first Monday of each month at a minimum; however, special meetings may be called at other times by providing the Board twenty-four (24) hours public notice consistent with the policies of the Oak Ridge City Council.

IDB officers are elected at its annual meeting each January and consist of a Chair, Vice-Chair, and Secretary/Treasurer whose duties are outlined in the Bylaws. Five (5) Directors shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. When a quorum is in attendance for any IDB meeting, action may be taken by the Board upon a vote of a majority of the Directors present.

Assignment of Authority

Collectively, Board members have responsibility for the IDB's overall strategic direction, the creation of an appropriate internal control framework, and the implementation of it and all other policies and procedures to facilitate the achievement of IDB operations and objectives. The Chair has the power to appoint committees as he/she may deem advisable; said committees have the power to recommend a course of action to the Board but have no extraordinary powers to act.

The Bylaws of the IDB assign certain duties to officers of the Board. (See Attached Exhibit A) In addition to the appointment of committees, the Chair shall preside at all IDB meetings and submit such recommendations and information as he/she may consider proper concerning the business affairs and policies of the IDB. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. The IDB has chosen to combine the duties of the Secretary and Treasurer. The Secretary/Treasurer shall keep the records of the IDB, act as Secretary of the meetings by recording all votes and maintaining the minutes of the proceedings. As Treasurer, he/she shall have the care and custody of all funds of the IDB, shall sign all orders and checks for the payment of money disbursed under the direction of the Board. All orders and checks shall also be countersigned by the Chair.

Board members are duly qualified electors of and taxpayers in the City of Oak Ridge and serve without compensation for their services. In accordance with IDB Bylaws, the Board has elected to employ, by contract, a qualified individual who will assist them in management of the IDB administrative office. The Executive Assistant will perform duties outlined in a service contract approved by Board resolution for a term of one year. The Executive Assistant is under the direct

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Control Environment (Continued)

supervision of the Chair but shall provide support services to the Board, Committees, and Directors individually. The City Attorney will assist the IDB in all legal matters.

Code of Ethics

Those acting on behalf of the IDB have a duty to conduct themselves in a manner that will maintain the public's trust in the integrity of the IDB and to act compatibly with their obligation to the IDB. The IDB is committed to establishing and maintaining ethical principles in all matters. As a City of Oak Ridge Board, Title 21 of the Oak Ridge Municipal Code, the "Code of Ethics" shall be applicable to anyone acting on behalf of the IDB. (See Exhibit B)

COMPONENT 2: RISK ASSESSMENT

Overview

The IDB assess risk of operations continually. As a City Board, most IDB risks are covered under the City of Oak Ridge Liability Insurance policy with the Tennessee Municipal League Risk Management Pool which includes the following types of insurance:

- General Liability
- Errors and Omissions
- Automobile Liability and Physical Damage

In addition, a Dishonesty Bond is purchased annually insuring the IDB for the loss of money or other property it might incur due to fraudulent or dishonest acts committed by its Executive Assistant.

The IDB may not anticipate or identify all risks as they relate to financial and compliance issues, but it has assessed the following objectives and identified certain risks that it feels need to be addressed by the development of internal control policies and procedures. Internal controls will not eliminate all risk but will help reduce risk to gain reasonable assurance that reporting and compliance objectives are being met.

Collections

Are **collections** complete, timely and accurate?

Risk

- a. Collections could be lost or misappropriated
- b. Collections could be recorded improperly
- c. Collections may not be deposited in the bank and recorded timely

Disbursements

Are **disbursements** for a valid IDB purpose and properly recorded?

Risk

- a. Disbursements could be unauthorized.
- b. Disbursements could be made for items or services never received.

Safeguarding of Assets

Are **assets** properly safeguarded?

Risk

- a. Bank balances may be inaccurate due to failure to reconcile bank accounts.
- b. Capital assets or inventory items could be missing.

Compliance

Is the IDB in **compliance** with contractual, local, state and federal laws and regulations?

Risk

- a. New accounting standards or new laws and regulations were not followed.
- b. Grant funds could be spent for unallowable items.
- c. Reporting requirements were not met.

The significant areas of risk are identified above and policies and procedures will be documented in the **next section** to explain how the IDB plans to put internal controls in place to help reduce some of the risks associated with these area of operations.

COMPONENT 3: CONTROL ACTIVITIES

Overview

This section is where the detailed procedures will be documented. The objectives, policies and implemented procedures will be described for each of the significant areas identified in the Risk Assessment section.

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Control Activities (Continued)

Collections

The IDB does not receive regular collections. The only sources for which the IDB collects revenue are as follows:

- CAM Fees- Common Area Maintenance fees are billed annually in August to owners and occupants in Horizon Center Industrial Park.
- Application, Closing, or other Fees related to incentive- Fees received from companies when applying or closing on incentives such as PILOT, TIF, Grants or Industrial Revenue Bonds.
- Real Estate Sales- Revenue received from the sale of land in Horizon Center Industrial Park or other IDB owned property.

Objectives

- a. Collections are complete, timely and accurate.
- b. Collections are safeguarded.
- c. Collections should be recorded accurately and timely in the accounting system.

