

**MASTER AGREEMENT
BY AND BETWEEN THE
CABRILLO COMMUNITY COLLEGE DISTRICT
AND THE CABRILLO COLLEGE FOUNDATION
As Amended.**

This agreement is made and entered into this 1st day of October by and between the Cabrillo Community College District ("District") and the Cabrillo College Foundation ("Foundation"), an auxiliary organization of the District established in accordance with Education Code section 72670 et seq.

**I
PURPOSE**

The administration by the Foundation of the functions and activities described herein, instead of administration by and through the District, is deemed to be more effective in accomplishing those functions and activities than would be possible under the usual governmental budgetary, purchasing, and other fiscal procedures.

**II
AREAS OF SERVICE**

Consistent with its Articles of Incorporation, the Foundation may administer those functions or activities defined in section 59259 of Title 5, California Code of Regulations, and District Board Policy which are mutually agreed upon by the parties.

**III
LIMITATION OF AUTHORITY AND RESPONSIBILITY
OF AUXILIARY ORGANIZATIONS
(Title 5, California Code of Regulations, Section 59257 (j) (3))**

The Foundation shall not offer courses for which State funding is received.

All services, programs and activities that may be undertaken by the Foundation shall be implemented for the general benefit of the educational programs of the District. Upon mutual agreement of the parties, the Foundation may assume services and programs in order:

1. To provide the fiscal means and the management procedures that allow the District to carry on educationally-related activities not normally funded by the State;
2. To eliminate the undue difficulty that would otherwise arise under the usual governmental budgetary, purchasing, and other fiscal controls;

3. To provide fiscal procedures and management systems that allow effective coordination of Foundation activities with the District in accordance with sound business practices;
4. To benefit from the experience and expertise of Foundation.

Gifts to the Foundation shall be accepted as authorized by the District's implementing regulations and the policies of the Foundation.

In no case shall scholarship, stipend, or grants-in-aid awarded to present or former students exceed the amount necessary to cover books, school fees, and living expenses. A record of such financial assistance shall be forwarded on a timely basis to the campus financial aid office and shall be documented on student financial aid recipient records kept in that office. All such financial assistance provided from student organization funds shall be approved by the campus financial aid office before such funds are expended, and shall not exceed amounts to be provided under regulations of federal and state financial aid programs.

IV USE OF FACILITIES

The Foundation may occupy, operate, and use District facilities and property separately or jointly with the District as identified in writing by the parties.

In consideration of the further terms of this agreement, the District shall provide the Foundation with adequate space and equipment to perform its activities. There shall be no charge to the Foundation for such space and equipment. The governing board of the District has determined that the value of fundraising, community and donor relations, gift and program administration and other services, approximately two to three million dollars annually provided by the Foundation, greatly exceeds the \$23,712 rental cost to the District of the provision of any facilities.

The Foundation shall use the facilities and property only for those services and functions that are consistent with the policies, rules, and regulations which have been or may be adopted by the Board of Trustees of the Cabrillo Community College District.

The right to use any of the District facilities or equipment included in this agreement shall cease within a reasonable time period following written notice by the Superintendent/President that the facilities are needed for the exclusive use of the District.

V REIMBURSEMENT FOR SERVICES AND FACILITIES

On an annual basis, the District's Superintendent/President shall determine, pursuant to District Board Policies and Procedures, whether the cost of District employees on loan or providing professional services to the Foundation should be reimbursed by the Foundation.

The Foundation may provide services to the District for which the District shall reimburse the Foundation. Such service areas shall be identified in a written document accepted by the District.

On an annual basis the District's Superintendent/President shall determine whether the cost of any accounting and record keeping services provided by the District should be reimbursed by the Foundation.

An independent CPA firm will audit the Foundation at Foundation expense. The Foundation may select the same audit firm that audits the District, or a different independent CPA firm.

VI INDIRECT COSTS

If the Foundation administers a federally-sponsored program, it shall reimburse the District for indirect costs associated with the performance of services by the District for the Foundation relating to the federally-sponsored project. Such reimbursement will take into consideration the District's federal indirect cost rate and the approved indirect cost allocation, if any, of the federal program award.

VII MAINTENANCE AND OPERATING EXPENSES

The District shall provide maintenance and custodial services in the same manner as it provides for its own offices. The governing board of the District has determined that the value of fundraising, community and donor relations, gift and program administration and other services, approximately two to three million dollars annually provided by the Foundation, greatly exceeds the cost to the District of the provision of maintenance and custodial services. The Foundation agrees that it will keep and maintain its facilities in a clean and orderly condition.

