

**Master Agreement By and Between
The Sequoias Community College District
and
College of the Sequoias Foundation**

This Agreement is made and entered into this 15th day of June, 2018, by and between the Sequoias Community College District, a California community college District duly organized and existing pursuant to the laws of the State of California; specifically, the California Education Code, hereinafter referred to as the "District," and the College of the Sequoias Foundation, a non-profit organization duly organized and existing pursuant to the laws of the State of California and the Internal Revenue Code; specifically section 501(c)(3), hereinafter referred to as the "Foundation," an auxiliary organization established and operated as an integral part of the District.

Purpose and Finding

The Foundation has been created to provide administration of the functions and activities described herein, instead of administration by the District. The Foundation is deemed to be more effective in accomplishing these functions and activities than would be possible under the District budgetary, purchasing and other fiscal procedures. The governing board of the District has determined that the value of fundraising, community and donor relations, gift and program administration and other services provided by the Foundation greatly exceeds the cost to the District of the provision of any facilities, property and other support as provided by this Agreement. The purpose of this Agreement is to establish the relationship between the District and the Foundation for the Foundation's solicitation and administration of programs involving gifts, bequests, devises and trusts on behalf of the District pursuant to California Code of Regulations, title 5, section 59259, subdivision (j).

Areas of Service

The Foundation, through amendments to this Agreement and with the agreement of the District, may administer functions or activities defined in California Code of Regulations, title 5, section 59259. Other services may be provided if first approved by the Board of Governors, California Community Colleges. The Foundation will engage only in those activities that are in support of and consistent with state and federal Laws and with the policies, rules, regulations and program goals of the District.

Use of Facilities

The Foundation may occupy, operate and use District facilities and property assigned by the District, either separately or jointly with the District, in accordance with District regulations for auxiliaries of the District. The auxiliary shall occupy, operate and 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 governing board of the District. Operations of the Foundation under this Agreement shall be integrated with the District operations, and shall be under the general supervision of the District officials. Such supervision shall be provided without cost to the Foundation. The right to use any of the District's facilities or equipment included in this Agreement or amendments shall cease upon written notice to the Foundation and the board of trustees by the District CEO that the facilities are needed for the exclusive use of the District.

Covenant Re: Existence

During the term of this Agreement, the Foundation agrees to maintain its existence and to operate in accordance with California Education Code sections 72670-72680, and with the California Code of Regulations, title 5, sections 59250-59270, as well as the District's implementing regulations.

Right of Entry

It is understood and agreed that any time the District, officers, employees and agents shall have the right to enter described facilities or any part of thereof for the purpose of examination or supervision and to inspect books and records.

Foundation Bylaws and Articles of Incorporation.

Periodically, the Foundation board of directors will review its Bylaws and Articles of Incorporation to ensure compliance with law, District policies and regulations, and this Agreement. Any amendments or revisions to the Bylaws or Articles of Incorporation shall be reported to the District's Board of Trustees.

Allocation of Earnings

Income generated by the Foundation in excess of costs and appropriate provision for equipment, maintenance, working capital and reserves shall be used for the general benefit of the students and college programs as determined by the board of directors of the Foundation and approved by the District Superintendent/President. Money may be expended for services and property, including, but not limited to, parking facilities, stadia, student centers, student union, health centers, bookstores or auxiliary facilities for use of students, faculty members, or employees of the Sequoias Community College District.

Good Standing

The Foundation must remain in good standing with the District. Otherwise, this Agreement will immediately terminate and the Foundation will terminate any contracts with third parties and meet the provisions of this Agreement entitled Distribution of Assets upon Cessation.

Foundation Fund Expenditures

With respect to expenditures for public relations or other purposes that would serve to augment the District appropriations for operation of the District, the Foundation may expend funds on an annual basis in such amount and for such purposes as are approved by the board of directors of the Foundation. The Foundation shall file with the District CEO a statement of its policy on accumulation and use of public relations funds. The statement will also include the policy and procedure on solicitation of funds, sources of funds, purposes for which the funds will be used, allowable expenditures and procedures of control.

Audit Services

The Foundation or District shall select a certified public accountant and contract for an annual audit performed by the certified public accountant, pursuant to Section 72672(a) of the Education Code. The Foundation shall submit the audit report to the District's Board of Trustees and to the State Chancellor's Office. An audited statement of financial condition shall be presented to the District's Board of Trustees annually, and shall be available to any person on request.

Attorney and Accountant Services

The board of directors of the Foundation shall engage at least one attorney admitted to practice law in California and at least one licensed certified public accountant to provide advice and counsel, as needed, on legal and financial matters. The attorney and/or the accountant may be paid for their services, or may provide services at a reduced fee or without compensation for charitable purposes.

Real Property Matters

The Foundation board of directors shall not enter into any contract or other business arrangement involving real property without prior approval of the District CEO or designee in accordance with District procedures and regulations.

