

**OPERATING AGREEMENT  
BETWEEN CALIFORNIA STATE UNIVERSITY  
AND UNIVERSITY CORPORATION AT MONTEREY BAY**

This agreement is made and entered into by and between the Trustees of the California State University by their duly qualified Chancellor (CSU) and the University Corporation at Monterey Bay (Auxiliary) serving California State University, Monterey Bay (Campus). The term of this agreement shall be June 1, 2024 through May 31, 2034.

**1. PURPOSE**

The purpose of this agreement is to set forth the terms and conditions under which Auxiliary may operate as an auxiliary organization pursuant to California Education Code §89900 et seq. and California Code of Regulations (CCR) Title 5, § 42400 et seq. In entering this agreement, CSU finds that certain functions important to its mission are more effectively accomplished by the use of an auxiliary organization rather than by the Campus under the usual state procedures.

**2. PRIMARY FUNCTION(S) OF THE AUXILIARY**

In consideration of receiving recognition as an official CSU auxiliary organization, Auxiliary agrees, for the period covered by this agreement, that the primary function(s), which the Auxiliary is to manage, operate or administer is/are:

- Student Body Organization
- Student Union
- Housing
- Philanthropic
- Externally Funded Projects
- Real Property Acquisition / Real Property Development
- Commercial

In carrying out the above, the Auxiliary engages in the following functions authorized by, CCR tit.5, §42500, which are activities essential and integral to the educational mission of the University:

1. Bookstores, Food Services, and Campus Services
2. Housing
3. ~~Student Union Programs~~
4. ~~Supplementary Health Services~~
5. Loans, Scholarships, Grants-in-Aids, Stipends, and Related Financial Assistance
6. Externally Funded Projects Including Research, Workshops, Conferences,

- and Institutes<sup>1</sup>
7. Instructionally related Programs and activities, including Agriculture, Athletics, Radio and Television Stations, Newspapers. Films, Transportation. Printing and other Instructionally Related Programs and Activities
  8. Alumni Programs
  9. Gifts, bequests, devises, endowments, trusts and similar funds
  10. Public relations, fundraising, fund management, and similar development programs
  11. Acquisition, development, sale, and transfer of real and personal property including financing transactions related to these activities

Auxiliary agrees to receive and apply exclusively the funds and properties coming into its possession toward furthering these purposes for the benefit of CSU and the Campus. Auxiliary further agrees that it shall not perform any of the functions listed in CCR tit.5, §42500 unless the function has been specifically assigned in this operating agreement with the Campus. Prior to initiating any additional functions, Auxiliary understands and agrees that CSU and Auxiliary must amend this agreement in accordance with Section 21, *Amendment*.

### **3. CAMPUS OVERSIGHT AND OPERATIONAL REVIEW**

The responsibility and authority of the Campus president regarding auxiliary organizations is set forth in CCR tit.5, §42402, which requires that auxiliary organizations operate in conformity with CSU and Campus policies. The Campus President has been delegated authority by the CSU Board of Trustees (Standing Orders §VI) to carry out all necessary functions for the operation of the Campus. The operations and activities of Auxiliary under this agreement shall be integrated with Campus operations and policies and shall be overseen by the campus Chief Financial Officer (CFO) or designee so as to assure compliance with objectives stated in CCR tit.5, §42401.

The Campus shall review Auxiliary to ensure that the written operating agreement is current and that the activities of Auxiliary are in compliance with this agreement at least every five (5) years from the date the operating agreement is executed and at least every five years thereafter. Confirmation that this review has been conducted will consist of either an updated operating agreement, or a letter from the Campus CFO or designee to the Campus President with a copy to the Chancellor's Office, certifying that the review has been conducted. As part of these periodic reviews, the Campus President should examine the need for each auxiliary and look at the efficiency of the auxiliary operation and administration.

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<sup>1</sup> If "*Externally Funded Projects*" is listed, your operating agreement must also include italicized language in Section 16 and Attachment 4 for Campus Designation of Authority to Auxiliary re: Administration of Grants and Contracts.

Auxiliary agrees to assist the Campus CFO or designee in carrying out the compliance and operational reviews required by applicable CSU Executive Orders and related policies.

#### **4. OPERATIONAL COMPLIANCE**

Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies. Failure of Auxiliary to comply with any term of this agreement may result in the removal, suspension or probation of Auxiliary as an auxiliary organization in good standing. Such action by CSU may result in the limitation or removal of Auxiliary's right to utilize the CSU or campus name, resources and facilities (CCR tit.5, §42406).

#### **5. CONFLICT OF INTEREST**

No officer or employee of the CSU shall be appointed or employed by Auxiliary if such appointment or employment would be incompatible, inconsistent or in conflict with his or her duties as a CSU officer or employee.