Policies/Procedures

- a. The IDB does not accept cash for collections.
- b. In August, the Executive Assistant calculates annual CAM fees using CAM fee worksheet.
- c. Land Use Committee Chairman will review the CAM fee worksheet calculations and approve.
- d. The Executive Assistant will mail letters to owners and occupants requesting payment within 30 days.
- e. The Executive Assistant opens all IDB mail and distributes to Board members.
- f. The Executive Assistant will immediately email notification to the Secretary/Treasurer and Chairman of any checks received for CAM fees along with a copy of the check and make sure it is for the billed amount.
- g. The Executive Assistant will deposit checks in the General Fund bank account and record deposit in the IDB accounting software program under the correct general ledger account per Board approved budget.
- h. Collections for application fees, closing fees, and other fees related to incentives will be accepted by the Executive Assistant under resolution of the Board and in accordance with the appropriate fee schedule for the incentive, deposited into the General Fund bank account or other as directed by the Board, and recorded in the IDB accounting software under the correct general ledger account per Board Approved Budget.

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Control Activities (Continued)

- i. Collections for revenue from real estate sales will be accepted by the Executive Assistant under resolution of the Board, deposited into the General Fund bank account or other as directed by the Board, and recorded in the IDB accounting software under the correct general ledger account per Board Approved Budget.
- j. All collections must be deposited within three (3) days of receipt in accordance with the IDB Investment and Deposit Policy.
- k. All checks that are not immediately deposited will be kept under lock in the IDB office. The Executive Assistant and IDB Chairman possess keys to the IDB office.

Disbursements

Objectives

- a. Disbursements are for a valid IDB purpose and necessary.
- b. Disbursements are timely.
- c. Disbursements are accurately coded and recorded in the accounting system.
- d. Disbursements were authorized and approved.

Policies/Procedures

- a. The IDB has adopted a procurement policy that complies with state law.
- b. Various levels of authority have been assigned.
- c. Checks are written by the Executive Assistant at least twice each month and other times as needed to ensure invoices are paid timely.
- d. All checks require two IDB officer's signatures.
- e. Invoices, contracts, board minutes and/or other documentation is attached to the check at the time of signing. The date processed, check number, GL number, and signature of the Executive Assistant will be noted on document. The attached documentation will be reviewed, approved and signed by Secretary/Treasurer and/or Chairman.
- f. Hand written checks are entered into the IDB accounting software as written and coded to the correct GL account per Board approved budget.

Safeguarding of Assets

Objectives

- a. Ensure Cash, Accounts Receivable and other asset accounts are reconciled.
- b. Ensure investments are safe and in accordance with adopted investment policy.
- c. Ensure city assets are protected against loss, misappropriation or theft.
- d. Ensure IDB assets are properly valued and protected.

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Control Activities (Continued)

Policies/Procedures

- a. The Executive Assistant will access and download IDB bank statements from bank website within 1 -2 days after the end of the month billing cycle, reconcile each statement to the general ledger within the IDB accounting software, and prepare monthly financial statements (Balance Sheet, P & L Previous Month Comparison Statement, and P & L Budget Performance Statement).
- b. The Executive Assistant will email bank statements, bank reconciliations and financial statements to the Secretary/Treasurer for review and approval.
- c. Upon approval of the Secretary/Treasurer, the Executive Assistant will email financial statements to all Board member in the monthly board meeting agenda packet.
- d. Financial Statements are formally approved by the Board at the monthly board meeting.
- e. The Executive Assistant will sign off on each bank statement/reconciliation and bring them to the monthly board meeting for Secretary/Treasurer to sign.
- f. Financial records are maintained in accounting software system such as QuickBooks and a computer filing system.
- g. Hard copies of the financial records will also be maintained in a file labeled by month and year in the IDB office.
- h. All financial records will be maintained in accordance with the IDB Records Retention and Documents Destruction Policy.
- i. All bank accounts are appropriately collateralized, invested and deposited in accordance with the IDB Investment and Deposit Policy.
- j. All bank accounts are held in financial institutions under the IDB's name.
- k. Capital expenditures are identified, recorded in the financial statements, and capitalized in accordance with the IDB capitalization policy.

Compliance

Objectives

- a. To ensure accounting standards, laws or regulations being followed.
- b. To ensure that state and federal grant regulations are understood and followed.
- c. To ensure reporting requirements are being met.

Policies/Procedures

- a. Financial Statements are prepared in accordance with generally accepted accounting principles (GAAP) and in accordance with the IDB Fund Balance Policy.
- b. The IDB had adopted a Debt Management Policy in accordance with state and local requirements.
- c. Grants are applied for under resolution by the Board and the IDB will comply with all applicable laws and reporting requirements set forth under the grant.

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Control Activities (Continued)

- d. The Executive Assistant will mail out 1099's at the end of the calendar year when required and submit reports to IRS.
- e. The Board will ask IDB counsel to advise them on all the legal issues as necessary.
- f. The Board and Executive Assistant will review any new accounting standards annually.
- g. The IDB will contract annually with a qualified company to perform its annual audit for submission the State Comptroller's office.
- h. The Executive Assistant will close accounting records at fiscal year-end and provide all requested documents to the auditor.