Third Party Agreements By The Foundation

The Foundation shall not enter into any contract that would obligate the District, its facilities, equipment or personnel, without the prior written approval of the District.

Submission of Annual Program and Budget

The board of directors shall submit its program and budget for the next fiscal year to the District CEO for his/her approval on or before the beginning of each fiscal year. Should the District CEO determine that any program or appropriation planned by the Foundation is not consistent with the policies of the board of trustees, the program or appropriation shall not be included in the approved budget. Further, should a program or appropriation which had received approval, upon review, be determined by the District CEO to be operating outside of the scope of the policies of the board of trustees, then that program or appropriation shall be discontinued by direction of the District CEO until further review is accomplished and an appropriate adjustment is made.

Insurance, Indemnification and Restoration

The District shall provide for the Foundation all risk liability coverage under the terms and conditions of the District's all-risk blanket policy. Further, the District will extend its liability coverage to include the Foundation board members, officers, and managers to the same degree of coverage afforded District board members, officers, and managers. In the event that the District is unable to maintain such coverage for the Foundation, the District shall provide (30) days notification to the Foundation of the District policy cancellation. In the event of such notice of cancellation by the District, the Foundation shall secure the appropriate coverage under its own name.

The Foundation agrees to indemnify, defend and hold 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, provided that the loss, damage, or liability does not arise from the intentional or negligent acts or omissions of the District, its officers, agents, or employees.

Upon termination of this Agreement, the District shall have the option to require the Foundation, at its own expense and risk, to restore the facilities as nearly as possible to the condition existing prior to the executive of the Agreement. But, if the Foundation shall fail to do so within ninety (90) days after the District exercises this option, the District may restore the property at the risk of the Foundation, and all costs and expenses of such removal of restoration shall be paid by the Foundation upon demand of the District. The District shall have

the right to exercise this option within thirty (30) days after the expiration of this Agreement, but not thereafter.

Conflict of Interest Prohibited

According to Section 72677 of the Education Code, no member of the board of directors of the Foundation may be financially interested in any contract or other transaction entered into by the board of directors, except as provided in Section 72678 of the Education Code. Specifically for this Section of the Education code, such contract is permissible if the fact of related financial interest is disclosed or known to the board of directors and noted in the minutes, the contract is approved or ratified by the board of directors in good faith without counting the vote of the financially interested member, and the contract or transaction is just and reasonable.

Additionally, no member of the Foundation board of directors may utilize any information, not a matter of public record, received by reason of his or her membership on the board for personal gain, regardless of whether he/she is still a member of the board of directors at the time the gain is realized.

Term

The term of this Agreement shall commence on June 15 2018 and shall continue in full force and effect thereafter until June 30, 2028. The District and the Foundation will review the agreement and revise the agreement with the consent of both parties upon expiration, or the agreement may be amended by a fully executed written agreement of the parties at any time prior. If the agreement is not revised and executed by June 30, 2028, it will be automatically renewed for another five (5) years, and shall continue with automatic five (5) year renewals until revised and adopted by both parties.

Termination of Agreement

This Agreement may be terminated by either party giving sixty (60) days' written notice, subject to the provision of this Agreement entitled Distribution of Assets Upon Cessation. The Foundation shall have necessary use of facilities and assets for the Foundation to operate until termination.

Distribution of Assets Upon Cessation

Upon cessation of the operations of the Foundation under this Agreement, unless extended or renewed, the net assets of this Foundation resulting or arising from this agreement shall be either transferred to the District or expended for the benefit of the District or automatically revert to the District. If necessary, Foundation funds will first be used to restore District facilities used by the Foundation to the condition existing prior to the agreement.

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.

Notice to the Auxiliary shall be addressed as follows:

Mr. Tim Foster, Foundation Director
College of the Sequoias Foundation
915 S. Mooney Blvd
Visalia, CA 93277

Notice of the District shall be addressed as follows:

Mr. Brent Calvin, Superintendent/President
Sequoias Community College District
915 S. Mooney Blvd
Visalia, CA 93277

Supersedure and Authorization

This Agreement supersedes all prior contracts between the parties with respect to its subject matter. It may be amended at any time by a fully executed written agreement of the parties. The individuals whose signatures appear below certify that this Agreement has been approved by their respective governing boards and has received all approvals required under California Law.

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

Sequoias Community College District

By:  _____

College of the Sequoias Foundation

By:  _____

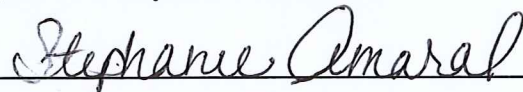
Ratified and Approved by the Board of Trustees

Sequoias Community College District

By:  _____

Ratified and Approved by the Board of Directors

College of the Sequoias Foundation

By:  _____