Auxiliary has established and will maintain a conflict of interest policy. The Auxiliary's Conflict of Interest Policy is attached as **Attachment 1**.

#### **6. EXPENDITURES AUGMENTING CSU APPROPRIATIONS**

With respect to expenditures for public relations or other purposes which would serve to augment appropriations for CSU operations, Auxiliary may expend funds in such amount and for such purposes as are approved by Auxiliary's governing body. Auxiliary shall file, as **Attachment 2** to this agreement, a statement of Auxiliary's policy on accumulation and use of public relations funds. The statement shall include the policy and procedures for solicitation of funds, the purposes for which the funds may be used, the allowable expenditures and procedures of control.

#### **7. FISCAL AUDITS**

Auxiliary agrees to comply with CSU policy and the provisions of CCR tit.5, §42408, regarding fiscal audits. All fiscal audits shall be conducted by auditors meeting the guidelines established the Integrated CSU Administrative Manual (ICSUAM).

The Campus CFO shall annually review, and submit a written evaluation to the Chancellor's Office in accordance with Section 20, Notices, of the external audit firm selected by the Auxiliary. This review by the Campus CFO must be conducted prior to the Auxiliary engaging an external audit firm and annually thereafter. If the Auxiliary has not changed audit firms, and the audit firm was previously reviewed and received a satisfactory evaluation, a more limited review may be conducted and submitted.

## **8. USE OF NAME**

Campus agrees that Auxiliary may, in connection with its designated functions as a CSU auxiliary organization in good standing and this agreement, use the name of the Campus, the Campus logo, seal or other symbols and marks of the Campus, provided that Auxiliary clearly communicates that it is conducting business in its own name for the benefit of Campus. All correspondence, advertisements, and other communications by Auxiliary must clearly indicate that the communication is by and from Auxiliary and not by or from CSU or Campus.

Auxiliary shall use the name of Campus, logo, seal or other symbols or marks of Campus only in connection with services rendered for the benefit of Campus and in accordance with Campus guidance and direction furnished to Auxiliary by Campus and only if the nature and quality of the services with which the Campus name, logo, seal or other symbol or mark are used are satisfactory to the Campus or as specified by Campus.

Campus shall exercise control over and shall be the sole judge of whether Auxiliary has met or is meeting the standards of quality of the Campus for use of its name, logo, seal or other symbol or mark.

Auxiliary shall not delegate the authority to use the Campus name, logo, seal or other symbol or mark to any person or entity without the prior written approval of the Campus President or designee. Auxiliary shall cease using the Campus name, logo, seal or other symbol or mark upon expiration or termination of this agreement, or if Auxiliary ceases to be a CSU auxiliary organization in good standing, dissolves or disappears in a merger.

## **9. CHANGE OR MODIFICATION OF CORPORATE STATUS**

Auxiliary shall provide notice to the CSU upon any change in Auxiliary's legal, operational or tax status including but not limited to changes in its Articles of Incorporation, bylaws, tax status, bankruptcy, dissolution, merger, or change in name.

## **10. FAIR EMPLOYMENT PRACTICES**

In the performance of this agreement, and in accordance with California Government Code §12900 et. seq., Auxiliary shall not deny employment opportunities to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status. Auxiliary shall adopt employment procedures consistent with the policy statement on nondiscrimination and affirmative action in employment adopted by the CSU.

## **11. BACKGROUND CHECK POLICY COMPLIANCE**

In compliance with governing laws and CSU policy, Auxiliary shall confirm that background checks are completed for all new hires and for those independent contractors,

consultants, outside entities, volunteers and existing employees in positions requiring background checks as set forth in CSU systemwide policy. Auxiliary will provide confirmation of completed and cleared background checks to the University President/Chancellor upon request, or as established by campus policy. (See HR 2016-08).

## **12. DISPOSITION OF ASSETS**

Attached hereto as **Attachment 3** is a copy of Auxiliary's Constitution or Articles of Incorporation (as applicable) which, in accordance with CCR tit.5, §42600, establishes that upon dissolution of Auxiliary, the net assets other than trust funds shall be distributed *to the CSU or to another affiliated entity subject to financial accounting and reporting standards issued by the Government Accounting Standards Board*. Auxiliary agrees to maintain this provision as part of its Constitution or Articles of Incorporation. In the event Auxiliary should change this provision to make other dispositions possible, this agreement shall terminate as of the date immediately preceding the date such change becomes effective.

## **13. USE OF CAMPUS FACILITIES**

Auxiliary may use those facilities identified for its use in a lease agreement executed between Campus and Auxiliary. If this Operating Agreement terminates or expires and is not renewed within 30 days of the expiration, the lease automatically terminates, unless extended in writing by the parties.

