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LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

TO: Dr. Monty Sullivan
LCTCS President

THROUGH: Joe Marin *JM*
Chief Operations Officer

FROM: David Helveston *DH*
Chief External Affairs Officer

DATE: December 2, 2016

SUBJECT: Approval of the establishment of a foundation for Northshore Technical Community College

FOR BOARD ACTION

Recommendation: Staff recommends that the Board approve the establishment of a foundation for the benefit of Northshore Technical Community College (NTCC). Staff further recommends that the Board receive and approve the foundation's associated Articles of Incorporation and the Joint Operating Agreement between NTCC and the Northshore College Enhancement Foundation.

Background: The Northshore College Enhancement Foundation has been created as a 501(c)(3) non-profit organization to support NTCC. In recognition of the importance of foundations to the System, the Board of Supervisors established Policy #5.017, regarding the approval, operations, and administration of foundations, which requires the Board's approval of the establishment of college foundations and requires the Board's receipt of certain associated documents.

History of Prior Actions: There is a history of approving the establishment of foundations at LCTCS colleges.

Fiscal Impact: On behalf of the college, the foundation will solicit gifts and donations to support the mission of the college. The foundation will expend its privately-raised financial resources support the college in areas such as financial assistance to students, faculty enhancement, equipment upgrades, and special events.

Benefits to System: This will help NTCC to raise private funds and take steps towards reaching the asset goal laid out by Our Louisiana 2020.

Monty Sullivan
Approved for Recommendation to the Board
Dr. Monty Sullivan

Date

JOINT OPERATING AGREEMENT
between
NORTHSHORE TECHNICAL COMMUNITY COLLEGE and
NORTHSHORE COLLEGE ENHANCEMENT FOUNDATION

THIS AGREEMENT is made and entered into by and between Northshore Technical Community College, hereinafter referred to as "College" and the Northshore College Enhancement Foundation, hereafter referred to as "Foundation," a Louisiana nonprofit corporation created under the provision of R.S. 1950, Title 12, Chapter 2.

- A. The College is a state educational institution. It operates under the guidelines of the Louisiana Community Technical College System (LCTCS).

- B. The Foundation is an existing, organized, and operating nonprofit corporation under the laws of the State of Louisiana and has applied to be a federally tax exempt, charitable corporation for the purpose of and objective of promoting charitable, educational, and cultural studies at the college whose purpose is to solicit and accept gifts, grants, bequests, and funds, including property, for the purpose of providing scholarships and other educational endeavors or other designated benefits for the College and its faculty, staff, and students as described in 501 (c) (3) of the Internal Revenue Service Code of 1986, as amended.

- C. Because of the close association of the Foundation with the College, the parties agree that it is prudent and beneficial to have a clear statement of the relationship between the

parties regarding the responsibilities, authority, and obligations of the College and the Foundation.

Because the Foundation is identified with the College, it is important that the citizens, alumni, and contributors agree to the standards and procedures of operation of the Foundation and preserve the privacy and independent status of the Foundation in the perception of citizens, alumni, and contributors to the support and development of the College. It is important that the College and the Foundation agree to the standards and procedures of accounting for the accounts of the Foundation while at the same time preserving the private and independent status of the Foundation.

- D. The Foundation shall use its best efforts to have the members of its Board of Directors be individuals of good character, known for their philanthropic and community service, have a genuine interest in, serve as advocates for the College, and have committed time, energy, talent, and resources to support the stated mission of the College.
- E. The Foundation agrees to perform the following activities for the benefit of the College:
- (1) Secure funding to support the teaching and public service mission for the College;
 - (2) Ensure that funds are invested properly and that those funds are expended properly to meet the requirements of the donors;
 - (3) Encourage, solicit, and sustain membership in the Foundation; and
 - (4) Expend funds for the establishment and maintenance of the Foundation.

F. The Foundation shall expend its financial resources for the benefit of the College in the following manner:

- (1) Financial assistance to financially disadvantaged students, including scholarships;
- (2) Professional development (faculty and staff);
- (3) Faculty enhancement;
- (4) Technology and equipment upgrades;
- (5) Facility acquisition, improvement, and expansion;
- (6) Speaker series;
- (7) Special events/Chancellor discretionary funds; and
- (8) Local, federal, or private appropriations for research, public outreach, cultural enhancement, public works, and other activities for which funds may be made available.

