

**CONSENT
APRIL 17-18, 2024**

TAB	DESCRIPTION	ACTION
1	BAHR – FY25 APPROPRIATIONS	Action Item
2	BAHR – FY25 OPPORTUNITY SCHOLARSHIP – EDUCATIONAL COSTS	Action Item
3	BAHR – BSU COLLEGIATE LICENSING COMPANY AGREEMENT EXTENSION	Action Item
4	BAHR – BSU ONLINE UNDERGRADUATE PROGRAM FEE REQUEST – AI FOR ALL	Action Item
5	BAHR – UI RENEWAL OF EXISTING LEASE – CSI/UI COLLEGE OF AGRICULTURE AND LIFE SCIENCE RESEARCH AND EXTENSION PROGRAM IN TWIN FALLS	Action Item
6	BAHR – UI RENEWAL OF EXISTING LEASE – CSI/UI ADMISSIONS OFFICE IN TWIN FALLS	Action Item
7	BAHR – UI RENEWAL OF EXISTING LEASE – UI COLLEGE OF AGRICULTURE AND LIFE SCIENCE AGRIBUSINESS INCUBATOR IN CALDWELL	Action Item
8	BAHR – UI AMENDMENT TO MASTER AGREEMENT BETWEEN UI AND SITECORE USA, INC.	Action Item
9	BAHR – LCSC FOUNDATION OPERATING AGREEMENT	Action Item

CONSENT
APRIL 17-18, 2024

TAB	DESCRIPTION	ACTION
10	IDE – EMERGENCY PROVISIONAL CERTIFICATE RECOMMENDATIONS	Action Item
11	IDE – REQUESTS FOR APPROVAL TO TRANSPORT STUDENTS LESS THAN ONE AND ONE-HALF MILES FOR SY2023-2024	Action Item
12	IDE – STUDENT TRANSPORTATION 103% CAP WAIVER	Action Item
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BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 17-18, 2024

SUBJECT

FY 2025 Appropriation Information – Institutions and Agencies of the State Board of Education

APPLICABLE STATUTE, RULE, OR POLICY

Applicable Legislative Appropriation Bills (2024)

BACKGROUND/ DISCUSSION

As of agenda preparation time, the appropriation bills for the institutions and agencies of the State Board of Education were in various stages. Bill numbers are provided if available.

The table on Tab 1 Attachment 1 lists the FY 2025 appropriations related to the State Board of Education.

IMPACT

Appropriations provide funding and spending authority for the agencies and institutions of the State Board of Education, allowing them to offer programs and services to Idaho's citizens. For FY 2025, the Legislature appropriated what was considered a maintenance bill for all agencies in House Bill 458. Then enhancements were appropriated in subsequent bills and those bills are indicated in Attachment 1.

ATTACHMENTS

Attachment 1 – FY 2025 Appropriations List

STAFF COMMENTS

Staff comments and recommendations are included for each specific institution and agency allocation.

BOARD ACTION

Motions for the allocations for College and Universities and Community Colleges are found on each specific allocation.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 17-18, 2024

ATTACHMENT 1

State Board of Education
FY 2025 Appropriations to Institutions and Agencies

	General Fund	% Δ From FY 2024	Total Funds
<u>Allocations</u>			
College and Universities H458, H734	\$365,098,400	3.2%	\$700,004,700
Community Colleges H458, H733	63,935,200	5.0%	64,735,200
Career Technical Education H458, H693	79,153,900	3.5%	94,616,500
<u>Agencies</u>			
Agricultural Research & Extension H458, H703	37,966,900	3.2%	38,499,000
Health Education Programs H458, H681	27,830,000	3.7%	28,204,700
Special Programs H458, H692	30,083,600	3.2%	35,831,400
State Board of Education H458, H698, H738	46,161,100	11.6%	52,208,000
Idaho Public Television H458, S1399	3,016,600	2.8%	3,016,600
Division of Vocational Rehabilitation H458, H700	5,272,700	1.9%	26,980,400
Idaho Public Charter Schools Comm'n H458, H552	193,000	1.5%	724,900
State Department of Education H458, H353	12,530,400	15.2%	66,113,000

Statewide Issues

Permanent Building Fund Advisory Committee Appropriations H735

As of agenda preparation time, the total for A&R projects for the institutions and agencies was \$30,115,000. The following capital requests were recommended:

Boise State University	13,000,000
Idaho State University	7,000,000
University of Idaho State	4,000,000
Lewis-Clark State College	6,115,000
College of Western Idaho: Student Learning Center	10,700,000

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 17-18, 2024

SUBJECT

FY 2025 College and Universities Appropriation Allocation

APPLICABLE STATUTE, RULE, OR POLICY

House Bills 458 and 734 (2024)

Idaho State Board of Education Governing Policies & Procedures, Section V.S.

BACKGROUND/DISCUSSION

The Legislature appropriates to the State Board of Education and the Board of Regents monies for the general education programs at Boise State University (BSU), Idaho State University (ISU), University of Idaho (UI), Lewis-Clark State College (LCSC), and system-wide needs. The Board allocates the appropriation to the four institutions based on legislative intent and Board Policy, Section V.S.

According to Board policy, the allocation is made in the following order: 1) each institution shall be allocated its prior year budget base; 2) funds for the Enrollment Workload Adjustment (EWA); 3) operations and maintenance funds for new, major general education capital improvement projects; 4) decision units above the base; and 5) special activities or projects at the discretion of the Board. These funds, allocated along with revenue generated from potential fee increases, will establish the funding for the general education programs for FY 2025. The allocation for FY 2025 is shown on Tab 1a Attachment 1. The FY 2025 general fund appropriation includes the following items:

Maintenance of Current Operations (MCO):

- | | |
|--|---------------|
| • Decreases in total benefit costs | (\$2,087,500) |
| • Decreases in Statewide cost allocation | (1,634,200) |
| • 1% Change in Employee Compensation (CEC) | 2,706,600 |

Line Items:

- | | |
|------------------------------------|----------------|
| • Operational Capacity Enhancement | 6,995,400 |
| • Transfer Risk Managers to OSBE | (489,000) |
| • Additional 2% CEC: General Funds | 5,415,300 |
| • Enrollment Workload Adjustment | <u>569,000</u> |

Total General Fund increase over Base	\$11,475,600
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ATTACHMENTS

Attachment 1 - C&U FY 2025 Appropriation Allocation

Attachment 2 - Statement of Purpose/Fiscal Note

Attachment 3 - Appropriation Bills (H458 and H734)

STAFF COMMENTS

Staff recommends approval of the FY 2025 College and Universities allocation as presented in Attachment 1.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 17-18, 2024

BOARD ACTION

I move to approve the allocation of the FY 2025 appropriation for Boise State University, Idaho State University, University of Idaho, Lewis-Clark State College, and system-wide needs, as presented on Tab 1a, Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

FY 2025 College and University Allocation **Based on HB 458 and HB 734**

March 24, 2023

Appropriation:	FY24 Appr	FY25 Appr	% Chge	Sys Needs:	FY24 Appr	FY25 Appr
General Educ Approp: HB 458 and HB 734				HERC	1,654,000	1,654,000
General Account	353,942,200	365,098,400	3.15%	UG Research	265,000	265,000
Endowment Funds	22,918,100	24,046,000	4.92%	Sys Nds	2,422,800	2,423,500
				IGEM	2,100,000	2,100,000
Total Gen Acct & Endow Funds	376,860,300	389,144,400	3.26%	Total	6,441,800	6,442,500
Student Fees/Misc Revenue	496,734,000	310,860,300	-37.42%			
Total General Education Appropriation	873,594,300	700,004,700	-19.87%			
Allocation:	BSU	ISU	UI	LCSC	SYS-WIDE	TOTAL
FY24 General Account	124,938,500	94,980,500	105,504,500	21,760,500	6,438,800	353,622,800
FY24 Endowment Funds	0	5,153,200	14,480,100	3,284,400	0	22,917,700
FY25 Budget Base	124,938,500	100,133,700	119,984,600	25,044,900	6,438,800	376,540,500
Additional Funding for FY25:						
MCO Adjustments:						
Personnel Benefits	(678,400)	(691,700)	(574,700)	(181,000)	1,900	(2,123,900)
Inflation including Library B&P	0	0	0	0	0	0
Recplacement Capital	0	0	0	0	0	0
CEC: 1%	966,400	792,600	828,200	159,300	1,800	2,748,300
Endowment Fund Adjustments	0	0	0	0	0	0
Nonstandard Adjustments:						
Risk Mgmt/Controller/Treasurer	(634,700)	(413,300)	(469,700)	(116,500)		(1,634,200)
External Nonstandard Adjustments:						
Enrollment Workload Adjustment (EWA) - GF	0	0	0	0	0	0
Line Items						
Operational Capacity Enhancement	2,491,700	1,924,400	2,139,100	440,200	0	6,995,400
Transfer Risk Managers to OSBE	(136,000)	(95,200)	(257,800)	0	0	(489,000)
Additional 2% CEC: General Funds	1,932,300	1,501,500	1,655,900	325,600	0	5,415,300
Additional 2% CEC: Endowment Funds	0	83,500	0	0	0	83,500
Additional 2% CEC: Student Fees	521,000	589,700	942,900	225,000	0	2,278,600
Endowment Adjustments	0	305,400	381,900	352,200	0	1,039,500
Enrollment Workload Adjustment	0	213,300	301,000	54,700	0	569,000
Total Addl Funding	4,462,300	4,210,200	4,946,800	1,259,500	3,700	14,882,500
FY25 Gen Acct, Endow, CARES and HESF	128,879,800	103,754,200	123,988,500	26,079,400	6,442,500	389,144,400
% Change From FY24 Adjusted Budget Base	3.2%	3.6%	3.3%	4.1%	0.1%	3.3%
FY25 Estimated Student Fee Revenue	160,918,800	61,910,900	72,402,600	15,628,000	0	310,860,300
FY25 Operating Budget	289,798,600	165,665,100	196,391,100	41,707,400	6,442,500	700,004,700
General Fund Increase over Base	3,941,300	3,226,300	3,622,000	682,300	3,700	11,475,600
% Increase	3.2%	3.4%	3.4%	3.1%	0.1%	3.2%
General Fund Increase - ongoing over Base	3,941,300	3,226,300	3,622,000	682,300	3,700	11,475,600
% Increase	3.2%	3.4%	3.4%	3.1%	0.1%	3.2%
General Fund Increase - ongoing less Benefits & CEC	1,721,000	1,623,900	1,712,600	378,400	0	5,435,900
% Increase	1.4%	1.7%	1.6%	1.7%	0.0%	1.5%

STATEMENT OF PURPOSE

RS31687 / H0734

This appropriation to the Colleges and Universities provides enhancements to the FY 2025 maintenance budget that include an additional appropriation and 29.25 FTP for occupational capacity enhancements, a reduction of 4.00 FTP and \$489,000 to transfer risk managers to the Office of the State Board of Education (OSBE), endowment adjustments, nondiscretionary adjustments, and the additional 2% CEC.

FISCAL NOTE

This appropriation provides an additional \$15,892,300 to the maintenance appropriation provided to the Colleges and Universities found in House Bill 458. Table 1 shows incremental adjustments to the budget found in the bill, of which the ongoing increase is \$15,892,300 and there are no onetime appropriations. Table 2 shows all the adjustments leading to the FY 2025 Total. The total budget for Colleges and Universities is \$700,004,700.

Table 1

	FTP	Gen	Ded	Fed	Total
1. Operational Capacity Enhancement	29.25	6,995,400	0	0	6,995,400
2. Transfer Risk Managers to OSBE	(4.00)	(489,000)	0	0	(489,000)
Endowment Adjustments	0.00	0	1,039,500	0	1,039,500
Nondiscretionary Adjustments	0.00	569,000	0	0	569,000
Add'l 2% Change in Employee Comp.	0.00	5,415,300	2,362,100	0	7,777,400
FY 2025 Budget Enhancements	25.25	12,490,700	3,401,600	0	15,892,300
% Chg from FY 2025 Maintenance	0.5%	3.5%	1.0%		2.3%

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).

Table 2	FTP	Gen	Ded	Fed	Total
FY 2024 Original Appropriation	4,840.68	353,942,200	324,608,300	0	678,550,500
Prior Year Reappropriation	0.00	0	195,043,400	0	195,043,400
FY 2024 Total Appropriation	4,840.68	353,942,200	519,651,700	0	873,593,900
Executive Carry Forward	0.00	6,800	0	0	6,800
Expenditure Adjustments	39.47	0	3,393,300	0	3,393,300
FY 2024 Estimated Expenditures	4,880.15	353,949,000	523,045,000	0	876,994,000
Removal of Onetime Expenditures	(11.76)	(9,800)	(198,980,200)	0	(198,990,000)
Base Adjustments	50.57	(316,400)	5,546,100	0	5,229,700
FY 2025 Base	4,918.96	353,622,800	329,610,900	0	683,233,700
Personnel Benefit Costs	0.00	(2,087,500)	(3,200)	0	(2,090,700)
Statewide Cost Allocation	0.00	(1,634,200)	0	0	(1,634,200)
1% Change in Employee Comp.	0.00	2,706,600	1,897,000	0	4,603,600
Nondiscretionary Adjustments	0.00	0	0	0	0
Other Maintenance Adjustments	0.00	0	0	0	0
FY 2025 Program Maintenance	4,918.96	352,607,700	331,504,700	0	684,112,400
FY 2025 Budget Enhancements - HB 458	25.25	12,490,700	3,401,600	0	15,892,300
FY 2025 Total	4,944.21	365,098,400	334,906,300	0	700,004,700
Chg from FY 2024 Orig Approp.	103.53	11,156,200	10,298,000	0	21,454,200
% Chg from FY 2024 Orig Approp.	2.1%	3.2%	3.2%		3.2%

Contact:

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BY APPROPRIATIONS COMMITTEE

TAB 1a CU Page 1

	FOR	FOR	
	PERSONNEL	OPERATING	
	COSTS	EXPENDITURES	TOTAL
Unrestricted			
Fund	<u>589,700</u>	<u>0</u>	<u>589,700</u>
TOTAL	\$3,970,500	\$552,100	\$4,522,600
III. LEWIS-CLARK STATE COLLEGE:			
FROM:			
General			
Fund	\$551,700	\$268,800	\$820,500
Normal School Endowment Income			
Fund		352,200	352,200
Unrestricted			
Fund	<u>225,000</u>	<u>0</u>	<u>225,000</u>
TOTAL	\$776,700	\$621,000	\$1,397,700
IV. UNIVERSITY OF IDAHO:			
FROM:			
General			
Fund	\$3,548,200	\$290,000	\$3,838,200
Agricultural College Endowment Income			
Fund		65,700	65,700
Scientific School Endowment Income			
Fund		49,700	49,700
University Endowment Income			
Fund		266,500	266,500
Unrestricted			
Fund	<u>942,900</u>	<u>0</u>	<u>942,900</u>
TOTAL	\$4,491,100	\$671,900	\$5,163,000
GRAND TOTAL	\$14,051,900	\$1,845,000	\$15,896,900

SECTION 2. Notwithstanding any other provision of law to the contrary, the appropriation to the State Board of Education and the Board of Regents of the University of Idaho for College and Universities for Boise State University is hereby reduced by \$4,600 from the General Fund from operating expenditures for the period July 1, 2024, through June 30, 2025.

SECTION 3. USE OF APPROPRIATED FUNDS. State-appropriated funds shall not be utilized to support diversity, equity, inclusion, or social justice ideology as part of any student activities, clubs, events, or organizations

1 on campus. Each college and university shall submit a written report of its
2 expenditures related to these activities to the Joint Finance-Appropriations
3 Committee no later than December 1, 2024.

4 SECTION 4. USE OF APPROPRIATED FUNDS. State-appropriated funds for
5 capacity enhancement at the University of Idaho shall not be utilized to
6 support undergraduate nursing or physician assistant programs that are pro-
7 vided by other colleges, universities, and community colleges that receive
8 state appropriated funds.

9 SECTION 5. An emergency existing therefor, which emergency is hereby
10 declared to exist, this act shall be in full force and effect on and after
11 July 1, 2024.

BUSINESS AFFAIRS AND HUMAN RESOURCES
APRIL 17-18, 2024

SUBJECT

Community Colleges FY 2025 Appropriation Allocation

APPLICABLE STATUTE, RULE, OR POLICY

House Bills 458 and 733 (2024)

BACKGROUND/DISCUSSION

The Legislature makes an annual appropriation to the State Board of Education for College of Eastern Idaho (CEI), College of Southern Idaho (CSI), College of Western Idaho (CWI) and North Idaho College (NIC). The allocation to the colleges includes the base allocation plus each college's respective share in any annual budget adjustments according to the normal budgeting process.

IMPACT

The FY 2025 appropriation, shown on Tab 1b Attachment 1, includes General Fund decreases in benefit costs, 3% ongoing Change in Employee Compensation (CEC) for all employees based on merit, funding for operational capacity enhancements, and increases or decreases in Enrollment Workload Adjustment.

ATTACHMENTS

Attachment 1 – FY 2025 CC Appropriations Allocation
Attachment 2 – Statement of Purpose/Fiscal Note
Attachment 3 – Appropriation Bills (H458 and H733)

STAFF COMMENTS AND RECOMMENDATIONS

Staff recommends approval of the FY 2025 Community College allocation.

BOARD ACTION

I move to approve the allocation of the FY 2025 appropriation for the College of Southern Idaho, College of Eastern Idaho, College of Western Idaho, North Idaho College, and system-wide needs as presented on Tab 1b, Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Idaho Community Colleges
FY 2025 Appropriation Allocation - HB 458 and HB 733
27-Mar-24

General Educ Approp: JFAC Action

	CSI	CEI	CWI	NIC	Systemwide	Total
1 FY 24 Total Appropriation						
2 General Funds	18,468,500	6,803,700	20,616,700	14,982,400	1,039,200	61,910,500
3 CARES Act Funding		-	-			-
4 Dedicated Funds	200,000	200,000	200,000	200,000		800,000
5 Total FY24 Total Appropriation	18,668,500	7,003,700	20,816,700	15,182,400	1,039,200	62,710,500
6						
7 FY 25 Base						-
8 General Funds	18,468,500	6,803,700	20,600,700	14,982,400	39,200	60,894,500
9 Dedicated Funds	200,000	200,000	200,000	200,000		800,000
10 Total FY 25 Base	18,668,500	7,003,700	20,800,700	15,182,400	39,200	61,694,500
11						-
12 FY 25 Maintenance Items						
13 Changes in Benefit Costs	(60,100)	(27,200)	(25,300)	(31,800)		(144,400)
14 Inflationary Cost Increases	-	-	-	-		-
15 Replacement Items	-	-	-	-		-
16 CEC: 1%	119,100	56,600	149,900	109,600		435,200
17 Enrollment Workload Adjustment	-	-	-	-		-
18	59,000	29,400	124,600	77,800	-	290,800
19 FY 25 Maintenance						-
20 General Funds	18,527,500	6,833,100	20,725,300	15,060,200	39,200	61,185,300
21 Dedicated Funds	200,000	200,000	200,000	200,000	-	800,000
22 Total FY 25 Maintenance	18,727,500	7,033,100	20,925,300	15,260,200	39,200	61,985,300
23						
24 FY 25 Line Items						
25 Operational Capacity	565,800	213,400	607,100	443,500		1,829,800
26 Post Capacity Enhancement	-	100,000	50,000	-		150,000
27 CEC: 2%	237,900	113,100	299,700	219,200		869,900
28 Enrollment Workload Adjustment	339,800	270,900	(429,900)	(280,600)		(99,800)
29 Total FY 25 Line Items	1,143,500	697,400	526,900	382,100	0	2,749,900
30						
31 FY 25 Total Appropriation						
32 General Funds	19,671,000	7,530,500	21,252,200	15,442,300	39,200	63,935,200
33 CARES Act Funding						-
34 Dedicated Funds	200,000	200,000	200,000	200,000	-	800,000
35 FY 25 Total Appropriation	19,871,000	7,730,500	21,452,200	15,642,300	39,200	64,735,200
36						
37						
38 GF Change from FY 24 Total	6.5%	10.7%	3.1%	3.1%	0.0%	3.3%
39						
40 GF Appropriation Allocation						
41 Personnel Costs	17,360,100	7,530,500	18,239,600	13,275,500		56,405,700
42 Operating Expenses	2,310,900		3,012,600	2,166,800	39,200	7,529,500
43 Capital Outlay						0
44 Trustee/Benefit Payments						0
45 Total General Funds	19,671,000	7,530,500	21,252,200	15,442,300	39,200	63,935,200

STATEMENT OF PURPOSE

RS31676 / H0733

This appropriation to Community Colleges provides enhancements to the FY 2025 maintenance budget and includes funding for operational capacity enhancements at the four institutions, POST training capacity enhancement at the College of Eastern Idaho and College of Western Idaho, the 2% CEC and a net reduction of \$99,800 for nondiscretionary adjustments.

FISCAL NOTE

This appropriation provides an additional \$2,749,900 to the maintenance appropriation provided to Community Colleges found in House Bill 458. Table 1 shows incremental adjustments to the budget found in the bill, of which the ongoing increase is \$2,599,900, of which \$2,599,900 is ongoing and \$150,000 is onetime. Table 2 shows the adjustments leading to the FY 2025 Total. The total budget for the Community Colleges is \$64,735,200 and provides support to the College of Southern Idaho, College of Western Idaho, College of Eastern Idaho, and North Idaho College.

Table 1	FTP	Gen	Ded	Fed	Total
Nondiscretionary Adjustments	0.00	(99,800)	0	0	(99,800)
1. Operational Capacity Enhancement	0.00	1,829,800	0	0	1,829,800
3. POST Capacity Enhancement	0.00	150,000	0	0	150,000
Add'l 2% Change in Employee Compensation	0.00	869,900	0	0	869,900
FY 2025 Budget Enhancements	0.00	\$2,749,900	0	0	\$2,749,900
% Chg from FY 2025 Maintenance	0.00	4.5%	0.0%	0.0%	4.4%

Table 2	FTP	Gen	Ded	Fed	Total
FY 2024 Original Appropriation	0.00	60,910,500	800,000	0	61,710,500
Removal of Onetime Expenditures	0.00	(16,000)	0	0	(16,000)
FY 2025 Base	0.00	60,894,500	800,000	0	61,694,500
Personnel Benefit Costs	0.00	(144,400)	0	0	(144,400)
Change in Employee Compensation	0.00	435,200	0	0	435,200
FY 2025 Program Maintenance - HB 458	0.00	61,185,300	800,000	0	61,985,300
FY 2025 Budget Enhancements	0.00	\$2,749,900	0	0	\$2,749,900
FY 2025 Total	0.00	63,935,200	800,000	0	64,735,200
Chg from FY 2024 Orig Approp	0.00	3,024,700	0	0	3,024,700
% Chg from FY 2024 Orig Approp.		5.0%	0.0%		4.9%

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LEGISLATURE OF THE STATE OF IDAHO
Sixty-seventh Legislature Second Regular Session - 2024

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 733

BY APPROPRIATIONS COMMITTEE

AN ACT

RELATING TO THE APPROPRIATION TO THE STATE BOARD OF EDUCATION FOR COMMUNITY COLLEGES; APPROPRIATING ADDITIONAL MONEYS TO THE STATE BOARD OF EDUCATION FOR COMMUNITY COLLEGES FOR FISCAL YEAR 2025; REDUCING THE APPROPRIATION TO THE STATE BOARD OF EDUCATION FOR COMMUNITY COLLEGES FOR FISCAL YEAR 2025; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. In addition to any other appropriation provided by law, there is hereby appropriated to the State Board of Education for Community Colleges the following amounts to be expended according to the designated programs for personnel costs from the General Fund for the period July 1, 2024, through June 30, 2025:

FOR:

COLLEGE OF EASTERN IDAHO:	\$697,400
COLLEGE OF SOUTHERN IDAHO:	\$1,143,500
COLLEGE OF WESTERN IDAHO:	\$956,800
NORTH IDAHO COLLEGE:	<u>\$662,700</u>
TOTAL	\$3,460,400

SECTION 2. Notwithstanding any other provision of law to the contrary, the appropriation made to the State Board of Education for Community Colleges is hereby reduced by the following amounts according to the designated programs and expense classes from the General Fund for the period July 1, 2024, through June 30, 2025:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	TOTAL
COLLEGE OF WESTERN IDAHO:		\$429,900	\$429,900
NORTH IDAHO COLLEGE:	<u>\$280,600</u>	<u>0</u>	<u>\$280,600</u>
TOTAL	\$280,600	\$429,900	\$710,500

SECTION 3. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2024.

CONSENT
APRIL 17-18, 2024

SUBJECT

FY 2025 Idaho Opportunity Scholarship Educational Costs

REFERENCE

April 2016	The Board set the FY 2017 maximum annual award amount at \$3,000, expected student contribution at \$3,000 and educational cost for each institution.
December 2016	Board reviewed annual State Scholarship Report.
April 2017	The Board set the FY 2018 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
December 2017	Board reviewed annual State Scholarship Report.
April 2018	The Board set the FY 2019 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
December 2018	Board reviewed annual State Scholarship Report.
April 2019	The Board set the FY 2020 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
December 2019	Board reviewed annual State Scholarship Report.
April 2020	The Board set the FY 2021 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
April 2021	The Board set the FY 2022 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
April 2022	The Board set the FY 2023 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.
April 2023	The Board set the FY 2024 maximum annual award amount at \$3,500, expected student contribution at \$3,000 and educational cost for each institution.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho Code § 33-4303
IDAPA 08.01.13, Rules Governing the Opportunity Scholarship Program

BACKGROUND/ DISCUSSION

The Legislature appropriated approximately \$27.7M in FY 2025 for Scholarships and Grants managed by the Office of the State Board of Education. This amount is made up of approximately \$22.2M from the General Fund, \$1M from Miscellaneous Revenue, and \$4.5M in federal funds. In addition to the Idaho Opportunity Scholarship, the Scholarships and Grants appropriation covers the Work Study Program, Armed Forces and Public Safety Officer Scholarship, GEARUP Idaho Scholarship, and the Postsecondary Credit Scholarship. The GEARUP Idaho Scholarship is part of a state and federal cooperative program.

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The Idaho Opportunity Scholarship is a hybrid scholarship combining academic merit with financial need and is based on a shared model of responsibility between the state and the student. Students must meet the minimum academic merit requirement set in Administrative Code to be eligible. Eligible students are then ranked based on a combination of need and merit. Need is based on the students' expected family contribution calculated on the Free Application for Federal Student Aid (FAFSA) at the time of application and makes up 70% of the weighting used for ranking students. The remaining 30% is based on the students' cumulative grade point average. Beginning in FY 2019, the Board was authorized to award up to 20% of the amount appropriated for the Idaho Opportunity Scholarship for adult students who have earned at least 24 credits toward a certificate or degree and who return to complete a certificate or degree. However, H500 (2024) reduced the adult learner set-aside to 5% effective July 1, 2024.

Pursuant to Idaho Coe § 33-4303, the purpose of the Idaho Opportunity Scholarship is to:

- a. Recognize that all Idaho citizens benefit from an educated citizenry;
- b. Increase individual economic vitality and improve the overall quality of life for many of Idaho's citizens;
- c. Provide access to eligible Idaho postsecondary education through funding to remove financial barriers;
- d. Increase the opportunity for economically disadvantaged Idaho students; and
- e. Incentivize students to complete a postsecondary education degree or certificate.

Idaho Code § 33-4303 requires the Board set annually the educational costs for attending an eligible Idaho postsecondary institution; and to establish the need and merit criteria, the expected contributions of the student, the student's family and available federal financial aid, and the maximum educational costs. These criteria, along with the application process, are established in Administrative Code, IDAPA 08.01.13.

The educational cost is the amount determined by the Board as necessary for student tuition, fees, books, and other such expenses reasonably related to attendance at an eligible Idaho postsecondary educational institution. This cost is used in determining the monetary value of the Opportunity Scholarship. Pursuant to IDAPA 08.01.13, these amounts are required to be set for each eligible institution annually. Staff recommendations for determining this amount are based on the institutions' published educational cost for full-time undergraduate students attending two semesters per year.

While not required by statute or rule, the Board has historically set a maximum award amount in order to increase the number of awardees. Pursuant to Idaho

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Code § 33-4303, the maximum award amount may not exceed the actual education costs at the eligible institution the student attends or the educational costs established by the Board. When a student's cost for tuition and fees is over the maximum award amount, the award is limited to the set maximum award amount. Should the Board choose not to set a maximum award amount, the award would be limited by the actual cost to the student of tuition and fees and the maximum educational cost. A student's actual costs are not typically known at the time the initial awards are made. The maximum award amount allows for staff to make preliminary estimates of the total amount needed to cover awards in a given year, thereby allowing more awards to be distributed earlier.

Regardless of whether a student attended a 2-year or a 4-year institution, in FY 2024 most students received awards at or near the maximum award amount. The following table shows the total funds distributed for the Opportunity Scholarship by academic year attended, the number of students awarded, and the average amount of the award for that year.

School Year	Amount	Number of Awards	Average Award Amount
2014-2015	\$4,916,579	1,465	\$3,440
2015-2016	\$5,146,248	1,868	\$2,881
2016-2017	\$9,868,532	3,454	\$2,857
2017-2018	\$11,418,815	3,724	\$3,066
2018-2019	\$14,197,231	4,318	\$3,288
2019-2020	\$20,809,523	6,206	\$3,352
2020-2021	\$20,533,644	6,248	\$3,270
2021-2022	\$20,532,236	6,229	\$3,301
2022-2023	\$20,638,772	6,303	\$3,275
2023-2024	\$22,399,085	6,907	\$3,243

Of the awards made for the 2023-24 school year, 69 awardees earned the scholarship under the provisions established for Adult Learners.