Auxiliary and Campus may agree that Auxiliary may use specified Campus facilities and resources for research projects and for institutes, workshops, and conferences only when such use does not interfere with the instructional program of Campus and upon the written approval from appropriate Campus administrators with such specific delegated authority. Auxiliary shall reimburse Campus for costs of any such use.

## **14. CONTRACTS FOR CAMPUS SERVICES**

Auxiliary may contract with Campus for services to be performed by state employees for the benefit of Auxiliary. Any agreement must be documented in a written memorandum of understanding between Auxiliary and Campus. The memorandum of understanding shall among other things, specify the following: (a) full reimbursement to Campus for services performed by a state employee in accord with CCR tit.5, §42502(f); (b) Auxiliary must clearly identify the specific services to be provided by state employee, (c) Auxiliary must specify any performance measures used by Auxiliary to measure or evaluate the level of service; (d) Auxiliary must explicitly acknowledge that Auxiliary does not retain the right to hire, supervise or otherwise determine how to fulfill the obligations of the Campus to provide the specified services to Auxiliary.

**15. DISPOSITION OF NET EARNINGS**

Auxiliary agrees to comply with CSU and Campus policy on expenditure of funds including, but not limited to, CSU guidelines for the disposition of revenues in excess of expenses and CSU policies on maintaining appropriate reserves. Cal. Educ. Code §89904; Executive Order 1059.

**16. FINANCIAL CONTROLS**

Recovery of allowable and allocable indirect costs and maintenance and payment of operating expenses must comply with ICSUAM §13680. CCR tit. 5, §42502(g) and (h).

**17. ACCEPTANCE, ADMINISTRATION, AND USE OF GIFTS**

Auxiliary agrees, if authorized to do so in Section 2 above, that it will accept and administer gifts, grants, contracts, scholarships, loan funds, fellowships, bequests, and devises in accordance with policies of CSU and Campus.

A. Authority to Accept Gifts

If authorized, Auxiliary may evaluate and accept gifts, bequests and personal property on behalf of CSU. In acting pursuant to this delegation, due diligence shall be performed to ensure that all gifts accepted will aid in carrying out the CSU mission as specified in Education Code §§89720 and 66010.4(b).

Auxiliary agrees, before accepting gifts of real estate or gifts with any restrictive terms or conditions that impose an obligation on CSU or the State of California to expend resources in addition to the gift, to obtain written approval from the appropriate campus authority. Auxiliary agrees that it will not accept a gift that has any restriction that is unlawful.

**[If Auxiliary administers grants and contracts add italicized text]:** *Campus Designation of Authority to Auxiliary re: Administration of Grants and Contracts is attached as Attachment 4.*

B. Reporting Standards

Gifts shall be recorded in compliance with the Council for Advancement and Support of Education and California State University reporting standards and shall be reported to the Chancellor’s Office on an annual basis in accordance with Education Code §89720.

**18. INDEMNIFICATION**

Auxiliary agrees to indemnify, defend and save harmless the CSU, its officers, agents, employees and constituent campuses and the State of California, collectively “CSU

indemnified parties” from any and all loss, damage, or liability that may be suffered or incurred by CSU indemnified parties, caused by, arising out of, or in any way connected with the operation of Auxiliary as an auxiliary organization.

## **19. INSURANCE**

Auxiliary shall maintain insurance protecting the CSU and Campus as provided in this section. CSU’s Systemwide Office of Risk Management shall establish minimum insurance requirements for auxiliaries, based on the insurance requirements in the [California State University Insurance Requirements](#) policy. Auxiliary agrees to maintain at least these minimum insurance requirements.

Auxiliary's participation in a coverage program of the California State University Risk Management Authority (CSURMA) shall fully comply with the insurance requirement for each type of required coverage (which may include but not be limited to, general liability, auto liability, directors and officers liability, fiduciary liability, professional liability, employer’s liability, pollution liability, workers’ compensation, fidelity, property and any other coverage necessary based on Auxiliary’s operations). Auxiliary shall ensure that CSU and Campus are named as additional insured or loss payee as its interests may appear.

## **20. NOTICES**

All notices 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 deposited in the United States mail, certified and postage prepaid and addressed to all parties as provided below.

Notice to Auxiliary shall be addressed as follows:

Universty Corporation at Monterey Bay  
8 Upper Ragsdale Drive  
Monterey, CA 93940  
Attention: Executive Director or Associate Executive Director

Notice to the CSU shall be addressed to:

Trustees of the California State University  
401 Golden Shore  
Long Beach, California 90802  
Attention: Director, Contract Services & Procurement

Notice to the Campus shall be addressed as follows:

Office of the President  
100 Campus Center, Administration Bldg 1

Seaside, CA 93955  
Attention: President

## **21. AMENDMENT**

This agreement may be amended only in writing signed by an authorized representative of all parties.