G. The Foundation shall have the following duties and responsibilities:

- (1) The Foundation's primary objective shall be to provide support to the College so the Foundation should not engage in activities contrary to this objective.
Additionally, the acts, deeds, functions, and activities of the Foundation shall in no way conflict with the authority of the College.
- (2) The Foundation in fulfilling its mission may:
 - (a) Solicit and accept funds of all kinds, including property, both real and personal, whether principal or income, tangible or intangible, vested or contingent, within the limits of the law, for the purpose of providing funds

for the general purposes of the Foundation and for the purposes of providing scholarships, activities in research, or other such designated benefits for the College and its faculty, staff, and students as may be prescribed by testators or donors to the Foundation, and

(b) Receive, hold, manage, invest, and administer such donations, bequests, devises, and gifts for the purposes so determined, subject to such terms and conditions as may be imposed by respective testators or donors. The Foundation may distribute to students granted scholarships by the College the funds or property under control of the Foundation for the purposes specified by the testators or donors, and

(c) Expend funds for the establishment and operation of the Foundation and for expenses incidental to the conduct of the affairs of the Foundation.

(3) The Foundation shall reimburse, through in kind services, the cost of housing personnel, which personnel shall remain public servants for all purposes, and other support furnished the Foundation by the College pursuant to La. R.S. 173390B(3).

(4) The Foundation, in its sole discretion and without obtaining approval from the College, subject only to any specific direction or restrictions relating to any particular donation, may invest the donations as it deems appropriate, consistent with established investment criteria of the Foundation and consistent with reasonable and prudent investment standards, further subject to State rules and regulations where applicable.

- (5) The net earnings or assets of the Foundation shall not be distributed to the benefit of its directors, officers, or other private persons except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the overall purpose of the Foundation.
- (6) The Foundation shall be responsible for establishing and implementing a system of controls, including financial controls, which ensures compliance with all applicable laws and regulations specifically including state and federal laws regarding the nonprofit, tax-exempt status of the entity.

H. Duties, functions and responsibilities of the College include:

- (1) The College shall accept funds and other gifts in kind from the Foundation for the purpose of promoting the well-being and advancement of the College and all the college, schools, departments, and divisions comprising it, and to develop, expand and improve the College curricula, programs, and facilities so as to provide greater educational advantages and opportunities, encourage teaching excellence, scholarship, and service and increase the College benefits to the citizens of the State of Louisiana and the United States of America.
- (2) The College shall use such funds in accordance with the terms and conditions as may be imposed by testators and donors within the limits of the law.

I. Services to be performed:

(1) By the Foundation:

- (a) The Foundation agrees to perform services consistent with its mission generally and as specifically set forth in the Agreement.
- (b) The Foundation acknowledges that the Chancellor of the College has ultimate control of the institutional fundraising activities of the College.
- (c) The Foundation agrees to work with the College's staff to identify, cultivate, and solicit prospective donors, provide stewardship for donors and work with other College volunteers to enhance the overall development effort of the College.
- (d) In addition, the Foundation may perform other services consistent with its overall purpose for the benefit of the College.

(2) By the College:

- (a) The College agrees to make available to the Foundation, whenever feasible, facilities, personnel, or other support provided that the College is reimbursed in kind for any cost associated with these items.
- (c) Also, the College agrees to perform other additional services that may be agreed upon by the parties of this Agreement.

J. The books and records of the Foundation shall be kept in accordance with generally accepted accounting principles and shall be audited annually in accordance with

generally accepted auditing standards, by an independent professional auditor who shall furnish to the Foundation copies of this annual audit.

- K. This agreement shall continue in full force and effect until terminated by 120 days written notice by either party or by operation of law. If this agreement is terminated by the College or by operation of law, the agreement shall continue in full force and effect until receipt of the Foundation of the notice of the occasion for such termination and any transactions entered into by the Foundation prior to the receipt of such notice shall be binding upon the College.

Should any substantial misuse of funds or fraudulent activity on the part of the Foundation be discovered, the College may, at its discretion, terminate this agreement. By the same right, should the same situation occur with the College at fault, the Foundation may, at its discretion, terminate this agreement also. Nothing in this agreement shall be construed as to invalidate or restrict the Foundation's private and independent status.

In the event that either party terminates this Agreement, the Foundation shall turn over to the College all the assets of the Foundation within 60 days of the final termination date. A final audit of the Foundation's books shall be required and distributed to the necessary parties.

After the termination of this Agreement, the Foundation shall be prohibited from using the name Northshore College Enhancement Foundation to solicit donations or for any other purpose and shall not, in any way, represent to the alumni, contributors, or the general public that said Foundation is affiliated with Northshore Technical Community College.

L. This contract shall begin on **December 1, 2016**.

M. Whenever any notice or demand is required or permitted under this agreement, such notice or demand shall be given in writing and delivered by certified mail to the following addresses:

College: William S. Wainwright, Chancellor
Northshore Technical Community College
65556 Centerpoint Blvd.
Lacombe, LA 70445

Foundation: Chairman
Northshore College Enhancement Foundation
65556 Centerpoint Blvd.
Lacombe, LA 70445

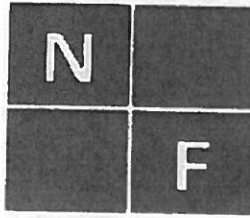
N. This agreement constitutes the entire agreement between the parties and shall be amended in writing, executed by all parties hereto.