Individual student award amounts for the Opportunity Scholarship are calculated based on the educational cost for the institution the student attends, the student contribution amount, other scholarships and financial aid the student receives, actual tuition costs, and the maximum award amount. Students may use scholarships and grants that do not come from institutional, state, or federal funds to offset the student contribution amount. Student loans are not included in the calculation of the eligible award amount.

As an example, based on the proposed amounts, if a student attends the University of Idaho with a set educational cost of \$21,898, the Opportunity Scholarship award amount would be calculated as follows:

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APRIL 17-18, 2024

	<u>Student A</u>	<u>Student B</u>	<u>Student C</u>
Educational Cost for Institution	\$22,254	\$22,254	\$22,254
Student Contribution	\$3,000	\$3,000	\$3,000
Other Scholarships and Financial Aid	<u>\$10,000</u>	<u>\$16,000</u>	<u>\$5,000</u>
Total Remaining	\$8,898	\$3,254	\$13,898
Maximum Eligible Award Amount	\$3,500	\$3,254	\$3,500

The actual award amount for each student may be further adjusted based on how other scholarships and financial aid are required to be applied and the actual amount charged to the student. Payments are deposited into the students' institution account on the students' behalf.

IMPACT

Setting the educational cost and student contribution amounts fulfills the Board's responsibilities under administrative rule. Combined with setting the maximum award amount, this action will enable Board staff to begin processing applications and finalizing award determinations for FY 2025.

ATTACHMENTS

Attachment 1 – Educational Costs at Institutions

BOARD STAFF COMMENTS AND RECOMMENDATIONS

H458 (2024), the Special Programs FY 25 maintenance appropriation, provides \$24.3M from the General Fund, \$1M from miscellaneous revenue, and \$4.5M in federal funds for scholarship awards made for the 2024-2025 school year.

To be eligible for the Idaho Opportunity Scholarship a student must meet the minimum academic requirements established in Idaho Code and Administrative Code.

Pursuant to Idaho Code § 33-4303, an eligible student must:

- be an Idaho resident as defined in Idaho Code § 33-3717B;
- have graduated or will graduate from an accredited high school or its equivalent in Idaho;
- have enrolled or applied to an eligible Idaho postsecondary educational institution;
- be a postsecondary undergraduate student who has not previously completed a baccalaureate degree or higher; and
- meet need and merit criteria as set by the Board.

The need and merit requirements set by the Board are established in IDAPA 08.01.13:

- 2.7 GPA or higher (or its equivalent as determined by a college entrance exam); adult learners may apply with a 2.5 GPA;
- good standing with postsecondary institution if renewing;

CONSENT
APRIL 17-18, 2024

- completed the applicable course load requirements for renewal; and
- completed the FAFSA by the deadline.

Traditional applicants must attend full time and meet the minimum applicable credit requirements. Individuals with 24 or more earned credits who were granted the scholarship under the adult learner provision may attend part time, within the minimum part time credit hour requirements.

Scholarships are awarded based on the student ranking until the appropriated amount is expended. Students are ranked based on the combination of the student need and student merit criteria. Up to 5% of the scholarship may be set aside for adult learners with some credits and no degree, however, due to the low number of adult learner applicants a much smaller amount is set aside each year.

Based on the educational costs for each eligible institution, staff recommends the FY 2025 educational cost for the Idaho Opportunity Scholarship award formula to be set for each public institution as follows:

1. \$24,868 for students attending University of Idaho (8.9% increase over FY 2024)
2. \$29,957 for students attending Boise State University (12.5% increase over FY 2024)
3. \$27,682 for students attending Idaho State University (19.4% decrease over FY 2024)
4. \$24,782 for students attending Lewis-Clark State College (21.7% increase over FY 2024)
5. \$19,828 for students attending College of Eastern Idaho (12.2% increase over FY 2024)
6. \$14,650 for students attending College of Southern Idaho (0% increase over FY 2024)
7. \$18,278 for students attending College of Western Idaho (12% decrease over FY 2024)
8. \$21,131 for students attending North Idaho College (26.2% increase over FY 2024)

Pursuant to IDAPA 08.01.13, the FY 2025 educational cost for the Idaho Opportunity Scholarship award formula for students attending eligible Idaho private, not-for-profit postsecondary institutions must be the average of the amount set for the four public four-year institutions. For FY2025, this amount would be \$26,822.

Staff recommends:

- The FY 2025 student contribution remain \$3,000, and to accept student-initiated scholarships and non-institutional and non-federal aid as part of the student contribution; and
- The maximum award amount remain at \$3,500 for FY 2025

BOARD ACTION

CONSENT
APRIL 17-18, 2024

I move to approve the FY 2025 educational cost for the Idaho Opportunity Scholarship award be set not to exceed the amounts set forth in Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

BOARD ACTION

I move to approve the FY 2025 educational cost for the Idaho Opportunity Scholarship award be set not to exceed the amounts set forth in Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

I move to approve the Opportunity Scholarship maximum award amount for FY 2025 to be set at \$3,500.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

I move to approve the FY 2025 student contribution be set at \$3,000 and to accept student-initiated scholarships and non-institutional and non-federal aid as part of the student contribution.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

ATTACHMENT 1

Educational Costs at Institutions

University of Idaho	\$24,868
Boise State University	\$29,957
Idaho State University	\$27,682
Lewis-Clark State College	\$24,782
College of Eastern Idaho	\$19,828
College of Southern Idaho	\$14,650
College of Western Idaho	\$18,278
North Idaho College	\$21,131

BOISE STATE UNIVERSITY

SUBJECT

Agreement with Collegiate Licensing Company

REFERENCE

June 2007	Idaho State Board of Education (Board) approved agreement between Boise State University and the Collegiate Licensing Company
August 2014	Board approved new 10-year agreement between Boise State University and the Collegiate Licensing Company

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies and Procedures, Sections V.I.2. and V.I.10.

BACKGROUND/DISCUSSION

In 2007 and again in 2014, Boise State entered into an agreement to use the Collegiate Licensing Company (CLC) as its agent for licensing merchandise bearing Boise State University trademarks. The current agreement expires June 30, 2024, and Boise State has renegotiated better terms with CLC for a 10-year extension to the 2014 agreement.

All companies that manufacture products bearing Boise State trademarks pay a royalty fee based on the product's wholesale cost. CLC manages this process and collects the royalties. The royalties are paid to Boise State, and the remaining balance is retained by CLC as fees for their services. Boise State University, the University of Idaho and Idaho State University, all currently partner with CLC as their licensing agent.

Under the current contract, Boise State receives 82.5% of all annual revenue and 85% if annual revenue reaches between \$1.5 million and \$2 million in the final contract year of the initial term. Under the proposed extension, Boise State would receive 85% of all annual revenue up to \$1M and ninety percent 90% of all annual revenue exceeding \$1M.

Under the current contract and proposed extension, Boise State requires licensees to comply with CLC's Labor Codes of Conduct and also requires licensees to join the Fair Labor Association to protect the conditions for the workers who will help create Boise State's licensed goods.

IMPACT

Last year, under the prior contract, gross royalties collected by CLC for Boise State merchandise were \$833,349. Of that, Boise State received \$687,512 and CLC retained \$145,837.

The proposed contract is for a term that would renew on July 1, 2024, and expire on June 30, 2034. At any point between the end of contract year four (4) and prior to the end of contract year nine (9), Boise State may give one (1) year notice to terminate without cause. Upon such termination, the CLC commission will be increased by five percent (5%) for the final year. There will be no post-term payment due to CLC.

If the contract reaches its natural expiration in year 10, there will be no reduction in Boise State's royalties and no post-term payment will be due.

ATTACHMENTS

Attachment 1 – Addendum to Agency Agreement

Attachment 2 – Agency Agreement

Attachment 3 – Sole Source Procurement Documentation

STAFF COMMENTS AND RECOMMENDATIONS

Board Policy V.I.10 – Sales of Services or Licensure of Assets states any transaction where an institution, school or agency seeks to grant to a third party the right to conduct the sale of services on the behalf of, or on the property owned by, the institutions, school or agency (such as concessions, broadcast or license rights) must be conducted via an open process that maximizes competition or other means that maximizes the returns in revenues, assts, or benefits to the institution, school or agency.

Pursuant to Section 5.a of [Boise State's Purchasing Policy](#), the Boise State University Procurement and Vendor Services Director approved a waiver of the competitive bidding process in this circumstance. This is due to Learfield/IMG Licensing/CLC effectively having a market monopoly. IMG, CLC's only competitor in the Mountain West league, bought CLC in 2019, which had just merged with Learfield, Boise State multimedia rights licensing partner.

This proposed contract reflects a renegotiation of material terms to the financial benefit of Boise State. Boise State's royalty take will increase to 85% of all annual revenue up to \$1M and 90% of all annual revenue exceeding \$1M. In addition, the contract excludes any post-term payment and prohibits early termination rights.

CONSENT
APRIL 17-18, 2024

BOARD ACTION

I move to approve the request by Boise State University to enter into a 10-year addendum to the agency agreement with the Collegiate Licensing Company in accordance with the terms outlined herein.

Moved by _____ Seconded by _____ Carried Yes _____ No _____



**ADDENDUM TO THE AGENCY AGREEMENT
BY AND BETWEEN
COLLEGIATE LICENSING COMPANY, LLC
AND
BOISE STATE UNIVERSITY**

This Addendum (“Addendum”) is entered into as of the date last signed below (the “Effective Date”) and amends the Agency Agreement (the “Agreement”) by and between **Collegiate Licensing Company, LLC** (“CLC”) and **Boise State University** (“University”). Capitalized terms used but not defined in this Addendum shall have the meanings ascribed thereto in the Agreement, as amended.

RECITALS

WHEREAS, CLC and University have entered into the Agreement, the effective date of which being July 1, 2014 as amended from time to time; and

WHEREAS, CLC and University now desire to further amend the Agreement as set forth in this Addendum effective as of the Renewal Commencement Date (as defined herein).

NOW, THEREFORE, for and in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ADDENDUM

1. **Term**. The Parties desire to amend the Term of the Agreement such that the Agreement shall renew on July 1, 2024 (the “Renewal Commencement Date”) on the terms and subject to the conditions set forth herein, and expire on June 30, 2034 (such period, the “Renewal Term”). The term of any license granted by CLC shall, as far as feasible, terminate no later than the termination or expiration date of this Agreement.

2. **Payments**. The first three sentences of **Paragraph 4(a)** are hereby deleted and replaced with the following:

With regard to Annual Revenue, CLC shall be entitled to retain fifteen percent (15%) of the first One Million and No/100 Dollars (U.S. \$1,000,000) and ten percent (10%) of all Annual Revenue in excess of One Million and No/100 Dollars (U.S. \$1,000,000). CLC will render the balance of the Annual Revenue to University unless otherwise directed by University.

3. **Travel Stipend**. **Paragraph 4(c)** is hereby deleted in its entirety and replaced with the following:

CLC will make available to University, each Contract Year, a stipend in an amount up to



Three Thousand and No/100 Dollars (U.S. \$3,000) (“Travel Stipend”) to cover travel and related expenses for University staff to visit the Atlanta office and the annual CLC Seminar. CLC will reimburse University for such travel-related costs actually incurred against the Travel Stipend, and up to the Travel Stipend amount, within one (1) month after University provides documentation of such costs incurred. Any portion of this Travel Stipend not used in the applicable Contract Year shall be forfeited.

4. **Legal Joinder.** In Paragraph 7(b) of the Agreement, the following text is hereby deleted:

, and CLC shall join as a party plaintiff or defendant with the University at the University’s request

5. **Notices.** Paragraph 15 of the Agreement is hereby modified such that all notices to CLC shall be sent to the following addresses:

The address for CLC shall be:

Collegiate Licensing Company, LLC
Attn: Cory Moss
1075 Peachtree Street NE, Suite 3300
Atlanta, Georgia 30309
(770) 956-0520
Cory.Moss@clc.com

With a copy to:

Collegiate Licensing Company, LLC
Attn: General Counsel
1075 Peachtree Street NE, Suite 3300
Atlanta, Georgia 30309

6. **Certifications.** New Paragraph 21 is hereby added to the document and shall read as follows:

21. CERTIFICATIONS - University is prohibited by state law from entering into certain contractual agreements. CLC hereby certifies that: (i) pursuant to Idaho Code Section 67-2346, it is not currently engaged in, and will not for the duration of the Agreement engage in, a boycott of goods or services from Israel or territories under its control; (ii) pursuant to Idaho Code Section 67-2359, it is not currently owned or operated by the People’s Republic of China led by the Chinese communist party and will not for the duration of the Agreement be owned or operated by the People’s Republic of China; and (iii) it is not an abortion provider or an affiliation of an abortion provider under the No Public Funds for Abortion Act. The terms in this paragraph defined in Idaho Code Section 67-2346, Idaho Code Section 67-2359, and in Title 18, Chapter 87, Idaho Code, respectively, shall have the meanings defined therein. This certification is made solely to comply with the Idaho statutes referenced herein and to the extent such section does not contravene applicable State or federal law.



7. **Appendix A.** All text and logos set forth on **Appendix A** of the Agreement are hereby deleted and replaced with the following:

University is the owner of all rights, title, and interest in and to the Indicia associated with University as set forth on BrandManager 360, as updated by University from time to time. In addition to such Indicia, all trademarks hereafter associated with University that are approved and/or used by University will be subject to the same terms and conditions as if fully set out herein, unless specifically excluded by **Appendix B.**

8. **Appendix B.** All text set forth on **Appendix B** of the Agreement is hereby deleted and replaced with the following:

University concurs in the basic concept that no user of its marks and logos should be exempt from royalty payments and will make every good faith effort to comply with this concept. However, University reserves the right to exempt any user from royalty payments if circumstances warrant that it would be in the best interests of University, and does not unduly impact CLC's ability to generate royalties under this Agreement.

9. **Full Force and Effect.** The terms, conditions, and covenants set forth in this Addendum shall go into effect on the Renewal Commencement Date. All other provisions of the Agreement shall remain in full force and effect, it being understood that, in the event of a conflict between the terms of this Addendum and the Agreement or any prior amendments, the terms of this Addendum will take precedence as of the Renewal Commencement Date. The current terms and conditions of the Agreement shall remain in effect until the Renewal Commencement Date.

IN WITNESS WHEREOF, the parties have executed this Addendum, effective as of the Effective Date.

Boise State University

Collegiate Licensing Company, LLC

Signature: _____

Signature: _____

Print: _____

Print: Cory Moss

Title: _____

Title: CEO

Date: _____

Date: _____

AGENCY AGREEMENT

This is an Agreement between Boise State University, an institute of higher education of the state of Idaho, having its principal place of business at 1910 University Drive, Boise, Idaho 83725 ("University") and Collegiate Licensing Company, LLC, a limited liability company of the state of Georgia, having its principal place of business at 1075 Peachtree Street, Suite 3300, Atlanta, Georgia, 30309 ("CLC").

Whereas, University is the owner of certain Indicia, as hereinafter defined; and

Whereas, CLC desires to act as University's exclusive agent to license the use of the Indicia, as hereinafter defined, in connection with the marketing of various articles of merchandise and to conduct certain Promotions, as hereinafter defined; and

Whereas, University desires to appoint CLC to act as University's exclusive agent to license the use of the Indicia in such manner as to preserve the integrity, character and dignity of University and maintain the reputation of the Indicia as designating high quality merchandise.

Now, therefore, in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. DEFINITIONS - In addition to the terms defined elsewhere in this Agreement, as used in this Agreement, the following terms shall have the following respective meanings:

(a) "Indicia" means the names and identifying indicia of the University including, without limitation, the trademarks, service marks, trade dress, team names, nicknames, abbreviations, city/state names in the appropriate context, slogans, designs, colors, uniform and helmet designs, distinctive landmarks, logographics, mascots, seals and other symbols associated with or referring to the University. Indicia includes those shown in Appendix A, modifications of the Indicia approved for use by the University, and any other names or identifying indicia adopted and approved for use by the University.

(b) "Territory" means the United States of America, its territories, and possessions, and the Commonwealth of Puerto Rico, as well as United States military bases abroad.

(c) "Licensed Articles" means products that contain the Indicia.

(d) "Premium" means any article given free or sold at less than the usual selling price, for the purpose of increasing the sale, promoting or publicizing any other product or any service, including incentives for sales force, trade or consumer.

(e) "Promotion" means any activity involving the presentation of Indicia through advertising, publicity, or other means of exposure, in or on merchandise, Premiums, point of purchase displays, print, electronic or any other medium.

(f) "Annual Revenue" means the revenue received by CLC resulting from the use of the Indicia, during the period of July 1st to June 30th of any year of this Agreement ("Contract Year").

2. GRANT OF AGENCY - University appoints CLC as University's exclusive agent to appoint licensees to use the Indicia on Licensed Articles and Premiums sold or distributed through approved channels in the Territory and to conduct Promotions in the Territory, in the manner, set forth in this Agreement. Notwithstanding the foregoing, this grant of agency shall not be exclusive, or shall not apply, with respect to any item of merchandise, Indicia, and/or company listed in Appendix B, and/or to any company doing business in a location listed in Appendix B, in accordance with the indications set forth in Appendix B. CLC shall work with the University to continue to grow and develop the University licensing program taking into account its distinct approach to licensing and its academic, athletic and business affairs as an institution of higher education. Notwithstanding any of the terms herein, University shall have full decision making over every aspect of its licensing program. CLC agrees that the artwork and licensee approval system and the retail intelligence reporting system will not be of a lesser standard than currently provided to University, and that CLC will continue to make improvements to its systems. CLC will continue to provide transparent reporting regularly, being no less than once per quarter on or around the payment accounting dates set out in paragraph 4 (a) below, and in addition ad hoc reporting at University's reasonable request, in a manner that enables the University to properly manage its trademark licensing program. CLC agrees that it will provide high caliber account team of equal or better quality as currently being provided to University.

3. APPROVALS - CLC agrees that it will license the use of the Indicia only in connection with merchandise and promotions of the kind or character approved by the University. CLC acknowledges that if merchandise sold by licensees were of inferior quality in design, material or workmanship, the substantial goodwill that the University possesses in the Indicia may be impaired. Accordingly, CLC undertakes that the licensing and marketing will be done in such a way as to preserve the integrity, character and dignity of University and that the items of merchandise shall be of good quality.

(a) CLC shall require licensees to submit items of merchandise and designs for approval prior to distribution or sale, either electronically via MyiCLC or as a sample or prototype of the actual product (hereinafter "Submissions"). CLC shall, in turn, inspect the Submissions, and then shall transmit or forward the Submissions to the University for its review in accordance with subparagraph 3(b).

(b) Recognizing the time constraints of production schedules, University shall have two weeks from its receipt of a Submission to approve or disapprove said Submission, and if approved, with no further comment from the University, the Submission shall be deemed as accepted to serve as an example of quality for that item. In the event that the University fails to notify CLC of its decision within the two-week period, CLC will have the right to approve said Submission upon notice to the University, unless otherwise notified by the University.

(c) CLC will submit to University for its approval all Promotions developed by CLC,

as well as any Premiums related to said Promotions.

4. PAYMENTS

(a) With regard to Annual Revenue received by CLC resulting from use of the Indicia including, without limitation, royalties, minimum guarantee payments and advance payments from licensees during the Initial Term of this Agreement, as that term is defined in paragraph 11, CLC shall pay to University eighty two and one-half percent (82.5%) of all Annual Revenue during the Initial Term. Upon exercise by the University of the option to extend the Initial Term, as provided in paragraph 11, the parties shall agree to negotiate in good faith a mutually fair rate. In the event that the parties do not agree to such a rate, and provided that the Annual Revenue falls between \$1.5 million and \$2 million in the final Contract Year of the Initial Term, CLC shall increase the rate payable to the University to eighty five percent (85%) of all Annual Revenue for the remaining Contract Years. Payments hereunder shall be made to University quarterly within one month following each calendar quarter and shall be accompanied by a report setting forth activities resulting in said revenue and any other information as appropriate to enable an independent determination of the amounts due hereunder. CLC shall keep records of operations hereunder for at least four years after the date of payment and shall make such records reasonably available during normal business hours for examination by a representative of University to the extent necessary to verify the payments herein provided.

(b) In the event that the University exercises its termination right, per paragraph 11, after the 4th Contract Year of this Agreement, the CLC revenue share provided in paragraph (a) will be increased by 5% (and the University share accordingly reduced by 5%) for the final Contract Year of this Agreement.

(c) During each Contract Year of this Agreement, CLC shall pay for the University's licensing director and one additional staff member to visit CLC's office in Atlanta, Georgia to meet with the staff, analyze the current status and discuss the strategic initiatives of the licensing program. CLC shall also pay for the University's licensing director and one additional staff member to attend the annual CLC seminar. CLC shall make and pay for all travel and accommodation directly.

(d) To the extent permitted by law, the University agrees that it will not disclose the terms of Paragraph 4 hereof to other colleges and universities without the prior consent of CLC, which consent shall not be unreasonably withheld.

5. MANNER OF PAYMENT - All amounts payable to University shall be paid in United States dollars by check made payable to Boise State University, and sent to Director of Trademark Licensing and Enforcement (currently Ms. Rachael Bickerton), Office of Trademark Licensing, Boise State University, 1910 University Drive, Boise, Idaho 83725.

6. LEGAL

(a) CLC agrees that, in any matter against a third party arising out of or related to this

Agreement, except when University and CLC have conflicting interests, University shall have the sole right, in University's discretion, to decide whether to file and prosecute an action or lawsuit, to control the prosecution or defense of any action or lawsuit in which University and CLC are named parties, to appeal any judgment adverse to University as a joint or individual party, or to compromise or settle any potential or pending action or lawsuit. CLC further understands and agrees that University shall have the sole right, in University's discretion, to select and retain counsel for any of these purposes. University agrees to consult with CLC before making any final decision in any matter in which University and CLC are aligned against a third party, and University further agrees that it shall not commit CLC to the terms of any compromise or settlement which would make CLC wholly or partly responsible for the payment of money to a third party without the prior written consent of CLC, which shall not be unreasonably withheld.

(b) CLC agrees to provide, at reasonable cost to be borne by University, any evidence, documents, and testimony which may be requested by University to assist in the filing, prosecution, settlement, or appeal of any action or lawsuit, or potential action or lawsuit, in any court or in any state or federal agency, against any third party arising out of or related to this Agreement or in the defense by University of any action against University by any third party arising out of or related to this Agreement, and CLC shall join as a party plaintiff or defendant with University at University's request. In the event CLC is joined in any of said actions, either as party plaintiff or party defendant, it is understood that any expenses incurred by CLC in connection therewith, shall be paid by CLC and University shall have no liability for paying said expenses.

(c) University shall pay the costs and expenses of any action or lawsuit in any court or in any state or federal agency when University is a party thereto against a third party in any matter arising out of or related to this Agreement. Any award of attorneys' fees in any action in any court or in any state or federal agency shall be paid solely to University, and CLC shall not share therein. Any damages or profits ordered to be paid to University by any third party in any matter arising out of or related to this Agreement will, to the extent that such damages or profits are actually collected by University, be first retained by University to reimburse University fully for all costs and expenses incurred in the action or lawsuit, including compensation for the time spent by University's employees in connection with the action or lawsuit, and any remaining money, to the extent that it is compensation for royalties otherwise payable, will be divided between University and CLC as specified in Paragraph 4 of this Agreement.

7. NOTIFICATION OF CLAIMS - In the event that either University or CLC learns or becomes aware that any third party has made or may make a claim against University or CLC for any matter arising out of or related to this Agreement, the party learning or becoming aware of such actual or potential claim shall notify the other by telephone or email on the same day, and shall follow such notification with a full written report within 48 hours to be sent both by email and by United States Postal Service mail, certified and with return receipt requested.

8. INQUIRIES - University agrees that, if any potential licensee or other party directs an inquiry to University regarding Licensed Articles, Promotions, Premiums or other trademark use or licensing related issues, such inquiry will be forwarded to CLC for a response. CLC agrees that, upon

receiving any inquiry from a potential licensee, whether from University or directly from such potential licensee, CLC will handle said licensee request in an expeditious manner.

9. **RELATIONSHIP OF PARTIES** - Nothing herein shall give CLC any right, title, or interest in any Indicia of the University except the limited interest specifically stated in this Agreement, and all use by any licensee of any of the Indicia shall inure to the benefit of University. Neither CLC nor any licensee is empowered to state or imply, either directly or indirectly, that CLC or any licensee or any activities other than those pursuant to this Agreement and licenses issued pursuant to this Agreement are supported, endorsed or sponsored by University, and upon the direction of University, express disclaimers to that effect will be issued. Nothing herein shall be construed to place the parties in the relationship of partners or joint venturers, nor shall any similar relationship be deemed to exist between them.

10. **INDEMNIFICATION** - University shall have no liability for any item manufactured or sold by a licensee, and CLC shall require all licensees to indemnify and hold harmless University and officers, employees, servants, and agents thereof from any and all liability caused by or arising from workmanship, material or design of any item manufactured or sold under any Indicia pursuant to a license granted pursuant to this Agreement. CLC shall require of each licensee that it have and maintain liability insurance sufficient to cover all foreseeable product liability claims. University shall not be liable to CLC or to any licensee, as the result of activities by CLC or any licensee hereunder for infringement of any patent, copyright, or trademark belonging to any third party, or for damages or costs involved in any proceeding based upon any such infringement, or for any royalty or obligation incurred by CLC or any licensee because of any patent, copyright or trademark held by a third party except where Indicia is used as expressly authorized in this Agreement.

11. **TERM** - This Agreement shall have an effective date of July 1, 2014 and shall expire on June 30, 2019 (the "Initial Term"), unless sooner terminated or extended in accordance with the provisions hereof. This Agreement shall automatically be extended for additional yearly periods, through June 30, 2024, under the same terms and conditions unless either party shall give twelve (12) months written notice of termination by July 1 of the 4th Contract Year or by July 1 of any subsequent Contract Year.

12. **TERMINATION OR EXPIRATION** - Upon termination of this Agreement as provided in paragraph 11 above, CLC shall continue to receive compensation outlined in Paragraph 4 for the final Contract Year following notice of termination pursuant to paragraph 11.

13. **DEFAULT** - If either University or CLC shall fail to perform any of the material terms or conditions of this Agreement and such material breach shall not have been cured within thirty (30) days after the non-defaulting party has given written notice thereof, the non-defaulting party shall have the right to terminate this Agreement, without prejudice to the right of compensation for losses and damages.

14. **INSOLVENCY** - To the extent then permitted by law, this Agreement shall be terminated immediately if CLC shall make any assignment for the benefit of creditors, or shall file any petition

under the Bankruptcy Act for reorganization, or file a voluntary petition of bankruptcy, or be adjudicated bankrupt or insolvent, or if any receiver is appointed for its business or property, or if any trustee in bankruptcy or insolvency shall be appointed under the laws of the United States or of the several states.

15. NOTICES - All notices and statements to be given and all payments to be made, shall be given or made to the parties at their respective addresses set forth herein, unless notification of a change of address is given in writing. Unless otherwise provided in the Agreement, all notices shall be sent by certified mail, return receipt requested with a copy sent by facsimile, the receipt of which is confirmed by confirmation document; email, confirmed by email receipt confirmation notice; or nationally recognized overnight delivery service that provides evidence of delivery, and shall be deemed to have been given at the time they are sent.

16. SEVERABILITY - In the event any portion of this Agreement is declared invalid or unenforceable for any reason, such portion is deemed severable herefrom and the remainder of this Agreement shall be deemed and remain fully valid and enforceable.

17. NONASSIGNABILITY - This Agreement and any rights herein granted are personal to CLC and shall not be assigned, sublicensed or encumbered without University's written consent except that the Agreement and rights may be assigned along with CLC's entire business in licensing the marks of universities, provided the obligations of the Agreement are assumed by the assignee.

18. INTEGRATED AGREEMENT - This Agreement constitutes the entire agreement and understanding between the parties hereto and specifically cancels, terminates and supersedes any prior agreement or understanding relating to the subject matter hereof between the University and CLC. There are no representations, promises, agreements, warranties, covenants or understandings other than those contained herein. None of the provisions of this Agreement may be waived or modified except expressly in writing and signed by both parties. However, failure of either party to require the performance of any term in this Agreement or the waiver by either party of any breach thereof shall not prevent subsequent enforcement of such term nor be deemed a waiver of any subsequent breach. Paragraph headings are for convenience only and shall not add to or detract from any of the terms or provisions of this Agreement. When necessary for appropriate meaning, a plural shall be deemed to be the singular and a singular shall be deemed to be the plural.

19. APPLICABLE LAW; JURISDICTION AND VENUE - This Agreement shall be construed in accordance with the laws of the state of Idaho. Any legal proceeding instituted between the parties to this Agreement shall be in the courts of the County of Ada, State of Idaho, and each of the parties agrees to submit to the jurisdiction of such courts.

20. APPROVAL OF AGREEMENT - This Agreement shall be subject to approval by the Idaho State Board of Education.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

BOISE STATE UNIVERSITY

COLLEGIATE LICENSING COMPANY, LLC

By: 
Stacy Pearson

By: 
Cory Moss

Title: Vice President for Finance and
Administration

Title: SVP and Managing Director

Date: 9/9/14

Date: 8/29/14

BOISE STATE UNIVERSITY is the owner of all rights, title and interest in and to the following indicia, which includes trademarks, service marks, trade names, designs, logos, seals and symbols:

[illegible][illegible]

APPENDIX B
EXCEPTIONS

The University concurs in the basic concept that no user of its marks and logos should be exempt from royalty payments and will make every good faith effort to comply with this concept. However, the University reserves the right to exempt any user from royalty payments if circumstances warrant that it would be in the best interests of the University, and does not unduly impact CLC's ability to generate royalties under this Agreement. The exceptions are set forth below.