## **22. RECORDS**

Auxiliary shall maintain adequate records and shall submit periodic reports as required by CSU showing the operation and financial status of Auxiliary. The records and reports shall cover all activities of Auxiliary whether pursuant to this agreement or otherwise.

## **23. TERMINATION**

CSU may terminate this agreement upon Auxiliary's breach of or failure to comply with any term of this agreement by providing Auxiliary with a minimum of ninety (90) days advance written notice. Auxiliary may use the ninety-day advance notice period to cure the breach. If, in the judgment of CSU, the breach has been cured, the termination notice will be cancelled.

## **24. REMEDIES UPON TERMINATION**

Termination by CSU of this agreement pursuant to Section 23, *Termination*, may result in Auxiliary's removal, suspension or probation as a CSU auxiliary in good standing, and loss of any right for Auxiliary to use the name, resources or facilities of CSU or any of its campuses.

Upon expiration of the term of this agreement, the parties shall have 30 days to enter into a new operating agreement which period may be extended by written mutual agreement.

## **25. SEVERABILITY**

If any section or provision of this Agreement is held illegal, unenforceable or in conflict with any law by a court of competent jurisdiction, such section or provision shall be deemed severed and the validity of the remainder of this Agreement shall not be affected thereby.



IN WITNESS WHEREOF, this agreement has been executed by the parties hereto.


Approved: May 31, 2024

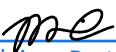
California State University, Monterey Bay

By   
\_\_\_\_\_  
Vanya Quiñones, PhD, President

Executed on June 14, 2024

University Corporation at Monterey Bay

By   
\_\_\_\_\_  
Alan L. Fisher, Interim Vice President of  
Administration and Finance

By   
[Maddison Burton \(Nov 20, 2024 12:56 PST\)](#)  
\_\_\_\_\_  
Maddison, Burton, Interim Associate Executive

Director

California State University  
Office of the Chancellor

By   
[Bradley Wells \(Nov 19, 2024 16:06 PST\)](#)  
\_\_\_\_\_  
Bradley Wells, Associate Vice Chancellor



## UNIVERSITY CORPORATION AT MONTEREY BAY BOARD POLICY

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### **Policy 104**

### **Conflict of Interest Policy**

Section: 100- Administration

Issue Date: 11/20/19

Last Reviewed: 11/20/19

Previous Versions: 6/10

Previous #: 131-001

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#### **1) PURPOSE**

Interactions between any auxiliary and external organizations frequently involve complex relationships that require the use of guidelines, such as this policy on Conflict of Interest, to assure the importance of fiduciary integrity. Application of this policy is particularly important in the case of persons exercising significant auxiliary authority. Those with such responsibilities must take particular care to avoid relationships that would lead inappropriately to the individual's personal financial gain, relationships that might adversely affect the professional advancement of colleagues, or relationships that might otherwise inject inappropriate considerations into administrative decisions.

Therefore, all full- and part-time employees and all auxiliary board members are required by this policy to avoid conflicts of interest and conflicts of commitment in their relationships with external organizations.

#### **2) POLICY**

- a) **Definition.** Conflict of Interest relates to matters that might unduly influence personal judgment, including financial or other personal considerations that have the potential or the appearance of compromising a person's objectivity in meeting auxiliary duties or responsibilities. This policy applies only to matters pertaining to actions of the Board of Directors of the auxiliary organization known as the University Corporation of California State University, at Monterey Bay, and not to any relating entity, including but not limited to California State University, Monterey Bay or California State University.
- b) **Statement of Understanding.** A Conflict of Interest policy and statement of understanding will be executed by each Board member and filed with Corporation each year.
- c) **Statutes.**
  - i) In the State of California Education Code (sections 89906-89908), the legislature has established statutes prohibiting a governing Board member (either themselves or in association with another entity) from having a financial interest or contract with the auxiliary organization of which they are a member. Specifically, no member of the governing board of an auxiliary organization shall be financially interested in any contract or other transaction entered into by the board of which he is a member, and any contract or transaction entered into in violation of this section is void (section 89906).
  - ii) However, no member of such board shall be disqualified or deemed guilty of misconduct in office if the following specific circumstance exists:
    - (1) The fact of such financial interest is disclosed or known to the governing board and noted in the minutes, and the governing board thereafter authorizes, approves, or ratifies the

- contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such financially interested member or members, and
- (2) The contract or transaction is just and reasonable as to the auxiliary organization at the time it is authorized or approved (section 89907).

iii) Any contracts or transactions established would be void if:

