

ALLAN HANCOCK COLLEGE VITICULTURE & ENOLOGY FOUNDATION
BOARD MEETING

AGENDA

Friday, August 15, 2014
Allan Hancock College
Open Session - Sky Room A-204
800 S. College, Building A
Santa Maria, CA 93454

BOARD MEMBERS

Kevin Walthers	Paul Murphy	Brian Simas
Elizabeth Miller	Alfredo Koch	Larry Lahr

1. Call to Order - 2:00 P.M.
2. Public Comments
The section of the agenda is intended for members of the public to address the Board on items involving the Foundation. Public comment not pertaining to specific agenda items is welcome under public comment. *Please note that Board members are prohibited by the Brown Act from responding to comments made regarding topics not on the official agenda.* Testimony on specific agenda items will be welcome during consideration of the item by the Board. When public testimony is completed regarding a specific agenda item, discussion is then confined to Board members only.
3. Review & Approval of Master Operating Agreement by and between the Allan Hancock College Joint Community College District and Allan Hancock College Viticulture & Enology Foundation.
4. New Business
5. Adjournment

Consistent with the American with Disabilities Act and California Government Code §54954.2 requests for disability related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires the modification or accommodation in order to participate at the referenced public meeting by contacting the Director, Brian Simas (805) 934-4600.

800 S. College Drive, Santa Maria, CA 93454

Remove posting 08/18/14

Allan Hancock College Viticulture and Enology Foundation
Minutes of the Board of Directors
Special Meeting – Open Session
March 10, 2014
Location: Sky Room A204
800 S. College, Bldg A
Santa Maria, CA

1) Call to Order

A quorum was present and Director Simas called the meeting to order at 8:44 a.m.

Directors Present

Alfredo Koch, President
Larry Lahr, Vice President
Elizabeth Miller, Treasurer
Paul Murphy, Secretary
Brian Simas
Kevin Walthers

Guests and Others Present

Terri Lee Coleman

Absent Directors

None

1) Public Comments – The floor was opened for public comment. No public comments or testimony were provided. The floor was closed for public comment.

2) Review, Approval and Ratification of Minutes from February 27, 2014 Organizational Meeting of the Board

Director Simas presented to the Board a set of draft meeting minutes from the Board's February 27, 2014 meeting detailing the actions of the Board. Upon due consideration and discussion, Director Simas motioned to approve the draft minutes and ratify the actions of the Board taken at the February 27, 2014 meeting, subject to modification of the Resolution at page 3 related to Election of Directors. Said resolution shall be modified to properly reflect that Larry Lahr was in fact appointed to the board by the Incorporator, subject to the ratification by the Board of Trustees' under the Board of Trustees' power provided in the Foundation Bylaws. Director Koch seconded Director Simas' motion and said modified minutes were approved and actions ratified by the Board.

Ayes: Walthers, Miller, Murphy

Noes: None

Abstentions: Lahr

3) Rules for Presenting Testimony

Director Simas presented to the Board a set of rules for presenting public testimony to the Board. Upon due consideration and discussion, Director Simas motioned to approve and adopt the rules for presenting public testimony.

Director Lahr seconded Director Simas' motion and said rules were approved and adopted by the Board.

Ayes: Walthers, Miller, Murphy, Koch

Noes: None

Abstentions: None

4) Adjournment

Director Simas motioned for an adjournment at 8:54 a.m. Director Lahr seconded Director Simas' motion.

Ayes: Walthers, Miller, Murphy, Koch

Noes: None

Abstentions: None

Respectfully Submitted:

Paul Murphy, Secretary

MASTER OPERATING AGREEMENT

BY AND BETWEEN THE ALLAN HANCOCK COLLEGE JOINT COMMUNITY COLLEGE DISTRICT AND ALLAN HANCOCK COLLEGE VITICULTURE & ENOLOGY FOUNDATION

This Master Operating Agreement (the "Agreement") is made and entered into this 15th day of May, 2014 by and between the ALLAN HANCOCK COLLEGE JOINT COMMUNITY COLLEGE DISTRICT (the "District") and the ALLAN HANCOCK COLLEGE VITICULTURE & ENOLOGY FOUNDATION (the "Foundation"), an auxiliary organization established and operated as an integral part of the District.

I PURPOSE

The specific purpose of this corporation is to support Allan Hancock College's educational and cultural programs in the areas of Agribusiness, Viticulture and Enology, as well as operate certain facilities related to such programs.

II AREAS OF SERVICE

The Foundation, with agreement of the District and through amendments to this Agreement, may administer those functions or activities defined in Section 59259 of Title 5, California Code of Regulations, 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 maintained for the general benefit of the educational program of the District. Upon mutual Agreement of the parties, the Foundation may assume services and programs in the following order:

1. To provide the fiscal means and the management procedures that allows 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 related to the production and sale of wine; or
3. To provide fiscal procedures and management systems that allow effective coordination of Foundation activities with the District in accordance with sound business practices; or
4. To benefit from the experience and expertise of the Foundation.