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the parties

hereto on this 1st day of December, 2016.

By: William A. Ward
Chancellor, Northshore Technical Community College

By: Rossy M. M.
Chairman, Northshore College Enhancement Foundation



ARTICLES OF INCORPORATION

NORTHSHORE COLLEGE ENHANCEMENT FOUNDATION

We, the undersigned incorporators, hereby associate ourselves together to form and establish a corporation NOT for profit under the laws of the State of Louisiana.

FIRST: The name of the corporation is: THE NORTHSHORE COLLEGE ENHANCEMENT FOUNDATION.

SECOND: The location of its principal place of business in this state is 1710 Sullivan Drive, Bogalusa, Louisiana 70427

THIRD: The location of its registered office in this state is 1710 Sullivan Drive, Bogalusa, Louisiana 70427

FOURTH: The name and address of its registered agent and incorporator in this State is:

William Wainwright
1710 Sullivan Drive
Bogalusa, Louisiana 70427

FIFTH: This corporation is organized NOT for profit and the objects and purposes to be transacted and carried on shall NOT be transacted and carried on for profit, but the corporation is supporting an educational undertaking, to-wit: Northshore Technical Community College and its successors, and to that end to receive and hold in trust any property, real and personal, given, devised, bequeathed, given in trust, or in other way made over to the said corporation for the use or benefit of Northshore Technical Community College and its successors, or of any student or professor as such, or of any department thereof, or for the carrying on at said institution of any line of work, teaching or investigation, which the donor, grantor or testator may designate; to invest or disburse all money so received, and generally to care for, manage, administer and control all such property so received; and to carry out the wishes of said donors, grantors or testators, and to see that the funds and property so received are applied to the uses specified by the donor; or in case the gift, devise or bequest is a general one, then to such uses as may be agreed on by the Board of Directors.

SIXTH: In order to accomplish the purposes for which this corporation is formed and for which the funds and property of the corporation shall be handled, administered, operated and

distributed, as herein set forth, the corporation, its officers and directors shall possess and exercise all powers, authorities and privileges granted by and under the laws of the State of Louisiana and, in addition thereto, the following powers, authorities and privileges.

(a) To receive, acquire, own and hold property of all kinds, to make distributions from principal as well as from income, including the power to make a complete distribution and to terminate the corporation's activities;

(b) To employ such agents, representatives and employees as the directors deem necessary and advisable, and to pay such costs and expenses, including compensation of its agents, representatives, attorneys, employees and of the directors, as may be incurred in the administration of its affairs;

(c) To receive and accept donations; and to receive, manage, take and hold real and personal property, by gift, grant, devise, or bequest; and also to receive, hold, manage, convert, sell, convey, assign, transfer, alter, reinvest and otherwise deal with all the properties held by the corporation, and all additions thereto, as in the discretion of the Board of Directors shall be deemed best to promote and accomplish the purposes of the corporation;

(d) To retain the original properties received by it from donors for such time as the Board of Directors of the corporation shall deem best; at all times and from time to time, to lease, sell, convey, convert, reconvert, partition or exchange any property at any time comprising a part of the assets of the corporation, or any part of parts thereof, or any claim or interest the corporation might have in such property; and to make, execute and deliver all such instruments as the Board of Directors may deem necessary or expedient for such purposes; and to make contracts with reference to the property belonging to the corporation or any part thereof, as the Board of Directors may see fit;

(e) To participate in the liquidation, reorganization, consolidation or other financial readjustment of any corporation or business in which this corporation is, or shall be, financially interested;

(f) To invest any money which it may have at any time in such bonds, stocks, debentures, notes, real estate mortgages or other securities, or in such other property, real or personal, as the Board of Directors shall deem wise;

(g) To hold all shares of stock and other securities belonging to it at any time in its own name, or in the name of any nominee of the corporation; to vote any of its shares of stock through any of its duly authorized officers, or by proxy, to assent to or waive any stockholder's right or privilege in respect thereof, including any right or privilege to subscribe for or otherwise acquire any additional stock; to assent to any merger, consolidation or reorganization of any property, corporation, or other enterprise in which this corporation may be interested, or whose obligations or securities may be held by this corporation, and to join therein and exchange the securities held by it for such other securities as may be issued pursuant to such action or arrangement; to unite with other owners of similar properties or securities in any plan, agreement

or deposit designed to effectuate any such purpose, and to pay all assessments or expenses incidental thereto; and to consent to any lease or other corporate act;

(h) To join or unite with any other stockholder or stockholders or any parties beneficially or otherwise interested in any shares of stock in any corporation in which this corporation may be a stockholder, for the purpose of securing the more efficient management of such corporation, and to that and also to enter into voting trust or lawful agreement to concentrate or unify the control of any stock of any such corporation embodying such terms and provisions as may appear acceptable to the Board of Directors of this corporation, and deposit the shares of interest held by this corporation under such trust or agreement, all as the Board of Directors of this corporation may deem prudent;