- University purchases for internal consumption.
- Boise State Bookstore – stationery items and school supplies only.
- License plates issued through the Idaho Department of Vehicles
- Merchandise produced under University's crafter license program
- Non-merchandise licensing agreements such as corn mazes, sponsorship agreements and the like.



BOISE STATE UNIVERSITY
PROCUREMENT AND VENDOR SERVICES

LEGAL NOTICE

PUBLICATION DATE: September 13, 2023

The Boise State University Procurement and Vendor Services hereby publishes notice of intent to award a sole source procurement. This notice is being given pursuant to Boise State University Purchasing Policy.

The sole source procurement is between **Collegiate Licensing Company**. And Boise State University. Boise State University proposes to purchase products or contract services consisting of the following:

- ***Customized Brand Management Strategies***
- ***Systems and Data - Brand Manager 360 digital license management toolbox and on-demand program management and analysis.***
- ***National Brand Platform creation for marketing and merchandising***
- ***Retail Development & Marketing***
- ***Corporate Responsibility Commitment***
- ***Brand Protection including collegiate trademark protection and licensed products, including marketplace and online enforcement, contract development and compliance, trademark registration and protection.***

The Purchasing Director has determined that there is only one vendor qualified to provide this commodity or service.

Any interested vendor may file a challenge to this sole source procurement, in accordance with Boise State University Purchasing Policy, by giving timely notice, within 5 business days, to:

Eric Knothe - ericknothe@boisestate.edu
Director of Procurement and Vendor Services
Boise State University
1910 University Drive, Mail Stop 1210
Boise, ID 83725-1210

<https://www.boisestate.edu/vpfa-p2p/vendor-supplier-information-for-businesses/>

BOISE STATE UNIVERSITY

SUBJECT

Online Program Fees for a new undergraduate certificate in AI for All

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.R.

BACKGROUND/DISCUSSION

Boise State University proposes to offer an online undergraduate certificate utilizing an online program fee consistent with Board Policy V.R, Establishment of Fees. The certificate program will operate under the guidelines of Board Policy V.R. as it pertains to wholly online programs.

The new undergraduate certificate in AI for All provides students with an understanding of how to effectively use prominent generative AI platforms. Generative artificial intelligence technologies were released to the public in fall 2022. Given the integration of generative AI technologies in workplaces and the culture at large, students need an opportunity to learn how to effectively use dominant generative AI platforms, identify and understand their weaknesses, and have an opportunity to apply them in their domains of study.

IMPACT

The undergraduate certificate in AI for All is being offered at a price point of \$375 per credit which aligns with the majority of Boise State University's undergraduate online programs. The projected enrollment for FY 25-26 is 5 students; FY 26-27 is 10 students and FY 27-28 are 20 students. There are no additional instructional resources required. The cost of the program is \$2,625 (7 credits at \$375 per credit).

STAFF COMMENTS AND RECOMMENDATIONS

According to Board Policy V.R.3.b.ii – Institutional Online Program Fee, an institutional online program fee may be changed for any fully online undergraduate, graduate, and certificate program. An online program fee shall be in lieu of resident or non-resident tuition (as defined in Idaho Code §33- 3717B) and all other Board approved fees. An online program is one in which all courses are offered and delivered via distance learning modalities, provided however, that limited on-campus meetings may be allowed if necessary for accreditation purposes or to ensure the program is pedagogically sound.

Boise State's request to assess an online program fee of \$375 per credit for the AI for All undergraduate certificate aligns with criteria as defined in Board Policy V.R.3.b.ii.

Staff recommends approval.

CONSENT
APRIL 17-18, 2024

BOARD ACTION

I move to approve the request by Boise State University to charge an online program fee of \$375 per credit for the undergraduate certificate in **AI for All**.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

CONSENT
APRIL 17-18, 2024

UNIVERSITY OF IDAHO

SUBJECT

Renewal of existing lease from College of Southern Idaho for the University of Idaho's (UI's) College of Agricultural and Life Science Research and Extension programs in Twin Falls.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.2(a)

BACKGROUND/DISCUSSION

Since at least 2007, the University of Idaho College of Agricultural and Life Sciences (CALS) has occupied office space at the College of Southern Idaho. The current lease covers 13,111 square feet at CSI's Evergreen Building. UI CALS substantial presence and service in the Twin Falls region is integral to its education, research and outreach mission for the State, and the University requests permission to extend that lease as provided by the attached draft lease. While UI occupation of the CSI campus has been covered by a continuous series of 1-3 year leases since 2007, prior Board of Regents policy did not require Board approval for each periodic renewal so long as no single term exceeded five years or the rent exceeded the approval threshold established by the then current Board policy. However, August 2023 Board policy changes appear to now require Board approval for any extension of an existing term of a lease when such extension results in a cumulative period of occupation exceeding five years. Aside from periodic escalations in rent to cover increased operating costs by CSI, the terms of the lease have remained essentially unchanged for several years.

IMPACT

The rent amount assessed by CSI is calculated to only cover operating expenses for the space provided by CSI, so the costs of occupation are less than could be secured at commercial spaces in the local market and these costs will be covered by CALS operating budget as they have been covered previously.

ATTACHMENTS

Attachment 1 – Draft Lease Agreement

STAFF COMMENTS AND RECOMMENDATIONS

Board Policy V.I.2(a) – Institutional Approval Authorization Limits requires Board approval for all transactions for institutional leases of real property (as lessee or lessor) if lease amount is over \$2M, or the term of the lease exceeds 5 years.

The policy was updated in August 2023 to include the following language that pertains to this lease renewal between the University of Idaho (UI) and College of Southern Idaho (CSI), "If the lease term including renewal terms did not exceed 5

CONSENT
APRIL 17-18, 2024

years under the original term of a lease, but through amendment the term is extended, Board approval is required.”

The lease terms and details are in substantial conformance with Board policy.

Staff recommends approval.

BOARD ACTION

I move to approve the request by the University of Idaho to enter into a lease with the College of Southern Idaho in substantial conformance to the form submitted to the Board in Attachment 1 and to authorize the University’s Associate Vice President for Budget and Planning to execute the lease and any related transactional documents.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is entered into by and between College of Southern Idaho, 315 Falls Avenue, Twin Falls, ID 83303, a public body organized and existing under the laws of the State of Idaho, hereinafter referred to as "Lessor" and the Board of Regents of the University of Idaho, a state educational institution and a body politic and corporate organized and existing under the Constitution and laws of the State of Idaho hereinafter referred to as the "Lessee".

WHEREFORE, in consideration of the mutual covenants, agreements, and conditions contained in this Lease Agreement, the Lessor and Lessee agree as follows:

I. Lease of Premises. Lessor is the owner of the following described real property situated in Twin Falls County, State of Idaho: Agricultural Science Center Building on the College of Southern Idaho Campus, 315 Falls Avenue East, Twin Falls, Idaho as shown on the attached Exhibit A and hereinafter referred to as the "Leased Premises". Lessor agrees to lease approximately 13,111 square feet of the Leased Premises to the Lessee for the purpose of providing office, meeting, lab, and classroom space for the University of Idaho's College of Agriculture and Life Science, Twin Falls Research and Extension Center. Lessee is also hereby authorized for the non-exclusive use of any common areas necessary to access or support the use of the Leased Premises (including but not limited to reception areas, storage rooms, hallways and bathrooms) in the building in which Leased Premises is located. During the Lease Term, Lessor covenants on behalf of itself and its respective successors and assigns to provide quiet and peaceable possession of the Leased Premises to Lessee, subject to the express provisions of this Lease. Lessee, subject to reasonable size and installation requirements of Lessor, may install a sign identifying Lessee's location and operation within the building. Such installation shall be at Lessee's sole expense and shall be subject to Lessor's approval, which approval shall not be unreasonably withheld or delayed. This Lease provides no parking spaces. Smoking is prohibited in Leased Premises and in the building in which the Leased Premises are located. Lessor shall provide use of classroom space elsewhere on campus on an "as needed" and "as available" basis.

Lessor will provide Lessee's faculty and staff that occupy stated Leased Premises the same entitlements as Lessor's own faculty and staff, including but not limited to use of the Telecommunications Center and the Audio and Television Production Center at cost, and no cost use of Library facilities.

2. Lease Term. The Lease Term will commence on August 1, 2024, and will continue through July 31, 2027, such Term is subject to continued funding of the College of Agricultural and Life Science programs. Lessee shall have the right to terminate this Lease by providing, in advance, a written 30-day notice to Lessor should the program not have sufficient funding to maintain this location.

3. Lease Payment. Lessee shall pay to Lessor \$120,972 before August 1, 2024, for the period of August 1, 2024, until July 31, 2025. Lessee shall pay to Lessor \$124,602 before August 1, 2025, for the period of August 1, 2025, until July 31, 2026. Lessee shall pay to Lessor \$128,340 before August 1, 2026, for the period of August 1, 2026, until July 31, 2027.

Lessee agrees to send the Lease Payment to Lessor by mail at the address contained in the Notice provisions of this Lease.

4. Inspection, Repairs, Alteration and Waste. Lessee has inspected the Leased Premises and leases it "AS IS". Normal or usual repairs or alterations needed by Lessee over the term of the Lease required to maintain the existing condition of the Leased Premises shall be at the Lessor's expense. Major structural alterations desired by Lessee must have prior approval of Lessor's President or Vice President of Administration, such approval not to be unreasonably withheld, and will be accomplished at Lessee's expense. In the event the agreement is terminated prior to the initial term, as provided in paragraph 2, the parties will negotiate and arrive at mutual agreement concerning reimbursement by Lessor to Lessee for the cost of major alterations paid for by Lessee which enrich the values of the property. In the event the Parties cannot mutually agree, the Parties will submit the dispute to mediation. Lessee will not commit waste on the Leased Premises, nor will it disfigure or deface any part of the building, grounds, or any other part or portion of the Leased Premises, including fixtures.
5. Utilities, Janitorial and Property Taxes. Lessor shall pay for all the utility charges for the Leased Premises including, but not limited to electricity, natural gas, water, sewer, solid waste, maintenance, including grounds and parking areas, and custodial costs. Lessee shall pay for telephone, internet and cable or satellite television services assessed by the service provider for Lessee's use of the Leased Premises. Lessor shall pay for all property taxes relating to the Leased Premises.
6. Liability. Each party shall be responsible only for the acts, omissions or negligence of such party and such party's own employees and agents. Nothing in this Agreement shall extend the tort responsibility or liability of Lessee or the State of Idaho beyond that required by law, including the Idaho Tort Claims Act, Idaho Code section 6-90I, *et seq.* Each party shall be responsible for damage to property of the other party caused by such party and such party's employees and agents in the performance of the Agreement. If Lessee's liability for property claims or damage is not covered by the Lessee's self-insurance or other property coverage, Lessee shall pay the costs arising from such claim or damage to the extent funds are legally available, therefore. If a claim or damage arises from more than one party's performance of the Agreement or is not allocable to any party, each party shall pay the costs to such party arising from the claim or damage.
7. Insurance. Lessor hereby releases Lessee and its respective officers, agents, employees and servants, and Lessee hereby releases Lessor and its respective officers, agents, employees and servants, from any and all claims or demands for damages, loss, expense or injury to the Premises, or to the furnishings, fixtures, and/or equipment or inventory or other property of either Lessor or Lessee in, about or upon the Premises, as the case may be, which be caused by or result from perils, events or happenings which are the subject of insurance carried by the respective parties and in forces at the time of any such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss and to the extent such insurance is not prejudiced thereby or the expense of such insurance is not thereby increased.
8. Damage or Destruction Renders Leased Premises Unfit for Occupancy. If, during the term of this Lease the Leased Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of the Lessee so as to render the Leased Premises unfit

for occupancy by Lessee, this Lease shall be automatically terminated and at an end. Lessee shall immediately surrender the Leased Premises to the Lessor and shall pay rent only to the time of such surrender. If comparable and acceptable space can be provided by the Lessor within thirty (30) days of the date of destruction or damage, the Lessee may elect, at its sole option, to relocate to such substitute space. Rents will be continued upon occupancy at: (i) the current lease rate; or (ii) the market rate for the substitute space, whichever is less. Such relocation shall be for the remainder of this Lease Agreement or any extension.

9. Hazardous Material Use. Lessor and Lessee shall not cause or permit any Hazardous Material to be brought upon, kept, used, disposed, or discharged, in, on, from or about the Leased Premises by their agents, employees, contractors, customers, clients, guests or invitees except as incidental to Lessee's permitted use of the Leased Premises or Lessor's maintenance, repair or other ownership obligations for the Leased Premises, and only in quantities that are less than the quantities that are required to be reported to governmental or other authorities under applicable law or regulations. Lessor and Lessee shall comply with all applicable laws and regulations regulating the use, reporting, storage, discharge and disposal of Hazardous Material. As used in the Lease, the term "Hazardous Material" means any hazardous or toxic substance, material or waste that is or becomes regulated by any federal, state or local governmental authority or political subdivision. The term "Hazardous Material" includes, without limitation, any material or substance that is (i) defined as a "hazardous substance" under applicable law, (ii) petroleum, (iii) asbestos, (iv) polychlorinated biphenyl ("PCB"), (v) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. §1321), (vi) defined as a "hazardous waste" pursuant to Section 1004 of the Solid Waste Disposal Act (42 U.S.C. §6903), (vii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601), (viii) defined as a "regulated substance" pursuant to Section 9001 of the Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. §6991, (ix) considered a "hazardous chemical substance and mixture" pursuant to Section 6 of the Toxic Substance Control Act (15 U.S.C. § 2605), or (x) defined as a "pesticide" pursuant to Section 2 of the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136).

10. Prohibition on Lessee Assignment. Lessee may not assign all or a part of this Lease unless Lessee first obtains the written consent of Lessor.

11. Default. Termination and Right of Reentry. It is expressly understood and agreed that if Lessee or Lessor fails to comply with any of the material covenants or agreements contained in the Lease, the other party, at its option, may declare the non-complying party in default of this Lease and shall provide written notice of such default declaration to the non-complying party. Following receipt of a notice of default, the defaulting party shall have thirty (30) days to cure the default. A default shall be deemed to have occurred if a defaulting party fails to cure a default within the time provided herein. In the event of a default by Lessor, Lessee shall have the right to immediately terminate the lease without penalty, owing only rent due as of the date of termination and to take whatever action is permissible under applicable law. In the event of a default by Lessee, Lessor shall have the right to take whatever action is permissible under applicable law and, upon three (3) days written notice, evict Lessee and reenter Leased Premises without termination of the Lease. If at any time the tenancy shall be ended as described above, or should Lessor elect to reenter the premises upon Lessee's default or abandonment, or should the Lessor or Lessee terminate this Lease, Lessee hereby agrees to surrender and deliver Leased Premises to Lessor peacefully and

immediately. If the Lease has not been terminated by 180 day written notice agreed to by both parties, Lessee shall be liable for rent until the Leased Premises are re-let or the lease term has expired; whichever occurs first. Lessor shall have the duty to seek to re-let the Leased Premises as soon as possible and with as much effort as is reasonable within the industry.

12. Notice. Any notice under this Lease shall be in writing and be delivered in person or by public or private courier service (including US Postal Service Express Mail and Federal Express) or registered or certified mail shall be sent with return receipt requested. Any notice given by facsimile shall be verified by a facsimile confirmation. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing.

If to Lessor: College of Southern Idaho
Vice President of Administration
PO Box 1238
Twin Falls, ID 83303-1238
(208) 732-6203

If to Lessee: University of Idaho
Vice President for Finance and Administration
875 Perimeter Drive MS 3168
Moscow, ID 83844-3168
Phone: (208) 885-2127

Either party hereto may, by proper notice to the other designate any other address for the giving of notice. Any notice shall be deemed to have been given on (a) actual delivery or refusal, (b) the day of the mailing by registered or certified mail, or (c) the day facsimile delivery is verified.

13. Officials, Agents and Employees of Lessee Not Personally Liable. Lessor and Lessee agree that in no event shall any official, officer, employee or agent of the Lessee be in any way personally liable or responsible for any covenant or agreement contained in this Lease Agreement, whether expressed or implied, nor for any statement, representation or warranty made here in or in any way connected with this Lease Agreement or the Leased Premises.

14. Entry. Lessor may at all reasonable times enter to view the Leased Premises to make repairs or show Leased Premises to persons who may wish to lease or buy the same. Lessor shall make every effort to notify Lessee in advance of such showings and repairs to minimize interruption of Lessee's ongoing business activities.

15. No Partnership. It is expressly understood and acknowledged that Lessor does not, in any way or for any purpose, become a partner of Lessee in the conduct of its business, or otherwise, or a joint venture or a member of a joint enterprise with Lessee, and that the relationship of Lessor and Lessee hereunder is strictly that of Lessor and Lessee.

16. Written Modifications. No modification, release, discharge, or waiver of any provisions hereof shall be of any force, effect or value unless in writing signed by Lessor or Lessor's duly authorized agent or attorney and by Lessee.

17. **Binding Effect.** This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

18. **Commissions.** Lessee has not employed the services of any person acting as a real estate broker, agent, or finder for the negotiation or execution of this lease and Lessee has no leasing commissions, fees or similar charges payable to any person or entity as a result of its execution of this lease.

19. **Nondiscrimination and Affirmative Action.**

A. Lessor and Lessee shall not discriminate against any employee or applicant for employment in the performance of this Lease Agreement, with respect to tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, sex, color, religion, age, status as disabled or a veteran, or physical or mental handicaps, national origin or ancestry. Breach of this covenant may be regarded as a material breach of this Lease. Lessor and Lessee certify that they do not and will not maintain segregated facilities or accommodations on the basis of race, color, religion or national origin. Regarding any position for which an employee or an applicant is qualified, the Lessor and Lessee agree to take affirmative action to employ, train, advance in employment, and retain individuals in accordance with applicable laws and regulations including:

1. For nondiscrimination based on race, color, religion, sex or national origin, this includes, but is not limited to, the U.S. Constitution, and Parts II and IV of Executive Order 11246, September 24, 1965 (30 FR 12319). Grantee disputes related to compliance with its obligations shall be handled according to the rules, regulations, and relevant orders of the Secretary of Labor (See 41 CFR 60-1.1).

2. For nondiscrimination based on Disabled or Vietnam Veterans this includes, but is not limited to, the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended (38 U.S.C. 4012) (the Act); Executive Order 11701, January 24, 1973 (38 CFR 2675, January 29, 1973); and the regulations of the Secretary of Labor (41 CFR Part 60-250).

3. For nondiscrimination based on the Handicapped this includes, but is not limited to, Section 503 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 793) (the Act); Executive Order 11758, January 15, 1974; and the regulations of the Secretary of Labor (41 FR Part 60- 741).

4. For nondiscrimination based on Age this includes, but is not limited to, Executive Order 11141, February 12, 1964 (29 CFR 2477).

B. Lessor and Lessee shall include the terms of this clause in every subcontract or purchase order exceeding \$50,000 and shall act as specified by the Department of Labor to enforce the terms and implement remedies.

20. Attorneys' Fees. In the event of any controversy, claim or action being filed or instituted between the parties to this Lease to enforce the terms and conditions of this Lease or arising from the breach of any provision hereof, the prevailing party will be entitled to receive from the other party all costs, damages, and expenses, including reasonable attorneys' fees, incurred by the prevailing party, whether or not such controversy or claim is litigated or prosecuted to judgment. The prevailing party will be that party who was awarded judgment as a result of trial or arbitration, or who receives a payment of money from the other party in settlement of claims asserted by that party.

21. Counterparts. This Lease may be executed in any number of counterparts and once so executed by all parties thereto, each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

22. Venue; Governing Law. Any legal proceeding instituted between the parties shall be in the courts of the county in which the Premises are located, and each of the parties agrees to submit to the jurisdiction of such courts. It is further agreed that this Lease shall be governed by the laws of the State of Idaho.

23. Time of Essence. All times provided for in this Lease, or in any other document executed hereunder, for the performance of any act will be strictly construed, time being of the essence.

24. Entire Agreement. This Lease represents all the transactions contemplated by the parties hereto. It is understood and agreed by the parties that there are no verbal promises or implied promises, agreements, stipulations, or other representations of any kind or character pertaining to the Premises between them other than as set forth in this Lease.

LESSEE: Board of Regents of the University of Idaho

By: _____

Kim Salisbury-----
Associate Vice President, Budget & Planning

Date: _____

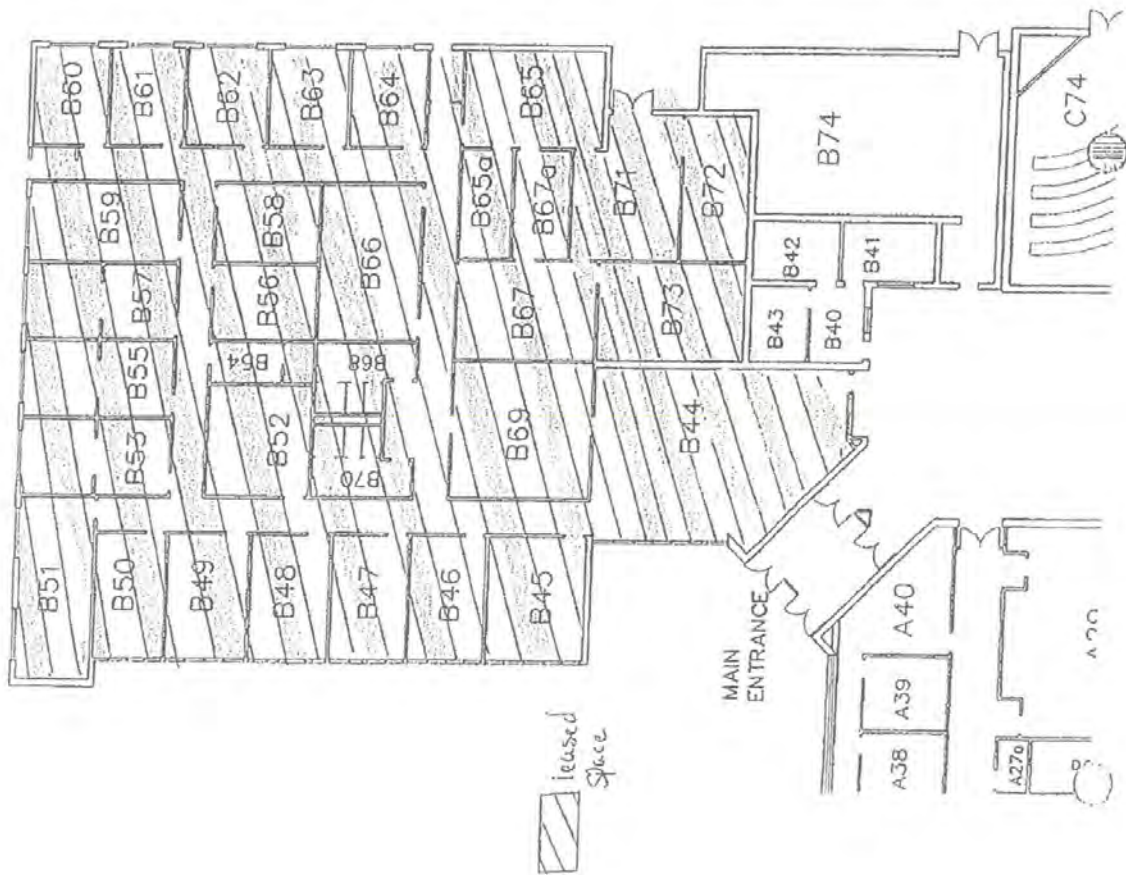
LESSOR: College of Southern Idaho

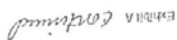
By:_____

Jeffrey M. Harmon,
Vice President of Finance and Administration

Date: _____

B-WING	
ISU/U OF I	
B40	ISU
B41	ISU
B42	ISU
B43	ISU
B44	RECEPTION
B45	CONFERENCE ROOM
B46	OFFICE
B47	OFFICE
B48	OFFICE
B49	OFFICE
B50	OFFICE
B51	OFFICE
B52	HERBARIUM/LIBRARY
B53	OFFICE
B54	JANITOR
B55	OFFICE
B56	GRAPHICS
B57	OFFICE
B58	BREAKROOM
B59	OFFICE
B60	OFFICE
B61	OFFICE
B62	OFFICE
B63	OFFICE
B64	OFFICE
B65	BIOLOGY LAB
B66	OFFICE
B67	BIOLOGY LAB
B68	WOMEN'S RESTROOM
B69	WORKROOM/STORAGE
B70	MEN'S RESTROOM
B71	SAMPLE PREP LAB
B72	GROWTH CHAMBER LAB
B73	U OF I LAB





CONSENT
APRIL 17-18, 2024

UNIVERSITY OF IDAHO

SUBJECT

Renewal of existing lease from College of Southern Idaho for the University of Idaho's (UI's) Admissions office in Twin Falls.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.2(a)

BACKGROUND/DISCUSSION

Since 2015, the University of Idaho's Office of Strategic Enrollment Management has occupied a single office space and some shared space at the Hepworth Building on the College of Southern Idaho campus. The office is used for admissions services for students transferring to the University of Idaho, and the University requests permission to extend that lease as provided by the attached draft lease. While UI occupation of this space has been covered by a series of 1-3 year leases since 2015, prior Board of Regents policy did not require Board approval for each periodic renewal so long as no single term exceeded five years or the rent exceeded the approval threshold established by the then current Board policy. However, August 2023 Board policy changes appear to now require Board approval for any extension of an existing term of a lease when such extension results in a cumulative period of occupation exceeding five years. Aside from periodic escalations in rent to cover increased operating costs, the terms of the lease have remained essentially unchanged for several years.

IMPACT

The rent amount assessed by CSI is calculated to only cover operating expenses for the space provided by CSI, so the costs of occupation are less than could be secured at commercial spaces in the local market and other locations would not be as convenient for transferring students. Leasing costs will be covered by appropriate UI operating budget sources as they have been in the past.

ATTACHMENTS

Attachment 1 – Draft Lease Agreement

STAFF COMMENTS AND RECOMMENDATIONS

Board Policy V.I.2(a) – Institutional Approval Authorization Limits requires Board approval for all transactions for institutional leases of real property (as lessee or lessor) if lease amount is over \$2M, or the term of the lease exceeds 5 years.

The policy was updated in August 2023 to include the following language that pertains to this lease renewal between the University of Idaho (UI) and College of Southern Idaho (CSI), "If the lease term including renewal terms did not exceed 5

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APRIL 17-18, 2024

years under the original term of a lease, but through amendment the term is extended, Board approval is required.”

The lease terms and details are in substantial conformance with Board policy.

Staff recommends approval.

BOARD ACTION

I move to approve the request by the University of Idaho to enter into a lease with the College of Southern Idaho in substantial conformance to the form submitted to the Board in Attachment 1 and to authorize the University’s Associate Vice President for Budget and Planning to execute the lease and any related transactional documents.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

LEASE AGREEMENT

This agreement is entered into by the Board of Regents of the University of Idaho, a state educational institution and body politic and corporate organized and under the laws and Constitution of the State of Idaho, hereinafter referred to as "Lessee" and the College of Southern Idaho, a public body organized and existing under the laws of the State of Idaho, hereinafter referred to as "Lessor," for the premises located at 315 Falls Avenue, Twin Falls, Idaho.

1. **LEASE OF PREMISES.** The Lessor does hereby demise and lease to the Lessee the Premises situated in the City of Twin Falls, County of Twin Falls, State of Idaho known and described as follows: 315 Falls Avenue, consisting of one office as shown on Exhibit A. Lessee shall also be provided shared access with Idaho State University and Boise State University a conference room, an office equipment room, one storage room, and a reception area. The lease of the Premises includes the right, together with other tenants of the Building and their employees and business invitees, to use the common public areas of the Building for their intended use and subject to the other provisions of this Agreement but includes no other rights not specifically set forth herein.
2. **TERM.** The term of the Agreement is thirty-six (36) months. As time is of the essence, the term of this Agreement shall begin on July 1, 2024, and shall end at midnight on June 30, 2027. The Parties agree that this Agreement is subject to the termination, expiration, and renewal rights set forth in this Agreement.
3. **PAYMENT.** Lessee shall pay Lessor a fixed payment for the term of this Agreement in annual installments of \$6,707 for year one, \$6,707 for year two and \$6,707 for year three. Lessor agrees to provide Lessee with an invoice for lease payments. Any payment that is made no later than sixty (60) days after it is actually due shall not be considered an event of default. Lessee shall use its best effort to expedite payment. It is expressly covenanted and agreed that any prepayment of rent made by Lessee under the terms of this Agreement shall be considered as an advance payment of rent only and no part thereof shall be considered as a security or cash deposit.
4. **SERVICES AND PARKING.** The Lessor covenants that it will provide, perform, and pay for the services, maintenance, and parking as follows:
 - A. Utilities:

Domestic water and sewer, electricity, natural gas, and irrigation.
 - B. Facility Repair and Maintenance:

General Building structure and related equipment (Interior and Exterior).
Heating system and related equipment.
Cooling and air handling system and related equipment.
Electrical system and related equipment.
Sewer and plumbing systems and related equipment.
Exterior lighting, including landscaped areas, parking area, and walkway.
Cleaning ground and parking area of debris X weekly monthly other.
Common area janitorial service X daily week (excluding weekends and holidays).
Trash removal from property X weekly other:

Furnishing of all washroom materials, including paper products, soap, cleaning supplies, and equipment.

Light bulb and fluorescent tube replacement.

Ice and snow removal prior to start of each business day.

Lawn and shrubbery care weekly during season.

C. Custodial Services:

Complete janitorial service X five times per week (excluding weekends and holidays).

Trash removal from Premises X five times per week (excluding weekends and holidays).

Window cleaning X quarterly.

Carpet spot cleaning semi-annually X as needed.

