

MASTER AGREEMENT
BY AND BETWEEN THE
CITRUS COMMUNITY COLLEGE DISTRICT AND
THE CITRUS COLLEGE FOUNDATION

This agreement is made and entered into this 25th day of January, 1999 by and between the Citrus Community College District, hereinafter referred to as "District," on behalf of Citrus College, hereinafter collectively referred to as "College," and the Citrus College Foundation, hereinafter referred to as "Foundation," a nonprofit organization operated for the benefit of the College (but not an auxiliary described in Education Code §§ 72670 *et seq.*). This agreement completely supersedes all previous written and verbal agreements existing between the parties.

I. BACKGROUND AND PURPOSE

The Foundation is an independent nonprofit corporation existing to serve the District and the College. The Foundation has developed an impressive track record of generating financial support for the programs and facilities of the College. Administration by the Foundation of its fundraising, development, and funds management functions, which by charter may only serve to benefit the District, is most efficiently performed by a private sector, nonprofit entity. So long as the Foundation is performing these functions for the benefit of the District, it is in the interests of the District and the College that the operations of the Foundation be supported by provision of facilities and certain administrative services that impose little or no incremental cost upon the District.

II. USE OF FACILITIES

The Foundation may occupy, operate, and use College facilities and property separately or jointly with the College as identified by agreements made from time to time by the President of the College and the Executive Director of the Foundation. 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 or Administration of the Citrus Community College District. The right to use any of the College facilities or equipment pursuant to the terms and conditions of this agreement shall terminate upon ninety days' written notice by the College President.

III. PROVISION OF SERVICES

The Foundation shall, by prior written agreement, reimburse the College for certain expenditures incurred by the College as a result of activities of the Foundation. The College shall invoice the Foundation for such expenditures, indicating items charged and the method of determining costs.

The College will provide certain services, at no cost, to the Foundation, which may include office space, telephones, custodial and facilities maintenance services, equipment and information systems service and advice, personnel and related assistance and other similar services as from time to time agreed upon in writing. The Foundation may also provide certain specified services to the District, which shall be designated in writing, for which the College shall reimburse the Foundation within thirty (30) days of the time any invoice is submitted.

IV. ANNUAL AUDITS

An independent CPA firm selected by the Board of Directors or an appropriate Committee of the Foundation, on which a Foundation director who is the College President or designee shall serve, will be retained annually to audit the Foundation, with the costs of that service paid by the Foundation. Such audit reports shall be supplied to the College as soon as they are available.

V. COVENANT

During the term of this agreement, the Foundation agrees to maintain its existence and to operate in accordance with state and federal laws governing nonprofit organizations.

VI. DISPOSITION OF EARNINGS

Net income generated by the Foundation shall be used solely to benefit the College. Provisions for the acceptance, management and investment of gifts shall be established by the Board of Directors of the Foundation to insure the good stewardship and fiduciary responsibilities of the Foundation for endowment and other gifts.

VII. ALIGNMENT OF INTERESTS WITH COLLEGE

So long as this agreement is in force and effect:

- 1) The Board of Directors of the Foundation shall include the President of the College, or his or her designee, as an *ex officio* member.
- 2) The College President shall have the right to cause the Foundation to cease any activity deemed, in his or her judgment, to be contrary to the interests of the College or inconsistent with policies or purposes of the College.

Upon cessation of operations of the Foundation, the net assets of the Foundation resulting or arising from this agreement shall be either transferred to the College or expended for the benefit of the College.

VIII. COLLEGE ADVOCACY

The Foundation may expend funds to provide information about the College to the public as approved by its Board of Directors.

IX. THIRD PARTY AGREEMENT BY FOUNDATION

The Foundation shall not enter into any contract that would obligate the College without the prior written approval of the College President and which shall be for the benefit of the College.

X. INSURANCE, INDEMINIFICATION, AND RESTORATION

The Foundation and its directors, officers and agents shall be included in the District's insurance policies for all of its regular functions, including liability for actions, covered perils, errors and omissions, and similar coverages; workers' compensation and employee fidelity bonds are specifically excluded under this agreement for members of the Board of Directors who are not employees of the College. When special events are sponsored by the Foundation, separate insurance coverage may be required by the College, at the Foundation's expense. Losses incurred by the Foundation because of deductibles or exclusions on insurance provided by the College shall be borne by the Foundation.

The Foundation agrees to indemnify, defend, and save harmless the College, their trustees, officers, agents, and employees from any and all loss, damage, or liability that may be suffered or incurred by them, caused by, arising out of, or in any way connected with the use of the described facilities by the Foundation in connection with this agreement.

The College agrees to indemnify, defend, and save harmless the Foundation, its directors, officers, agents, and employees from any and all loss, damage, or liability that may be suffered or incurred by them on account of their performance in good faith of functions intended to benefit the College.

XI. NONASSIGNABILITY

This agreement is not assignable by either party.

XII. TERM OF AGREEMENT

This agreement will be in effect until it is changed; however, it may be terminated by the Board of Trustees of the College or the Board of Directors of the Foundation upon ninety (90) days' written notice.

XIII. 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's Executive Director or the College Superintendent/President.

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

Citrus Community
College District

The Citrus College
Foundation

By: _____
Dr. Louis E. Zellers
Superintendent/President

By: _____
Jane Braun, President