- (1) The contract or transaction is between an auxiliary organization and a member of the governing board of that auxiliary organization, with the exception of those contracts or transactions that may be approved by Board resolution.
- (2) The contract or transaction is between an auxiliary organization and a partnership or unincorporated association of which any member of the governing board of that auxiliary organization is a partner, or in which he is the owner or holder, directly or indirectly, of a proprietorship interest.
- (3) The contract or transaction is between an auxiliary organization and a corporation in which any member of the governing board of that auxiliary organization is the owner or holder, directly or indirectly, of 5 percent or more of the outstanding common stock.
- (4) A member of the governing board of an auxiliary organization is interested in a contract or transaction within the meaning of Section 89906, and without first disclosing such interest to the governing board at a public meeting of the board, influences or attempts to influence another member or members of the board to enter into the contract or transaction (Section 89908).

iv) Further, it is unlawful for any person to utilize any information, not a matter of public record, which is received by him by reason of his membership on the governing board of an auxiliary organization, for personal pecuniary gain, regardless of whether he is or is not a member of the governing board at the time such gain is realized (section 89909).

d) Course of action

- i) Any member or members of an auxiliary board having a direct or indirect financial interest in an auxiliary contract or transaction must disclose the conflict of interest at a public meeting of the board prior to any discussion or action of the board, and such disclosure shall be recorded in the minutes.
- ii) Any member or members of an auxiliary board having the appearance of an opportunity for financial interest or gain shall disclose circumstances leading to the appearance, and the remaining board members shall determine by vote the appropriateness of the member's or members' further participation in any discussion or action of the board.
- iii) Any board member or members in conflict of interest pertaining to a contract or transaction shall refrain from participating in any board discussion related to the contract or transaction, and abstain from voting on any subsequent board action. Such member or members should consider absenting the room during board discussion or action, should it appear that their presence is inappropriate.
- iv) Should an auxiliary board enter into a contract or transaction in which a member or members have disclosed a conflict of interest, the board must formally resolve that the contract or transaction is "just and reasonable," and such resolution shall be reflected in the minutes.

### 3) RELATED DOCUMENTS

- a) State of California Education Code (sections 89906-89908)

UNIVERSITY CORPORATION AT MONTEREY BAY  
BOARD POLICY

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**Policy 210**

**Accumulation and Use of Public  
Relations Funds Policy**

Section: 200- Financial

Issue Date: 11/20/19

Last Reviewed: 11/20/19

Previous Versions: 2/20/03, 6/24/10, 4/4/19

Previous #: 311-001

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**1) PURPOSE**

Per Title 5, California Code of Regulations, Section 42502(i), each auxiliary organization shall maintain a policy on the accumulation and use of public relation funds and expenditures “which would serve to augment state appropriations for operation of the campus”. This policy should include “the procedure on solicitation of funds, source of funds, amounts, and purpose for which the funds will be used, allowable expenditures, and procedures of control.”

**2) POLICY**

- a) Solicitation and Accumulation of Funds. University Corporation does not solicit public relations funds. Any University Corporation funds used for such public relations purposes are budgeted annually, and in accordance with Title 5, California Code of Regulations, Section 42502(i), the Board of Directors of the Corporation and the University President must approve public relations budgets and expenditures made by the Corporation. The breakdown of these public relations funds for Community Outreach is at the President’s discretion.
- b) Source of Funds. These funds may be sourced from Corporation-held Discretionary or Restricted Funds when expended, from various sources including corporate auxiliary revenues, donations, or the proceeds from the sale of non-cash gifts made to Corporation. Donations must be specifically designated for Community Outreach purposes. All expenditures from a Restricted Fund must be clearly consistent with the restricted purpose. All hospitality expenditures must comply with ICSUAM 1301-Hospitality Policy and the Corporation Hospitality Guidelines and Procedures. Community Outreach funds may be further designated by the Board of Directors or the President for departments or programs including Academic Affairs, Administration and Finance, Student Affairs, University Advancement, President’s Office, or Campus-wide. As public understanding and goodwill materially affect the success of the University and its auxiliary organizations, the Corporation is deemed an appropriate source of limited funds for public relations purposes subject to proper procedures.
- c) Procedures and Control. All expenditures must clearly advance the objectives of the campus and the California State University, and be consistent with applicable Corporation procurement and accounting policies and procedures including appropriate supporting documentation, with dates, purpose and individuals or groups involved, location and amounts clearly stated. In general, expenditures must be appropriate for campus authorized educational, social, development, hospitality, community and employee relations, employee business travel and related considerations, student aid, and for other purposes that benefit California State University or the campus.

Corporation shall file a copy of this Policy with the Chancellor’s Office, per the

requirements of Title 5 California Code of Regulations §42502(i).