Shampoo carpet semi-annually X as needed.

D. Computer Network and Phone System: Lessor shall provide access to its computer network and telephone lines. Lessees to each supply their own equipment.

E. Building Hours: The Premises shall be made available to Lessees during the hours of 8:00 A.M. to 5:00 P.M., Monday through Friday.

5. **TERMINATION OF AGREEMENT.** Lessor may terminate this Agreement in whole or in part at any time after a one-year period from the effective date, by providing Lessee with ninety (90) days written notice prior to the date such termination is to be effective. Lessee may terminate this Agreement in whole or in part at any time after a one-year period from the effective date, by providing Lessor with ninety (90) days written notice prior to the date such termination is to be effective.
6. **USE OF PREMISES.** Lessee shall use the Premises solely for the purpose of conducting its business and shall at all times comply with all laws, regulations and ordinances. Management and delivery of specific program services and management of the Lessor's and Lessees individual staff members shall remain the responsibility of the party responsible for the individual(s) and program services, and functions or separateness mandated by state statute or public law will not be violated or abridged in the pursuit of co-location. Services will continue to be performed in accordance with federal and state regulations pertaining to each party.
7. **NOTICES.** Any notice, request, claim, or other document or instrument, which is required by this Agreement shall be deemed and delivered when it is personally delivered or sent by certified mail to the address of the party as set forth in Attachment I.
8. **REPAIRS AND ALTERATIONS.** Lessee will not commit waste on the Premises, nor will Lessee disfigure or deface any part of the building, grounds, or any other part of the Premises, including fixtures. Lessee further covenant that upon return, the Premises will be in the same condition as originally received, reasonable wear and tear accepted. Repairs, except those actually necessitated by Lessee's waste. Disfigurement or defacement, and except for repairs required by the removal of Trade Fixtures shall be made solely at the Lessor's expense. Any repairs shall be done in a skillful manner and must comply with all applicable codes, ordinances, rules and regulations.

Except as otherwise agreed, subsequent to the Effective Date and during the term of this agreement and any extension, neither Lessor nor Lessee shall make any alterations, additions or improvements to the Premises without the prior written consent of the other. Any alterations, whether performed by Lessor or Lessee, must be made in a skillful manner and must comply with all applicable codes, ordinances, rules and regulations.

Notwithstanding any other provision of this Agreement, Trade Fixtures, as defined in this Agreement, installed by Lessee shall, at the option of Lessee, not become the property of the Lessor and, upon the termination of this Agreement, the Lessee may remove such Trade Fixtures and return the Premises in as close to original condition as possible, reasonable wear and tear accepted. For purposes of this Agreement, a Trade Fixture is defined as personal property used by the Lessee in the conduct of its business and includes items such as, but not limited to, shelves and reception counters.

9. **SUFFICIENT APPROPRIATION BY LEGISLATURE REQUIRED.** All parties to this Agreement are government entities and this Agreement shall in no way or manner be construed to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds as may exist from time to time. Each party reserves the right to terminate this Agreement, if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for either party to continue payments under this Agreement. All future rights and liabilities of the Lessor and Lessee hereto shall thereupon cease within ten (10) days after notice to that other party.
10. **FIRE OR DAMAGE.** If, during the term of this Agreement, the Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of Lessee so as to render the Premises unfit for occupancy by Lessee, this Agreement shall be automatically terminated and at an end. Lessee shall immediately surrender the Premises to Lessor and shall pay rent only to the time of such surrender. If comparable and acceptable office space can be provided by the Lessor within thirty (30) days of the date of destruction or damage, Lessee may elect, at its sole option, to relocate to such substitute office space and all relocation costs shall be at the sole expense of the Lessor. Rents will be continued upon occupancy at the lesser of: (i) the current lease rate or (ii) the market rate for the substitute space. Such relocation shall be for the remainder of this Agreement or any extension.
11. **OFFICIALS, AGENTS AND EMPLOYEES OF LESSEE NOT PERSONALLY LIABLE.** It is agreed by and between the Parties that in no event shall any official, officer, employee, or agent of the State of Idaho be in any way liable or responsible for any covenant or Agreement contained in this Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Agreement, and the sole responsibility and liability for the performance of this Agreement and all the provisions and covenants contained in this Agreement shall rest in and be vested with the State of Idaho.
12. **RELATION OF PARTIES.** The Parties agree and acknowledge that neither shall be considered the employer, agents, representative, or contractor of the other by reason of this Agreement.

13. **LIABILITY** Each party shall be responsible only for the acts, omissions or negligence of such party and such party's own employees and agents. Nothing in this Agreement shall extend the tort responsibility or liability of Lessee or the State of Idaho beyond that required by law, including the Idaho Tort Claims Act, Idaho Code section 6-90I, *et seq.* Each party shall be responsible for damage to property of the other party caused by such party and such party's employees and agents in the performance of the Agreement. If Lessee's liability for a property claims or damage is not covered by the Lessee's self-insurance or other property coverage, Lessee shall pay the costs arising from such claim or damage to the extent funds are legally available therefor. If a claim or damage arises from more than one party's performance of the Agreement or is not allocable to any party, each party shall pay the costs to such party arising from the claim or damage.
14. **INSURANCE.** Lessor hereby releases Lessee and its respective officers, agents, employees and servants, and Lessee hereby releases Lessor and its respective officers, agents, employees and servants, from any and all claims or demands for damages, loss, expense or injury to the Premises, or to the furnishings, fixtures, and/or equipment or inventory or other property of either Lessor or Lessee in, about or upon the Premises, as the case may be, which be caused by or result from perils, events or happenings which are the subject of insurance carried by the respective parties and in forces at the time of any such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss and to the extent such insurance is not prejudiced thereby or the expense of such insurance is not thereby increased.
15. **DEFAULT.** In the event that either party shall default in the performance of any material term, covenant, or condition of this Agreement, the party alleging default must provide written notice of said default, specifying the alleged default, and the receiving party shall have fifteen (15) business days to cure or shall immediately provide written documentation that it is proceeding to cure the default in an expedited manner (e.g., working overtime, express delivery, etc.).
16. **HANDICAP ACCESSIBILITY.** Space leased by the State of Idaho will meet or exceed standards for handicap accessibility as set out in the American National Standards Institute (ANSI A117-1); Americans with Disabilities Act, Americans with Disabilities Accessibility Guidelines (ADAAG) and applicable regulations; the International Building code; all state-adopted codes and standards; and such federal regulations as may be applicable to the occupying agency.
17. **BUILDING SAFETY.** All buildings owned or maintained by any State government agency or entity, or which are constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the Idaho General Safety and Health Standards, the International Building Code, the International Mechanical Code and the International Fire Code. Prior to construction or remodeling of such buildings, where appropriate, construction plans shall be reviewed and approved by the Division of Building Safety and the State Fire Marshall's Office.
18. **SMOKING.** Executive Order 2005-10 requires that all State-owned or State-leased buildings, facilities or area occupied by State employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

19. **MATERIAL REPRESENTATIONS.** The Parties agree and acknowledge that the representations and acknowledgements made in this Agreement are material and the Parties have relied upon them in entering this Agreement.
20. **SEVERABILITY.** If any term or provision of this Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be continued and enforced as if the invalid term or provision were not contained in this Agreement.
21. **COMPLETE STATEMENT OF TERMS.** No other understanding whether oral or written, whether made prior to or contemporaneously with this Agreement, shall be deemed to enlarge, limit, or otherwise affect the operation of this Agreement.

LESSEE: Board of Regents of the University of Idaho

By:

Kim Salisbury

Associate Vice President, Budget & Planning

Date: _____

LESSOR: College of Southern Idaho

By:

Jeffrey M. Harmon,

Vice President, Finance and Administration

Date: _____

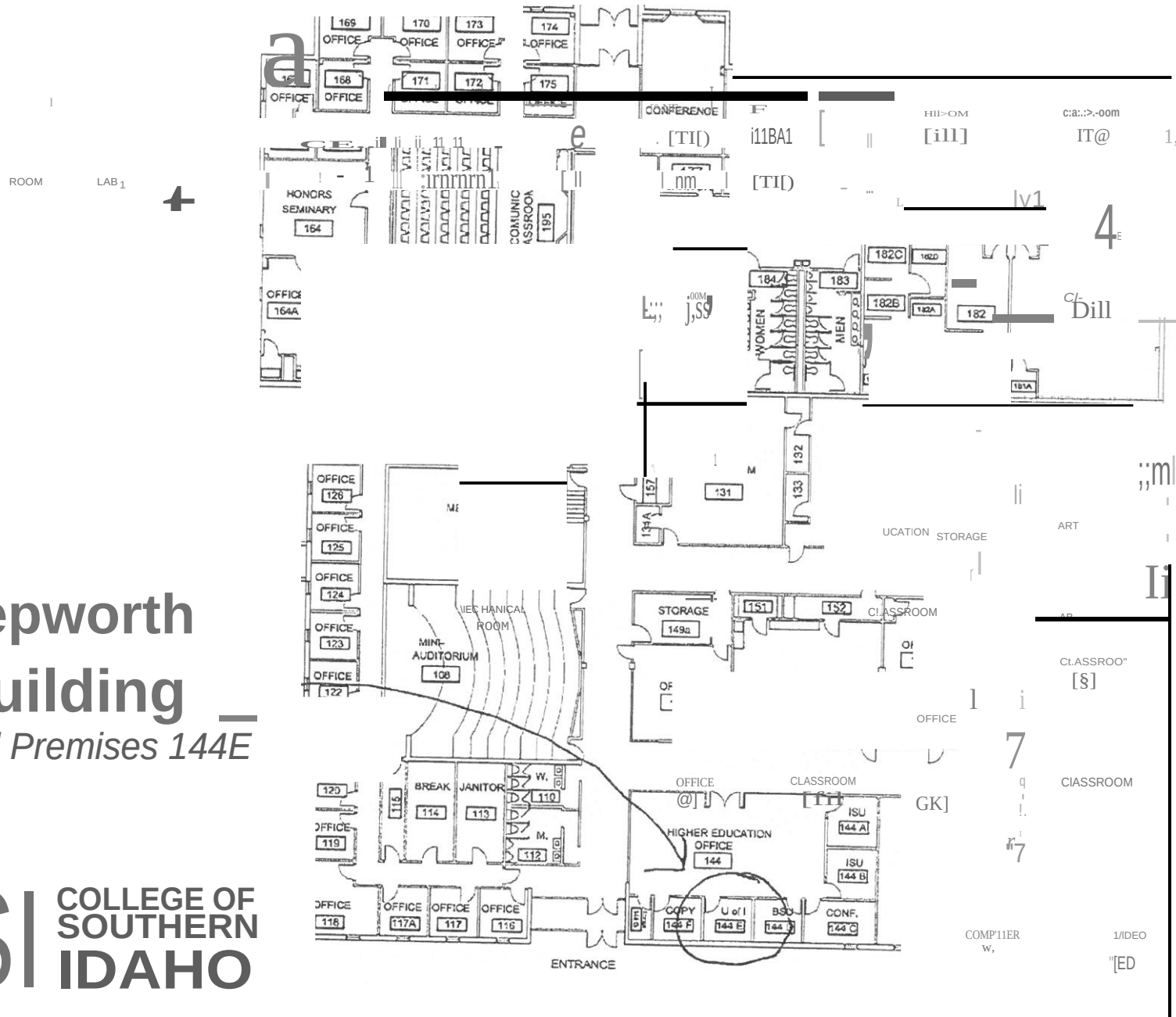
Exhibit-A

Hepworth Building *Leased Premises 144E*

CS COLLEGE OF
SOUTHERN
IDAHO

Floor Plan 1.1.pd.: Uod.: Fd> . 2013

CONSENT - BAHR



UNIVERSITY OF IDAHO

SUBJECT

Renewal of existing lease at the University of Idaho (UI) College of Agricultural and Life Sciences' Agribusiness Incubator for Nature's Indulgence Granola, Inc. in Caldwell.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.2(a)

BACKGROUND/DISCUSSION

Since 2015, UI CALS has leased commercial space at its Agribusiness Incubator in Caldwell to a local business, Nature's Indulgence Granola, Inc. The Regents acquired the property in the 1990s to promote local economic development by providing suitable commercial space to serve local small business needs and to receive support from on-site UI expertise. This is one of several private tenants in this facility that continues business development with recurring, shorter term lease renewals or amendments. The attached draft lease is simply a one-year renewal of an oft renewed lease arrangement that obligates each party to only one more one-year term (in this case with an even shorter early termination provision). In the past, such periodic short-term renewals or amendments for low value leases did not require Board approval when the new term is for a period of less than five years. However, August 2023 Board policy changes appear to now require Board approval for any extension of an existing term of a lease when such extension results in a cumulative period of occupation exceeding five years. Aside from periodic escalations in rent to cover increased operating costs of the facility, the terms of the lease have remained essentially unchanged for several years.

IMPACT

UI CALS collects lease revenue from its operation of the facility to cover expenses of occupancy and management of the facility.

ATTACHMENTS

Attachment 1 – Draft Lease Agreement

STAFF COMMENTS AND RECOMMENDATIONS

Board Policy V.I.2(a) – Institutional Approval Authorization Limits requires Board approval for all transactions for institutional leases of real property (as lessee or lessor) if lease amount is over \$2M, or the term of the lease exceeds 5 years.

The policy was updated in August 2023 to include the following language that pertains to this one-year lease renewal extension for commercial space between the University of Idaho (UI) and Nature's Indulgence Granola at UI's Agribusiness

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Incubator located in Caldwell, "If the lease term including renewal terms did not exceed 5 years under the original term of a lease, but through amendment the term is extended, Board approval is required."

The lease terms and details are in substantial conformance with Board policy.

Staff recommends approval.

BOARD ACTION

I move to approve the request by the University of Idaho for authority to enter into a lease with Nature's Indulgence, Inc. in substantial conformance to the form submitted to the Board in Attachment 1 and to authorize the University's Associate Vice President for Budget and Planning to execute the lease and any related transactional documents.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

TENANT LEASE

THIS TENANT LEASE (“**Lease**”) is made by and between THE BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO (“**Landlord**”) and NATURE’S INDULGENCE GRANOLA, INC, an Idaho corporation (“**Tenant**”). Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises (hereinafter defined) upon all of the terms and conditions provided herein.

ARTICLE 1

PREMISES/ FACILITY/PARKING

1.1 Premises

The premises comprise the area shown as Units L and M on the floor plan attached hereto as Exhibit A (“**Premises**”). Premises is located at 1904 E Chicago St, Caldwell ID 83605 and located in a building, together with related driveways, parking areas, fixtures and improvements (“**Facility**”).

1.2 Common Areas

Subject to the terms of this Lease, Tenant shall have the non-exclusive right in common with other occupants of the Facility, to use certain access roads, parking areas, sidewalks, entrances, corridors, grounds, lobby areas, meeting rooms, common restrooms, and other building amenities within the Facility provided and designated from time to time by Landlord for the general use and convenience of the occupants of the Facility (collectively, “**Common Areas**”).

1.3 Parking

Tenant’s use of the Common Areas shall include use, on an unassigned basis, of those portions of the Common Areas designated by Landlord from time to time for Tenant parking and access to such parking. Parking spaces available to Tenant shall be used for parking only by vehicles no larger than full-sized passenger automobiles. No overnight parking for Tenant vehicles is permitted without the written consent of Landlord. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant’s employees, suppliers, shippers, customers or invitees to be loaded or parked in areas other than those designated by Landlord for such activities. If Tenant permits or allows any of the prohibited activities described in this Section, Landlord shall have the right, in addition to all other rights and remedies that it may have under this Lease, to remove or tow away the vehicle involved without prior notice to Tenant and the cost thereof shall be paid to Landlord within ten (10) days after notice from Landlord to Tenant.

ARTICLE 2

LEASE TERM/CONDITION OF PREMISES

2.1 Lease Term

Lease term shall commence on May 1, 2024, and shall terminate on April 30, 2025. This Lease may also be terminated prior to the Lease termination date by either party. The party choosing to terminate must provide sixty days’ written notice to the other party.

2.2 Improvement to Premises and Acceptance of Condition of Premises

If improvements to the Premises and/or Facility are deemed necessary by the parties, Landlord shall arrange and perform that work and make the installations in the Premises and/or Facility substantially as listed in Exhibit B (the “**Improvements to Premises**”). If no work is deemed necessary by Landlord and Tenant, Exhibit B shall simply state “No improvements to Premises or Facility necessary”, and such statement shall be deemed as Tenant’s acknowledgement and acceptance of Premises and Facility “AS IS”. Other than as listed in Exhibit B, Landlord has no obligation to improve, alter or remodel the Premises or Facility beyond repair and maintenance of the existing facility infrastructure as provided herein and Tenant hereby acknowledges that no improvements beyond those specified in Exhibit B shall be provided by Landlord. All such installations provided herein shall immediately become and remain the property of Landlord.

ARTICLE 3

PAYMENT OF RENT/ADDITIONAL RENT

3.1 Amount and Payment of Monthly Rent and Additional Rent

Tenant agrees to pay monthly rent of \$1485 for each month of the Lease term to Landlord on or before the first day of that month for which rent is due, e.g. payment for January shall be due on January 1. If the first day of the month falls on a weekend or holiday payment shall be due the first University business day thereafter. Payment must be RECEIVED by the close of business on the due date to be considered timely. Without separate invoice from Landlord, Tenant shall make its monthly rent check payable to “Bursar, University of Idaho” and forward payment to the University of Idaho Agribusiness Office at 1904 E Chicago Street, Caldwell ID 86305, or to such other address as Landlord may designate in writing. All other monies besides monthly rent payable by Tenant to Landlord under this Lease shall be deemed to be additional rent and shall be separately invoiced by Landlord and payable and recoverable as rent in the manner herein provided and Landlord shall have all rights against Tenant for default in any such payment. Rent shall be paid to Landlord during the entire term of this Lease, without abatement, deduction or set-off of any kind. Tenant’s obligation to pay all rent due under this Lease shall survive the expiration or earlier termination of this Lease. Should this Lease commence on a day other than the first day of the month or terminate on a day other than the last day of the month, the rent for such partial month shall be prorated.

3.2 Late Payment Charge

If Tenant fails to pay any rent within fifteen (15) days of when due (as provided in Section 3.1 above), Tenant shall pay to Landlord a late payment charge for each occurrence of \$20 to help defray the additional cost to Landlord for processing such late payments. If Tenant fails to pay any rent when due for any period exceeding thirty days, such unpaid amounts shall, in addition to late payment of \$20 also pay an additional delinquency fee that shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum. These provisions for late charges shall be in addition to Landlord’s other rights and remedies hereunder or at law or in equity and shall not be construed as liquidated damages or as limiting Landlord’s remedies in any manner.

3.3 Personal Property Taxes

Tenant shall pay prior to delinquency all personal property taxes and business taxes with respect to all property and business activities of Tenant on Premises and shall provide promptly upon request of Landlord written proof of such payments.

ARTICLE 4

Article intentionally deleted.

ARTICLE 5

SECURITY DEPOSIT

5.1 Security Deposit

Upon execution of the Lease, Tenant shall deposit an amount equal to two month's rent (as established in Section 3.1 above) as security for the faithful performance and observance by Tenant of all the terms, covenants, conditions, provisions and agreements of this Lease ("**Security Deposit**"). This amount is separate from and in addition to the amount due as "monthly rent" as provided by Section 3.1 of this Lease. If Tenant shall default with respect to any covenant or condition of this Lease including, but not limited to the payment of rent, Landlord may, but shall not be obligated to, apply all or any part of such deposit to the payment of any sum in default or any other sum which Landlord may be required to spend or incur by reason of Tenant's default, and, in such event, Tenant shall, upon demand, deposit with Landlord the amount so applied so that Landlord shall have the full deposit on hand at all times during the term of this Lease. If Tenant shall have fully complied with all the covenants and conditions of this Lease, the Security Deposit or any balance thereof shall be refunded to Tenant upon Landlord's final inspection of the Premises and within thirty (30) days after Tenant has vacated the same and after any accrued charges for which Tenant is responsible (such as but not limited to repair of damages to the Premises attributable to Tenant) and have been determined and paid in full. Tenant agrees that if this Security Deposit is insufficient to compensate Landlord for any damages, costs, and expenses not covered thereby, including loss of rental income during any period reasonably required to repair physical damages to Premises or to clean Premises, Tenant shall pay the balance thereof, immediately upon demand.

ARTICLE 6

USE AND OCCUPANCY

6.1 Permitted Use, Signage and Preservation of Business Incubator Setting

Premises shall be occupied and used only for the specific purpose of food production, storage and shipping, and for no other business or purpose without the prior written consent of Landlord. Tenant shall not display any sign or advertisement on the exterior of Premises or Facility without the written consent of Landlord and such consent may be withheld at the sole discretion of Landlord. Landlord shall place upon a common sign structure in the Facility's courtyard a business identification panel with Tenant's business name. Such panel shall be designed and placed by Landlord at no additional cost to Tenant beyond monthly rent.

No act shall be done in or about the Premises or Common Areas that is unlawful or that will increase the existing rate of insurance on the Building. Tenant shall not commit or allow to be committed any waste upon the Premises or Facility, or any public or private nuisance or other act or thing which disturbs the quiet enjoyment of any other tenant or occupant in the Facility. Tenant shall not, without the written consent of Landlord, use any apparatus, machinery or device in the Premises, which will cause any substantial noise or vibration about the Premises. If any of Tenant's office machines and equipment should disturb the quiet enjoyment of any other tenants in the Facility, then Tenant shall take such action as may be necessary to eliminate the disturbance (subject to any Premises or Facility alteration approvals from Landlord). Tenant shall comply with all state, federal, and local laws, ordinances, and regulations relating to its use of the Premises and shall observe such reasonable rules and regulations as may be adopted and distributed to Tenant in writing by Landlord for the safety, care and cleanliness of the Premises or the Facility, and for preservation of a professional business incubator setting at the Facility.

6.2 Compliance with Environmental Laws

Tenant represents, warrants, and covenants to Landlord that:

(a) Tenant and Premises will remain in compliance with all applicable laws, ordinances, and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations, and ordinances identified in subparagraph (h), all as amended and modified from time to time (collectively, "**Environmental Laws**"). All governmental permits relating to the use or operation of the Premises required by applicable Environmental Laws are and will remain in effect, and Tenant will comply with them.

(b) Tenant will not permit any release, generation, manufacture, storage, treatment, transportation, or disposal of hazardous material, as that term is defined in subparagraph (h), on, in, under, or from Premises in violation of any Environmental Laws. Tenant will promptly notify Landlord, in writing, if Tenant has or acquires notice or knowledge that any hazardous material has been or is threatened to be released, generated, manufactured, stored, treated, transported, or disposed of, on, in, under, or from Premises in violation of any Environmental Laws; and if any hazardous material is found on Premises in violation of any Environmental Laws, Tenant, at its own cost and expense, will immediately take such action as is necessary to detain the spread of and remove the hazardous material to the complete satisfaction of Landlord and the appropriate governmental authorities.

(c) Tenant will immediately notify Landlord and provide copies upon receipt of all written complaints, claims, citations, demands, inquiries, reports, or notices relating to the condition of Premises or compliance with Environmental Laws. Tenant will promptly cure and have dismissed with prejudice any of those actions and proceedings to the satisfaction of Landlord. Tenant will keep Premises free of any lien imposed pursuant to Environmental Laws.

(d) Landlord will have the right at all reasonable times and from time to time to conduct environmental audits of Premises, and Tenant will cooperate in the conduct of those audits. The audits will be conducted by a person(s) of Landlord's choosing, and if any hazardous material is detected or if a violation of any of the warranties, representations, or covenants

contained in this paragraph is discovered, the fees and expenses of such person(s) will be borne by Tenant and will be paid as additional rent under this Lease on demand by Landlord.

(e) If Tenant fails to comply with any of the foregoing warranties, representations, and covenants, Landlord may cause the removal (or other cleanup acceptable to Landlord) of any hazardous material from Premises and/or Facility. The costs of hazardous material removal and any other cleanup (including transportation and storage costs) will be additional rent under this Lease, whether or not a court has ordered the cleanup, and those costs will become due and payable on demand by Landlord. Tenant will give Landlord, its agents, and employees, access to Premises to remove or otherwise clean up any hazardous material. Landlord, however, has no affirmative obligation to remove or otherwise clean up any hazardous material, and this Lease will not be construed as creating any such obligation.

(f) Tenant will indemnify and hold harmless Landlord and its employees, agents, officers, and directors from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of any kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to the acts and omissions of Tenant, Tenant's officers, directors, employees, agents, contractors, subcontractors, subtenants, and invitees with respect to (1) the generation, manufacture, operations involving, transport, treatment, storage, handling, production, processing, disposal, release, or threatened release of any hazardous materials which are on, from, or affecting the Premises, including, without limitation, the soil, water, vegetation, buildings, and improvements on the Premises; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such hazardous materials; (3) any lawsuit brought or threatened, settlement reached, or governmental order relating to such hazardous materials; and (4) any violations of laws, orders, regulations, requirements, or demands of governmental authorities, or any reasonable policies or requirements of Landlord, which are based upon or in any way related to such hazardous material including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. This indemnification will survive this Lease.

(g) At the end of this Lease, Tenant will surrender Premises to Landlord free of any and all hazardous materials and in compliance with Environmental Laws affecting Premises.

(h) For the purpose of this Section, the term "**hazardous materials**" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. § 1801 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. § 6901 et seq.); and in the regulations adopted and publications promulgated pursuant to them, or any other federal, state, or local environmental laws, ordinances, rules, or regulations now enacted or enacted after this date.

(i) The provisions of this Section shall be in addition to any and all obligations and liabilities Tenant may have to Landlord and common law, will survive this Lease.

6.3 Relocation

Landlord shall have the right, at its option and upon at least thirty (30) days' written notice to Tenant, to relocate Tenant and to substitute for the Premises described above other spaces in the Facility containing at least as much useable area as the original Premises. Such substituted Premises shall be improved by Landlord at its expense, with improvements at least equal in quantity and quality to those in the original Premises. Landlord shall pay the expenses reasonably incurred by Tenant in connection with such substitution of Premises, including, but not limited to costs of moving, telecommunication infrastructure relocation, etc., up to an amount that shall not exceed \$6.00 per useable square foot of the new Premises.

ARTICLE 7

UTILITIES AND SERVICES

7.1 Utilities

Municipal water, sewer, and garbage collection are provided to Tenant by Landlord at no additional cost to Tenant. However, if Tenant's use of water, sewer, or garbage collection services results in charges to Landlord from the service provider that exceeds those charges deemed by Landlord to be customary for the Permitted Use of Premises, Landlord reserves the right to bill Tenant for such extraordinary use as additional rent. Electricity and utility services for heating and cooling are metered separately and shall be paid by Tenant directly to service provider.

7.2 Maintenance, Janitorial, and Shared Equipment Services

Landlord shall provide regular maintenance and janitorial services for Building and Common Areas, but janitorial services for Premises are the responsibility and at the expense of Tenant. Landlord may provide certain shared office equipment and services at some additional cost for Tenant's use. Use of this equipment and services is optional and charges shall only be assessed with use by Tenant, Tenant's employees, guests, or invitees and such charges shall be in accordance with a payment schedule established by Landlord prior to Tenant's participation during the Term of this Lease. In the event of specific facility, maintenance, janitorial or shared equipment service questions, Tenant may contact the UI Food Technology Center at 208-795-5332 and/or such other number as Landlord may provide from time to time.

7.3 Landlord's Liability

Landlord shall not be liable to Tenant for any loss or damage caused by or resulting from any variation, interruption, or failure of such utilities and services due to any cause whatsoever. No temporary interruption or failure of such services incident to the making of repairs, alterations or improvements, or due to accident or strike, or conditions or events beyond Landlord's reasonable control shall be deemed an eviction of Tenant or relieve Tenant from any of Tenant's obligations hereunder.

ARTICLE 8
CARE OF PREMISES/END OF TERM

8.1 Landlord's Responsibility

As long as Tenant is not in default of any of the provisions of this Lease, Landlord shall maintain Premises and Building in reasonably good condition except for damage occasioned by the act or omission of Tenant, the repair of which shall be paid for by Tenant.

8.2 Tenant's Responsibility

Tenant shall take good care of the Premises. Tenant's responsibility shall extend to its visitors, contractors, guests or agents. Tenant shall, at the expiration or termination of this Lease, surrender and deliver the Premises to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable use and wear excepted. At the expiration or termination of this Lease, Landlord shall cause all carpets in Premises to be professionally cleaned and shall thereafter submit a bill to Tenant for the reasonable costs associated with such cleaning. Such bill shall be paid by Tenant as additional rent and shall be due promptly upon receipt by Tenant. Tenant shall be responsible for the cost of replacement of carpet that is damaged as a result of dragging or pushing furniture in the Premises or Common Areas.

Tenant shall not make any alterations, additions or improvements in or to Premises, or make changes to locks on doors, or add, disturb or in any way change any plumbing or wiring without first obtaining the written consent of Landlord. Unless specifically approved by Landlord to the contrary, ALL alterations, additions, or improvements shall be completed by Landlord or Landlord's contractor and shall become the property of Landlord during the Lease term and after termination. If such approval is given, it shall assign costs for completing such work to Landlord or Tenant and shall also establish if such alterations, additions, and improvements shall be removed by Tenant at Tenant's expense at the end of term.