COMPONENT 4: INFORMATION AND COMMUNICATION

Overview

Management has the responsibility to adequately communicate and provide information to both internal and external parties. It is important that employees know the objectives, policies and procedures management has established and what the expectations are for internal controls. External stakeholders also seek information regarding objectives and reliable financial information.

Objectives

- a. Necessary quality information for achieving the IDB's objectives is available and used.
- b. Necessary quality information for achieving the IDB's objectives is internally communicated by the Board.
- c. Necessary quality information for achieving the IDB's objectives is externally communicated by the Board.

Policies/Procedures

- a. New Board members are given a board binder that contain the IDB charter, bylaws, mission, history, property information, policies, contact information and other relevant information.
- b. Contact information for Board members and Executive Assistant is kept current.
- c. The Executive Assistant distributes information to Board members by email and coordinates the exchange of information between members to comply with the Tennessee Open Meetings Act.
- d. The Executive Assistant is responsible for keeping IDB records on the IDB computer and paper records are maintained in the IDB office. Electronic records including financial information is backed up to a web-based, file storage system each week.
- e. IDB records are maintained in compliance with the IDB Records Retention and Documents Destruction Policy.

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Information and Communication (Continued)

- f. Financial information is prepared in accordance with generally accepted accounting principles in order to provide quality and accurate information to internal and external parties.
- g. External requests for IDB records are sent through the City Clerk's office in accordance with City of Oak Ridge policy.
- h. A letter will be sent annually to the City of Oak Ridge members of City Council outlining IDB accomplishments.
- i. Board Packets and Notices of IDB meetings will be consistent with the policies of the Oak Ridge City Council.

COMPONENT 5: MONITORING

Overview

The internal control system changes as technology, staff, objectives and policies change. Management is charged with continually monitoring the internal control system to determine if it is operating as it was designed to do and to ensure the controls are being followed.

Objectives

- a. To practice activities to monitor the internal control system and evaluate the results.
- b. To address deficiencies noted in the internal control system in a timely manner.

Policies/Procedures

- a. The DB shall continually monitor and review established policies and internal controls through individual oversight by IDB officers and through discussion at IDB committee meetings or regular board meetings.
- b. The IDB shall revise or adopt policies to establish, improve, or correct any areas of deficiency regarding internal controls and compliance.

Exhibit A

AMENDED
BYLAWS OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF OAK RIDGE

ARTICLE I – Office Location

The principal offices of the Industrial Development Board shall be at a place in the City of Oak Ridge to be designated by the Board of Directors. Meetings of the Board of Directors for the transaction of business, except such as required by law to be transacted at the principal offices, may be held elsewhere in the city of Oak Ridge. All books, journals and records of the Industrial Development Board shall be kept at the principal office.

ARTICLE II – Board of Directors

The Board of Directors shall consist of nine (9) members in which all powers of the Industrial Development Board are vested. All directors shall be duly qualified electors of and taxpayers in the city of Oak Ridge. The directors shall serve as such without compensation except that they shall be reimbursed for their actual expenses incurred in and about the performance of their duties. No director shall be an officer or employee of the City of Oak Ridge.

The directors shall be elected by the City Council of the City of Oak Ridge and they shall be so elected that they shall hold office for staggered terms. The terms of all directors shall be six years.

ARTICLE III – Officers of the Board

The officers of the Board of Directors shall consist of a Chair, a Vice-Chair, a Secretary and a Treasurer. The Chair shall preside at all meetings of the Board of Directors. Except as otherwise authorized by Resolution of the Board of Directors, the Chair shall sign all contracts, bonds, deeds and other instruments made by the Board of Directors. At each meeting, the Chair shall submit such recommendations and information as he/she may consider proper concerning the business affairs and policies of the Board of Directors.

The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of the resignation or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair until such time as a new Chair shall be selected.

The Secretary shall keep the records of the Board of Directors, shall act as Secretary of the meetings of the Board of Directors and record all votes, and shall keep a record of the proceedings of the Board of Directors in a journal of proceedings to be kept for such purposes, and shall perform all duties incidental to his/her office.

The Treasurer shall have the care and custody of all funds of the Industrial Development Board and shall deposit the same in the name of the Industrial Development Board in such bank or banks as the Board of Directors may select. The Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Board of Directors. Except as otherwise authorized by Resolution of the Board of Directors, all such orders and checks shall be countersigned by the Chair. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board of Directors, at each regular meeting (or more often upon request), an account of his/her transactions and also of the financial condition of the Board. The Secretary shall give such bond for the faithful performance of his/her duties as the Board of Directors may designate.

The offices of Secretary and Treasurer may be combined and occupied by the same person.

The officers of the Board of Directors shall perform such other duties and functions as may from time to time be required by the Board of Directors or the bylaws or rules and regulations of the Board of Directors.

The Chair, Vice-Chair, Secretary and Treasurer shall be elected in January¹ at the annual meeting of the Board of Directors from among the directors and shall hold office for one year or until their successors are elected and qualified. Should any office become vacant, the Board of Directors shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

The Board of Directors may, from time to time, employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Industrial Development Corporation Act of Tennessee and all other laws of the State of Tennessee applicable thereto. The selection and compensation of such personnel shall be determined by the Board of Directors subject to the laws of the State of Tennessee.