VIII PUBLIC RELATIONS

With respect to any expenditures for public relations or other purposes which would serve to augment District appropriations for the operation of the College, the Foundation may expend funds in such amount and for such purposes as are approved by the Board of Directors of the Foundation. The Foundation shall file with the College Superintendent/President a statement of its policy on accumulation and use of public relations funds. The statement will include the policy and procedure on solicitation of funds, source of funds, purposes for which the funds will be used, allowable expenditures and procedures of control.

IX DISPENSATION OF EARNINGS

Operating income generated by the Foundation in excess of costs and provisions for equipment, maintenance, Board designated reserves, and working capital shall be used by the Foundation to benefit the District. Capital provisions shall be established by the Board of Directors of the Foundation to ensure fulfillment by the Foundation of this agreement.

X DISTRIBUTION OF ASSETS UPON CESSATION

Upon cessation of operations of the Foundation under this agreement, unless extended or renewed, the net assets of the Foundation resulting or arising from this agreement shall either be transferred to the District or a non-profit tax-exempt organization designated by the District, or expended by the Foundation for the benefit of the District.

XI COVENANT

During the term of this agreement, the Foundation agrees to maintain its existence and to operate in accordance with Sections 72670-72682 of the California Education Code and with Sections 59250-59272 of the California Code of Regulations, Title 5, as well as the Cabrillo Community College District Implementing Regulations.

XII SIGNS, FIXTURES, AND EQUIPMENT

During the term of this agreement, the Foundation shall have the right to place and attach fixtures, signs, and equipment in or upon facilities as authorized by the Superintendent/President in writing as to number, size, and locations. Fixtures, signs, or equipment so erected, placed, or attached by the Foundation shall be and remain the property of the Foundation and be removed therefrom by the Foundation upon termination of this agreement.

XIII RIGHT OF ENTRY

At any reasonable time, the District and its agents shall have the right to enter the Foundation facilities or any part thereof for the purposes of examination or supervision.

XIV THIRD PARTY AGREEMENTS BY THE FOUNDATION

The Foundation shall not enter into any contract that would obligate or encumber designated District facilities, equipment, or personnel without prior written District approval. Any such contracts must contain sixty-day or ninety-day cancellation provisions and no cancellation penalties.

XV INSURANCE, INDEMNIFICATION, AND RESTORATION

The Foundation shall be included in the District's insurance policies for all of its regular functions. When special events are sponsored by the Foundation, separate insurance coverage may be required by the District.

The Foundation agrees to indemnify, defend, and save harmless the District, its officers, agents, and employees from any and all loss, damage, or liability that may be suffered or incurred by the District, its officers, agents, and employees caused by, arising out of, or in any way connected with

the use of the described facilities by the Foundation or in connection with this agreement except for losses caused by the sole negligence or reckless or willful misconduct of the District.

Upon termination of this agreement, the District shall have the option to require, at the Foundation's own expense and risk, to restore the facilities as nearly as possible to the condition existing prior to the execution of the agreement, ordinary wear and tear excepted. But if the Foundation shall fail to do so within ninety (90) days after District exercises said option, District may restore the property at the risk of the Foundation and all reasonable costs and expenses of such removal or restoration shall be paid by the Foundation upon demand of District. District shall have the right to exercise this option within thirty (30) days after the expiration of this agreement, but not thereafter.

XVI REAL PROPERTY

The Foundation shall not enter into any transaction concerning real property without the prior written approval of the Superintendent/President, following his/her notification to the District Board of Trustees.

XVII NON-ASSIGNABILITY

This agreement is not assignable by the Foundation, either in whole or in part, nor shall the Foundation permit anyone else to use the described facilities or any part thereof without the prior written permission of the Superintendent/President.

XVIII TERMS OF AGREEMENT

This agreement begins the first day of October. This agreement may be terminated by either party after providing sixty (60) days written notice, subject to the provisions of the agreement entitled Distribution of Assets Upon Cessation.

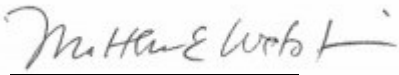
The Foundation shall remain in good standing with the District. Otherwise, this agreement may terminate, at the sole discretion of the District, and the Foundation will terminate any contracts with third parties and meet the provisions of the agreement entitled Distribution of Assets Upon Cessation.


This agreement will be reviewed every three years and brought to the Board of Directors for approval.

XIX NOTICES

All notices herein required to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and received by the Foundation or the Superintendent/President of the District.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto as of the date first above written.

By: 
Matthew E. Wetstein
Superintendent/President
Cabrillo Community College District

By: 
William Ow
President
Cabrillo College Foundation

Date: September 11, 2018

Date: September 11, 2018

Adopted: Board of Trustees October 1, 2018

Approved: Cabrillo College Foundation Board of Directors 9-15-2015

Adopted, as amended: September 11, 2018

Approved, as amended: September 11, 2018