Gifts to the District shall be accepted under the provisions of applicable District Board policy. Gifts to the Foundation shall be accepted as authorized by the District's implementing regulations.

In no case shall scholarships or grants-in-aid awarded to present or former students exceed the amount necessary to cover books, school fees, and approved costs of attendance. A record of such financial assistance shall be forwarded on a timely basis to the District financial aid office and shall be documented in student financial aid recipient records kept in that office.

IV USE OF FACILITIES

The Foundation may occupy, operate and use District facilities and property separately or jointly with the District, as identified in amendments to the Agreement. All licensed winemaking activities shall be performed and controlled by the Foundation within the proposed bonded premises defined in Exhibit A and in accordance with applicable laws and regulations regarding the same.

In consideration of the further terms of this Agreement, District shall provide the Foundation with adequate space, equipment and furnishings to perform its activities. There shall be no charge to the Foundation for applicable remodel/renovation or reconstruction should the District require relocation to a comparable space.

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 Allan Hancock College Joint Community College District.

The right to use any of the District facilities or equipment included in this Agreement or amendments shall cease upon 90 days 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 whether the cost of District employees on loan or providing professional services to the Foundation including, but not limited to, Accounting, Computing/Technology Services, Human Resources, Media Services, Payroll, Parking, and Purchasing and other District services as deemed applicable and appropriate should be reimbursed by the Foundation as identified in amendments to this Agreement.

The Foundation may provide services to the District for which the District shall reimburse the Foundation. If and when such service areas exist, they shall be identified in amendments to this Agreement.

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.

The independent audit firm retained to audit the District will also audit the Foundation at District expense.

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 Foundation agrees that it will keep and maintain the described facilities in a clean and orderly condition.

VIII
SUBMISSION OF ANNUAL PROGRAM AND BUDGET

The Board of Directors shall submit its program and budget for the next fiscal year to the District Superintendent/President for his/her approval on or before May 15 of each year. Should the District Superintendent/President determine that any program or appropriation planned by the corporation is not consistent with the policies of the Board of Trustees, the program or appropriation shall not be implemented. Further, should a program or appropriation which had received approval, upon review, be determined by the District Superintendent/President 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 Superintendent/President until further review is accomplished and an appropriate adjustment is made.

IX
PUBLIC RELATIONS AND FUND DEVELOPMENT

With respect to any expenditures for public relations and fund development 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 and fund development. 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. Gifts to the District shall be accepted under the provisions of applicable District Board policy. Gifts to the Foundation shall be accepted as authorized by the District's implementing regulations.

X
DISPENSATION OF EARNINGS

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

XI

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 for the benefit of the District. It is understood that in the event the Foundation ceases to be an auxiliary organization it shall retain the assets it acquires in furtherance of this Agreement so long as it operates for the benefit of the District.

XII

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 the regulations of Sections 59250-59276 of the California Code of Regulations, Title 5, as well as the Allan Hancock College Joint Community College District Implementing Regulations.

XIII

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.

XIV

RIGHT OF ENTRY

It is understood and agreed that at any 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.

XV

THIRD PARTY AGREEMENTS BY THE FOUNDATION

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

XVI

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.

Upon termination of this Agreement, 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. 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 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.

XVII
REAL PROPERTY

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

XVIII
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 written permission of the Superintendent/President.

XIX
TERMS OF AGREEMENT

This Agreement shall begin on the Effective Date. It may be terminated by either party giving ninety (90) days written notice of the same.

The Foundation must remain in good standing with the District as per Section XI. Otherwise, this Agreement will immediately terminate and the Foundation will terminate any contracts with third parties.

XX
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 Board of Directors or the District Superintendent/President.

Notice to the Foundation shall be addressed as follows:

Secretary, Board of Directors
Allan Hancock College Viticulture and Enology Foundation
800 South College Drive
Santa Maria, CA 93454

Notice to the District shall be addressed as follows:

Superintendent/President
Allan Hancock Joint Community College District
800 South College Drive
Santa Maria, CA 93454

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

By: _____
Kevin Walthers
Superintendent/President
Allan Hancock College Joint Community
College District

By: _____
Alfredo Koch
President
Allan Hancock College Viticulture &
Enology Foundation

Date: _____

Date: _____

**Exhibit A
To
Master Agreement**

The Foundation may occupy, operate and use District facilities and property separately or jointly with the District, as identified in amendments to the Agreement. All licensed winemaking activities shall be performed and controlled by the Foundation within the proposed bonded premises identified in this exhibit and in accordance with applicable laws and regulations regarding the same.