¹ The terms and election of officers for all City Boards and Commissions was changed to January by Council Resolution No. 2-8-11, dated February 14, 2011.

ARTICLE IV – Meetings

The annual meeting of the Board of Directors shall be held on the **first** Monday of January at 4:00 p.m. at the office of the Board.

Monthly meetings shall be held with notice at the office of the Board of Directors at 4:00 p.m. on the first Monday, unless the same falls on a legal holiday, in which event said meeting shall be held on the next succeeding secular day; however, the place, date and time of holding regular meetings may be changed from time-to-time, by Resolution, without the formality of amending this section.

Special meetings shall be called by the Chair at his/her discretion or in response to written request of any two (2) Board Directors by providing each member with at least twenty-four (24) hours written notice served personally, by email, or left at his/her usual place of residence. Business transacted at any special meeting shall be limited to subjects recited in the notice of such meetings. The public shall be given twenty-four (24) hour notice of each special meeting consistent with the notification means used by the Oak Ridge City Council.

The powers of the Industrial Development Board shall be vested in the Board of Directors thereof in office from time-to-time. Five (5) Directors shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time-to-time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Board of Directors upon a vote of a majority of the Directors present.

The Chair shall have the power to appoint such committees as he/she may deem advisable; said committees shall have the power to recommend a course of conduct to the Board of Directors but shall have no extraordinary powers to act.

At the regular meetings of the Board of Directors the following shall be the order of business:

1. Call to order
2. Roll call
3. Approval of Agenda
4. Approval of minutes of previous meeting
5. Treasurer's report
6. Executive Director's report
7. Attorney's report
8. Committee reports
9. Old business
10. New business
11. Adjournment

All Resolutions shall be in writing and shall be copied in a journal of the proceedings of the Board of Directors.

The voting on all questions/motions, which are not unanimous, shall be by roll call and the "aye's", "nay's" and abstentions shall be entered upon the minutes of each meeting.

ARTICLE V - Contracting Powers

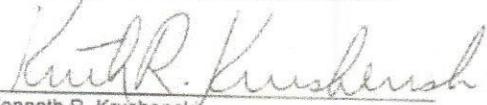
The Industrial Development Board of Oak Ridge is formed under the authority contained in Sections 7-53-101 et seq., Tennessee Code Annotated and is vested with all of the powers granted therein. The purpose of the organization of the Industrial Development Board is to acquire, own, lease and dispose of properties and thus promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate in or remain in the City of Oak Ridge. Upon entering into any contract or lease agreement with any manufacturing, industrial or commercial enterprise, the Industrial Development Board may provide therein for a payment by such enterprise of a sum of money in lieu of taxes, which sum may be fixed as a separate item for payment in the instrument of lease or other document or may be included in the rental payments provided for in such instrument.

ARTICLE VI - Adoption and Amendment

The Bylaws of this Industrial Development Board shall be promulgated and established by the Board of Directors, but in accordance with the provision contained in the Articles of Incorporation, such bylaws and any amendments thereto shall first be submitted to the Mayor and Councilmen of the City of Oak Ridge and approved by Resolution duly adopted.

The Bylaws may be amended only with the approval of at least three-fourths of the Directors at a regular meeting or at a Special Meeting called for the purpose provided however, that at least seven (7) days notice in writing shall have been given to all of the Directors of the proposed amendment.

APPROVED AS TO FORM AND LEGALITY:


Kenneth R. Krushenski
Of Counsel to the
Industrial Development Board

INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE, TENNESSEE

By: 
William J. Biloski - Chair

Dated: 1-3-2012

Exhibit B

Change 2, August 20, 2007

21-1

TITLE 21

CODE OF ETHICS

CHAPTER 1

CODE OF ETHICS

SECTION

- 21-101. Applicability.
- 21-102. Definition of "personal interest."
- 21-103. Disclosure of personal interest by official with vote.
- 21-104. Disclosure of personal interest in nonvoting matters.
- 21-105. Acceptance of gratuities, etc.
- 21-106. Use of information.
- 21-107. Use of city time, facilities, etc.
- 21-108. Use of position or authority.
- 21-109. Outside employment.
- 21-110. Ethics complaints.
- 21-111. Violations.

21-101. **Applicability.** This chapter is the code of ethics for personnel of the city. It applies to all full-time and part-time elected or appointed officials and employees, whether compensated or not, including those of any separate board, commission, committee, authority, corporation, or other instrumentality appointed or created by the city, including but not limited to the Oak Ridge City Schools and its Board of Education. (as added by Ord. #7-07, May 2007)

21-102. **Definition of "personal interest."** The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(1) The word "censure" means an expression of severe criticism or reproach.

(2) The word "complaint" means a written, signed document setting forth the reason(s) for belief of an ethics violation. A complaint must contain the original signature of the complaining party and such person's contact information including but not limited to full name, address, and telephone number. Comments sent by email, facsimile or other electronic means are not original documents and shall not constitute a valid complaint.

