

MEMORANDUM OF UNDERSTANDING

Between

Bermuda College Board of Governors

And

Bermuda College Foundation Board

This Agreement entered in to this 26th day of March, 2019, by and between Bermuda College Board of Governors (BC Board) and the Bermuda College Foundation Board (the Foundation Board).

PREAMBLE

The Foundation was established for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and other private sources to benefit Bermuda College and the community it supports.

The Foundation exists to raise and manage private resources supporting the mission and priorities of the College, provide opportunities for students and faculty; and provide a margin of institutional excellence unavailable with government funds.

The Foundation is dedicated to assisting the College in the building of endowments and in addressing, through financial support, the academic needs and other priorities of the College and the community it supports.

The Foundation is a separate organization and is responsible for identifying and nurturing relationships with potential donors and other friends of the College; soliciting cash and in-kind gifts, securities, real and intellectual property, and other private resources for the support of the College; and acknowledging and stewarding such gifts in accordance with donor intent and its fiduciary responsibilities.

Furthermore, in connection with its fund-raising and asset-management activities, the Foundation reimburses the College, in full or in part, for in-kind support of the Foundation. The Foundation will be responsible for the management and costs of all Foundation personnel necessary for the Foundation to carry out its purpose.

In consideration of the mutual commitments herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1

The Foundation's Relationship to the College

- a. The Foundation is a separately incorporated company limited by guarantee non-profit organization (charity) created to raise, manage, distribute, and steward private resources to support the various missions of the College.
- b. The Foundation board of directors is responsible for the control and management of all assets of the Foundation, including the prudent management of all gifts consistent with donor intent.
- c. The Foundation is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws.
- d. The Foundation is served by the College acting as an independent contractor. The Foundation will hire and oversee all personnel who provide services and manage the private contributions, distributions, and day to day operations of the Foundation.
- e. The Foundation shall be authorized to use the College name, logo and marketing brand to accomplish its goals. However the Foundation will produce its own logo and brand and may use the BC logo in a secondary manner.

ARTICLE 2

Bermuda College's Relationship to the Foundation

- a. The President will serve as an ex-officio member of the Foundation Board and its Executive Committee (if applicable) and shall assume a prominent role in fund raising activities.
- b. The College President is responsible for communicating the College priorities and long-term plans, as approved by the BC Board, to the Foundation.
- c. Up to two members of the BC Board may be selected annually, in consultation with the Foundation Chair, to serve on the Foundation Board.
- d. The College shall include the Foundation as an active and prominent participant in the strategic planning for the College.

ARTICLE 3

Foundation Responsibilities

- a. The Foundation shall create an environment conducive to increasing levels of private support for the mission and priorities of the College and set annual goals.
- b. The Foundation and the College will collaborate, through their respective authorized representatives, to plan and execute comprehensive fund raising and donor acquisition programmes in support of the College's mission.
- c. The Foundation will establish, adhere to, and periodically assess its gift-management and acceptance policies.
- d. The Foundation will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the College and provide appropriate recognition and stewardship of such gifts.
- e. The College President will work in conjunction with the leadership of the Foundation board and the Foundation executive director to identify, cultivate, and solicit prospects for private gifts.
- f. The Foundation will establish and enforce policies to protect donor confidentiality and rights.
- g. The Foundation will establish asset-allocation, disbursement and spending policies.
- h. The Foundation will engage an independent accounting firm annually to conduct an audit of the Foundation's financial records and will provide the College with a copy of the annual audited financial statements, including management letters.
- i. When distributing gifts and funds to the College, the Foundation will disclose any terms, conditions, or limitations imposed by the donor or legal determination on the gift. The College will abide by such restrictions and provide appropriate documentation.
- j. The Foundation is the primary depository of private gifts and will transfer funds to the designated entity within the institution in compliance with College and Foundation policies, and gift agreements (see section 8I).
- k. The Foundation's disbursements on behalf of the College must be reasonable business expenses that support the institution, are consistent with donor intent, and do not conflict with the law.

- l. The Foundation will produce a grant application which must be completed and submitted to the Foundation by BC for all grant requests. This form will list details of the request, its expected outcomes and the means of measuring such outcomes. Smaller grants, \$10,000 or less, may be signed by the Executive Director and the Chair or Vice Chair of the Foundation, while larger grants must be approved by the Foundation Board.

ARTICLE 4 College

Responsibilities

- a. In consideration of Foundation services, the College will provide in-kind support, including office furniture and information technology support for computer systems, postage and office supplies, telephone service, including long-distance service, fax service and copier machine usage and College employees.
- b. The College and the Foundation may share expenses for printing and promotional materials.
- c. The College shall establish and enforce policies that support the Foundation's ability to respect the privacy and confidentiality of donor records. As such, the Foundation shall own and assume responsibility for maintenance of the donor database.
- d. The College shall honour the terms, conditions, or limitations imposed by donors on any gifts transferred from the Foundation.
- e. The College will submit a grant application to the Foundation for all grants.

ARTICLE 5

Foundation Administration

- A. The Foundation has the right to use the annual unrestricted funds or fees for services to support its operations.
- B. The Foundation will provide access to data and records to the College on a need-to-know basis in accordance with applicable laws, Foundation policies, and guidelines.
- C. The Foundation will submit the final draft of its annual report to the College for approval prior to printing.
- D. The Foundation will provide copies of its annual report, and other information that may be publicly released to the College.

ARTICLE 6

Terms of the Memorandum of Understanding

This Memorandum of Understanding, made this 26th day of March, 2019, by and between the Board of the College and the Foundation is intended to set forth policies and procedures that will contribute to the coordination of their mutual activities.

To ensure effective achievement of the items of the agreement, the College, Foundation officers and Bermuda College Board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

Neither the College nor the Foundation shall have any liability for the obligations, acts or omissions of the other party.

The Memorandum of Understanding shall be in effect from 26th March, 2019, and shall remain in effect unless 90 days written notice is given by either party of its desire to terminate or modify the provisions of the Memorandum of Understanding. If any such notice is given, the parties shall meet within thirty (30) days to reach agreement on any changes or modifications desired by either party.

In the event this Memorandum of Understanding is terminated by either party, the Foundation shall continue to administer any agreements pursuant to existing guidelines in effect at the date of termination, or in the alternative, provide for the orderly transfer of responsibility to the College.

Should the Foundation cease to exist or cease to be a non-profit organization, the Foundation will transfer its assets and property as outlined in its by-laws.

Specific activities not already covered by this Memorandum of Understanding may be agreed upon between the parties in writing as an amendment hereto, which shall constitute a portion of this Memorandum as though originally contained herein.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

FOR BERMUDA COLLEGE:


Chairman of the Board


President

26 March, 2019
Dated

FOR BERMUDA COLLEGE FOUNDATION:


Chairman of the Board


Deputy Chair of the Board

March 26, 2019
Dated