

**MASTER AGREEMENT BETWEEN
THE SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT AND
SANTA MONICA EDUCATION FOUNDATION**

This Master Agreement is entered into as of the 19th day of July, 2018, by and between the SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT, a California unified school district (the "District"), and the SANTA MONICA EDUCATION FOUNDATION, a California non-profit mutual benefit corporation (the "Foundation"), with reference to the following facts:

A. The District operates a public education system in the cities of Santa Monica and Malibu.

B. The Foundation was established in 1982 with a mission to raise funds to enhance equity and access to a vibrant educational experience for all students in the District and, in particular, to support programs in the arts, academics and athletics through permanent endowment funds, special events and fundraising campaigns.

C. Alongside the fundraising activities of the Foundation, PTA and other booster groups for individual schools have historically raised funds to supplement District resources for the benefit of students in those schools. Recognizing the facts that there are differences among various communities in their ability to contribute these additional funds for local schools and that these differences perpetuate inequalities in educational opportunities among individual schools and their students, in November, 2011, the Santa Monica-Malibu Unified School District Board of Education (the "BOE") adopted revised Board Policy 3290, Acceptance of Gifts, to establish a centralized and collaborative fundraising system to enable the District to provide equity in programs and personnel in all District schools while preserving flexibility at each school.

D. Among other things, Board Policy 3290 (1) significantly modified and expanded the role of the Foundation by designating it as the only fundraising entity for the District to use to pay for personnel and professional development, and (2) requires formalization of the relationship between the District and the Foundation to specify the roles and obligations of both entities in connection with this new centralized fundraising policy.

E. In June 2018, Board Policy 3290 was revised to modify the fundraising structure to allow two entities to raise funds for personnel and professional development, one that will raise money for programs in Santa Monica schools (SMEF) and one that will raise money for programs in Malibu schools (TBD). The rationale and commitment to centralized fundraising addressed in the Board policy has not changed.

NOW, THEREFORE, in order to formalize the relationship between the District and the Foundation regarding centralized fundraising contemplated in Board Policy 3290, the District and the Foundation agree as follows:

1. Fundraising Plan.

a. Not later than May 1 of each year, the District's Superintendent of Schools (the "Superintendent") shall, in consultation with the Santa Monica Superintendent's Advisory Committee and/or such other individuals and organizations as the Superintendent may deem appropriate, develop a list of potential programs for the Foundation to fund for the second fiscal year out, including an estimate of the cost of each such program (the "Proposed Annual Program Plan"), and provide a copy thereof to the Foundation's Executive Director (the "Executive Director"). In developing the Proposed Annual Program Plan, the Superintendent

shall prioritize programs that can be sustained over a multi-year period and focus on student-based needs across the District.

b. Not later than May 31 of each year, the Executive Director shall convene a meeting of the Board of Directors of the Foundation (the "Foundation Board") to discuss the Proposed Annual Program Plan for the purpose of determining the Foundation's capacity to raise funds to support those programs.

c. Not later than June 15, the Executive Director shall present to the Superintendent for review a proposed Fundraising Plan setting forth specific fundraising goals for the fiscal year beginning the following July 1 and specific activities designed to achieve those goals.

d. Not later than June 30 of each year, the Superintendent shall report to the BOE at a public meeting regarding the Proposed Annual Program Plan and the BOE shall designate those programs which it determines should be funded by the Foundation in light of information received from the Foundation Board.

e. Not later than July 15 of each year, the Foundation Board shall adopt the final Fundraising Plan and provide a copy thereof to the Superintendent.

f. Not later than August 31 of each year, the Foundation shall deliver a check payable to the District in the amount raised by the Foundation for the programs reflected in the Annual Program Plan Agreement for that fiscal year.

g. The Foundation shall not provide funding for programs or activities other than those designated in an Annual Program Plan Agreement, or to any person, entity or organization other than the District, except to the extent mutually agreed upon and approved in writing by the Superintendent and the Executive Director, excluding amounts placed in endowment accounts.