(3) The words "employment interest" includes a situation in which an official or employee or a designated family member is negotiating possible employment with a person or organization that is the subject of the vote or that is to be regulated or supervised.

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(4) The word "gift" means the transfer of anything of economic value, regardless of form, without reasonable consideration. "Gift" may include a subscription, membership, loan, forgiveness of debt, advance or deposit of money or anything of value, conveyed or transferred. "Gift" does not include political campaign contributions which are solicited or accepted in accordance with applicable laws and regulations.

(5) The word "official" means the members of city council, as well as members appointed thereby to city boards, commissions, committees, authorities, corporations or instrumentalities established by law or by this code. "Official" also includes the city judge.

(6) The words "personal interest" mean: (a) Any financial, ownership, or employment interest in the subject of a vote by a city board not otherwise regulated by state statutes on conflicts of interests: or

(b) Any financial, ownership, or employment interest in a matter to be regulated or supervised; or

(c) Any such financial, ownership, or employment interest of the official's or employee's spouse, parent(s) (including natural, step or adoptive, as well as inlaws), grandparent(s), sibling(s) (including natural, step or adoptive), child(ren) (including natural, step or adoptive, as well as grandchildren and inlaws), and any other individual residing within the employee's household who is a legal dependent of the employee or official for income tax purposes.

In any situation in which a personal interest is also a conflict of interest under state law, the provisions of the state law take precedence over the provisions of this chapter. (as added by Ord. #7-07, May 2007)

21-103. Disclosure of personal interest by official with vote. An official with the responsibility to vote on a measure shall disclose during the meeting at which the vote takes place, before the vote and so it appears in the minutes, any personal interest that affects or that would lead a reasonable person to infer that it affects the official's vote on the measure. In addition, the official may recuse himself or herself from voting on the measure. (as added by Ord. #7-07, May 2007)

21-104. Disclosure of personal interest in nonvoting matters. An official or employee who must exercise discretion relative to any matter, other than casting a vote, and who has a personal interest in the matter that affects or that would lead a reasonable person to infer that it affects the exercise of the discretion shall disclose, before the exercise of the discretion when possible, the interest on a form provided by and filed with the city clerk. Copies of such forms filed with the city clerk shall be provided to the city manager and, in the case of an employee, filed in the employee's personnel file. In addition, the official or employee may, to the extent allowed by law, charter, ordinance, or policy, recuse

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himself or herself from the exercise of discretion in the matter. (as added by Ord. #7-07, May 2007)

21-105. Acceptance of gratuities, etc. An official or employee may not accept, directly or indirectly, any money, gift, gratuity, or other consideration or favor of any kind from anyone other than the city:

(1) For the performance of an act, or refraining from performance of an act, that he or she would be expected to perform, or refrain from performing, in the regular course of his or her duties; or

(2) That might reasonably be interpreted as an attempt to influence his or her action, or reward him or her for past action, in executing city business.

This section does not apply to those items that are specifically covered by a separate policy and/or procedure established by the city manager pertaining to gifts and gratuities. (as added by Ord. #7-07, May 2007)

21-106. Use of information. (1) An official or employee may not disclose any information obtained in his or her official capacity or position of employment that is made confidential under state or federal law except as authorized by law.

(2) An official or employee may not use or disclose information obtained in his or her official capacity or position of employment with the intent to result in financial gain for himself or herself or any other person or entity. (as added by Ord. #7-07, May 2007)

21-107. Use of city time, facilities, etc. (1) An official or employee may not use or authorize the use of city time, facilities, equipment or supplies for private gain or advantage to himself or herself.

(2) An official or employee may not use or authorize the use of city time, facilities, equipment or supplies for private gain or advantage to any private person or entity, except as authorized by legitimate contract or lease that is determined by the city manager or city council to be in the best interests of the city or as otherwise permitted by law. (as added by Ord. #7-07, May 2007)

21-108. Use of position of authority. (1) An official or employee may not make or attempt to make private purchases, for cash or otherwise, in the name of the city; provided, however, that this section shall not apply to reasonable amounts paid for:

(a) Food, transportation, lodging and other travel expenses incurred in accordance with the city's travel policy.

(b) Dues, registrations, meals and similar expenses incurred in conjunction with membership or participation in a professional or community organization to which the official or employee belongs in his or her official capacity.

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(c) Meals purchased in the course of an official business meeting conducted on the city's behalf.

(2) An official or employee may not use or attempt to use his or her position to secure any privilege or exemption for himself or herself or others that is not authorized by the charter, general law, or ordinance or policy of the city. No officer shall intimidate, threaten, coerce, discriminate against, or give the appearance of or attempt to intimidate, threaten, coerce or discriminate against any employee for the purpose of interfering with that person's freedom of choice in the regular discharge of his or her official duties.

(3) No official or employee shall provide commercial or advertising endorsements in such a manner as to convey the city's approval of any private for-profit enterprise; provided, however, that an official or employee may respond to inquiries seeking information as to the city's experience with a vendor or other private enterprise. (as added by Ord. #7-07, May 2007)

21-109. Outside employment. An official or employee may not accept or continue any outside employment if the work unreasonably inhibits the performance of any affirmative duty of the municipal position or conflicts with any provision of the city's charter or any ordinance or policy. This section does not negate the requirement for employees to obtain prior approval before beginning any outside employment. (as added by Ord. #7-07, May 2007)

21-110. Ethics complaints. (1) The city attorney is designated as the ethics officer of the city. Upon the written request of an official or employee potentially affected by a provision of this chapter, the city attorney may render an oral or written advisory ethics opinion based upon this chapter and other applicable law.