**3) RELATED DOCUMENTS**

- a) Title 5 California Code of Regulations Section 42502(i)
- b) ICSUAM 1301-Hospitality Policy
- c) Hospitality Guidelines and Procedures.

CERTIFICATE OF AMENDMENT OF  
THE ARTICLES OF INCORPORATION OF THE  
UNIVERSITY CORPORATION AT MONTEREY BAY

DEC 03 2012

2012 ①

EDUARDO M OCHOA and KATHRYN CRUZ-URIBE certify that:

- 1. They are the President and Secretary respectively of the UNIVERSITY CORPORATION AT MONTEREY BAY, a California nonprofit, public benefit corporation.
- 2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors.

Article X of the Articles of Incorporation is amended to read as follows:

The property of this corporation is irrevocably dedicated to charitable purposes set forth in Article III, and no part of the net income or assets of this corporation shall ever inure to the benefit of any private person. Upon dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a successor approved by the president of the campus and by the Chancellor of the California State University.

- 3. The Corporation has no members.



EDUARDO M. OCHOA  
President



KATHRYN CRUZ-URIBE  
Secretary

VERIFICATION

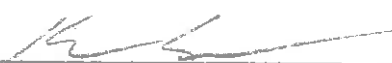
Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true and correct of his own knowledge.

Executed at Seaside, California  
on 27 September 2012

The Corporation shall be deemed to have adopted this amendment if the amendment is approved by the Board of Directors.



EDUARDO M. OCHOA



KATHRYN CRUZ-URIBE

SECRET  
NO FORN DISSEM  
UNCLASSIFIED

SECRET



I hereby certify that the foregoing  
transcript of 1 page(s)  
is a full, true and correct copy of the  
original record in the custody of the  
California Secretary of State's office.

DEC 20 2012

Date: \_\_\_\_\_

*Debra Bowen*

DEBRA BOWEN, Secretary of State

2008 (2)

**CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION**

**ENDORSED - FILED**  
in the office of the Secretary of State  
of the State of California

SEP 05 2008

The undersigned certify that:

1. They are the President and Secretary, respectively, of Foundation of California State University, Monterey Bay, a California nonprofit public benefit corporation.
2. Article I of the Articles of Incorporation of the Corporation is amended as follows:  
"The name of the corporation is UNIVERSITY CORPORATION AT MONTEREY BAY."
3. The foregoing amendment of the Articles of Incorporation has been duly approved by the Board of Directors.
4. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Dated: July 8, 2008

Dianne F. Harrison  
Dianne F. Harrison, President

James E. Main  
James E. Main, Secretary





**State of California**  
**Secretary of State**



I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



**IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of**

SEP 10 2008

A handwritten signature in cursive script that reads "Debra Bowen".

DEBRA BOWEN  
Secretary of State

CERTIFICATE OF AMENDMENT OF  
THE ARTICLES OF INCORPORATION OF THE  
FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

A0648876

2006 (3)


DIANE CORDERO DE NORIEGA and DAN JOHNSON certify that:


1. They are the President and Secretary respectively of the FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY, a California nonprofit, public benefit corporation.
2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors.

Article X of the Articles of Incorporation is amended to read as follows:

The property of this corporation is irrevocably dedicated to charitable purposes set forth in Article III, and no part of the net income or assets of this corporation shall ever inure to the benefit of any private person. Upon dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a successor approved by the president of the campus and by the Board of Trustees.

3. The Corporation has no members.

  
DIANE CORDERO DE NORIEGA  
President

  
DAN JOHNSON  
Secretary

VERIFICATION

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true and correct of his own knowledge.

Executed at Seaside, California  
on 15 June 2006

  
DIANE CORDERO DE NORIEGA

  
DAN JOHNSON

**ENDORSED - FILED**  
In the office of the Secretary of State  
of the State of California

JUL 25 2006



State of California  
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of    /    page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

AUG 14 2006

A handwritten signature in cursive script, appearing to read "Bruce McPherson".

BRUCE McPHERSON  
Secretary of State

A453400

ENDORSED  
FILED

the office of the Secretary of State  
of the State of California

OCT 28 1994

10/1994 (4)

CERTIFICATE OF AMENDMENT OF  
THE ARTICLES OF INCORPORATION OF THE  
CALIFORNIA STATE UNIVERSITY,  
MONTEREY BAY FOUNDATION

TONY MILLER  
Acting Secretary of State


STEVEN F. ARVIZU and RICHARD E. HENDRICKSON certify that:

1. They are the President and Secretary respectively of the CALIFORNIA STATE UNIVERSITY, MONTEREY BAY FOUNDATION, a California nonprofit, public benefit corporation.
2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors.

Article I of the Articles of Incorporation is amended to read as follows:

The name of this corporation is the: FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY.