(i) To compromise, arbitrate or otherwise adjust claims in favor of or against the corporation and to join in, maintain, compromise, defend or otherwise dispose of any litigation in any manner arising in connection with the corporation, upon such terms as the Board of Directors of the corporation shall deem advisable; and, in the exercise of these powers, to execute and deliver any and all receipts, releases or instruments necessary or advisable;

(j) To borrow or raise moneys for any of the purposes of the corporation and, from time to time, without limit as to amount, to draw, make, accept, endorse, execute, and issue promissory notes, draft bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes;

(k) To hire the services of a qualified investment advisor to invest college enhancement fund assets with the primary objective being income and growth of principal;

(l) In general, to have and exercise all powers conferred upon corporations organized NOT for profit by the laws of the State of Louisiana, now or hereafter in effect, for the accomplishment of the purposes and the carrying on and promotion of the business and objects of this corporation, which are any one or more of the acts and things herein set forth;

(m) To lease any real estate at any time constituting a portion of the property of the corporation for such term or terms and rentals, and with such conditions and provisions, including such agreements for renewals and for the erection, purchase or disposal of buildings upon, or to be placed upon, any such real estate, as its Board of Directors may deem proper, including the purchase or erection of a building for the use of this corporation;

(n) To mortgage any real estate at any time constituting any portion of its property on such terms and conditions as may seem to its Board of Directors proper for the payment of taxes and assessments, or for the replacement of other liens, or for the repair, construction or alteration of buildings thereon, and for expenses incidental thereto;

(o) By and through its officers, to execute and deliver any and all proxies, powers of attorney, contracts, deeds, leases and other instruments necessary or proper in the administration of its property and affairs.

PROVIDED HOWEVER, that in no event and under no circumstances, excluding scholarship funds which are available to be awarded to any eligible student, shall any part of the net earnings thereof be distributed to or inure to the benefit of:

(a) Any donor to the corporation or his/her heirs or personal representatives;

(b) Any director or officer of this corporation;

and no part of the funds, property or assets of the corporation, or the income therefrom, shall be expended for any purpose other than those herein designated; and PROVIDED FURTHER that no part of the corporation's activities shall be the carrying on of propaganda or otherwise attempting to influence legislation.

SEVENTH: The corporation shall NOT have the authority to issue capital stock.

EIGHTH: The names and places of residence (Post Office Address) of each of the directors are:

<u>Name</u>	<u>Address</u>
William Wainwright	1710 Sullivan Drive Bogalusa, LA 70427
Timothy McCarthy	103 Northpark Blvd Covington, LA 70433
Simone Bruni Crouere	6246 Memphis Street New Orleans, LA 70124
Robby Miller	1201 N General Pershing St. Hammond, LA 70401
Sean Burkes	1805 Shortcut Hwy Slidell, LA 70458
William Nielsen	1619 S Columbia Street Bogalusa, LA 70427

NINTH: The corporation will be managed by a board the size of which will be determined within the corporation's by-laws.

TENTH: The members of this corporation shall be determined annually as set forth in the corporation's by-laws.

ELEVENTH: The members and directors of the corporation may vote by proxy. They shall receive no compensation for their services as members and directors.

TWELFTH: The annual meeting and other meetings shall be held on dates fixed by the Board of Directors, as provided by the by-laws.

THIRTEENTH: Upon the dissolution of the corporation, all of the property and assets of the corporation shall be transferred to Northshore Technical Community College or its successor. If successor should no longer be in existence and no longer exempt under Section 501 (c)(3) of the Internal Revenue Code or corresponding provision of any future U.S. Internal Revenue law of amendments, or should be unwilling or unable to accept the property and assets, then all the property and assets of this corporation shall be distributed to an educational organization or organizations exempt from Federal Income Tax under Section 501 (c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

FOURTEENTH: Said corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

FIFTEENTH: The term for which this corporation is to exist is perpetual.

Incorporator(s) Signature(s):

William S. Wainwright

On this 27th day of September, 2016, before me, personally appeared William S. Wainwright, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed it as his free act and deed.

Angela J. Barron
NotaryAngela J. Barron
#134335**AGENT'S AFFIDAVIT AND ACKNOWLEDGEMENT OF ACCEPTANCE**

I hereby acknowledge and accept the appointment of registered agent for and on behalf of the above named corporation.

Registered agent(s) signature(s):

William S. Wainwright

Sworn to and subscribed before me this 27th day of September, 2016.
NOTARY NAME MUST BE TYPED OR PRINTED WITH NOTARY #

Angela J. Barron
Notary Signature Angela J. Barron
#134335