All damage or injury done to Premises or Common Areas by Tenant or by any persons who may be in or upon Premises and Common Areas with the consent of Tenant, including the cracking or breaking of glass of any windows and doors, shall be paid for by Tenant, and Tenant shall pay all damage to the Facility caused by Tenant's misuse of the Premises or the appurtenances thereto. If Tenant refuses or neglects to pay for repairs and/or maintain the Premises or any part thereof in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant five (5) days' written notice of Landlord's election to do so, to make such repairs or perform such maintenance on for the account of Tenant. In such event, such work shall be paid for by Tenant as additional rent and shall be due promptly upon receipt of a bill therefor. Anything to the contrary herein notwithstanding, in the event that an emergency condition should exist because of the failure of Tenant to perform any of its obligations to repair or maintain Premises in accordance with this Lease, Tenant shall not be entitled to any notice and Landlord may immediately assume all or any portion of such obligations and Tenant shall be responsible for all costs of remedy. For the purposes of the preceding sentence, the phrase "**emergency condition**" shall mean any condition constituting an immediate risk of injury to person, serious damage to property or impairment of Landlord's or another tenant's or occupant's business. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby or to any abatement of rent. Tenant shall not put any

curtains, draperies or other hangings on or beside the windows in the Premises without first obtaining Landlord's consent. All normal repairs necessary to maintain the Premises in a tenable condition shall be done by or under the direction of Landlord and at Landlord's expense except as otherwise provided herein. Landlord shall be the sole judge as to what repairs are necessary.

Tenant shall not make any alterations, additions or improvements in or to Common Areas.

8.3 Surrender of Possession

Upon expiration of the term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender Premises to Landlord.

8.4 Removal of Property

Any trade fixtures, equipment, or other personal property placed in the Premises by Tenant and not affixed to the walls, ceiling, floors, or other part thereof, shall remain the property of Tenant, and provided that Tenant is not in default of performance of this Lease, they may be removed by Tenant at any time during the term hereof.

Those trade fixtures or equipment which must necessarily be affixed to the walls, ceiling, floors, or other part of the Premises in such a manner that damage thereto will result from the installation or removal thereof, shall not be installed without the prior consent in writing and approval of the manner of installation by Landlord. If so installed, they shall remain a part of the Premises and not be removed therefrom unless Landlord shall demand their removal, in which event they shall promptly be removed by Tenant, and Tenant shall be responsible for repair of all damage to any part of the Premises occasioned by their installation or removal. If Tenant shall fail to remove any other property of any nature whatsoever from the Premises or Facility at the termination of this Lease, or when Landlord has the right of re-entry, Landlord may, at its option, remove and store said property without liability for loss thereof or damage thereto, such storage to be for the account and at the expense of Tenant. If Tenant shall not pay the cost of storing any such property after it has been stored for a period of thirty (30) days or more, Landlord may, at its option, sell, or permit to be sold, any or all of such property at public or private sale, in such manner at such times and places as Landlord, in its sole discretion, may deem proper, without notice to Tenant, and shall apply the proceeds of such sale as follows: first, to the cost and expense of such sale, including advertising costs and reasonable attorneys' fees actually incurred; second, to the payment of the costs or charges for storing any such property; third, to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the term hereof; and, fourth, the balance, if any, to Tenant.

ARTICLE 9 **ACCESS**

9.1 Access

Tenant will permit Landlord and its agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same or for the purpose of cleaning, repairing, altering or improving the Premises or Building. Nothing contained in this Article 9 shall be deemed to

impose any obligation upon Landlord not expressly stated elsewhere in this Lease. When reasonably necessary, Landlord may temporarily close entrances, doors, corridors, or other facilities without liability to Tenant by reason of such closure and without such action by Landlord being construed as an eviction of Tenant or relieve Tenant from the duty of observing and performing any of the provisions of this Lease. Landlord shall have the right to require Tenant to exclusively use service or delivery access routes as designated by Landlord from time to time. Landlord shall have the right to enter the Premises for the purpose of showing the Premises to prospective tenants at any time during the Lease term.

ARTICLE 10

DAMAGE OR DESTRUCTION

10.1 Damage or Destruction

If Premises shall be damaged, either wholly or in part, by fire or other casualty, Landlord may, at its option, restore the Premises to their previous condition, and in the meantime, the monthly rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole thereof. Notwithstanding the foregoing, if the fire or other casualty results from or arises out of Tenant's willful or negligent act or omission, monthly rent shall not be abated. If the Building shall be destroyed or damaged by fire or other casualty to the extent that more than twenty percent (20%) thereof is damaged, notwithstanding that the Premises may be unaffected directly by such destruction or damage, Landlord may, at its election, terminate this Lease upon thirty (30) days' prior written notice.

ARTICLE 11

INDEMNITY AND INSURANCE

11.1 Indemnification

Tenant shall defend and indemnify Landlord and hold it harmless from and against any and all liability, damages, costs or expenses, including attorneys' fees, arising from any act, omission or negligence of Tenant, or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Tenant in and about the Facility, or arising from any accident, injury, or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the Facility; provided that the foregoing provision shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the willful act or negligence of Landlord, or of any officer, contractor, licensee, agent, servant, employee, guest, invitee or visitor of Landlord.

Landlord shall not be liable for any loss or damage to personal property or loss of income sustained by Tenant, or other persons, which may be caused by the Facility or the Premises, or any appurtenances thereto, being out of repair, or by the bursting or leakage of any water, gas, sewer or steam pipe, or by theft, or by any act or neglect of any tenant or occupant of the Facility, or of any other person, or by any other cause of whatsoever nature, unless caused by the gross negligence or willful misconduct of Landlord.

11.2 Insurance Coverage

By requiring insurance herein, Landlord does not represent that coverage and limits will necessarily be adequate to protect Tenant, and such coverage and limits shall not be deemed as a limitation on Tenant's liability under the indemnities granted to Landlord in this Lease. Failure to maintain the required insurance may result in termination of this Lease at Landlord's option.

Tenant shall, at Tenant's sole cost and expense, throughout the term of this Lease, obtain and maintain insurance of the types and in the amounts described below:

Commercial General and Umbrella Liability Insurance. Tenant shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, and if Tenant owns or operates more than one location other than the location under this Lease, then the CGL shall be endorsed to show that "limits apply per location". CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract including the tort liability of another assumed in a business contract. The policy shall be on a primary occurrence form non-contributable to insurance carried by Landlord.

Workers' Compensation. Where required by law, Tenant shall maintain all statutorily required coverages including Employer's Liability.

All policies (except Workers Compensation and personal property) shall name Landlord as an additional insured. Certificates of Insurance shall be issued to Landlord within five (5) days after the commencement date shown in Section 2.1 of this Lease and prior to any renewal or change of policy term of Tenant's insurance. Additional Insured Endorsement shall be attached to the Certificate. The Certificate shall indicate on the certificate if Tenant's insurance applies at more than the location insured under this Lease. Failure of Landlord to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Landlord to identify a deficiency from evidence that is provided shall not be construed as a waiver of Tenant's obligation to maintain such insurance.

ARTICLE 12 ASSIGNMENT/ SUBLETTING

12.1 Assignment and Subletting by Tenant Prohibited

This Lease shall not be assigned by Tenant and the Premises shall not be sublet by Tenant.

ARTICLE 13
LIENS/ INSOLVENCY

13.1 Liens and Insolvency

Tenant shall keep the Premises and the Facility free from any liens arising out of any work performed, materials ordered or obligations incurred by Tenant. If Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver or assignee or other liquidating officer is appointed for the business of Tenant, then Landlord may terminate Tenant's right of possession under this Lease at Landlord's option.

ARTICLE 14
DEFAULT

14.1 Default

Time is of the essence hereof, and if at any time the rent or additional rent reserved herein shall become in arrears and be unpaid when due and continue to be unpaid for a period of ten (10) days after written demand for the payment thereof from Landlord specifying such failure to pay, or if Tenant shall default in the performance of any of the other terms, covenants and provisions of this Lease on its part to be performed and such failure is not cured within twenty (20) days after written demand for the performance thereof, or if Premises become vacant or deserted while no rent is being paid, or if Tenant files or has filed against it in any court pursuant to any statute, a petition in bankruptcy or insolvency, or for reorganization or for appointment of a receiver or trustee of all or a substantial portion of the property owned by Tenant, or if Tenant makes an assignment for the benefit of creditors, or any execution or attachment shall be issued against Tenant of all or a substantial portion of Tenant's property, whereby all or any portion of the Premises covered by this Lease or any improvement thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Tenant and such adjudication, appointment, assignment, petition, execution or attachment shall not be set aside, vacated, discharged or bonded within thirty (30) days after the determination, issuance of filing of the same, then, and in such event, Landlord shall have the right to terminate this Lease and the term hereof, as well as all of the right, title and interest of Tenant hereunder, by giving Tenant not less than the aforementioned ten (10) days' notice in writing for default on rent and not less than the aforementioned twenty (20) days' notice in writing for all other defaults of such intention and upon the expiration of the time fixed in such notice (if such default shall not have been cured), this Lease and the term hereof, as well as all the right, title and interest of Tenant hereunder, shall wholly terminate in the same manner and with the same force and effect (except as to Tenant's liability) as if the date fixed by such latter notice were the expiration of the term herein originally granted, and Landlord may enter into and/or repossess said Premises, either by force or summary proceedings, or otherwise, and Tenant hereby expressly waives service of notice of intention to re-enter or to institute legal proceedings to that end.

In the event of a cancellation or termination hereof by either the issuance of a dispossessory warrant or summons, or the service of a notice of termination as hereinabove provided, or otherwise, Tenant shall, nevertheless, remain and continue liable to Landlord in a sum equal to

all of the rent and all additional charges for the balance of the term; and Landlord may re-enter said Premises, using such force for that purpose as may be necessary without being liable to any prosecution for said re-entry or for the use of such force, and Landlord may repair or alter said Premises in such manner as to Landlord may seem necessary or advisable, and/or let or relet said Premises or any or all parts thereof for the whole or any part of the remainder of the original term hereof or for a longer or shorter period, in Landlord's name or otherwise, and, out of any rent so collected or received, Landlord shall first pay to itself the expense and cost of retaking, repossessing, repairing and/or altering said Premises and the expenses of removing all persons and property therefrom; second, pay to itself any cost or expense sustained in securing any new tenant or tenants; and third, to pay to itself any balance remaining and apply the whole said balance, or so much thereof as may be required, toward payment of the liability of Tenant to Landlord for the sum equal to the rents reserved herein and then unpaid by Tenant for the remainder of the term. Any entry or re-entry by Landlord, whether had or taken under summary proceedings or otherwise, shall not absolve or discharge Tenant from liability hereunder. The words "re-enter" and "re-entry" as used in this Lease are not restricted to their technical legal meaning. The failure of Landlord to relet the Premises or any part or parts thereof shall not release or affect Tenant's liability for damages or otherwise.

Should any rent so collected by Landlord after the payments aforesaid be insufficient fully to pay to Landlord a sum equal to all rent and other charges herein reserved, the balance or deficiency shall be paid by Tenant following receipt of notice from Landlord of the amount of such balance or deficiency that is due. Upon the first day of each month during the term of this Lease, Tenant shall pay to Landlord the amount of said deficiency then existing and shall remain liable for any portion thereof not so paid; and the right of Landlord to recover from Tenant the amount of such deficiency, or a sum equal to the amount of all rent and other charges herein reserved if there shall be no reletting by Landlord, shall survive the issuance of any dispossessory warrant or other termination of the term hereof.

Suit or suits for the recovery of any such deficiency or damages, or for a sum equal to any installment or installments of rent or charges payable hereunder may be brought by Landlord, from time to time at Landlord's election, and nothing herein contained shall be deemed to require Landlord to await the date whereon this Lease or the term hereof would have expired by limitation had there been no such default by Tenant or no such termination. Rather, Landlord shall have the right to recover from Tenant (in addition to past-due rent and other sums then owing) the total amount of rent which would be payable over the then remaining term of this Lease.

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of demised Premises, by reason of the violation of Tenant of any of the covenants and conditions of this Lease.

Upon expiration or sooner termination of this Lease, all improvements and additions to the Premises shall become the property of Landlord.

ARTICLE 15
NON-WAIVER

15.1 Non-Waiver

Waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition; or of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

ARTICLE 16
NOTICES

16.1 Notices

Any notice authorized to be given from Landlord to Tenant or from Tenant to Landlord shall be sufficiently served or given for all purposes if delivered personally or if sent by United States certified mail, return receipt requested, addressed to the party in question at the following address:

Landlord:	Vice President for Finance and Administration University of Idaho 875 Perimeter Dr MS 3168 Moscow ID 83844-3168
Tenant:	Nature's Indulgence Granola, Inc 1904 E Chicago St, Suite M Caldwell ID 83605

For the purposes of this Lease, a notice served by mail shall be deemed to have been delivered on the date mailed, as indicated by the postal service postmark on the certified mail receipt or on the envelope containing the notice.

ARTICLE 17
ATTORNEYS' FEES

17.1 Attorneys' Fees

In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Lease, the prevailing party in any such action or proceeding shall be entitled to recover from the losing party in any such action or proceeding its reasonable costs and attorneys' and paralegal's fees (including its reasonable costs and attorneys' and paralegal's fees on any appeal).

ARTICLE 18
LANDLORD'S LIABILITY

18.1 Landlord's Liability

Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements or for the purpose of binding Landlord personally or the assets of Landlord, except Landlord's interest in the Premises and Facility, but are made and intended for the purpose of binding only Landlord's interest in the Premises. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Landlord or its agents or employees, and their respective heirs, legal representatives, successors and assigns on account of the Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease contained. In the event this Lease is assigned by Landlord, Landlord's liability hereunder shall terminate upon the effective date of said assignment.

ARTICLE 19
GENERAL PROVISIONS

19.1 Time is of the Essence

In all instances where Tenant is required by the terms and provisions of this Lease to pay any sum or to do any act at a particular time or within an indicated period, it is understood and agreed that time is of the essence.

19.2 Waiver of Jury Trial

Landlord and Tenant hereby agree that each of them shall waive trial by jury in any action, proceeding or counterclaims brought by either Landlord or Tenant against the other. This waiver applies to any matters whatsoever arising out of or in any way connected with this Lease, or the relationship of Landlord and Tenant, or Tenant's use of the Premises, or any emergency statute, or any remedy authorized by statute.

19.3 Successors

Except as otherwise specifically provided, the terms, covenants, and conditions, contained in this Lease shall apply to and bind the heirs, successors, executors, administrators, and permitted assignees of the parties to this Lease.

19.4 Joint and Several Liability

If there is more than one Tenant, the obligations imposed by this Lease upon Tenant shall be joint and several.

19.5 Entire Agreement - Captions

This Lease contains the entire agreement of the parties. No representations, promises, or agreements oral or otherwise between the parties not contained in this Lease shall be of any force and effect. Neither this Lease nor any provisions hereof may be changed, waived, discharged, or terminated except in writing executed by Landlord and Tenant. The captions for Lease sections

are for convenience only and shall have no effect upon the construction or interpretation of any part of this Lease.

19.6 Severability

The illegality, invalidity or unenforceability of any term, condition, or provision of the Lease shall in no way impair or invalidate any other term, condition, or provision of the Lease. All such other terms, conditions, and provisions shall remain in full force and effect.

19.7 Brokerage Commission

Tenant and Landlord each represents and warrants that it has dealt with no broker, agent or finder in account of this Lease. Tenant agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, and costs, including attorneys' fees, in connection with any claim for brokerage, finder's, or similar fees, or compensation related to this Lease, which may be made or alleged as a result of acts or omissions of that party.

19.8 Authorization to Sign Lease

If Tenant is a corporation, each individual executing the Lease on behalf of Tenant represents and warrants that he/she is duly authorized to execute and deliver the Lease on behalf of Tenant in accordance with Tenant's bylaws or a duly adopted resolution of Tenant's Board of Directors, and that the Lease is binding upon Tenant in accordance with its terms. Tenant shall concurrently with its execution of the Lease, deliver to Landlord upon its request, a certified copy of such bylaws or the resolution of its Board of Directors authorizing the execution of the Lease. If Tenant is a partnership or trust, each individual executing the Lease on behalf of Tenant represents and warrants that he/she is duly authorized to execute and deliver the Lease on behalf of Tenant in accordance with the terms of the partnership or trust agreement, respectively, and that the Lease is binding upon Tenant in accordance with its terms. Tenant shall concurrently with its execution of the Lease deliver to Landlord, upon its request, such certificates or written assurances from the partnership or trust as Landlord may request authorizing the execution of the Lease. If Tenant is a limited liability company, each individual executing the Lease on behalf of Tenant represents and warrants that he/she is duly authorized to execute and deliver the Lease on behalf of Tenant in accordance with Tenant's Operating Agreement and that the Lease is binding upon Tenant in accordance with its terms.

19.9 Governing Law and Venue

This Lease shall be governed by, construed and enforced in accordance with the laws of the State of Idaho. The venue for any action brought to enforce this Agreement or otherwise shall be in the state district court of Latah County, Idaho.

19.10 Force Majeure

Time periods for Landlord's performance under this Lease, including services to be furnished by Landlord as provided for in this Lease, shall be extended for periods of time during which Landlord's performance is prevented due to circumstances beyond Landlord's control. This would include, without limitation, strikes, embargoes, repairs, alterations, governmental action, acts of God, war, or other strife. Landlord shall not be liable for any costs or damages incurred

by Tenant due to such circumstances. Suspension or interruption of any services provided by Landlord shall not result in any abatement of rent, be deemed an eviction, or relieve Tenant of any obligation under this Lease

19.11 Recordation

This Lease or memorandum hereof, shall not be recorded by Tenant.

19.12 Binding Effect

Submission of this instrument for examination or signature by Tenant does not constitute an offer to lease, or a reservation of or option for a lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

19.13 Building Regulations

Tenant shall obey all written rules and regulations of the Facility as imposed by Landlord from time to time so long as such rules and regulations are necessary for the safety of persons at the Facility, the protection of the Facility from damage, the preservation of the professional business incubator setting, and they do not unreasonably affect Tenant's permitted use of the Premises. Any rules and regulations are in addition to and shall not be construed to modify or amend this Lease in any way. Landlord shall not be liable for failure of any other tenant to obey such rules and regulations. Failure by Landlord to enforce any current or subsequent rules or regulations against any tenant of the Facility shall not constitute a waiver thereof.

19.14 Relationship of Parties

Nothing contained in this Lease shall be construed as creating the relationship of principal or agent, partnership or joint venture. Neither the method of setting monthly rent rates, nor any provision of this Lease, or any act of the parties shall be deemed to create any relationship other than that of landlord and tenant.

19.15 Equal Opportunity

Each party agrees not to discriminate against any employee or applicant for employment in the performance of this Lease with respect to tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. Breach of this covenant may be regarded as a material breach of this Lease.

19.16 Non-use of Names and Trademarks

No party to this Lease shall, without written consent in each case from the other party, use any name, trade name, trademark, or other designation of any other party hereto (including contraction, abbreviation, or simulation) in advertising, publicity, promotional, or similar activities or context.

IN WITNESS WHEREOF, Landlord and Tenant have respectively executed this Lease
on
the day and year below.

LANDLORD:

Board of Regents of the University of Idaho,
a body politic and corporate organized and
existing under the laws of the State of Idaho

By _____

Name _____

Its _____

Date of Landlord's signature_____

TENANT:

Nature's Indulgence Granola, Inc
an Idaho corporation

By _____

Name _____

Its _____

Exhibit List

Exhibit A: Floor Plan of Building Showing Premises Leased

Exhibit B: List of Improvements or Acknowledgement of Acceptance

EXHIBIT A LEASED PREMISES

EXHIBIT B ACCEPTANCE OF PREMISES

No improvements to Premises or Facility necessary.

UNIVERSITY OF IDAHO

SUBJECT

Amendment to Master Agreement between University of Idaho (U of I) and Sitecore USA, Inc., regarding software and implementation services for new marketing and website technology stack

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.I.2.a

BACKGROUND/DISCUSSION

The University of Idaho is requesting approval to amend its current contract with its web content management vendor, Sitecore, to modernize its web content management and digital marketing technologies through a platform of products from Sitecore. Sitecore is an international company that provides over 3,000 organizations with web and marketing technologies. The University has worked with Sitecore for more than 15 years. These technologies will enable the University to transition uidaho.edu from an informational website to a tool that allows U of I to create the personalized experiences prospective students, current students and donors have come to expect and that are necessary for the University to compete and successfully deliver on its mission.

To find the technologies that balance capability with value, the University completed a series of five-year total cost and ROI analyses covering the toolsets of multiple vendors. The process showed that Sitecore's digital experience platform and implementation services best meet these criteria from both a cost and value perspective.

Solution Description

- Website content management system (CMS) and custom search tool
- Digital asset management tool (DAM)
- Customer data platform (CDP)
- Experimentation and personalization platform
- Implementation services

Solution Benefits

- Improve conversion rates (enroll, give, stay) by delivering personalized web content based on user attributes and behavior.
- Enhance employee productivity by streamlining marketing and web content creation, management, delivery and maintenance.
- Improve the quality of data, and thus decision making, by integrating information from multiple systems.
- Increase web content accessibility by aligning with Web Content Accessibility Guidelines (WCAG) level AA.

CONSENT
APRIL 17-18 2024

IMPACT

The total five-year commitment is \$3,341,756.03. The contracts will be funded by a \$1.5M contribution from the UI Foundation and university operating funds.

Based on a joint Sitecore and University return on investment analysis, the University expects to reach breakeven around year three with an accumulated five-year benefit of \$5,736,355. Benefit is defined as value obtained based on increased conversions and employee productivity.

Providing users with the intuitive, personalized web experiences they have come to expect will positively impact the University of Idaho's ability to attract and retain students and donors, improve Idaho's go-on rate and meet the talent needs of industry in Idaho.

ATTACHMENTS

Attachment 1 – Master Agreement with Sitecore

Attachment 2 - Sitecore Software Subscription Services Order Form

Attachment 3 – Sitecore Implementation Services Order Form

BOARD STAFF COMMENTS AND RECOMMENDATIONS

UI is requesting to amend its current contract with its web content management vendor Sitecore. The goal is for UI to modernize its web content management and digital marketing technologies to transition uidaho.edu from its current form as an information website to a highly personalized experience resource for prospective students, current students, visitors, staff, faculty, alumni, and donors of UI.

The total five-year commitment is \$3,341,756.03 which will be funded by a \$1.5M contribution from the UI Foundation and university operating funds.

Board Governing Policies & Procedures, Section V.I.2.a requires approval limits for all transactions over \$2M to be reviewed and approved by the Board.

Staff recommends approval.

BOARD ACTION

I move to approve the request by the University of Idaho to sign a five-year agreement with Sitecore for the subscription to and implementation of a platform of products for web content management and digital marketing in substantial conformance to the materials presented to the Board.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Master Subscription Terms and Conditions

These master subscription terms and conditions ("**Master Terms**") are entered into as of the date of the last party to sign below ("**Effective Date**") between Sitecore USA, Inc. ("**Sitecore**"), with offices at 101 California Street, Suite 1600, San Francisco, CA 94111, and University of Idaho ("**Customer**"), with offices at 875 Perimeter Dr Ms3020, Moscow, ID 83844. Unless otherwise defined below, capitalized terms will have the meaning given to them in the last section of these Master Terms.

- 1) **FRAMEWORK.** These Master Terms, together with all incorporated Orders, constitute the "**Agreement.**" An "**Order**" consists of an order for one or more Sitecore Products and Services which is separately executed by Sitecore and Customer on or after the Effective Date and which states its intention to be governed by these Master Terms. An Order may incorporate attachments or exhibits that contain additional information relevant to a particular Sitecore Product or Service. Affiliates of the parties may agree to operate under these Master Terms, and in such event, the Affiliates may enter into an Order and agree to be bound by these Master Terms.
- 2) **PRICING, INVOICING AND EXPENSES.** The relevant fees and payment terms will be set forth in the applicable Order. Customer will only reimburse Sitecore for travel and accommodation if pre-authorized by Customer.
- 3) **TAXES.** Customer will be responsible for sales, use, value-added tax, and excise taxes and any like charges required to be collected by Sitecore with respect to the Sitecore Products and Services provided by Sitecore, and Sitecore will list those taxes and charges as separate line items on Sitecore's invoice. Sitecore will be responsible for all taxes related to its Personnel or business operations, including taxes based on the net income of Sitecore and any taxes payable upon the payroll of Sitecore Personnel. If Customer is exempt from transaction taxes, Customer will provide Sitecore with evidence of such tax-exempt status prior to entering into any Order.
- 4) **SOFTWARE LICENSES AND RESTRICTIONS**
 - a) Customer may request Sitecore to provide a license to Software, and if agreed upon such Software will be documented in an Order. The terms of this Section 4 will apply to such Order except to the extent explicitly overridden in such Order. Additionally, such Order may set forth other specific license terms and restrictions applicable to the Software being licensed to Customer. All licenses are limited to use by the Customer or Customer Affiliate executing the Order unless the applicable Order specifically states otherwise.
 - b) Sitecore and its licensors retain all right, title and interest in the Software and Documentation. Subject to compliance with the Agreement, Sitecore grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable license, solely during the Subscription Term, to copy and use the Documentation, and the Software in supported configurations as described in the Documentation, in compliance with applicable law, solely for the Permitted Usage.
 - c) Upon execution of an Order including Software, Customer will be provided a license key that gives Customer access to the Software ("**License Key**"). The License Key will be time-limited until full payment of the applicable fees have been received by Sitecore.
- 5) **HOSTED SERVICES.** Customer may request Sitecore to provide Hosted Services, and if agreed upon such Hosted Services will be documented in an Order. Additionally, such Order may set forth other specific terms and restrictions applicable to the Hosted Services. Sitecore and its licensors retain all right, title and interest in the Hosted Services, Sitecore Technology and applicable Documentation. Subject to compliance with the Agreement, Sitecore grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable license to use the Sitecore Technology and access the Hosted Services, solely during Customer's applicable Subscription Term, and solely for the Permitted Usage. Customer's use of the Hosted Services is subject to compliance with the Sitecore Usage Policy.
- 6) **SAAS PRODUCTS.** Customer may request Sitecore to provide SaaS Products, and if agreed upon such SaaS Products will be documented in an Order. Sitecore and its licensors retain all right, title and interest in the SaaS Products and any applicable Documentation. Subject to compliance with the Agreement, Sitecore grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable license to access the SaaS Products, solely during Customer's

applicable Subscription Term, and solely for the Permitted Usage. Customer's use of the SaaS Products is subject to compliance with the Sitecore Usage Policy.

- 7) **SUPPORT & MAINTENANCE; SERVICE LEVEL AGREEMENT.** Sitecore will provide support and maintenance services during each applicable Subscription Term in accordance with the terms of the applicable Order. Sitecore offers a Service Level Agreement for each of its SaaS Products and Hosted Services, the details of which will be included as part of each applicable Order.
- 8) **CONSULTING SERVICES; DELIVERABLES.** Customer may request Sitecore to provide Consulting Services for its employees or Authorized Third Parties, and if agreed upon such Consulting Services will be documented in an Order. Subject to Customer's rights in any materials provided by Customer and incorporated by Sitecore into the Deliverables, Sitecore retains all right, title and interest in the Deliverables. Subject to compliance with this Agreement, Sitecore grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable, perpetual license to copy, use and modify any Deliverables provided by Sitecore solely for Customer's internal business purposes.
- 9) **TRAINING SERVICES**
 - a) Customer may request Sitecore to provide Training Services for its employees or Authorized Third Parties, and if agreed upon such Training Services will be documented in an Order. Such Training Services may consist of participating in publicly available classes, or scheduling Customer-specific training.
 - b) Subject to compliance with this Agreement, Sitecore grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable, perpetual license to copy and use any Training Materials provided by Sitecore solely for Customer's internal business purposes. Unless pre-approved in writing by Sitecore, Customer is prohibited from (i) audio recording, editing, reproducing, broadcasting, live-streaming or otherwise making available, in whole or in part, the Training Services or any Training Materials to third parties, and (ii) providing any third party with access to the name, voice, image, or likeness of the Sitecore training Personnel.
 - c) In the course of performing Training Services Sitecore may provide Customer with one or more temporary license keys that give access to Sitecore software ("**Training Software**") to facilitate a training session. Sitecore and its licensors retain all right, title and interest in the Training Software. Sitecore hereby grants Customer a non-exclusive, non-transferable, non-assignable, non-sublicensable license to use any Training Software provided by Sitecore solely for Customer's internal business purposes, only for the time period needed to complete the training activities. THE TRAINING SOFTWARE IS PROVIDED "AS IS" AND SITECORE MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH REGARD TO THE TRAINING SOFTWARE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AVAILABILITY, PERFORMANCE, OR ACCURACY.
 - d) Training Services are prepaid and, unless otherwise set forth in an Order, must be consumed within 12 months of the Order effective date, after which date any remaining credits will otherwise expire. Sitecore will not pay any refund for expired Training Services.
- 10) **AUTHORIZED THIRD PARTIES; RESTRICTIONS ON USE**
 - a) Customer may permit Authorized Third Parties to assist Customer in the implementation and use of the Sitecore Products and Hosted Services provided that: (i) such activities are within the scope of the activities Customer is itself authorized to perform under the Agreement; (ii) such Authorized Third Parties' acts are primarily for the direct or indirect benefit of Customer; and (iii) such Authorized Third Parties are not charged a fee by Customer for such activities. Customer is prohibited from using the Sitecore Products and Hosted Services in any time-sharing or other commercial arrangement of any kind that makes the Sitecore Products and Hosted Services available to third parties for the third party's own benefit. Except as expressly stated in the Agreement, no third party has any rights under the Agreement. Customer is fully liable for compliance with the Agreement by its Authorized Third Parties.
 - b) Except as specifically authorized under the Agreement, by applicable law or by Sitecore in writing, Customer will not (i) modify, disclose, disassemble, decompile, reverse compile, reverse assemble, reverse engineer, or translate the Sitecore Products, Services or Documentation, (ii) rent, lease, lend, distribute, sell, assign, license, or otherwise transfer the Sitecore Products, Services, Documentation or any portion thereof, or (iii) create any derivative works of the Sitecore Products, Services or Documentation.