(2) (a) Except as otherwise provided in this subsection, the city attorney shall investigate any credible complaint against an appointed official or employee charging any violation of this chapter, or may undertake an investigation on the city attorney's own initiative when the city attorney acquires information indicating a possible violation and make recommendations for action to end or seek retribution for any activity that, in the attorney's judgment, constitutes a violation of this code of ethics.

(b) The city attorney may request that the city manager or city council hire another attorney, individual, or entity to act as ethics officer when the city attorney has or will have a conflict of interests in a particular matter.

(c) When a complaint of a violation of any provision of this chapter is lodged against the city attorney, the city manager, or a member of city council, city council shall take the following action:

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(i) Determine whether the complaint has merit and warrants further investigation, or determine if the complaint is frivolous and without merit.

(ii) If city council determines the complaint has merit and warrants further investigation, city council shall direct that the complaint be investigated by an independent person, group of persons, or firm chosen by the city manager and city attorney when the complaint is against a member of city council, and chosen by city council when the complaint is against the city manager or the city attorney.

(3) The interpretation that a reasonable person in the circumstances would apply shall be used in interpreting and enforcing this code of ethics.

(4) When a violation of this code of ethics also constitutes a violation of a personnel policy, rule, or regulation or a civil service policy, rule, or regulation, the violation shall be dealt with as a violation of the personnel or civil service provisions rather than as a violation of this code of ethics. (as added by Ord. #7-07, May 2007)

21-111. Violations. An elected official or appointed member of a separate city board, commission, committee, authority, corporation, or other instrumentality who violates any provision of this chapter is subject to punishment as provided by the city's charter or other applicable law and in addition is subject to censure by city council. An appointed official or an employee who violates any provision of this chapter is subject to disciplinary action. (as added by Ord. #7-07, May 2007)

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE**

PROCUREMENT POLICY

I. SCOPE AND PURPOSE

In accordance with the State of Tennessee Municipal Purchasing Law of 1983, T.C.A. §6-56-301, et seq., this policy applies to the procurement of all goods and services by the Industrial Development Board of the City of Oak Ridge (IDB) and establishes the maximum dollar limit over which competitive bidding is required. The primary objectives of this Procurement Policy (Policy) is to assure the prudent and economical use of IDB monies, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

This Policy is not intended to conflict with any existing federal or state law. It represents the minimal purchase requirements. If any part of the Policy conflicts with the law, the law shall take precedence over the Policy.

All purchases shall be made within the limits of the IDB approved operating budget.

This Policy shall be reviewed by the IDB occasionally as needed.

II. PROCUREMENT PROCESS

1. PROCUREMENT SUBJECT TO COMPETITIVE BIDDING

In order to determine if the procurement of goods or services is subject to competitive bidding, the Chairman or an authorized designee shall:

- a. Make an initial determination as to whether the expenditure will be \$10,000 or greater.
- b. Review the purchase request against prior years' expenditures and shall make a good faith effort to determine whether it is known or can reasonably be expected that the aggregate purchases of similar nature will be \$10,000 or greater. If so, the procurement will be subject to competitive bidding.

2. DETERMINATION

If the procurement is determined to be not subject to competitive bidding, the Chairman or an authorized designee shall complete the IDB Procurement Specifications/Quotes sheet as shown in the attached Exhibit A. The IDB Procurement Specifications/Quotes sheet shall be filed in the file of the Vendor from which the goods/services is purchased or leased.

3. PROCEDURE FOR PURCHASES, LEASES, OR LEASE-PURCHASES OF GOODS OR SERVICES UNDER \$10,000:

- a. \$.01 - \$1,000 May be purchased at the discretion of the Chairman.
- b. \$1,001 - \$2,500 May be purchased at the discretion of the Chairman but shall, be purchased from the vendor providing the lowest of at least three (3) verbal quotes.
- c. \$2,501 - \$5,000 May be purchased at the discretion of the Chairman with the concurrence of the Vice-Chairman or Secretary/Treasurer, but shall, whenever possible, be purchased from the vendor providing the lowest quote after receiving at least three (3) written, faxed or emailed quotes.
- d. \$5,001 - \$9,999 Upon IDB Resolution, shall be purchased from the vendor providing the lowest quote after receiving at least three (3) written, faxed or emailed quotes.

4. COMPETITIVE BIDDING- PROCEDURE FOR PURCHASES, LEASES, OR LEASE-PURCHASES OF GOODS OR SERVICES \$10,000 AND HIGHER:

Public advertisement and formal sealed bids shall be obtained for goods and services which involve an expenditure of ten thousand dollars (\$10,000.00) and higher, and the obtaining of such goods or services shall be obtained by resolution of the IDB.