3. The Corporation has no members.

  
 STEVEN F. ARVIZU  
 President


  
 RICHARD E. HENDRICKSON  
 Secretary

VERIFICATION

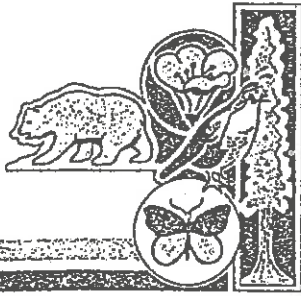
Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true and correct of his own knowledge.

Executed at Seaside, California  
on October 19, 1994

  
 STEVEN F. ARVIZU

  
 RICHARD E. HENDRICKSON

A453



State  
of  
California  
SECRETARY OF STATE'S OFFICE

CORPORATION DIVISION

I, *TONY MILLER*, Acting Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute  
this certificate and affix the Great  
Seal of the State of California this

NOV 8 1994



*Tony Miller*  
Acting Secretary of State

A452238

ENDORSED  
FILED

In the office of the Secretary of State  
of the State of California

SEP 26 1994

⑤  
9/1994

CERTIFICATE OF AMENDMENT OF  
THE ARTICLES OF INCORPORATION OF THE  
CALIFORNIA STATE UNIVERSITY,  
MONTEREY BAY HOUSING CORPORATION

TONY MILLER  
Acting Secretary of State

STEVEN F. ARVIZU and RICHARD E. HENDRICKSON certify that:

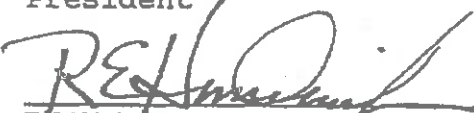
1. They are the President and Secretary respectively of the CALIFORNIA STATE UNIVERSITY, MONTEREY BAY HOUSING CORPORATION, a California nonprofit, public benefit corporation.
2. The following amendment to the Articles of Incorporation has been approved by the Board of Directors.

Article I of the Articles of Incorporation is amended to read as follows:

The name of this corporation is the: CALIFORNIA  
STATE UNIVERSITY, MONTEREY BAY FOUNDATION.

3. The Corporation has no members.

  
\_\_\_\_\_  
STEVEN F. ARVIZU  
President

  
\_\_\_\_\_  
RICHARD E. HENDRICKSON  
Secretary

VERIFICATION

Each of the undersigned declares under penalty of perjury that the statements contained in the foregoing certificate are true and correct of his own knowledge.

Executed at Seaside, California  
on September 21 , 1994

  
\_\_\_\_\_  
STEVEN F. ARVIZU

  
\_\_\_\_\_  
RICHARD E. HENDRICKSON

1749396

8/1994 (6) oag

ARTICLES OF INCORPORATION  
OF THE

ENDORSED  
FILED

In the office of the Secretary of State  
of the State of California

CALIFORNIA STATE UNIVERSITY,  
MONTEREY BAY HOUSING CORPORATION

AUG 19 1994

TONY MILLER, Acting Secretary of State

ARTICLE I  
Name

The name of this corporation is the: CALIFORNIA STATE UNIVERSITY,  
MONTEREY BAY HOUSING CORPORATION.

ARTICLE II  
Corporate Status

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

ARTICLE III  
Purposes

The charitable purposes for which this corporation is organized are to further the educational programs of California State University, Monterey Bay. This corporation is organized, and at all times hereafter will be operated exclusively for the benefit of, to perform the functions of, and to carry out the purposes of said University. This corporation is organized exclusively for educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986.

ARTICLE IV  
Conformity with Law

This corporation shall be an auxiliary organization of the California State University and shall conduct its operations in conformity with the California statutes governing such organizations (Chapter 7, commencing with Section 89900, of Part 55, Division 8, Title 3 of the Education Code) and the Regulations adopted by the Board of Trustees of the California State University (Subchapter 6, commencing with Section 42400, of Chapter 1, Division 5 of Title 5 of the California Code of Regulations) as required by the Education Code, Section 89900(c).

ARTICLE V  
Exempt Status and Limitations on Activities

No substantial part of the activities of this corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, nor shall this corporation participate or intervene in any political campaign (including publishing or distribution of statements) on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, this corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 as amended or (b) by a corporation contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 as amended.

ARTICLE VI  
Initial Agent for Service of Process

The name of the initial agent of this corporation for service of process is:

John W. Francis  
761 West Kimberly Avenue  
Placentia, California 92670

ARTICLE VII  
Directors

The number of directors, their qualifications, powers, duties, terms of office, manner of removal and filling vacancies on the Board, and the manner of calling and holding meetings of directors, shall be as stated in the Bylaws. The President of California State University, Monterey Bay, or his or her designee, shall be a member of the Board of Directors of this corporation to insure that this corporation operates in conformity with policies of The Board of Trustees of the California State University and California State University, Monterey Bay.