11) **PERSONNEL**

- a) Sitecore performs standard background checks on all newly hired employees, which include: (i) verification of education and previous employment, (ii) right to work in the applicable jurisdiction, and (iii) checks against applicable criminal databases where available and permitted by local law. Sitecore also requires all of its employees to comply with its Code of Business Conduct. In addition, Sitecore trains all of its employees on the proper treatment of confidential information as well as information security best practices.
- b) Sitecore is an independent contractor and is responsible for all matters governing the employment of Personnel. Sitecore will be responsible for the supervision, direction, and control of its Personnel, as well as the payment of compensation and any other legally required benefits. In no event will Personnel be deemed an employee, subcontractor, representative, or agent of Customer.

12) **LIMITED WARRANTIES.** Sitecore represents and warrants that:

- a) it is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation or organization, and that it has all requisite power and authority to carry out its obligations described in the Agreement;
- b) it will render the support and maintenance and the Services in a professional and workmanlike manner in accordance with industry standards using qualified Personnel with the necessary skills, qualifications and experience;
- c) the Software provided to Customer under an Order will comply with the Documentation for a period of 90 days following the effective date of the applicable Order ("**Limited Warranty Period**"). In the event any such Software does not operate according to the Documentation during this Limited Warranty Period, Sitecore will repair or replace the Software. If Sitecore is unable to repair or replace the Software within 30 days of receiving notice of the defect, Customer will have the right to terminate the applicable Order and receive a full refund of the fees paid for the Software under that Order, and such refund will be Customer's sole and exclusive remedy under this warranty;
- d) before delivery to Customer the Software has been tested by software generally used in the industry for such purposes to determine that the Software is free from viruses and other malicious code;
- e) the provision of the Services will not violate any applicable laws, rules, regulations, and ordinances of any governmental body (collectively, "**Applicable Laws**"); and
- f) its Personnel will comply with all Applicable Laws and all obligations under the Agreement in performing the Services.

13) **DISCLAIMER OF WARRANTIES.** EXCEPT AS EXPRESSLY SET FORTH IN SECTION 12 ABOVE OR TO THE EXTENT ANY WARRANTIES IMPLIED BY LAW CANNOT BE WAIVED, SITECORE MAKES NO WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE. SITECORE EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTIES ARISING FROM COURSE OF DEALING. SITECORE ALSO EXPRESSLY DISCLAIMS ANY AND ALL EXPRESS, IMPLIED OR STATUTORY WARRANTIES THAT THE SITECORE PRODUCTS AND SERVICES WILL MEET CUSTOMER'S REQUIREMENTS, OR THAT THE OPERATION OF THE SITECORE PRODUCTS OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

14) **CONFIDENTIAL INFORMATION.** The term "**Confidential Information**" means all information disclosed in written, oral, electronic, visual or other form by either party (each a "**Disclosing Party**") to the other party ("**Recipient**") and either (a) marked or designated as "confidential" or "proprietary" at the time of disclosure or (b) disclosed in circumstances under which a reasonable person would understand it is to be treated as confidential. Confidential Information does not include information that (i) is or becomes a matter of public knowledge through no fault of the Recipient, (ii) was rightfully in the Recipient's possession free of any obligation of confidence, (iii) was rightfully disclosed to Recipient by a third party without restriction as to use or disclosure, or (iv) is independently developed by Recipient without use of or reference to Disclosing Party's Confidential Information. Recipient will hold the Confidential Information received from the Disclosing Party in confidence and will not, directly or indirectly, disclose it to any third party or entity. Recipient will limit use of and access to the Disclosing Party's Confidential Information to Recipient's

employees and independent contractors who have (x) a need to know, (y) been notified that such information is Confidential Information, and (z) entered into binding confidentiality obligations no less protective of the Disclosing Party than the Agreement. Recipient will protect the Disclosing Party's Confidential Information by using the same degree of care as Recipient uses to protect its own confidential or proprietary information of a like nature (but not less than a reasonable degree of care). Recipient will promptly notify the Disclosing Party upon learning of any misappropriation or misuse of Confidential Information disclosed hereunder. Notwithstanding the foregoing, Recipient will be permitted to disclose Confidential Information pursuant to any statutory or regulatory authority or court order, provided that Recipient provides the Disclosing Party prompt prior notice (to the extent legally permitted to do so), and the scope of such disclosure is limited to the extent possible.

15) **CUSTOMER DATA; FEEDBACK.**

- a) Customer owns and shall retain all right, title, and interest in and to the Customer Data. Customer represents and warrants that none of the Customer Data violates the Agreement and that it has all necessary right, title, interest and consent necessary to allow Sitecore to use Customer Data for the purposes of fulfilling its obligations under the Agreement.
- b) Sitecore will manage, process and store all Customer Data in accordance with the Data Processing Addendum, which Customer may separately execute with Sitecore. Customer grants to Sitecore a non-exclusive and non-transferable right and license during the Subscription Term to copy, store, process, transmit, and otherwise use the Customer Data solely as necessary and appropriate for Sitecore to fulfil its obligations under the Agreement and in accordance with Applicable Laws. In addition, Sitecore may monitor Customer's use of the SaaS Products or Hosted Services and use any resulting usage data as well as Anonymized Data for purposes of (i) offering the SaaS Products and Hosted Services, (ii) compiling statistical, benchmarking and performance information for the purposes of improving Sitecore Products and Services, and (iii) compiling behavioural data for the purposes of improving Sitecore Products and Services.
- c) Customer grants Sitecore a royalty-free, worldwide, transferable, sublicensable, irrevocable, perpetual license to use the Feedback for the development of any Sitecore Products, without restriction and without any compensation due to Customer.

- 16) **INSURANCE.** Sitecore will maintain in force during the Term adequate liability insurance to protect Sitecore from: (a) errors and omissions and cyber liability related to the Software; (b) claims of personal injury, death, or property damage that arise from Sitecore's provision of Services; and (c) claims under workers' compensation where required by law. Upon request, Sitecore will provide Customer with a copy of the applicable certificates of insurance covering Sitecore and its business operations.

17) **TERM AND TERMINATION**

- a) Term. The Agreement will commence on the Effective Date and, unless earlier terminated in accordance with this Section, will continue as long as there is an active Order in place between the parties or any of their Affiliates (the "Term").
- b) Termination for Breach. Either party may terminate these Master Terms and any active Order if the other party defaults in the performance of, or fails to perform, any of its material obligations under these Master Terms or any Order and fails to cure that default within 30 days following receipt of written notice from the non-breaching party. For purposes of clarity, a party may choose to terminate only the applicable Order if the breach event was limited to the substance of that Order. If either party terminates these Master Terms for breach, all active Orders will also terminate. In the event Sitecore terminates these Master Terms or any Order for Customer's breach, Customer is still obligated to pay any fees which have accrued prior to termination. In the event Customer terminates an Order for Sitecore's breach, Sitecore will refund the pro-rata share of any fees Customer has prepaid for the applicable Subscription Term under the Order.
- c) Termination for Insolvency. Either party may terminate the Agreement by providing written notice to the other party if: (i) the other party files a voluntary petition in bankruptcy or an involuntary petition is filed against it; (ii) a trustee or receiver is appointed by a court for all or a substantial portion of the assets of the other party; (iii) the other party becomes insolvent, suspends business, or ceases to conduct its business in the ordinary course; or (iv) the other party makes an assignment of its assets for the benefit of its creditors.

- d) **Suspension.** Sitecore reserves the right, by providing electronic notice to Customer, to immediately suspend any Order for Hosted Services or SaaS Products in the event Sitecore reasonably believes (i) that Customer has violated the Sitecore Usage Policy, (ii) with respect to the Hosted Services only, Customer's use of the Sitecore Technology is materially impacting any other Sitecore customer or their use of the Hosted Services, or (iii) Customer is the source of any security breach or suspected security breach, or compromise of data, stored in the Hosted Services or SaaS Products. In the event Customer does not cure the situation giving rise to this suspension within 10 days of receipt of notice, Sitecore may terminate the Order for breach with no further right to cure.
 - e) **Change in Circumstances.** Sitecore reserves the right, by providing electronic notice to Customer, to immediately terminate any Order for Hosted Services or SaaS Products in the event (i) there is a material change in the provision of services by a third party upon which the Hosted Services or SaaS Products rely, or (ii) there is a change to the laws governing Sitecore's provision of the Hosted Services or SaaS Products which would cause Sitecore to violate such law by continuing to offer the Hosted Services or SaaS Products. In the event of a termination under this provision, Sitecore will use commercially reasonable efforts to limit the negative impact experienced by Customer by assisting with a transfer to comparable services, or such other action as Customer may reasonably request. In addition, Sitecore will refund the pro-rata share of any fees Customer has prepaid for the applicable Subscription Term under the applicable Order.
 - f) **Effect of Termination.** Upon termination of any Order, the license and access rights applicable to such Order will also terminate and Customer will immediately cease all use of the Sitecore Products provided to Customer under that Order and delete all copies of Software in its possession or control. Upon Sitecore's request Customer will then certify that such use has ceased and that the Software has been erased, destroyed or otherwise made inoperable by any user in the future. Upon termination of these Master Terms, those provisions of these Master Terms which by their nature are intended to survive will survive termination. With respect to any Order for Hosted Services or SaaS Products: (i) Sitecore will only retain the Customer Data stored in its systems for 30 days (the "Retrieval Period") after termination of any Order for Hosted Services or SaaS Products; (ii) except in the event the Order is terminated for Customer's breach, Sitecore will assist with any reasonable request from Customer to retrieve the Customer Data within the Retrieval Period; and (iii) if requested by Customer, Sitecore will destroy Customer Data before expiration of the Retrieval Period, provided Sitecore may retain Customer Data where required by Applicable Laws or reasonably necessary to prevent liability.
- 18) **LIMITATION OF LIABILITY.** NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THE AGREEMENT UNDER ANY LEGAL THEORY, EVEN IF THE PARTY HAS BEEN ADVISED OF, KNOWS OF, OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR PERSONAL INJURY OR TANGIBLE PROPERTY LOSS, NEITHER PARTY'S AGGREGATE LIABILITY WILL EXCEED THE AMOUNT OF FEES PAID BY CUSTOMER FOR SITECORE PRODUCTS AND SERVICES UNDER THE APPLICABLE ORDER. THE FOREGOING EXCLUSIONS AND LIMITS OF LIABILITY WILL NOT APPLY TO: (A) EITHER PARTY'S FRAUD OR WILLFUL MISCONDUCT; (B) CUSTOMER'S VIOLATION OF THE SITECORE USAGE POLICY; AND (C) CUSTOMER'S BREACH OF THE LICENSES OR ACCESS RIGHTS GRANTED BY SITECORE IN THIS AGREEMENT.
- 19) **ASSIGNMENT.** Neither party may assign the Agreement, by operation of law or otherwise, except with the other party's written consent, which will not be unreasonably withheld or delayed, except that Sitecore may assign the Agreement to a successor (whether by merger, sale of assets, sale of stock, or otherwise) or an Affiliate that agrees to assume Sitecore's obligations under the Agreement. Any attempted assignment or transfer in violation of this Section will be void and of no force or effect.
- 20) **WAIVERS.** All waivers must be in writing and signed by authorized representatives of the parties. Any waiver or failure to enforce any provision of the Agreement on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion.
- 21) **SEVERABILITY.** If any provision of the Agreement is adjudicated to be unenforceable, such provision will be deemed changed and interpreted to accomplish the objectives of such provision to the greatest extent possible under applicable law and the remaining provisions will continue in full force and effect.
- 22) **AUDIT RIGHTS & LICENSE VERIFICATION.** With respect to an Order including Software, Customer will maintain accurate records of its compliance with the Agreement and the Order during the Subscription Term, and will promptly

provide these records to Sitecore upon its request. Sitecore may only request these records once in any 12-month period. If the records are not timely produced, or if Sitecore has reasonable grounds to question their accuracy, Sitecore may, at its own expense, engage an independent auditor to audit Customer's use of the Software. Any such audit will be conducted upon reasonable notice to Customer and during Customer's normal business hours using an auditor reasonable acceptable to Customer. Customer will reasonably cooperate with efforts to conduct the audit, including providing the auditor, in a timely fashion, all relevant information regarding its compliance with the Agreement. If such audit determines any unauthorized use of the Software, Sitecore will invoice Customer for all such unauthorized use in accordance with Sitecore's then-current retail prices computed from the date the excess usage commenced. If this invoice exceeds 5% of the amount of fees paid or payable under the applicable Order including Software for the most recent three years, Customer also agrees to pay the expense and costs of the audit. Customer will pay all invoices described in this section within 30 days from receipt. In addition, Customer understands that the Software may track and report to Sitecore the License Key ID, Customer name, hostname (Customer's website URL), host IP, version, and other usage information regarding the Software.

- 23) **NOTICES.** Each party will send notices to the other party at its address stated at the beginning of this Agreement or at an address specified by the receiving party in writing, attention Legal Department. All notices sent under the Agreement will be in writing, properly addressed, and: (a) mailed by first-class or express mail, receipt requested; (b) sent by reputable overnight delivery service; or (c) personally delivered to the receiving party. Each notice will be deemed given upon receipt of that notice by the other party.
- 24) **FORCE MAJEURE.** Except for any payment obligations under the Agreement, neither party will be in default or otherwise liable for any delay or failure to perform if such delay or failure arises by any event beyond its reasonable control, including, but not limited to, work stoppages, acts of war or terrorism, civil or military disturbances, or nuclear or natural catastrophes; provided the non-performing party provides prompt notice to the other party, and such failure or delay could not have been prevented by reasonable precautions. In such event, the non-performing or delayed party will be excused from further performance for as long as such circumstances prevail and such non-performing or delayed party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay. In the event one party's lack of performance under this provision continues for more than 60 days, the other party may terminate this Agreement.
- 25) **COMPLIANCE WITH LAWS.** In performing its obligations under the Agreement, each party must comply with all Applicable Laws, including as set forth in the Data Processing Addendum
- 26) **GOVERNING LAW AND VENUE.** The validity, construction, interpretation, and performance of the Agreement shall be governed by and construed in accordance with the laws of the State of Idaho except as to its principles of conflicts of laws.
- 27) **INDEMNITY**
 - a) Sitecore will defend, indemnify and hold harmless Customer and its respective directors, officers, employees, and agents (the "**Customer Indemnitees**"), from and against any third party claims, losses, damages, suits, fees, judgments, costs and expenses (collectively referred to as "**Customer Claims**"), including reasonable attorneys' fees incurred in responding to such Customer Claims, that the Customer Indemnitees incur as a result of (i) a claim that any Sitecore Product, Services, Training Material or Deliverable (collectively "**Indemnified Products**") infringes or violates any third party intellectual property right, or (ii) any personal injury (including death) or damage to tangible property resulting from Sitecore or its Personnel's acts or omissions. Notwithstanding the foregoing, the following shall apply in respect of any Customer Claims:
 - i) Sitecore will have no obligation or liability for that portion of any Customer Claims of infringement arising out of or in connection with: (i) use of a superseded version of the Software if the infringement would have been avoided by the use of an updated release of such Software; (ii) the combination, operation or use of the Indemnified Product with any software, hardware or other materials not furnished by Sitecore; (iii) any modification of the Indemnified Product not performed by Sitecore; or (iv) any breach by Customer of this Agreement, if the infringement would have been avoided by Customer not breaching the Agreement.
 - ii) If Sitecore reasonably believes Customer's use of an Indemnified Product may be endangered or disrupted, Sitecore may: (i) modify the Indemnified Product so as to provide Customer with a functionally equivalent and

non-infringing product; or (ii) obtain a license or access rights for Customer to continue use of the Indemnified Product for the Subscription Term at no additional cost to Customer; or (iii) if Sitecore in its sole discretion determines that neither of the foregoing alternatives is commercially reasonable, then Sitecore may at its option terminate this Agreement or the applicable Order and promptly refund the pro rata portion of the fees paid by Customer for the applicable Indemnified Product for the applicable Subscription Term; and

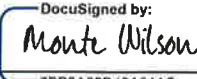
- iii) to the maximum extent permitted by applicable law, this Section states Sitecore's entire liability and Customer's exclusive remedy for claims of intellectual property infringement.
 - b) Customer will defend, indemnify and hold harmless Sitecore and its respective directors, officers, employees, and agents (the "**Sitecore Indemnitees**"), from and against any third party claims, losses, damages, suits, fees, judgments, costs and expenses (collectively referred to as "**Sitecore Claims**"), including reasonable attorneys' fees incurred in responding to such Sitecore Claims, that the Sitecore Indemnitees incur as a result of (i) Customer's collection, use or storage of Customer Data, including any claim that the Customer Data is Restricted Data, or (ii) conduct that, if true, would constitute Customer's breach of the Sitecore Usage Policy.
 - c) A "**Covered Claim**" means a Customer Claim or Sitecore Claim, as applicable. With respect to a Covered Claim, the indemnified party must (i) provide reasonably prompt written notice of any Covered Claim to the indemnifying party, (ii) allow the indemnifying party to assume complete control of the defense or settlement of any Covered Claim, and (iii) provide reasonable cooperation and assistance. The indemnified party may participate at its own expense using counsel of its choice. The indemnified party's failure to perform any obligations under this paragraph (c) will not relieve it of its obligations under this Section unless the indemnifying party can demonstrate that it has been materially prejudiced as a result of such failure. Furthermore, the indemnifying party may not settle any Covered Claim without the indemnified party's prior written consent (which such consent shall not be unreasonably withheld, conditioned or delayed) if such settlement (i) contains a stipulation to or an admission or acknowledgement of any liability or wrongdoing on the part of the indemnified party, or (ii) imposes any obligation or liability upon the indemnified party.
- 28) **ENTIRE AGREEMENT; ORDER OF PRECEDENCE.** The Agreement, together with the Data Processing Addendum if executed by the parties, constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous agreements, understandings and communications, whether written or oral. In the event of conflict, the documents will have the following order of precedence: first the Data Processing Addendum if entered into by the parties, second these Master Terms, and then the applicable Order. Specific exceptions to these Master Terms may be agreed upon in writing by Customer and Sitecore under a particular Order by specifically referencing the language that the parties agree to override. Exceptions will apply only for the Order in which they are included and will not amend, cancel, or waive any provision of these Master Terms for any other Order. The Agreement may be amended only by a written document signed by both parties specifically noting its intent to amend. Any additional terms or conditions contained in any purchase orders, acknowledgments, invoices, click-through license agreements or other documents delivered, provided, or made available in connection with the Agreement will be of no force and effect.
- 29) **DEFINITIONS.** Terms defined below but not used in these Master Terms may be used in an Order.
- a) "**Affiliate**" means any person or entity directly or indirectly controlled by or under common control with a party as of or after the Effective Date, for so long as that relationship is in effect (including affiliates subsequently established by acquisition, merger or otherwise).
 - b) "**Anonymized Data**" means Customer Data that is de-identified such that no person or entity (including but not limited to Customer) can be identified using commercially reasonable technology.
 - c) "**Authorized Third Parties**" means any subcontractors, agents or other third parties authorized by Customer to perform services related to the Sitecore Products on behalf of Customer.
 - d) "**Consulting Services**" means the professional consulting services provided by Sitecore under an Order, whether provided remotely or onsite at Customer facilities.
 - e) "**Customer Data**" means any data, content, materials, video, graphics, recordings, or text, including Personal Data, provided to Sitecore by Customer through Customer's use of the SaaS Products or Hosted Services.

- f) **"Data Processing Addendum"** means the Sitecore data processing addendum available at <https://sitecore.box.com/v/SitecoreCustomerDPA>, which Customer and Sitecore may execute separately.
- g) **"Deliverables"** means any document, report, code or other tangible development work provided by Sitecore to Customer as part of the Consulting Services under an Order.
- h) **"Documentation"** means the resources made available setting forth the then-current functional, operational, and performance capabilities of, and the required configurations and specification for acceptable use of, the Sitecore Products and Hosted Services, including as set forth on <http://doc.sitecore.net>.
- i) **"Feedback"** means any ideas, proposals, improvements and other suggestions about the Sitecore Products or Services that Customer may choose to provide to Sitecore.
- j) **"Hosted Services"** means the platform-as-a-service, infrastructure-as-a-service, email delivery services, or other cloud hosting services specified in an Order and provided by Sitecore, including any Sitecore Technology made available to Customer as part of the Hosted Services.
- k) **"Permitted Usage"** will have the meaning set forth in the applicable Order. If no Permitted Usage is specified in the Order, "Permitted Usage" means management of Customer's own current and future public-facing web properties.
- l) **"Personal Data"** means any information relating to an identified or identifiable natural person, or as otherwise defined under applicable law, but expressly excluding Restricted Data.
- m) **"Personnel"** means Sitecore's employees, officers, and subcontractors.
- n) **"Restricted Data"** means financial records, data governed by PCI or HIPAA, and any other data requiring a standard of protection greater than that set forth in the Data Processing Addendum. For purposes of this definition, PCI means the Payment Card Industry Association's standards for storage and processing of payment card data, and HIPAA means the Health Insurance Portability and Accountability Act of 1996.
- o) **"SaaS Products"** means any software-as-a-service products specified in an Order and provided by Sitecore, including any Sitecore Technology made available to Customer as part of the SaaS Products.
- p) **"Services"** means any Consulting Services, Training Services or Hosted Services that Sitecore performs or provides under the Agreement.
- q) **"Sitecore Products"** means the Software and SaaS Products.
- r) **"Sitecore Technology"** means any software, hardware, processes, user interfaces, algorithms and other technology used by Sitecore to provide the Hosted Services or SaaS Products.
- s) **"Software"** means any of Sitecore's proprietary software products specified in an Order, including any patches, updates or upgrades provided by Sitecore.
- t) **"Subscription Term"** means the term of Customer's license to use the Software or to access the Hosted Services, as further described and defined in the applicable Order.
- u) **"Training Materials"** means any document, report, assessment, code, audio, video, simulation, or product information provided by Sitecore as part of the Training Services.
- v) **"Training Services"** means the professional training services provided by Sitecore to Customer under an Order, including remote training, web-based training, and onsite classes.
- w) **"Sitecore Usage Policy"** means the restrictions and limitations applicable to relevant Hosted Services or SaaS Products, as set forth in the applicable Order.

This Agreement may be executed in counterpart, and may be executed by way of facsimile or electronic signature, and if so, will be considered an original. Each person signing this Agreement represents and warrants that he or she has been duly authorized and has full authority to execute this Agreement on behalf of the party below.

Sitecore

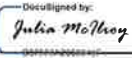
Customer

By: 
2BB8A08D40A04AC...

Print Name: Monte Wilson

Title: Senior Vice President - Americas

Date: October 31, 2019

By: 
537F13A2008847C...

Print Name: Julia McIlroy

Title: Director, Contracts & Purchasing Services

Date: October 30, 2019

Sitecore Customer Order

Customer:	University Of Idaho
Company/Tax ID No:	N/A
Customer Address:	875 Perimeter Dr Ms3020 Moscow, Idaho 83844 United States
Sitecore:	Sitecore USA, Inc.
Address:	44 Montgomery, Suite 3340 San Francisco, CA, USA 94104
Order Voidability Date	May 3, 2024
Order Effective Date	This Order will be effective on the date signed by both parties below.
Existing Master Terms Date (where applicable)	October 31, 2019

This Order is entered into between Sitecore and Customer under the master agreement executed between the parties as of the Existing Master Terms Date, including any cloud addendum entered into by the parties, if applicable (collectively, the '**Master Terms**'). This Order will be governed by the Master Terms and will form part of the Agreement between the parties. This Order will be effective as of the Order Effective Date. Unless otherwise defined in this Order, capitalized terms shall have the meanings set forth in the Master Terms. This Order is voidable at Sitecore's option if not signed by Customer on or before the Order Voidability Date.

1. Sitecore Products

SAAS PRODUCT:

Sitecore will provide the following SaaS Product and entitlements:

Quantity	Description
1	Sitecore Experience Manager Cloud (Professional)
2	Sitecore Experience Manager Cloud - Additional 5 Concurrent Users
1	Vercel Enterprise 1.5TB

Entitlement	Entitlement Value	Year
Visits	25,000,000	Year 1
Visits	25,000,000	Year 2
Visits	25,000,000	Year 3
Visits	25,000,000	Year 4

Visits	25,000,000	Year 5
--------	------------	--------

Entitlement	Entitlement Value
Concurrent Users	25
Experience Edge API Calls/Second	80
Experience Edge Bandwidth	2 TB/ month
Experience Edge Storage	10 GB
Non-Production Environments	4
Production Environments	2
Projects	2
[Add-ons] Concurrent Users	10
[Add-ons] Vercel Bandwidth / Month (TB)	1.50
[Add-ons] Vercel Edge Middleware Invocations	1,000,000
[Add-ons] Vercel Serverless Execution GB-Hours / Month	1,000
[Add-ons] Vercel Source Images for Optimization	10,000
[Add-ons] Vercel Standard Concurrent Builds	3
[Add-ons] Vercel Team Seats	5

Termination of the Former Order

As of 12 (twelve) months from the Order Effective Date, the Former Order is terminated. Sitecore and Customer hereby agree to fully replace and supersede the Former Order with this Order Form. "Former Order" means the Sitecore Customer Order (License ID#20191031080145) dated October 31, 2019, including any and all subsequent amendments or addenda thereto.

Licensing is enabled by electronic delivery of a License Key. Promptly after mutual execution of this Order, a new License Key will be shipped to Steven Cox at scox@uidaho.edu, and as of 12 (twelve) months from the Order Effective Date any license keys associated with the Former Order will be terminated. Notwithstanding Section 4(c) of the Master Terms, the License Key will not be time-limited.

Permitted Usage: Customer may use the SaaS Product for creation and management of Customer's own current and future public-facing or internal web properties.

SAAS PRODUCT:

Sitecore will provide the following SaaS Product and entitlements:

Quantity	Description
1	Sitecore Content Hub - DAM (Professional)
1	Sitecore Content Hub - Digital Apps Connector - Base Seats Pack (100)
50	Sitecore Content Hub - DAM - Additional MBU

Entitlement	Entitlement Value	Year
Monthly Business Users	50	Year 1
Monthly Business Users	50	Year 2
Monthly Business Users	50	Year 3
Monthly Business Users	50	Year 4
Monthly Business Users	50	Year 5
Total Registered Users	500	Year 1
Total Registered Users	500	Year 2
Total Registered Users	500	Year 3
Total Registered Users	500	Year 4
Total Registered Users	500	Year 5

Entitlement	Entitlement Value
Asset Bandwidth	2
Asset Storage (TB's)	5
Entities per 1TB of Asset Storage	250,000
Experience Edge API Calls/Second	80
Experience Edge Bandwidth	1 TB/ month per Edge Subscription
Experience Edge Storage	5 GB per Edge Subscription
Integration Users	2
Non-Production Environments	1
Production Environments	1
Video Indexing Hours	500
[Add-ons] Digital Apps Connector Seats	100
[Add-ons] Monthly Business Users	50

Permitted Usage: Customer may use the SaaS Products for management and distribution of Customer's internal or public-facing marketing content.

SAAS PRODUCT:

Sitecore will provide the following SaaS Product and entitlements:

Quantity	SaaS Product
1	Sitecore CDP (Standard)

Entitlement	Entitlement Value	Year
Total Events per Month	100,000,000	Year 1
Total Events per Month	100,000,000	Year 2
Total Events per Month	100,000,000	Year 3
Total Events per Month	100,000,000	Year 4
Total Events per Month	100,000,000	Year 5

Monthly Tracked Users	1,000,000	Year 1
Monthly Tracked Users	1,000,000	Year 2
Monthly Tracked Users	1,000,000	Year 3
Monthly Tracked Users	1,000,000	Year 4
Monthly Tracked Users	1,000,000	Year 5

Entitlement	Entitlement Value
Non-Production Environments	1
Production Environments	1

Permitted Usage. Customer may use the SaaS Products for its own business purposes.

SAAS PRODUCT:

Sitecore will provide the following SaaS Product and entitlements:

Quantity	SaaS Product
1	Sitecore Personalize (Standard)

Entitlement	Entitlement Value	Year
Events per year	200,000,000	Year 1
Events per year	1,000,000,000	Year 2
Events per year	1,000,000,000	Year 3
Events per year	1,000,000,000	Year 4
Events per year	1,000,000,000	Year 5
Visits per year	2,000,000	Year 1
Visits per year	10,000,000	Year 2
Visits per year	10,000,000	Year 3
Visits per year	10,000,000	Year 4
Visits per year	10,000,000	Year 5

Entitlement	Entitlement Value
Non-Production Environments	1
Production Environments	1

Permitted Usage. Customer may use the SaaS Products for its own business purposes.

SAAS PRODUCT:

Sitecore will provide the following SaaS Product and entitlements:

Quantity	Description
1	Sitecore Search (Standard)
1	Sitecore Search - Additional Non-Production Environment
5	Sitecore Search - Additional Documents (100K)

Entitlement	Entitlement Value	Year
API Calls	48,000,000	Year 1
API Calls	120,000,000	Year 2
API Calls	120,000,000	Year 3
API Calls	120,000,000	Year 4
API Calls	120,000,000	Year 5
Max Requests Per Minute	948	Year 1
Max Requests Per Minute	2,292	Year 2
Max Requests Per Minute	2,292	Year 3
Max Requests Per Minute	2,292	Year 4
Max Requests Per Minute	2,292	Year 5
Visits	10,000,000	Year 1
Visits	25,000,000	Year 2
Visits	25,000,000	Year 3
Visits	25,000,000	Year 4
Visits	25,000,000	Year 5

Entitlement	Entitlement Value
Concurrent Crawlers	1
Crawler Frequency	Every 24 hours
Documents	50,000
Non-Production Environments	1
Production Environments	1
[Add-ons] Non-Production Environments	1
[Add-ons] Documents	500,000

Permitted Usage. Customer may use the SaaS Products for its own internal business purposes with respect to the Permitted Sites.