If the procurement is determined to be subject to competitive bidding, a Request for Proposals (RFP) or Request for Quote (RFQ) will be prepared in accordance with existing laws and in consult with IDB legal counsel and contain, at a minimum, the following bid documents:

- a. Bid Notice that specifies date due and time of bid opening
- b. Bid Submittal Instructions
- c. General Information and Specifications
- d. Bid Form
- e. Bid Form Signature Page
- f. Sample Contract

All purchases, leases or lease-purchase arrangements subject to competitive bidding will be made in the open market with public advertisement, and shall, whenever possible, be based upon at least three (3) competitive bids.

Notice and procedure for inviting bids and opening of sealed bids will be consistent with City of Oak Ridge policies.

Procurement Policy**Effective Date: October 3, 2016****Approved by Board Resolution Dated: October 3, 2016**5. MISCELLANEOUS

- a. Verbal Quote. The documentation of a verbal quote shall include, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor's representative, if any, delivery or service date.
- b. Written Quote. The vendor should provide, at a minimum, the date, description of item or details of service, price quoted, name of vendor, contact information, delivery or service date.
- c. Award of Contract. Contracts shall be awarded to the lowest responsible vendor whose goods and/or services meet the specifications. Contracts for professional services must be in writing and approved/signed by the IDB Chairman, IDB Counsel, and authorized representative for the Vendor.

6. CIRCUMSTANCES JUSTIFYING AN AWARD TO OTHER THAN LOWEST QUOTE

- a. Delivery or service requirements
- b. Specification requirements
- c. Quality
- d. Past vendor performance
- e. Unavailability of three (3) or more vendors who are able to provide a quote
- f. It is in the best interest of the IDB to consider only one vendor who has previous expertise with respect to the particular procurement

When an award is made to a vendor who did not provide the lowest quote, the reason why it is in the best interest of the IDB must be set forth and justified in writing, by the Chairman or an authorized designee, and filed in the file of the Vendor from which the goods/services is purchased or leased.

III. **EXEMPTIONS FROM PROCUREMENT PROCESS/BIDDING**

1. EMERGENCY PURCHASES. When necessary items are purchased in the open market for immediate delivery to meet emergency needs, arising from unforeseen cause. The existence of such condition creates an immediate and serious need for supplies or services that cannot be met through the normal procurement process, and the lack of services or supplies would seriously threaten the functioning of the IDB. The Chairman or his designee shall obtain a verbal quote, at a minimum, which shall be documented and shall also include a description of the facts giving rise to the emergency and that it meets the criteria set forth herein. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

Procurement Policy**Effective Date: October 3, 2016****Approved by Board Resolution Dated: October 3, 2016**

2. REAL PROPERTY. The purchase, lease, or lease-purchase of real property is not subject to this Policy.
3. PURCHASES FROM THE STATE OF TENNESSEE GENERAL SERVICES CONTRACTS, the GSA of the Federal Supply Schedule, or similar agencies with cooperative purchase agreements is exempt from bidding.
4. SOLE SOURCES. In this situation, there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits compared to other goods and/or services available in the marketplace; no other item provides substantially equivalent or similar benefits; and considering the benefits; and considering the benefits the cost is reasonable. The IDB should adopt a resolution describing the goods and/or services and waiving the bidding requirements prior to procurement and should provide evidence that, as a matter of fact, there is no competition available. Said documentation may also include the opinions of Counsel regarding the exception from bidding.
5. PROFESSIONAL SERVICES. This category includes services which require special education and/or training, license to practice or are creative in nature. Examples include: lawyers, doctors, accountants, engineers, artists, etc. The IDB may seek RFPs for such services. In its selection, the IDB should consider cost, experience, expertise, reputation, staffing, location and suitability for the needs of the IDB. The Board shall include in its minute/resolution the basis for the selection and the description of the professional service. Said minutes may also include the opinions of Counsel regarding the exception from bidding.

IV. BOARD MEMBERS AND EMPLOYEES NOT TO HAVE FINANCIAL INTEREST

No purchase shall be made from nor any contract for purchase of goods or services made with any board member or employee of the IDB or any firm or corporation in which any board member or employee of the IDB is financially interested. No Board member or employee of the IDB shall accept, directly or indirectly, any fee, rebate, money, or other thing of value from any person employed by or doing business with the IDB, except on behalf of and for the use of the IDB.

EXHIBIT A
IDB PROCUREMENT
SPECIFICATIONS / QUOTES

Description of Item/Service:

Date Needed: _____

Quotes:

Vendor #1	Vendor #2	Vendor #3
Name and Address	Name and Address	Name and Address
Total Cost	Total Cost	Total Cost
Notes	Notes	Notes
Contact Info	Contact Info	Contact Info

Requested By: _____

Approved BY: _____

Board Approval Required: Yes / No Date of Board Approval: _____

EXHIBIT C

**Memorandum of Understanding
Between the
Oak Ridge Industrial Development Board
And the Oak Ridge Chamber of Commerce
For Economic Development Assistance**

This Memorandum of Understanding (hereinafter referred to as the "MOU"), entered into and made effective as of the 1st day of October, 2016, between the Oak Ridge Industrial Development Board (hereinafter referred to as the "IDB") and the Oak Ridge Chamber of Commerce (hereinafter referred to as "ORCC"):

WHEREAS, the IDB is a duly authorized Board created by City of Oak Ridge to promote economic development on behalf of the City;

WHEREAS, the ORCC is an independently chartered 501 (c) 6 corporation in the City of Oak Ridge and also has as one of its duties and responsibilities the promotion of economic development on behalf of the City;

WHEREAS, the IDB and ORCC have similar goals and responsibilities in the promotion of economic development on behalf of the City; and

WHEREAS, the IDB and ORCC desire to enter in a Memorandum of Understanding, to work together to enhance Industrial Development for the City of Oak Ridge.