h. Nothing in this Agreement shall preclude the Foundation from making a separate funding allocation to the District for a purpose other than the programs included in the applicable Annual Program Plan Agreement, so long as the purpose for, and the amount of, such funding has been previously approved by the Foundation Board and subsequently by the BOE at a public meeting.

i. Subsequent fundraising plans may modify goals and activities for specific years from those contained in previous adopted fundraising plans as the Foundation Board may deem appropriate but no substantive changes shall be made in current fundraising plans that have been reviewed by the BOE without prior written notice to the Superintendent and, if the Superintendent deems it appropriate, without review by the BOE.

j. Each fundraising plan shall reflect any general conditions and limitations applicable to gifts made directly to the District or the Foundation as the BOE may adopt from time to time.

2. Evaluation of Funded Programs.

a. The Superintendent or designee shall evaluate the success of the Annual Program Plan. To the extent feasible, the evaluation will include metrics by which the degree of success of each program can be evaluated following the applicable fiscal year. The Superintendent shall provide a report to the Executive Director and subsequently to the

Foundation Board regarding the programs funded by the Foundation during the current fiscal year.

3. Donor Relations.

a. As soon as reasonably practicable following the commencement of each school year, the District shall provide the Foundation with its master Santa Monica parent and alumni databases for use by the Foundation solely in connection with its fundraising activities. The Foundation shall not (1) use any of the information from these databases for any other purpose, (2) sell or otherwise make available to any person, entity or organization the databases or any of the information contained therein, or (3) use any of the information contained therein in a manner which, in any way, would violate any applicable law, ordinance or regulation or any privacy policy adopted by the District.

b. The Foundation shall assume primary management responsibility for contact with Santa Monica donors and potential Santa Monica donors for the purpose of fundraising but nothing in this Agreement shall preclude or limit the District's right to contact any of such donors or potential donors for any other purpose or to meet with any of them relating to fundraising with the consent of the Executive Director.

c. The District shall make members of the BOE, the Superintendent and other senior District staff members reasonably available to meet with donors or potential donors to assist in fundraising activities.

4. Governance.

a. The Foundation represents and warrants to the District that it is a non-profit mutual benefit corporation duly organized and validly existing in good standing in the State of California and is an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The Foundation agrees to maintain its corporate, good standing and tax-exempt status at all times.

b. The Foundation has delivered to the District true and correct copies of its Articles of Incorporation, Bylaws, list of all members of the Foundation Board and a list of all employees as in effect on the date hereof. The Foundation agrees to advise the Superintendent of any changes to its Articles of Incorporation or Bylaws within thirty (30) days after such changes are made and that it shall provide to the District, not later than September 30 of each year, updated lists of all members of the Foundation Board and employees.

c. The Executive Director, or his or her designated representative, shall establish regular meetings with Santa Monica PTA leaders and Ed Foundation Chairs (the "Chairs") consisting of the president of the PTA, or a designated representative, from each District Santa Monica school to discuss fundraising at the individual schools and other relevant topics. The Chairs shall serve as a conduit and link between the Santa Monica PTAs and the Foundation. The Foundation shall work collaboratively with the Chairs to share information, and to develop and coordinate centralized fundraising efforts at individual Santa Monica schools and Santa Monica schools collectively.

d. Each year, the BOE shall appoint two of its members to act as liaisons to the Foundation Board. The Foundation shall include the Superintendent, or his or her designated representative, and the BOE's liaison members as liaisons to all Foundation strategic planning committees and the District shall include the Executive Director, or his or her designated representative, as a liaison to all District strategic planning committees.

5. Foundation Reporting.

a. Not later than May 31 prior to the beginning of each subsequent fiscal year, the Foundation shall provide to the Superintendent an Annual Foundation Budget. In the event there are substantive changes to the Annual Foundation Budget during any fiscal year, the Executive Director shall provide a copy of the Revised Annual Foundation Budget to the Superintendent for review and comment and, if the Superintendent elects, the Superintendent will forward such copy to the BOE for its review and comment.

b. The Foundation shall make available to the Superintendent quarterly cash flow reports, unaudited financials and audited financials upon request.

c. The Executive Director, or his or her designee, shall provide an update of the Foundation's activities, including a report regarding the goals set forth in the applicable Fundraising Plan, to the BOE at a public meeting on a quarterly basis.