SaaS Product Entitlements:

If Customer exceeds its Entitlement for a SaaS Product (with the exception of Experience Manager Cloud) at any time during any of the consecutive 12-month periods that make up a Subscription Term, then upon 15 days' prior notification Customer will automatically be upgraded to the next applicable pricing tier for the remainder of the Subscription term, unless Customer responds to such notification, in which case Customer will have the option to right-size based on a written mutual agreement between Sitecore and Customer. Automatic upgrades will be in line with Sitecore's then-current retail prices, the annual fee will be increased accordingly, and Sitecore will immediately invoice Customer for the pro-rata amount applicable to the remaining time in the current invoicing cycle. Any exceptions to this policy will be noted in the Additional Special Terms section within this order form.

For Experience Manager Cloud: no later than the 15th calendar day following each 3-month period beginning from the effective date of the Order, Customer will submit to Sitecore a usage report identifying the number of

Visits (as defined in the Order) in that 3-month period based on Customer's use of Experience Manager Cloud. Where the report indicates that Customer has exceeded its purchased number of Visits, then upon 15 days' prior notification Customer will automatically be upgraded to the next applicable pricing tier for the remainder of the Subscription Term, unless Customer responds to such notification, in which case Customer will have the option to right-size based on a written mutual agreement between Sitecore and Customer. Automatic upgrades will be in line with Sitecore's then-current retail prices, the annual fee will be increased accordingly, and Sitecore will immediately invoice Customer for the pro-rata amount applicable to the remaining time in the current invoicing cycle.

2. Sitecore Services

Consulting & Training

This section is not applicable to this order.

3. Support, SLA and Usage Policy

Sitecore offers support and maintenance services as set forth at <https://kb.sitecore.net/articles/583182>, at the level indicated in this Order. A current copy of which is attached hereto as Exhibit A.

Sitecore offers a Service Level Agreement for each of its SaaS Products and Hosted Services, which can be found at <https://www.sitecore.com/legal/sla>. A current copy of which is attached hereto as Exhibit B.

Access to SaaS Products and Hosted Services is provided subject to Customer's compliance with the Usage Policy set forth at <https://www.sitecore.com/legal/usage-policy>. A current copy of which is attached hereto as Exhibit C.

4. Sitecore360

Quantity	Description
1	Sitecore360 Pro 20 Bundle

Entitlement	Entitlement Value	Entitlement Type
Sitecore360 Technical Account Manager	15	Hours Per Month
Sitecore360 Professional Plus Training	8	End Users
Sitecore Premium Support	Included	N/A

A description of the Sitecore360 entitlements can be found at <https://www.sitecore.com/legal/sitecore360>. A current copy of which is attached hereto as Exhibit D.

5. Sitecore Product Definitions

The Sitecore Product and Hosted Services definitions are as set forth on <https://www.sitecore.com/legal/order-definitions>. A current copy of which is attached hereto as Exhibit E.

6. Subscription Term; Renewal

This Order is effective on the Order Effective Date and continues for the minimum commitment of 60 months. At the end of this minimum commitment, the Order will automatically renew for additional terms, as set forth below, unless either party provides the other party with at least 90 days' written notice of its intent not to renew prior to the next renewal date. The 'Subscription Term' is equal to the minimum commitment plus any renewals, which will be either:

- ☐ additional 12-month renewal terms with an annual increase in pricing of 9%; or
- ☒ additional 36-month renewal terms with an annual increase in pricing of 5%.

7. Invoicing and Payment Terms

Below is a summary of the invoicing under this Order:

Year	Description	Price
1	Recurring Fee	250,741.81 USD*
1	TOTAL	250,741.81 USD
2	Recurring Fee	471,459.34 USD
3	Recurring Fee	484,697.65 USD
4	Recurring Fee	498,350.82 USD
5	Recurring Fee	512,432.41 USD

Upon the Order Effective Date, the initial invoice will be sent to Julie Clarkson-Gulick at juliec@uidaho.edu as set forth below. *Sitecore will credit Customer's first invoice for any unused subscription fees paid to Sitecore under the Former Order, calculated on a daily basis from the Order Effective Date to the expiration of the current subscription period.

If applicable, any Recurring fees under this Order will be invoiced annually and due on the anniversary of the Order Effective Date, for the remainder of the Subscription Term.

Customer Billing Address:	875 Perimeter Dr Moscow, Idaho, United States 83844-9803
Customer Shipping Address:	875 Perimeter Dr Moscow, Idaho, United States 83844-9803
Customer Technical Contact Name:	Randy Wood University of ID Web Support Team
Customer Technical Contact Email:	rwood@uidaho.edu support@uidaho.edu

All prices as set out in this Order are USD and exclusive of any applicable taxes unless otherwise indicated.

Payment Terms

Net 30 days.

Payment terms for all amounts under this Order are **Net 30 days** from the date of a valid invoice issued by Sitecore. An invoice shall be valid where the amounts invoiced are accurate and without regard to other referenced information including but not limited to purchase order number. In the event of non-payment by Customer of a valid invoice, if Customer still fails to pay such invoice after being sent a 15 days' reminder notice to pay such invoice, Sitecore may, at its sole discretion, suspend the access or provision of the Sitecore Products and/or Services, or terminate the affected Order. Customer agrees to pay interest calculated at the rate of six percent (6%) per annum or the maximum amount permitted by law, whichever is less, of the total outstanding amount, for the time period the payment remains past due.

Additional Terms and Conditions

Idaho Regulatory Certifications

Customer is prohibited by state law from entering into certain contractual agreements. Sitecore hereby certifies that: (i) pursuant to Idaho Code Section 67-2346, if payments under the Agreement exceed one hundred thousand dollars (\$100,000) and it employs ten (10) or more persons, it is not currently engaged in, and will not for the duration of the Agreement engage in a boycott of goods or services from Israel or territories under its control; (ii) pursuant to Idaho Code Section 67-2359, it is not currently owned or operated by the People's Republic of China and will not for the duration of the Agreement be owned or operated by the People's Republic of China; and (iii) it is not an abortion provider or an affiliation of an abortion provider under the No Public Funds for Abortion Act. The terms in this section defined in Idaho Code Section 67-2346, Idaho Code Section 67-2359, and in Title 18, Chapter 87, Idaho Code, respectively, shall have the meanings defined therein.

Vercel:

Vercel On-Demand Overage Rates	Price	Units
Additional Bandwidth	\$858.00	per 1 TB per month
Additional Serverless Function Execution	\$858.00	per 1000 GB-Hours per month
Additional Edge Functions	\$34.32	per 10 Million invocations per month
Additional Edge Middleware Invocations	\$111.54	per 100 million invocations
Image Optimization	\$85.80	per 10,000 images
Remote Cache Artifact Downloads	\$85.80	per 100 GB
Addition Edge Config Reads	\$42.90	per additional 3,000,000 reads

Additional Visits & MBUs:

By providing written notice to Sitecore, Customer shall have the option to upgrade to the next applicable pricing tiers for Sitecore Experience Manager Cloud, Sitecore Search, Sitecore Personalize, and Sitecore CDP. The next pricing tiers are priced as per the tables below. For the avoidance of doubt, all other products under this Order will remain at the pricing tiers and entitlements listed in the Order and any upgrades done in accordance with this section shall be documented in an add-on or amendment to this Order. This pricing structure shall be valid only for 60 months from the Order Effective Date unless otherwise agreed in writing. Upon execution of an add-on or amendment the annual fee will be increased accordingly, and Sitecore will immediately invoice Customer for the pro-rata amount applicable to the remaining time in the current invoicing cycle.

XM Cloud & Search - Upgrade to 50M Visits per Year

Solution		Entitlement Upgrade
- Sitecore Experience Manager Cloud (Professional) - Sitecore Search (Standard)		50,000,000 Visits
Annual Cost		
Year 3		USD 757,656.82
Year 4		USD 780,386.53
Year 5		USD 803,798.13

CDP & Personalize - Upgrade to 5M MTUs & 25M Visits per Year

Solution		Entitlement Upgrade
Sitecore CDP (Standard)		5,000,000 MTUs
Sitecore Personalize (Standard)		25,000,000 Visits
Annual Cost		
Year 3		USD 733,690.04
Year 4		USD 755,700.74
Year 5		USD 778,371.76

By executing this Order, Customer commits to the payments set forth above. Each person signing this Order represents and warrants that he or she has been duly authorized and has full authority to execute this Order on behalf of the party below. This Order may be executed in counterpart, and may be executed by way of facsimile or electronic signature, and if so, will be considered an original.

Sitecore

By: _____

Print Name: _____

Title: _____

Date: _____

University Of Idaho

By: _____

Print Name: _____

Title: _____

Date: _____

Exhibit A

Sitecore Support Program Terms

Description

Sitecore Support Program is available at two different levels: **Standard Support** and **24x7 Premium Support**. Such service levels do not apply to any beta or technical preview software programs or solutions Sitecore makes available to Customer.

Sitecore shall provide the following Support to Customer for the licensed Software:

Support Portal. Sitecore provides a staffed support portal to support Customer's Named Support Contacts. See "Support Cases" below for more information. "Named Support Contacts" means a Customer representative who has completed a training and passed IT Administrator or Developer certification for the appropriate Sitecore software.

Sitecore Community Forum. Sitecore Community Forum is an active online community of Sitecore users. This forum offers a wealth of shared experiences among the many Sitecore certified developers worldwide, with fresh and historical insight available 24x7.

Documentation Library. The Sitecore Documentation site includes information for business users and developers to work successfully with Sitecore products. There is procedural and conceptual information, as well as walkthroughs, FAQs, and troubleshooting topics. For developers in particular, you can find code snippets, API references, and integration information.

Support Cases. Incidents and questions should be reported through the support portal at:

<http://support.sitecore.com/>.

Support Cases can be opened 24x7, and each Support Case will be responded to in accordance with the Service Levels set forth in Table 1 below. For sake of clarity, only Customer Named Support Contacts may open Support Case, and Customer may only have up to eight (8) Customer Named Support Contacts at any given time.

The Support Case shall contain, to the extent known, applicable and/or possible: (i) the name of the Solution to which Customer is subscribed; (ii) the name/type of affected equipment; (iii) Customer contact name, email address if available, telephone number; (iv) the nature of the problem, a description of the problem and Customer's classification of the problem.

Customer will provide Sitecore with as much information as possible to enable Sitecore to investigate and attempt to identify and verify the reported maintenance issue.

Customer will work with Sitecore support personnel during the investigation of Support Case, as reasonably needed and in a timely manner.

Software Maintenance for Sitecore xM/xP/xC: A valid and current Sitecore maintenance or subscription agreement for the Software includes access, at no additional charge, to all new versions of the Software to keep Customer's implementation current. This includes all Upgrades and Hotfixes (previously referred to as "Patches"). "Hotfix" means a specific, targeted fix to a problem in the use or functionality of the Software that Sitecore in its sole discretion defines to constitute a "Hotfix" and may from time to time provide to Customer. "Upgrade" means a new version of some or all of the Software, or an improvement in the use or functionality of the Software more substantial than a Hotfix, that Sitecore in its sole discretion defines to constitute an "Upgrade" and may from time to time provide to customers enrolled in the Sitecore Maintenance Program. Customer expressly acknowledges that Upgrades and Hotfixes may change functionality of the Software and integration with other systems, and may not work with some or all of the Software modules, or be backward compatible with earlier versions of Software. Installation of Hotfixes and Upgrades is the choice and responsibility of Customer. To the extent that operation of the Software is affected by problems in standard software, including, but not limited to, Microsoft Internet Explorer, Windows, SQL, SharePoint and the Microsoft .Net Framework, then Customer shall install updates to such standard software per Sitecore's specifications in order to resolve these issues. Sitecore has no control over such standard software, and cannot assure that problems with such standard software will be corrected, or that such corrections will be made in a timely manner. Sitecore shall support any master release and its sub-versions in accordance with the Sitecore Product Support Lifecycle policy, which can be found at: <https://kb.sitecore.net/articles/641167>. In the event a Customer is upgrading XP or XM or XC product, Sitecore may grant the Customer the time-limited use of an additional and temporary license for the sole purpose of facilitating the migration or upgrade.

Severity Levels, Target Response Times, and Support Ticket Resolution

Sitecore shall categorize Support Tickets based on the business impact of the incident or question to Customer using the Severity Levels described in Table 1 below.

Target Response Times

Sitecore shall provide an update on the investigation, resolution, or escalation of the Support Ticket within the response times set out in Table 1 below based on the Severity (as defined below) of the Support Ticket.

Table 1: Severity Levels and Target Response Times

Severity Level	Criteria	Standard Support	24x7 Premium Support
Critical P1	Meets all of the following criteria: - Impacts the production environment; - A continuous or near continuous site outage, a performance issue that severely inhibits usage of the site, or poor buying experience impacting revenue; - No workaround is available.	1 Business Day	1 Hour
High P2	Meets one of the following criteria with no workaround available: - In a production environment, an issue that highly affects business operations or critical marketing capabilities; - In a production environment, an issue that causes severe but intermittent impact on visitor experience; - In a pre-production environment, an issue with immediate impact severely affecting imminent production project plans.	1 Business Day	2 Hours
Medium P3	Meets one of the following criteria: - In production environment, does not critically affect business operations; - In production environment, impact of the problem is alleviated by the availability of a workaround; - In a non-production environment, causes impact on development or implementation activity, such as affecting future project plans, or preventing the development or implementation team from working on the project.	2 Business Days	1 Business Day
Low P4	Meets one of the following criteria: In a production environment, causes minor or no impact on business operations or visitor experience;	3 Business Days	2 Business Days

	• In a non-production environment, causes moderate or minor impact on development or implementation activity; • Documentation related queries or requests for product enhancements; • Issues that do not meet any of the higher severity criteria.		
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Support Ticket Resolution

Sitecore will seek to find a resolution to a Support Case in accordance with the standards set out in Table 2 below. Upon the Effective Date of the Support Agreement, Sitecore shall provide Customer with contact information for issue escalation.

Table 2: Severity Levels and Support Ticket Resolution

Severity Level	Standard Support	24x7 Premium Support
Critical	Sitecore will make best effort to work on the problem during Business Hours until it has been resolved or a workaround has been provided.	Sitecore will continue to work on the problem until it has been resolved or a workaround has been provided.
High	Sitecore will make best effort to work on the problem during Business Hours until it has been resolved or a workaround has been provided.	Sitecore will continue to work on the problem until it has been resolved or a workaround has been provided.
Medium	Sitecore will make reasonable efforts to resolve the problem or provide a workaround.	Sitecore will make reasonable efforts to resolve the problem or provide a workaround.
Low	Sitecore will make reasonable efforts to resolve the problem or provide a workaround if such a problem has not been resolved in the next maintenance release of Sitecore Software.	Sitecore will make reasonable efforts to resolve the problem or provide a workaround if such a problem has not been resolved in the next maintenance release of Sitecore Software.

Business Days are calculated as any day other than a Saturday or Sunday.

Business Hours are calculated as follows:

- For Americas, 8am-6pm CST (2pm-12am UTC)
- For Europe, 8am-6pm CET (7am-5pm UTC)
- For Greater Asia, 6am-6pm MYT (10pm-10am UTC)

EXHIBIT B

SITECORE® SAAS PRODUCTS SAAS SERVICE LEVEL AGREEMENT (SLA)

Updates to Terms: Sitecore may update this SLA from time to time by providing Customer's technical contact with at least 30 days' notice, provided that Sitecore does not materially degrade the services or service levels available to Customer under this SLA.

Monitoring

Sitecore will monitor the SaaS Product 24x7, 365 days per year.

Software Maintenance

Sitecore will perform software and platform updates as part of Customer's Subscription ("Maintenance").

Maintenance includes all regularly scheduled error corrections, software and platform updates, and improvements to features, where Sitecore may, at its discretion, upgrade versions, install error corrections and apply patches to the hosted systems. Sitecore shall use all reasonable endeavors to avoid downtime due to Maintenance.

In case Maintenance will require downtime, Sitecore will plan this outside of Business Hours and communicate this to Customer in advance and in any case no later than 48 hours before the Maintenance commences.

Business Days are calculated as any day other than a Saturday or Sunday.

Business Hours are calculated as follows:

- For Americas, 8am-6pm CST (2pm-12am UTC)
- For Europe, 8am-6pm CET (7am-5pm UTC)
- For Greater Asia, 6am-6pm MYT (10pm-10am UTC)

Emergency Maintenance

Should emergency Maintenance be required (e.g. in the case of a necessary security patch), Sitecore will make every effort to keep the inconvenience to a minimum, including by providing as much notice as is practicable under the circumstances, and to the extent practicable, minimizing downtime or degradation of services during Business Hours.

Breaking Changes

Sitecore shall provide at least 30 days' advance notice prior to Sitecore making changes to integration interfaces between the SaaS Product and Customer's systems. Such notice will also include the time window for when these changes will be applied to their environments, the new interface specifications, as well as contact details for a Sitecore technical contact to help answer questions about these changes. By providing such notice Sitecore aims to minimize any interference with the continued operation of any integration interfaces affected by such changes. Sitecore shall also use commercially reasonable endeavors to perform these changes outside of Business Hours.

Uptime

If Sitecore does not achieve and maintain the Service Levels (defined below) for the SaaS Product as described in this SLA, Customer will be entitled to a credit towards a portion of the applicable fees as set forth below.

Service Level Definitions

“Accrual Period” means any of the 12-month periods that make up Customer’s subscription.*

“Applicable Monthly Period” means the month in an Accrual Period in which a Service Credit may be earned.

“Applicable Monthly Fees” means the pro-rated amount of the fees paid by Customer for the SaaS Product in the relevant Accrual Period in which the Service Credit was earned, which amount is then divided by twelve.*

“Downtime” is defined for each SaaS Product as set forth in Appendix 1. Downtime does not include unavailability of the SaaS Product due to the Exclusions described below or as otherwise set forth in Appendix 1.

“Maximum Available Minutes” is the total accumulated minutes for the SaaS Product during an Applicable Monthly Period.

“Monthly Uptime Commitment” means the provision of the SaaS Product with a Monthly Uptime Percentage of at least 99.90%.

“Monthly Uptime Percentage” is calculated using the following formula (for each production environment):

$$\frac{\text{Maximum Available Minutes} - \text{Downtime}}{\text{Maximum Available Minutes}} \times 100$$

“Service Credit” is the percentage of the Applicable Monthly Fees credited to Customer following Sitecore’s approval of the claim as set forth below:

Monthly Uptime Percentage	Service Credit
Above or equal to 99.90%	None
<99.90% but above or equal to 98%	10%
<98%	20%

“Service Level” means the availability metric(s) set forth in this SLA that Sitecore agrees to meet in the delivery of the SaaS Product.

* Where the subscription is for less than 12 months, then the Accrual Period will be equal to the subscription period, and the Applicable Monthly Fees will be calculated by dividing by the number of months in the applicable subscription period.

Service Credit

In the event Sitecore does not meet a Monthly Uptime Commitment, Customer has the right to claim a Service Credit. In order for Sitecore to consider a claim, Customer must submit the claim by emailing Sitecore at billing@sitecore.net and citing the applicable invoice number

the Service Credit is claimed against. The Service Credit shall be deemed waived unless Sitecore receives the foregoing email request claiming a Service Credit within ten (10) days of the end of the Applicable Monthly Period.

Sitecore will evaluate all information reasonably available to it and make a good faith determination of whether any Service Credit is owed. Customer must be in compliance with the Agreement and current on all payments at the time the reported Service Credit occurred in order to be eligible for a Service Credit. If Sitecore determines that a Service Credit is owed to Customer, Sitecore will apply such Service Credit to any future payment of Fees occurring after the Accrual Period in which the Service Credit was earned.

Service Credits are Customer's sole and exclusive remedy for any availability issues with the SaaS Product and will not entitle Customer to any refund or other payment from Sitecore. Customer may not unilaterally offset its fees for any availability issues.

Exclusions to Uptime Guarantee:

1. Downtime affecting only non-production environments;
2. Downtime caused by planned Maintenance, to the extent that planned Maintenance occurs outside Business Hours, and is communicated at least 48 hours in advance;
3. Downtime caused by emergency Maintenance slots, as long as Downtime for emergency Maintenance does not exceed 4 hours per month;
4. Downtime caused by Customer's negligence; and
5. Force Majeure, in which case Sitecore will make commercially reasonable efforts to limit any inconvenience for Customer, but will be temporarily relieved from providing Service Credits as long as Sitecore (a) notifies Customer within 2 hours of the occurrence of a Force Majeure event (or if impracticable under the circumstances, as soon as reasonably practicable), and (b) updates Customer every 24 hours during the course of the Force Majeure event of the anticipated duration of the outage (or if impracticable under the circumstances, as often as reasonably practicable).

Backup and Disaster Recovery

All SaaS Products are designed and configured for high availability and resiliency against local outages. Sitecore runs all critical components of each of the SaaS Products in at least 2 cloud provider datacenters in separate availability zones within the selected cloud provider region. In addition, as part of its backup procedures Sitecore replicates the backup of all Customer Data to at least 1 other region (the paired cloud datacenter region). Whenever possible the paired cloud datacenter region(s) are at least 300 miles apart, but this is not always possible given that, in order to satisfy data residency, tax and legal enforcement requirements, the paired cloud datacenter regions must be in the same geography.

Sitecore will implement and update on a periodic basis its disaster recovery policies, standards, and procedures, and will maintain strict compliance with its disaster recovery policies, standards, and procedures. Sitecore will report disasters (or potential disasters) to Customer Named Contacts promptly upon identification. Sitecore will schedule and test the components of its disaster recovery plans at least twice a year.

In case of a disaster, when one of the cloud datacenter regions is disrupted or inaccessible and deemed non-recoverable by the cloud service provider, Sitecore will use best efforts to achieve a Recovery Point Objective of 24 hours and a Recovery Time Objective of 3 working days recovery at the paired cloud datacenter region.

Sitecore shall use reasonable commercial endeavors to restore the lost or damaged Customer Data from the latest back-up of such Customer Data maintained by Sitecore.

SaaS Product Specific SLA Terms and Conditions

Additional terms and conditions applicable to specific SaaS Products are set forth in Appendix 1.

APPENDIX 1: SAAS PRODUCT SPECIFIC DEFINITIONS

1.1 Sitecore Content Hub

Content Hub Maintenance

For sake of clarity, it is no longer possible to opt out of Maintenance for Content Hub. In the extraordinary case where Sitecore and Customer agree to allow Customer to postpone any Maintenance, the following will apply: (i) Sitecore cannot provide Support for, and the Service Levels provided herein will not apply, where Customer has not received Maintenance for a period of 4 months or longer; and (ii) all cost and expense related to skipped or postponed Maintenance shall be borne by Customer.

Non Production Environments

Content Hub subscription tiers include the use of Non-Production Environments. Non-Production Environments are meant to be used for QA of workflows for code or configuration promotion, or development activities, in concert with Customer's live environment. Maintenance which constitutes breaking changes will be made to Customer's Non-Production Environments at least 14 calendar days prior to being introduced to Customer's live environment.

Definition of Downtime

"Downtime" is the total accumulated minutes during which the <https://{customer-hostname}/api/status> endpoint is unresponsive or returns anything else then 200 - OK. The endpoint checks the status for all internal services and connections to all used datastores.

1.2 Sitecore Experience Edge; Sitecore Experience Edge for Content Hub; Sitecore Experience Edge for XM

Definition of Downtime

"Downtime" is the total accumulated minutes during which the <https://edge.sitecorecloud.io/api/status> endpoint is unresponsive or the returned status indicates downtime for the customer's region. The endpoint checks the status for all internal services and connections to all used datastores.

Example for normal response payload for the <https://edge.sitecorecloud.io/api/status> endpoint:

```
{
  "weu-01": "up",
  "eus-01": "up",
  "wus-01": "up",
  "aue-01": "up",
  "jpe-01": "up"
}
```

1.3 Sitecore Customer Data Platform

Definition of Downtime

"Downtime" is the total accumulated minutes during which the SaaS Product was unavailable.

Performance

The SaaS Product response time should be recorded as under 200ms for the 95th percentile of the calls to the ingestion API(s), where measurement takes place at the boundary of the SaaS Product and does not include the time taken to traverse the public internet.

1.4 Sitecore Personalize

Definition of Downtime

“Downtime” is the total accumulated minutes during which the SaaS Product was unavailable.

Performance

The SaaS Product response time should be recorded as under 200ms for the 95th percentile of the calls to the decisioning API(s) on a Typical Implementation, where:

- “Typical Implementation” means an implementation that does not include external API calls and/or high complex data ingestions from the Canvas;
- “Canvas” means the component in the SaaS Product where Customer configures its decisioning API; and
- measurement takes place at the boundary of the SaaS Product and does not include the time taken to traverse the public internet.

1.5 Sitecore OrderCloud

Definition of Downtime

“Downtime” is the total accumulated minutes during which the OrderCloud API is not available for use according to third party performance and monitoring services contracted by Sitecore for the SaaS Product at its sole discretion (the “Monitoring Service”). The Monitoring Service reports of availability is currently available upon request.

1.6 Sitecore Discover; Sitecore Search

Definition of Downtime

“Downtime” is the total accumulated minutes during which the Sitecore Discover API is not available for use according to third party performance and monitoring services contracted by Sitecore for the SaaS Product at its sole discretion (the “Monitoring Service”). The Monitoring Service reports of availability is currently available upon request.

Amendments to Definitions of “Monthly Uptime Commitment” and “Service Credit”

For purposes of Sitecore Discover and Sitecore Search only, the following definitions are amended and restated as follows:

“Monthly Uptime Commitment” means the provision of the SaaS Product with a Monthly Uptime Percentage of at least 99.95%.

“Service Credit” is the percentage of the Applicable Monthly Fees credited to Customer following Sitecore’s approval of the claim as set forth below:

Monthly Uptime Percentage	Service Credit
Above or equal to 99.95%	None
<99.95% but above or equal to 99%	10%
<99%	20%

1.7 Sitecore Experience Manager Cloud

Definition of Downtime

“Downtime” is the total accumulated minutes during which an endpoint of a Component of the Customer-specified XM Cloud production environment is unresponsive or the returned status indicates unavailability.

Following are the endpoints for the Components:

- Deploy:
 - o API: <https://xmclouddeploy-api.sitecorecloud.io/health/ready>

- o UI: <https://deploy.sitecorecloud.io/status>
- Authoring: <https://{Customer-hostname}/healthz/ready>
- Publishing: The Customer region defines which endpoint is applicable:
 - o Australia: <https://aue-e1-aks-01-publishing.sitecorecloud.io/healthz/ready>
 - o Japan: <https://jpe-e1-aks-01-publishing.sitecorecloud.io/healthz/ready>
 - o East US: <https://eus-e1-aks-01-publishing.sitecorecloud.io/healthz/ready>
 - o West US: <https://wus2-e1-aks-01-publishing.sitecorecloud.io/healthz/ready>
 - o West Europe: <https://weu-e1-aks-01-publishing.sitecorecloud.io/healthz/ready>
- Content Delivery: As defined in Appendix 1 Section 1.2 Sitecore Experience Edge.

“Component” is a capability provided with Experience Manager Cloud. This includes:

- Deploy: Enables the deployment of code to the Customer’s XM Cloud environment.
- Authoring: Enables the creation of Customer content.
- Publishing: Enables Customer content to be prepared for use.
- Content Delivery: Enables Customer content to be consumed by their website.

Amendments to Service Level Definitions

For purposes of Sitecore Experience Manager Cloud only, the definition of “Monthly Uptime Percentage” is amended and restated, and a new definition of “Component Uptime Percentage” is added, as set forth below:

- “Component Uptime Percentage” is calculated using the following formula for each Component of the Customer’s production environment:

$$\frac{\text{Maximum Available Minutes} - \text{Downtime}}{\text{Maximum Available Minutes}} \times 100$$

- “Monthly Uptime Percentage” is calculated as the weighted average of the sum of all Component Uptime Percentages:

XM Cloud Component	Weighting
Deploy	10%
Authoring	30%
Publishing	20%
Content Delivery	40%
Total	100%

(10% x Deploy Component Uptime Percentage) + (30% x Authoring Component Uptime Percentage) + (20% x Publishing Uptime Percentage) + (40% x Content Delivery Component Uptime Percentage)

Additional Exclusion to Uptime Guarantee

- Downtime due to a fault in the Customer’s input or actions to, or customization(s) of, Experience Manager Cloud.
- Downtime due to Customer’s workloads and tasks running on the Customer’s XM Cloud production environment.

1.8 Sitecore Connect

Definition of Downtime

“Downtime” is the total accumulated minutes during which the Recipe Runtime engine of the embedded Workato platform (within Sitecore Connect) is not available for use according to Workato’s performance and monitoring services. The reports of availability are currently available at <https://status.workato.com>.

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1.9 Sitecore Content Hub ONE

Definition of Downtime

“Downtime” is the total accumulated minutes during which an endpoint of a Component of Content Hub ONE is unresponsive or the returned status indicates unavailability.

Following are the endpoints for the Components:

- Content Hub ONE API:
 - o Australia: <https://content-api-aue.sitecorecloud.io/health/ready>
 - o Japan: <https://content-api-jpe.sitecorecloud.io/health/ready>
 - o East US: <https://content-api-eus.sitecorecloud.io/health/ready>
 - o West US: <https://content-api-wus.sitecorecloud.io/health/ready>
 - o West Europe: <https://content-api-weu.sitecorecloud.io/health/ready>
- Media Delivery:
 - o Australia: <https://mms-delivery-aue.sitecorecloud.io/healthz/ready>
 - o Japan: <https://mms-delivery-jpe.sitecorecloud.io/healthz/ready>
 - o East US: <https://mms-delivery-eus.sitecorecloud.io/healthz/ready>
 - o West US: <https://mms-delivery-wus2.sitecorecloud.io/healthz/ready>
 - o West Europe: <https://mms-delivery-weu.sitecorecloud.io/healthz/ready>
- Content Delivery: As defined in Appendix 1 Section 1.2 Sitecore Experience Edge.