NOW THEREFORE, for and in consideration of the mutual promises and covenants contained herein, both the IDB and ORCC agree to assist each other and to jointly promote economic development on behalf of the City of Oak Ridge, under the following terms and conditions:

The ORCC will provide the IDB with the following support:

- The IDB will be allowed to utilize the ORCC facilities located at 1400 Oak Ridge Turnpike, Oak Ridge, Tennessee 37830, for support, work space and meeting rooms, including the use of an office, not to exceed 150 square feet, which shall be equipped with a desk and (3) chairs.
- The IDB shall be allowed to utilize the ORCC telephone service for initiating local calls and receiving incoming calls. All call to the ORCC will be answered including the IDB in their message.
- ORCC will make available voicemail to the IDB which shall be maintained in a separate voicemail exclusively for the IDB voicemail account.
- ORCC will make available Internet and Wireless Access port for the use of the IDB, which will allow the IDB to access the internet through the ORCC internet access, Said access shall only be through devices owned by the IDB, or its members, and shall not include use of ORCC computers or computer systems. All internet access and any IDB emails shall be maintained separately on a free standing computer or other device owned by the IDB which shall not be maintained or accessible by the ORCC.
- The IDB shall be authorized to receive and send US mail, and other courier delivery and pick up services, from the ORCC premises but said mail and other incoming letters, packages or

other materials shall be placed in a designated area for IDB access only. The ORCC shall not open IDB letters, packages or other materials.

- The ORCC shall be solely responsible for providing and maintaining telephone services, internet access and all utilities, including electrical, water, sewer and natural gas, along with heating and air conditioning, lawn maintenance, garbage disposal, and cleaning services. ORCC shall also be solely responsible for maintaining the structural soundness of the facility including exterior walls, and roof maintenance caused by normal wear and tear.
- The IDB shall utilize the premises in a manner, and require other persons on the premises for IDB purposes, to utilize the premises in a manner that will not disturb the ORCC's use of premises.
- ORCC shall not be responsible for, and will not provide, fire or casualty insurance for the IDB's personal property and equipment. The IDB shall be responsible for obtaining its own insurance to protect its properties, at its discretion.
- Access: The IDB shall not add, change, or alter the locks installed on the doors of the ORCC building without prior consent of ORCC.
- Storage: The IDB shall not bring any combustible materials into the ORCC building which would increase fire risk.
- IDB shall not use nail, screws or adhesive hangers on the walls of the ORCC building, except as may be needed for hanging standard pictures or materials.
- The IDB agrees to repair, or pay for repair, for and damages to ORCC properties. Which results from and negligence or acts of the IDB member or its guests, normal wear and tear expected.
- Both parties affirmatively agree, acknowledge and confirm that there will be no comingling of files or information between the IDB and the ORCC.

In consideration of the support and services the ORCC will provide the IDB, as set forth herein, the IDB shall pay an annual fee of Twelve Thousand and six hundred dollars (\$12,600) unto the ORCC. Said fee shall be payable in quarterly installments of \$3,150 per quarter, with first installment being due and payable upon the IDB' approval and signing of this agreement effective October 1, 2016, the second installment will be due and payable on January 1, 2017, the third on April 1, 2017, the fourth on July 1, 2017, the fifth on October 1, 2017, the sixth on January 1, 2018, the seventh on April 1, 2018, and the eighth on July 1, 2018

Should IDB use other services or materials of the ORCC, such as postage, courier, copier or duplicating equipment, the IDB shall reimburse the ORCC for its cost of the service and/or materials.

Pursuant to the terms of this agreement the IDB, and its Board Members, will be members in good standing of the ORCC and will be afforded the same benefits and privileges as all other members, in addition to the other benefits and privileges set forth herein.

The term of this MOU is two years, effective beginning October 1, 2016 and ending on September 30, 2018, unless extended or renewed in writing by both parties. Either party may terminate this MOU without cause upon (30) notice to the other party.

EXECUTED and DELIVERED October 3, 2016 and BEING EFFECTIVE October 1, 2016.

OAK RIDGE CHAMBER OF COMMERCE

By: _____

Name: _____

Title: _____

INDUSTRIAL DEVELOPMENT BOARD

By: _____

Name: _____

Title: _____

Approved as to FORM and Legality:

**INDUSTRIAL DEVELOPMENT BOARD
FOR THE CITY OF OAK RIDGE**

By: _____

Kenneth R. Krushenski

Its: City Attorney

OAK RIDGE CHAMBER OF COMMERCE

By: _____

James T. Normand

Its: General Counsel