ARTICLE VIII  
Members

This corporation shall have no members other than the persons constituting its Board of Directors. The persons constituting its Board of Directors shall, for the purpose of any statutory provision or rule of law relating to nonprofit corporations



otherwise, be taken to be the members of such corporation and exercise all the rights and powers of members thereof.

ARTICLE IX  
Voting

Each member of the Board of Directors shall have one vote. There shall be no proxy voting permitted for the transaction of any of the business of this corporation.


ARTICLE X  
Irrevocable Dedication and Dissolution

The property of this corporation is irrevocably dedicated to charitable purposes set forth in Article III, and no part of the net income or assets of this corporation shall ever inure to the benefit of any private person. Upon dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to one or more nonprofit corporations organized and operated for the benefit of California State University, Monterey Bay, and approved by the President of the University and the Board of Trustees of the California State University. Such nonprofit corporation or corporations must be qualified for Federal income tax exemption under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended, and be organized and operated exclusively for charitable purposes.

ARTICLE XI  
Amendment

The Articles of Incorporation of this corporation shall be amended only by the vote of a majority of the Board of Directors, subject to the approval of the President of the University.

IN WITNESS WHEREOF, for the purpose of forming this nonprofit corporation under the laws of the State of California, I, the undersigned, constituting the incorporator of this corporation, have executed these Articles of Incorporation this 19th day of July, 1994.

  
\_\_\_\_\_  
Steven F. Arvizu  
Incorporator



State  
of  
California  
SECRETARY OF STATE'S OFFICE

CORPORATION DIVISION

I, *TONY MILLER*, Acting Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute  
this certificate and affix the Great  
Seal of the State of California this

**AUG 23 1994**



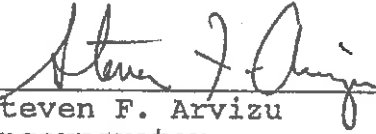
*Tony Miller*  
Acting Secretary of State

DECLARATION

I am the person whose name is subscribed below. I am the Incorporator of the California State University, Monterey Bay Housing Corporation. I have executed these Articles of Incorporation. The foregoing Articles of Incorporation are my act and deed.

Executed on July 19 , 1994 at Seaside, California.

I declare that the foregoing is true and correct.

  
\_\_\_\_\_  
Steven F. Arvizu  
Incorporator

**Attachment 4**  
**Administration of Grants and Contracts**  
**Addendum to Auxiliary Operating Agreement**  
**Between Trustees of the California State University,**  
**California State University, Monterey Bay**  
**And**  
**University Corporation at Monterey Bay**

This is an addendum to the Operating Agreement between the Trustees of the California State University (CSU) and University Corporation at Monterey Bay (Auxiliary) serving California State University (Campus), effective from July 1, 2016 through June 20, 2026, and authorizes the Auxiliary to perform the function "7. Externally Funded Projects Including Research, Workshops, Conferences and Institutes" as specified in 5 CCR (California Code of Regulations) 42500.

With this addendum, Campus designates Auxiliary as:

**XX The primary Sponsored Program Administrator (SPA) for the Campus;**

A SPA for specific types of grants and contracts for Auxiliary primary business purpose.<sup>1</sup>

Auxiliary will ensure that all proposals for external funding are reviewed by the President or designees to provide programmatic and fiscal written approval in accordance with CSU systemwide policy, ICSUAM 11002.01 (formerly EO 890).<sup>2</sup>

Auxiliary, when acting as SPA, agrees to provide grant and contract administration services in compliance with all CSU (see ICSUAM, Section 11000), Campus and Auxiliary policies related to sponsored program administration, federal and state regulations and funding agency (sponsor) regulations and guidelines.

**Approved:**

**California State University, Monterey Bay**



\_\_\_\_\_  
Eduardo M. Ochoa, President  
President

12/09/16  
\_\_\_\_\_  
Date

**University Corporation at Monterey Bay**



\_\_\_\_\_  
Kevin R. Saunders  
Executive Director

11/30/14  
\_\_\_\_\_  
Date

<sup>1</sup> For example: certain grants may be awarded to the associated students (AS) auxiliary that directly support AS programs; or a non-profit foundation may require the grant recipient to be qualified under a particular IRS code, such as 501(c)(3) or its subsections. In either case, the auxiliary accepting the grant may choose to enter into an agreement with the Campus primary SPA for more effective grant administration.

<sup>2</sup> ICSUAM Policy 11002.01 incorporates the relevant policy sections from EO890, including proposal review and approval requirements. EO890 is superseded by ICSUAM Section 11000 et al.