6. Annual Review/Approval of this Agreement.

a. As soon as practicable following receipt each year of the audited financial statements of the Foundation and the Executive Director's report referred to in Section 5 above, the Superintendent shall meet with the Executive Director to discuss the Foundation's activities, the actions of the Foundation Board, including the programs determined by the Foundation Board and the BOE to be funded during the previous fiscal year, and the terms of this Agreement.

b. Following such meeting, the Superintendent shall report to the BOE with respect to the Superintendent's findings, including any changes the Superintendent may deem advisable to this Agreement. The BOE shall consider such recommendations in a public meeting and shall determine what, if any, changes should be made to this Agreement for the following year and whether any other actions should be taken by the District.

c. If the BOE determines that amendments should be made to this Agreement, the Superintendent shall provide the Executive Director with a list of those amendments for review and comment by the Foundation Board at its next meeting. Following such meeting of the Foundation Board, the Executive Director shall report to the Superintendent whether the Foundation Board objected to any proposed amendments and, if so, the reason or reasons for such objections. If the Foundation Board did object to some or all of the proposed amendments, the Superintendent shall report those objections to the BOE. A subcommittee comprised of the Superintendent, the Executive Director, the BOE Liaisons and the Foundation Board shall convene to come to mutual agreement before the BOE approves the Annual Program Plan Agreement at its regularly scheduled Board meeting.

d. Following the foregoing determinations by the BOE and the Foundation Board, after following the process outlined in Section 6c above, any amendments to this Agreement shall be deemed effective only if such amendments are in writing and consented to by both the BOE and the Foundation, such consent to be evidenced by the signature of both parties.

e. This Agreement shall automatically renew on June 30 of each year unless terminated by either party by not later than the preceding June 30.

7. Advocacy.

a. The Foundation shall not endorse or oppose any candidate for the BOE, the City Councils of the City of Malibu and the City of Santa Monica or the Santa Monica

College Board of Trustees or support or oppose any recall campaign applicable to any member of any of such bodies.

b. The Foundation shall not oppose any ballot measure placed on any ballot with the approval of the BOE.

c. The Foundation shall comply with all legal restrictions applicable to non-profit corporations and 501(c)(3) entities regarding expenditures for political purposes.

8. Communications

a. All press releases, media inquiries and other communications with the press concerning any joint activities of the District and the Foundation shall be reviewed and approved prior to release by the Executive Director and the Superintendent or his or her designee. All such communications relating to programs conducted by the District and being funded by the Foundation rather than the fundraising activities of the Foundation shall be handled solely by the District in accordance with its customary policies.

b. No staff member of the Foundation or member of the Foundation Board, Advisory Board or committee shall, at any time, represent themselves to the press or any other person as speaking on behalf of the District unless specifically requested to do so by the Superintendent.

c. No staff member of the District or member of the BOE or any District committee shall, at any time, represent themselves to the press or any other person as speaking on behalf of the Foundation unless specifically requested to do so by the Executive Director.

d. The District shall not use the Foundation's logo for any purpose unless approved in writing by the Executive Director and the Foundation shall not use the District's logo for any purpose unless approved by the Superintendent or his designee.

e. Use by the Foundation of the District's district-wide voice messaging systems must be previously approved in writing by the Superintendent or his designee.

f. The District shall provide a link on its website to the Foundation website.

IN WITNESS WHEREOF, this Master Agreement has been entered into as of the date first above written.

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT, a California unified school district

By: _____
Ben Drati
Superintendent

SANTA MONICA-MALIBU EDUCATION FOUNDATION, a California non-profit mutual benefit corporation

By: _____
Linda Greenberg
Executive Director