

**Memorandum of Understanding
Between the
University of North Florida
and the
University of North Florida Foundation Inc.
June 2019**

THIS AGREEMENT, entered into as of June 18, 2019, by and between the University of North Florida (herein after the University) and the University of North Florida Foundation, Inc., (herein after the Foundation).

The Foundation was organized and incorporated in 1971 for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others for the benefit of University.

The Foundation exists to raise and manage private resources supporting the mission, vision and priorities of the University, and to provide opportunities for students and to create institutional excellence beyond state funding.

The Foundation is dedicated to assisting the University in the building of the endowment and in addressing, through financial support, the long-term academic and other priorities of the University.

As stated in its articles of incorporation, the Foundation is a separately incorporated 501 (c) (3) organization and is responsible for identifying and nurturing relationships with potential donors and other friends of the University; soliciting cash, securities, real and intellectual property, and other private resources for the support of the University and acknowledging and stewarding such gifts in accordance with donor intent and its fiduciary responsibilities.

Furthermore, in connection with its fundraising and asset management activities, the Foundation retains personnel for accounting and auditing purposes.

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:

Foundation Name, Seal and Logotype

Consistent with its mission to help to advance the plans and objectives of the University, the Foundation is granted the use of the name, University of North Florida, however, the

Foundation will operate under its own seal and logotype and shall not use the University seal or other identifying marks in the promotion of its business and activities unless given prior approval.

Institutional Governance

- I. The Board of Trustees (herein after the Trustees), is responsible for governance, setting priorities and long-term plans for the University of North Florida.
- II. The Trustees are legally responsible for the oversight of all aspects of University operations.
- III. The Trustees are responsible for the employment, compensation, and evaluation of all University employees, including the President.

The Foundation's Relationship to the Institution

- I. The purpose of the Foundation is to provide support to the University which the Trustees deem to be in the best interests of the University, including but not limited to, the following:
 - A. to administer with fiduciary care the assets of the Foundation for the long-term enhancement of the University;
 - B. to provide volunteer leadership and assistance to the University in its development and fundraising activities; and
 - C. to provide broad advice, consultation and support to the President of the University.
- II. The Foundation Board of Directors (herein after the 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.
- III. The Foundation is a separately incorporated 501 (c) (3) nonprofit organization created to raise, manage, distribute, and steward private resources to support the various divisions of the University including but not limited to academic colleges, academic affairs, student affairs, MOCA Jacksonville and intercollegiate athletics.
- IV. The Foundation is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws that clearly address the directors' fiduciary responsibilities, including expectations of individual board members based upon conflict of interest.
- V. The Foundation may be called upon to provide a portion of the University President's compensation (present and/or deferred) and/or other emoluments and will do so based on collaborative discussions and availability of funds.

Institution's Relationship to the Foundation

- I. The University President is responsible for communicating the University priorities and long-term fundraising plans, as approved by the Trustees, to the Foundation.
- II. The Executive Director of the Foundation shall be included as a member of the University President's executive staff as the Vice President for University Development and Alumni Engagement.
- III. The University shall include the Foundation as an active and prominent participant to review and comment in the strategic planning process for the University.
- IV. The President of the University shall serve as a voting member of the Foundation Board and the Foundation Executive Committee and shall assume a prominent role in fundraising activities.
- V. The University shall establish and enforce policies that support the Foundation's ability to respect the privacy and confidentiality of donor records in conjunction with state and federal laws.
- VI. The Board of Trustees will appoint at least one representative on the Foundation Board who will serve on the Executive Committee.

Foundation Responsibilities

Fundraising

- I. The Foundation shall create an environment conducive to increasing levels of private support for the mission, vision and priorities of the University.
- II. The Foundation shall establish, adhere to, and periodically assess its gift-management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the University and provide appropriate recognition and stewardship of such gifts.
- III. The Foundation recognizes that the Foundation bears major responsibility for fundraising. University representatives will coordinate fundraising initiatives including major gift solicitations with the Foundation.
- IV. The Foundation, in consultation with the University President, will assist in the planning and executing comprehensive fundraising and donor-acquisition programs in support of the institution's mission and strategic plan. These programs may include annual giving, major gifts, planned gifts, donor engagement and stewardship, special projects, and campaigns as appropriate.

- V. The University President will work in conjunction with the leadership of the Foundation Board and the Foundation Executive Director to identify, cultivate, solicit, and steward prospective donors for private gifts.
- VI. The Foundation shall establish and enforce policies to protect donor confidentiality and rights as established by state and federal laws.

Asset Management

- I. The Foundation will establish asset-allocation, disbursement, and spending policies that adhere to applicable federal and state laws including the Uniform Prudent Investor Act (UPIA) and the Uniform Management of Institutional Funds Act (UMIFA).
- II. The Foundation will receive, hold, manage, invest, and disperse contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.
- III. The Foundation will engage an independent accounting firm annually to conduct an audit of the Foundation's financial and operational records and will provide the Trustees with a copy of the annual audited financial statements, including management letters.

Institutional Flexibility

- I. The Foundation will, as appropriate, explore current opportunities, including acquisition and management of real estate on behalf of the University for future allocation, transfer, or use.
- II. The Foundation may serve as an instrument for entrepreneurial activities for the University and engage in such activities as purchasing, developing, or managing real estate for University expansion, student housing, or retirement communities. It may hold licensing agreements and other forms of intellectual property, borrow or guarantee debt issued by third parties, and engage in other lawful activities to increase Foundation revenue.
- III. When distributing gift funds to the University, the Foundation will disclose any terms, conditions, or limitations imposed by donor or legal determination on the gift. The University will abide by such restrictions and provide appropriate documentation.

Transfer of Funds

- I. The Foundation is the primary depository of private gifts and will transfer funds to the designated entity within the institution in compliance with applicable laws, university policies, and gift agreements.
- II. The Foundation's disbursements on behalf of the University must be for reasonable

business expenses that support the institution, consistent with donor intent, and not in conflict with the law.

Foundation Funding and Administration

- I. The Foundation is responsible for establishing a financial plan to underwrite the cost of foundation programs, operations, and services.
- II. The Foundation has the right to assess fees for services, use a reasonable percentage of its annual unrestricted funds, or engage in other revenue generating opportunities to support its operations.

Terms of the Memorandum of Understanding (MOU)

This Memorandum of Understanding, between the University of North Florida Board of Trustees and the University of North Florida Foundation, is intended to contribute to the coordination of their mutual activities.

To ensure effective achievement of the items of the Agreement, the University and Foundation officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

Consistent with provisions appearing in the Foundation's bylaws and its articles of incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code §501 (c) (3) organization, the Foundation will transfer its assets and property to the University, to a reincorporated successor foundation, or to the state or federal government for public purposes, in accordance with the law and donor intent.

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.




Kevin Hyde, Chair
Board of Trustees
University of North Florida

Date: 6/19/19



Jason Burnett, Chair
Board of Directors
University of North Florida Foundation, Inc.

Date: 11/14/19



David Szymanski, President
University of North Florida

Date: 12/10/19



Ann S. McCullen, Executive Director
University of North Florida Foundation, Inc.

Date: 11/18/19