




Nashville State
Community College

TO: Charles W. Manning
Chancellor

FROM: George H. Van Allen 
President

SUBJECT: Inter-agency Agreement: Foundation

DATE: February 1, 2005

Enclosed you will find the agreement TBR Policy 4:01:07:02 requires. Please feel free to call should additional comment be deemed necessary. Thank you.

cc: Debra Bauer
Jill Johnson

AGREEMENT
between
Nashville State Technical Community College
(Formerly Named - Nashville State Technical Institute)
and
The Nashville State Community College Foundation
(Formerly Named - The Nashville Tech Foundation)

Pursuant to Tennessee Board of Regents (hereinafter referred to as the "Board") Policy #4:01:07:02 which directs that each TBR institution shall formulate a written agreement with its foundation which describes their respective responsibilities and the services the institution provides the foundation, this agreement between Nashville State Technical Community College (hereinafter referred to as the "institution") and The Nashville State Community College Foundation (hereinafter referred to as the "foundation") is mutually set forth and ratified as attested by the affixed signatures of the president of the institution and the chair of the foundation following adoption by the foundation's Board of Trustees.

Definition of Foundation

As defined in its charter of incorporation filed on February 25, 1994, the foundation is a not-for-profit organization which exists solely to support and advance the objectives of the institution. The foundation is not an operational function of the institution but is, rather, a separate legal entity operated as a tax-exempt corporation chartered within the State of Tennessee.

Foundation/Institution Relationship

The basis for the foundation/institution relationship is derived from a shared interest in the institution's development. The institution has, therefore, designated the foundation as an approved fund-raising arm of the institution and has allocated institutional human and material resources in support of the foundation's operations. And, while it is recognized that the foundation's identity is to be maintained separate from the institution, the accountability and conduct of the foundation are concerns common to the foundation, the institution, and the Board.

Institutional Participation in Foundation Governance

To ensure an appropriate level of institutional participation in foundation governance, the foundation charter stipulates that the president of the institution will be a non-voting member of the foundation and will serve as an ex-officio member of the Executive Committee.

Foundation Budget

The foundation's Executive Committee shall adopt an annual budget. The institution will develop and present a recommended budget to the foundation's Executive Committee to ensure that institutional objectives are reflected in

the allocation of foundation funds.

Foundation Policies and Procedures

The foundation's policies and procedures concerning its operations are incorporated in its charter and bylaws, the institution's policy on solicitation and acceptance of gifts, and all operative related resolutions of the foundation. These policies, which incorporate sound business principles and safeguard compliance with donor interest and conditions, are maintained in an easily accessible form by the institution's business office.

It is recognized that investments by the foundation are governed by TCA 35-10-101 et seq. and that prior to acceptance of any gift to the foundation which requires institutional support, approval must be obtained from the institution president and, if applicable, by the Chancellor.

No institutional funds, including contributions to the institution, may be transferred directly or indirectly to the foundation. Endowment funds, however, may be transferred from the institution to the foundation with the written approval of the donor. It is understood that instances may occur where a donor inadvertently directs a contribution to the institution, which is intended for the foundation. In those cases, the institution's business office is charged with evaluating the check or other conveyance along with any accompanying documentation to determine whether there is sufficient and clear evidence of donor intent. Barring such evidence, the business office will contact the donor for clarification prior to the deposit of the contribution.

The foundation respects Board and institutional responsibilities for institutional personnel administration. The foundation's routine procedure for disbursing funds ensures that there can be no foundation expenditures for compensation of institutional personnel, i.e., salary supplements and perquisites, without advance approval by the institution's president and Chancellor.

Foundation Records and Reports

The Institution's chief business officer shall have custody of all monies, financial papers and securities of the foundation and is responsible for the preparation of all foundation reports with oversight by the appropriate committee and the treasurer. The institution's business office assists the foundation's treasurer by maintaining the foundation's operating accounts as an agency fund of the institution separate from institutional records and accounts. Monthly reports are furnished by the institution's business office to the foundation treasurer detailing the balance and current month's activity in all foundation accounts including those investments and properties which are managed by the treasurer independently of the institution. The institution receives no compensation from the foundation for these services. Records and accounts maintained by the foundation are available to the institution, the Comptroller of the Treasury of the State of Tennessee, and the Board.

The foundation Executive Committee shall issue a comprehensive annual financial report to the president of the institution and the Board of Trustees. Any initial and amended foundation charters and bylaws filed with the Secretary of State shall be submitted by the president of the institution to the Chancellor for review.

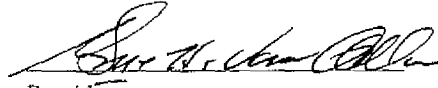
Foundation Trustees

The institution acknowledges without reservation its profound gratitude and respect for the outstanding men and women who volunteer their valuable time, leadership, and wisdom in service as trustees of the foundation. Receiving no compensation other than the intangible rewards of selfless service to the institution and community, these businesses, industrial, and civic leaders make a contribution to the institution which far exceeds the very substantial financial support they generate for its growth and development.

In witness whereof, the parties have by their duly authorized representatives set their signature.



Chairperson
Nashville State Community College Foundation



President
Nashville State Technical Community College

Date: January 28, 2005

Date: January 27, 05