“Component” is a capability provided with Content Hub ONE. This includes:

- Content Hub ONE API: Enables the modelling, authoring, and management of Customer content.
- Media Delivery: Enables Customer media content to be consumed by their multichannel experience.
- Content Delivery: Enables Customer content to be consumed by their multichannel experience.

Amendments to Service Level Definitions

For purposes of Sitecore Content Hub ONE only, the definition of “Monthly Uptime Percentage” is amended and restated, and a new definition of “Component Uptime Percentage” is added, as set forth below:

- “Component Uptime Percentage” is calculated using the following formula for each Component of Content Hub One:

$$\frac{\text{Maximum Available Minutes} - \text{Downtime}}{\text{Maximum Available Minutes}} \times 100$$

- “Monthly Uptime Percentage” is calculated as the weighted average of the sum of all Component Uptime Percentages:

Content Hub ONE Component	Weighting
Content Hub ONE API	20%
Media Delivery	40%
Content Delivery	40%
Total	100%

(20% x Content Hub ONE API Component Uptime Percentage) + (40% x Media Delivery Component Uptime Percentage) + (40% x Content Delivery Component Uptime Percentage)

Exhibit C

Sitecore® Usage Policy

This Usage Policy applies to any products or services hosted by Sitecore (collectively, “Cloud Services”) on behalf of its customers (each a “Customer”). The terms of this Usage Policy may be updated by Sitecore periodically at Sitecore’s reasonable discretion and made applicable thirty (30) days after email notice of the update is sent to Customer at the technical contact email provided by Customer.

The following terms are applicable to all Cloud Services:

A. What are Customer and its authorized users prohibited from doing?

1. Using the Cloud Services to violate the rights of others;
2. Using the Cloud Services to harm, overload, disrupt, or gain unauthorized access to any service, network, system, device, data or account provided or owned by Sitecore or any third party, including any other user of the Cloud Services;
3. Using the Cloud Services in any situation where Customer knows or should reasonably know that failure or fault of the Cloud Services could lead to death or serious bodily injury of any person, or physical or environmental damage;
4. Using the Cloud Services in a manner prohibited by applicable law, regulation or government order, including without limitation any laws regarding the export of data or software, email spamming, and distribution of malware;
5. Erasing or removing any intellectual property right notice contained in the Cloud Services;
6. Attempting to defeat, remove, or otherwise circumvent any software protection or monitoring mechanisms of the Cloud Services; and
7. Authorizing or inducing any third party to do any of the above.

B. As a Customer, what must I do?

1. Upon written request from Sitecore, Customer must promptly remove any data or application stored in the Cloud Services that violates this Usage Policy;
2. In the event Customer becomes aware of any known or suspected violation by its user(s) of this Usage Policy, Customer shall immediately: (a) provide electronic notice to Sitecore of the violation, (b) suspend such user’s access to the Cloud Services, and (c) cooperate with Sitecore in any investigation of such known or suspected violation by Customer’s user(s);
3. Customer acknowledges that the Cloud Services are designed with capabilities for Customer to access the Cloud Services without regard to geographic location and to transfer or otherwise move data and applications between the Cloud Services and other locations. Customer and not Sitecore shall authorize and manage all user accounts, as well as export control and geographic transfer of Customer’s data and applications;
4. Customer shall be solely responsible for the accuracy, quality, content, legality and intellectual property ownership or right to Customer’s data and applications stored in the Cloud Services, including any applicable notice, takedown or other data security and data management policies. Sitecore reserves the right to review, refuse, or remove any or all Customer data or applications from the Cloud Services to comply with applicable law;
5. Customer will require all of Customer’s authorized users to comply with this Usage Policy; and

6. Unless back-up services are included in the Cloud Services that Customer orders from Sitecore, Customer is responsible for any backups of Customer Data used with the Cloud Services and will perform such backups on an environment separate from the Cloud Services.

The following terms are **ONLY** applicable to **Sitecore® Managed Cloud Premium 1.0 Services**, or any bundled license offering that includes **Sitecore® Managed Cloud Premium 1.0 Services** (collectively “Premium Cloud 1.0 Services”):

1. Customer must comply with the acceptable use policy of Rackspace, as set forth at the following web address: <http://www.rackspace.com/information/legal/aup/php>;
2. Customer must comply with the terms of the Microsoft Customer Agreement for Azure currently found at <https://azure.microsoft.com/en-us/support/legal/subscription-agreement/>, which may be updated by Microsoft from time to time;
3. Where optional Add-On Premium Services are purchased by Customer, Customer must also comply with, in the case of the Advanced Application Services, the terms set forth at: <https://www.rackspace.com/information/legal/rackspaceappsvcs>, and in the case of PDR Services, the terms set forth at: <https://www.rackspace.com/information/legal/proactive-detection-response> and <https://www.alertlogic.com/docs/Alert-Logic-End-User-License-Agreement.pdf>;
4. Customer understands and acknowledges that third party services providers are involved in the Premium Cloud 1.0 Services, and that such third party service providers will have access to Customer’s data or applications which are supported or included as part of the Cloud Services and may contact Customer regarding the Cloud Services and related workload and IT infrastructure needs of Customer; and
5. To the extent Customer requests that any third party software be installed, supported or patched by third party service providers involved in the delivery of Premium Cloud 1.0 Services, Customer must have a written license agreement with such third party software vendor and Customer agrees to provide, upon request and within a reasonable time period, certification and evidence of Customer’s compliance with the terms and conditions thereof.

The following terms are applicable to **Sitecore® Email Experience Management Delivery Cloud Services (“EXM Services”)**:

1. Customer must fully implement all required technical reputational features prior to using the EXM Services (in accordance with the Documentation); and
2. Customer must comply with the following message policy: <https://www.sparkpost.com/policies/messaging/>.

The following terms are **ONLY** applicable to the **Sitecore® Send Services**:

1. Customer agrees to use the Sitecore Send Services in compliance with the [Sitecore Send Messaging Policy](#);
2. Notwithstanding anything to the contrary in the Agreement, if Customer is not in compliance with the Sitecore Send Messaging Policy, Sitecore may, in its sole discretion, take any action it deems appropriate regarding Customer’s access to the Sitecore Send Services, including without limitation, immediate suspension of Customer’s access to the Sitecore Send Services or termination of the Order for Sitecore Send Services without notice;
3. Sitecore reserves the right to take applicable action(s) to verify that email campaigns sent using the Sitecore Send Services are compliant with the Sitecore Send Messaging Policy; and

4. The Sitecore Send Services may contain links to websites or resources, owned or operated under the supervision of third parties other than Sitecore ("Linked Sites"), and Sitecore does not control and is not responsible for the operation, content, privacy policies or the security of such Linked Sites. Visiting and accessing Linked Sites occurs at Customer's own responsibility and risk, without any involvement from, or liability of, Sitecore. Customer is responsible for reading and complying with the privacy statements and terms of use posted on any and all Linked Sites. Sitecore does not endorse, make any warranties and is not responsible for any data, software or other content and products or services available from Linked Sites. Customer acknowledges and agrees that Sitecore shall not be held liable, directly or indirectly, for any damage or loss relating to the use of or reliance upon such data, software or other content on any Linked Sites. Where the Sitecore Send Services refer through "links" or "hyperlinks" to Linked Sites, the owners and/or operators of Linked Sites bear full (civil and criminal) responsibility for the security, legitimacy and validity of their site content, to the exclusion of any liability of Sitecore.

Exhibit D – Sitecore360 Entitlements

Unless otherwise defined in this document, all capitalized terms used herein shall have the same meaning as that given in the Order including Consulting Services between the Sitecore entity (“Sitecore”) and the Customer entity signing such Order (“Customer”).

1. Scope

What is the TAM (Technical Account Manager) package?

The purpose of the package is to help Customers realize value from their portfolio of Sitecore products and solutions using Sitecore. A named consultant is assigned and works closely with the Customer and Customer team. The consultant establishes a regular meeting cadence with the Customer (and partner if customer wishes). The named consultant is an expert in a product or set of products and provides consultancy on best practice product usage. Depending on the desired expertise of the Customer, the job title of the named consultant will vary. Experts in specific areas can be engaged for short periods to help on specific topics (within the scope of the agreed upon hours per month), or a different named consultant with a different expertise can be assigned on request if the Customer’s needs change. Work will be managed and orchestrated by the named consultant.

What is the difference between the Half TAM, TAM, and Sitecore360 TAM packages?

There are 3 TAM packages available: Half TAM, TAM, and Sitecore360 TAM with Consulting Services to be delivered on an annually recurring basis. The specific package which will be delivered to the Customer is set forth in the Order. Each TAM package has a different number of hours allocated per month as detailed in the table below:

Half TAM	TAM	Sitecore360 TAM
18 hours per month (54 per quarter)	36 hours per month (108 per quarter)	Pre-defined custom number of hours per month. Only available as part of a Sitecore360 package.

What is the working model of the TAM package?

The named consultant follows the below work model:

- The Customer has direct access to their named consultant during normal business hours.
- The Customer can communicate with the named consultant via:

- o Regular meetings at a cadence that suits the customer (we recommend weekly)
 - o Ad hoc regular calls and screen shares on common topics, scheduled in advance
 - o Email
 - o Collaboration environments such as Teams or Slack on an ad hoc basis
- The Customer has access to additional consultants upon request, as scheduled in advance

What topics are in scope of the TAM package?

Typical topics that the named consultant can help with may include, but are not limited to:

- Product topics
 - Which use cases to work on next (business case, variations specific to a Customer).
 - Progress on value realization.
 - Best practices and insights on product usage.
 - New feature requests and needs.
 - Periodic capability reviews with the Customer to align with the Customer's technology roadmap.
- Technical topics
 - Status of initiatives, projects, and use cases in progress (issues, design decisions, usage decisions, technical questions, help on support cases).
 - Technical topics related to Sitecore products.
 - Open questions or help with decisions on current development activities.
 - Ideas for improvement in current project activities.
 - Architectural guidance at the product level.
 - Sitecore recommended practice discussions.
- Optimization topics - for applicable products
 - Weekly performance discussions – what worked, what didn't, and why.
 - Tuning discussions – ideas and suggestions for tests, tweaks, and investigation.
 - Marketing calendar reviews – in-flight campaigns, upcoming campaigns, atypical needs, atypical timing.

The TAM may take part in or facilitate the Customer's business reviews to discuss topics such as:

- Overall progress on value realization.
- Details of initiatives and achievements since the last business review.
- A customer's high-level goals and how to achieve them.
- Current perceived challenges and actions needed to address them.
- New features and updates that may benefit the Customer.
- Notable incidents, support tickets, or use cases.

What activities are in scope of the TAM package?

Typical activities that the named consultant can help with include:

- Joining customer calls to provide expertise as needed.
- Conducting deep dive sessions on product usage best practices.
- Providing architectural guidance.
- Contributing to planning of customer initiatives.
- Assisting with designing A/B tests and interpreting the results.
- Interpreting and presenting data and reports.
- Facilitating ideation, art of the possible, and operating model workshops with Customer team.
- Assisting the customer with proof-of-concept development.
- Bringing information to the Customer team's attention (product releases, security bulletins, updates, etc.).
- Investigating technical topics, overall solution health, and otherwise providing technical consulting through screen shares, log file inspection, code reviews, and other appropriate means.
- Collaborating with Sitecore's Product Support and Escalation Teams to help clarify and refine support tickets, escalate support tickets, and resolve support issues.

2. General

The Services will be acquired as a pre-paid pool of hours, where the maximum number of hours to be used in a day corresponds to the length of the workday of each individual Sitecore resource engaged as part of this package unless otherwise agreed between the parties.

Quarterly consumption: Services hours are pre-paid annually and consumed quarterly, with the first quarter starting on the Order Effective Date and ending 3 months thereafter. Any Services hours not consumed within a given quarter will

expire. Sitecore is under no obligation to deliver any unused pre-paid Services after expiry and any fees or applicable expenses will remain payable. If a Customer exceeds the number of Services hours in a given quarter, each additional Service hour will be charged based on Sitecore's then-current hourly rates for the relevant Sitecore Services role, and will be invoiced by Sitecore at the end of such quarter. Sitecore shall provide monthly consumption reporting.

The Fees for the Services do not include any travel, accommodation, and subsistence expenses for onsite visits. Any such visits and associated travel budgets will need to be agreed upon between the Customer and Sitecore for each trip. Sitecore will book economy flight tickets and reasonable option for appropriate 4-star business class hotel. Sitecore will invoice the Customer each month for travel expenses incurred during the preceding month for agreed and approved onsite visits at the Customer's locations. The remainder of the Services will be performed remotely.

Any produced code and Sitecore configuration performed by Sitecore while delivering the Services will be exclusively for reference and guidance. Customer should perform, and is solely responsible for, proper testing in its environment when using any of the work delivered by Sitecore.

3. Location

For this engagement, Services will be performed remotely. Customer will ensure appropriate level of access and collaboration tools to enable remote assessment and Services.

4. Scheduling

The scheduling details of this engagement must be agreed upon between the parties. The Services will be conducted by suitably qualified and experienced Sitecore consultants in close cooperation with the assigned Customer resources. Sitecore chooses, at its sole discretion, suitable consultants.

Professional Plus Training Services for Sitecore360

Unless otherwise defined in this document, all capitalized terms used in this document shall have the same meaning as that given in the Order for Sitecore360 entered into between the Sitecore entity (“Sitecore”) and the customer (“Customer”) signing such Order.

1. OVERVIEW

Professional Plus Training Services for Sitecore 360 include the following training entitlements for each End User identified by the Customer (up to the number of entitled End Users* as identified in the Order):

- a) One seat in a publicly scheduled Virtual Instructor-Led Training (vILT) class of the End User’s choice, where:
 - o Each End User identified as part of the Professional Plus Training Services for Sitecore 360 is provided one seat in a vILT class of their choice; and
 - o The public schedule is listed on the Learning@Sitecore catalog. Directions to sign up for a vILT class will be provided as part of Sitecore 360 onboarding.
- b) 24 x 7 access for each defined End User to the Professional Plus eLearning course catalog on the Learning@Sitecore platform
- c) One certification exam voucher of the End User’s choice

*If during the Sitecore360 subscription an End User designated to use the entitlement no longer is employed by Customer, a replacement End User may be identified by Customer for the unused entitlement.

2. PREREQUISITES; PREPARATION; CLASS CAPACITY

Customer understands that its End User attendees must have the appropriate technical qualifications before attending any relevant class(es) that form part of the Professional Plus Training Services for Sitecore 360. Updated information about these qualifications is specified in the class descriptions on Sitecore’s website: <https://www.sitecore.com/knowledge-center/getting-started/training>.

- a. Before the commencement of any Training Services under an Order, each Customer End User participant must:
 - (i) create a Sitecore account on the Learning@Sitecore platform (link above) with their business email address; and
 - (ii) complete any pre-training preparation detailed in the class description and set out in the pre-training requirements e-mail that will be sent out to each participant upon signing up for the vILT class (which may include pre-training computer setup and study preparation).
- b. The participant limit for each publicly scheduled vILT is ten (10) people; therefore, some

sessions may not be available.

3. RECORDINGS OF ORAL OR VISUAL PRESENTATIONS

Customer is prohibited from audio recording, video recording, editing, reproducing, broadcasting, or otherwise making available the presentation slides and any Training Materials to third parties, and distributing the Sitecore representative's name, voice, presentation material or likeness of the Sitecore speaker (name, image, voice, photo or video), blogging, or any portion thereof as they may appear without media, time, use or geographic limitation, except where recording of the presentation is required to grant equitable access of Training Materials to attendees with disabilities, or where recording is pre-approved in writing by Sitecore.

4. CANCELLATION, TRANSFERS AND SUBSTITUTION

- a. Cancellation of seat(s) in a publicly scheduled virtual instructor-led class is required in writing no later than ten (10) business days prior to the commencement of the class. If Customer cancels seats before these timeframes, Customer will receive a credit to be used for seat(s) in a future training class. If Customer cancels seats later than these timeframes, Customer will not receive a credit or refund. Sitecore reserves the right to cancel classes. When classes are cancelled, Sitecore will provide Customer with a credit to be used for a future Sitecore training class offered on other dates.
- b. Transfer to an alternative class date will only be accepted if made in writing up to ten (10) business days before the class start date. Transfer requests received less than ten (10) business days before commencement of a class will not be granted.
- c. Substitution of one booked End User participant for another will only be accepted if made in writing. Suitably qualified substitute End User participants will be accepted up to three (3) business days before a class start date, free of charge. If the Training Materials (joining instructions, etc.) have already been sent to the Customer, it is the responsibility of the Customer to ensure that the replacement End User participant receives the Training Materials.
- d. If an End User participant does not attend a class, and Customer did not inform Sitecore within the cancellation period, the vILT entitlement will have been forfeited.

5. eLEARNING COURSES

As part of the Professional Plus Training Services for Sitecore 360, eLearning training courses are available 24 x 7 for each applicable identified End User, with such access valid for the duration of the Sitecore360 subscription (as set forth in the Order). Access is provided once the End User establishes an account on the Learning@Sitecore platform. Promptly after the Order Effective Date Sitecore will provide Customer with access codes permitting use of Sitecore's Learning@Sitecore platform to access the Professional Plus eLearning catalog available as part of Sitecore360. Customer's use of the eLearning Training will be governed by the terms and conditions of Sitecore's Learning@Sitecore platform, which are made available to Customer upon registration.

6. CERTIFICATION EXAM VOUCHERS

Each End User identified as part of the Professional Plus Training Services for Sitecore 360 is provided one certification exam voucher of their choice. Study Guides, which contain details and policies related to Sitecore certification are available on the Learning@Sitecore platform. All Sitecore certification exams are proctored through our certification platform vendor. Directions to access a certification voucher will be provided as part of Sitecore 360 onboarding.

Exhibit E – Order Definitions

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1. SAAS PRODUCTS

(A) SITECORE PERSONALIZE

Sitecore Personalize Definitions:

"Personalize Events" mean:

- Data sent as an API request to the stream API
- An execution of an inbound personalization API request (Interactive)
- An execution of an outbound personalization API call (Triggered)

"Non-Production Environment" means an environment used to support but not perform production activities.

"Visit" means an instance where an application (e.g. website or any other software application running on a digital device) is presenting, using or otherwise leveraging content, data or functionality originating from (whether accessed directly or indirectly) the SaaS Product to service a single person within a given Time Frame, where a 'Time Frame': (A) is deemed to start when a person first interacts with such application or interacts with such application after a previous Time Frame has ended, and (B) is deemed to end upon the occurrence of one of the following events: (i) the Time Frame is longer than 1800 minutes; (ii) the person is not interacting with such application for more than 30 minutes, or (iii) such application is closed or terminated.

-

(B) SITECORE CDP

Sitecore CDP Definitions:

"CDP Events" mean:

- Data sent as an API request to the stream API
- An API request against the REST API
- A single record in a file that is loaded via the batch API
- A single record that is exported via audience sync

"Monthly Tracked Users" or **"MTU"** means the total number of CDP profiles that are created/updated (via real time or batch ingestion) within a calendar month.

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(C) SITECORE ORDER CLOUD

Sitecore Order Cloud Definitions:

"Order Line Volume" refers to the total distinct number of line items processed across all customer orders.

"Revenue Volume" refers to the total US dollar amount (calculated in USD) of line items processed across all customer orders.

(D) SITECORE CONTENT HUB

Sitecore Content Hub Definitions:

"Asset Bandwidth" means the total amount of data transmitted and metered on the Content Hub CDN facility.

"Asset Storage" means the physical storage, on disk, of file-based assets in Content Hub such as images, videos, or document files.

"Entities" are units of data that can represent content, assets, products, etc. An Entity consists of a defined set of text based attributes that are used to describe the entity. An Entity may have one or more associated media files stored in the Asset Storage.

"Integration Users" means the number of dedicated licenses used for third-party integrations such as marketing automation or custom API work.

"Monthly Business Users" or "MBU" means the total number of business users that have logged in and accessed the application on four or more days within a calendar month.

"Non-Production Environment" means an environment that is not used for production activities at any time. Non-Production Environments are meant to be used for development environments or quality assurance (QA) of workflows for code or configuration promotion. Environments that are meant to be used as redundancy, failover, cutover, or other use where at some point they may become production environments, even if not in regular use, are not considered Non-Production Environments. Non-Production Environments do not include additional storage capacity unless separately purchased.

"Total Registered Users" means the total number of unique user ID's enrolled in the Content Hub system.

"Video Indexing Hours" means the number of hours spent analyzing video files, using Microsoft's Cognitive Service platform to generate metadata and other tags, including speech-to-text transcripts.

(E) **SITECORE SEND**

Sitecore Send Definitions:

"Subscribers" means the number of unique active subscribers (excluding bounced, unsubscribed and archived).

(F) **SITECORE DISCOVER**

Sitecore Discover Definitions:

"Permitted Sites" means websites that Customer is authorized (by the website's owner) to use as the source of web pages, assets, and other intellectual property that may be consumed, delivered, or stored within the Sitecore Products (i.e. excluding any content obtained by crawling or indexing websites without the owner's authorization).

"SKU count" means the total number of stock-keeping units in the Customer's inventory.

"Visit" means an instance where an application (e.g. website or any other software application running on a digital device) is presenting, using or otherwise leveraging content, data or functionality originating from (whether accessed directly or indirectly) the SaaS Product to service a single person within a given Time Frame, where a 'Time Frame': (A) is deemed to start when a person first interacts with such application or interacts with such application after a previous Time Frame has ended and (B) is deemed to end upon the occurrence of one of the following events: (i) the Time Frame is longer than 1800 minutes; (ii) the person is not interacting with such application for more than 30 minutes, or (ii) such application is closed or terminated.

(G) SITECORE XMCloud

Sitecore Experience Manager Cloud Definitions:

"Build" is comprised of one or more of the following activities:

- XM Cloud tenant provisioning process
- Developer related customization that requires compilation
- Developer related customization that requires deployment
- Automatic update related deployment

"Concurrent Builds" means the number of Experience Manager Cloud builds that can operate at the same time. Each Project can have one active Build and deployment at a time.

"Concurrent Users" means the total number of concurrent Experience Manager Cloud users supported across all Production Environments in Experience Manager Cloud. Each Production Environment supports up to fifty (50) Concurrent Users.

"Non-Production Environments" means the total number of non-production environments available to the customer in the Experience Manager Cloud subscription. Each Project has two non-production environments, development and staging.

"Production Environments" means the total number of production Experience Manager environments available to the customer in their Experience Manager Cloud subscription. Customers can have one production environment per Project.

"Projects" represent a collection of Experience Manager Cloud environments where every environment in the Project is related to each other. Within this collection of Experience Manager Cloud environments for a project, only one offshoot is designated as a Production Environment.

"Visit" means an instance where an application (e.g. website or any other software application running on a digital device) is presenting, using or otherwise leveraging content, data or functionality originating from (whether accessed directly or indirectly) the SaaS Product to service a single person within a given Time Frame, where a 'Time Frame': (A) is deemed to start when a person first interacts with such application or interacts with such application after a previous Time Frame has ended and (B) is deemed to end upon the occurrence of one of the following events: (i) the Time Frame is longer than 1800 minutes; (ii) the person is not interacting with such application for more than 30 minutes, or (ii) such application is closed or terminated.

(H) SITECORE EXPERIENCE EDGE AND SITECORE EXPERIENCE EDGE FOR CONTENT HUB

Sitecore Experience Edge Definitions:

"API Call" means any http request to the API / endpoint of the main application (excluding requests made to Satellites), where 'Satellite' means an additional location, separate from the central Instance, used to provide optimized upload or download capabilities for additional geographic locations.

"Bandwidth" is defined as data transfer of entities from Sitecore Experience Edge CDN, including any GraphQL query or media file, regardless if the object is cached in the CDN.

"File Storage" is defined as data storage used for the hosting of published entities, such as media files and pre-rendered layout elements, in the Sitecore Experience Edge platform from Sitecore Software.

(I) VERCEL

Vercel Definitions:

"Vercel Bandwidth" means the total monthly number of bytes of egress traffic served via Vercel's edge network, including all static and dynamically generated traffic, and bandwidth generated by background revalidation of assets.

"Vercel Concurrent Builds" mean the total number of deployments that can be built at one time.

"Vercel Serverless Execution" means the total monthly product of time and bandwidth of serverless function execution for producing dynamically generated traffic, including API routes and revalidation, expressed in GB hours.

"Vercel Team Seats" means that the total number of members who may manage and interact with projects and deployments in the team's scope on Vercel, as further described at <https://vercel.com/docs/concepts/teams/members>.

(J) SITECORE SEARCH

Sitecore Search Definitions:

"Documents" mean the total number of distinct content records indexed into Sitecore Search, aggregated over the designation of both production and non-production under the Customers' subscription.

"Permitted Sites" means websites that Customer is authorized (by the website's owner) to use as the source of web pages, assets, and other intellectual property that may be consumed, delivered, or stored within the Sitecore Products (i.e. excluding any content obtained by crawling or indexing websites without the owner's authorization).

"Production Environment" means the total number of production Sitecore Search environments available to the Customer in their Sitecore Search subscription. Customers can have one production environment per license, which can consist of any number of sites (within entitlements) independently queryable from that singular production license.

"Non-Production Environment" means the total number of non-production environments available to the Customer in the Sitecore Search subscription. Each non-production environment is used for testing, development, and staging and does not follow the service level commitments of Production Environments.

"Concurrent Crawlers" mean the total number of parallel processes of crawling the sources (websites) configured under the subscription. Customers may have any number of sources specified and the concurrent crawler dictates the overall scale and performance of data ingestion into Sitecore Search.

"Crawler Frequency" means how often a specific piece of content can be scheduled to automatically re-index into Sitecore Search. The customer can still directly promote content changes into the API for indexing indifferent of the crawler frequency.

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(K) SITECORE CONTENT HUB ONE

Sitecore Content Hub ONE Definitions:

"Annual Bandwidth Limit" means the total amount of data transmitted and metered on the Content Hub CDN (Content Delivery Network) facility.

"Asset Storage" means the physical storage, on disk, of file-based assets in Content Hub such as images, videos, or document files.

"Content Requests" means the requests coming into the Content Hub ONE APIs or any customer-provided caching system to deliver content.

"Production Environment" means the total number of production Content Hub ONE environments available to the Customer in their subscription.

"Total Users" mean the total number of concurrent Content Hub ONE users.

(L) SITECORE CONNECT

Sitecore Connect Definitions:

"Connection" means a unique authentication into an instance of an application or a database external to Sitecore. Note: Sitecore products are not counted towards licensed connection counts.

"Connectors" means API-based nodes allowing for the transfer of data between software applications through Sitecore Connect which acts as a bridge.

"Consumption" means the number of Tasks executed. Fair usage policy allows for 3 million Tasks per active Connection per year.

"Recipe" means a set of commands to Sitecore Connect that request Sitecore Connect to carry out certain actions across software applications based on the occurrence of a designated trigger event.

"Task" means a unit of work performed every time a Recipe performs an action (e.g., fetch data from an application by making an API call). A task is counted when a recipe requests data from, or performs an activity in an application. For example, search, create, update, get, upsert actions are counted as tasks, while control functions like If, Error Monitor, Stop, etc. are not counted as tasks.

• 2. HOSTED SERVICES

(A) MANAGED CLOUD

"Azure Spend" means the cost, in USD, of all hosting components in Customer's Production Set or Non-Production Set, as applicable, as calculated and reported by Sitecore's third party service providers, which is subject to change over time (i.e., certain third party service providers may increase or decrease this cost at their sole discretion).

"Azure Spend Commitment" means the amount of Azure Spend, in USD, over which overages will apply, as further set forth in the Order (and any exhibits thereto).

"Customer Applications" means all software and services that Customer uses or offers to its users that access, use interact with, or depend upon the Hosted Services.

"Disaster Recovery" or "DR" means recovery from an event that results in a significant disruption or loss of availability of the Hosted Services' primary production environment by using an alternate production environment where:

"Basic DR (Cold Standby)" means recovery from a failure of the default Sitecore topologies (for the Software) by creating a new environment in an alternate location and restoring application data from backups; and

"Managed DR (Hot Standby)" means recovery from a single default Sitecore topology (for the Software) environment by using an alternate environment that is already running and prepared to be promoted to become the replacement using data replication.

"Non-Production Usage" means use of the Hosted Services to support but not perform Production Activities.

"Non-Production Set" means a single mutually exclusive online environment hosting the Software exclusively for Non-Production Usage, which is part of a Non-Production Environment.

"Production Set" means a single mutually exclusive online environment hosting the Software exclusively for Production Activities, which is part of a Production Environment.

"Topology Customizations" (also known as "Hosting Extensions") means one or more of a series of additional Azure resources that can be used to complement the existing Platform as a Service-based topology pattern (if applicable).

"User" means any user of Customer Applications.

If Customer purchases additional Hosted Services (Cloudflare Enterprise), the following definitions will also apply:

"Cloudflare" means Cloudflare, Inc. involved in the provisions and delivery of the Additional Hosted Services.

"Cloudflare Documentation" means all printed and online user manuals and other technical material relating to the Additional Hosted Services made available by Sitecore, as may be updated from time to time.

"Customer Account Information" means the information Customer provides upon subscribing to the Additional Hosted Services, audit logs, and Customer account settings.

"Customer Information" means, collectively, Customer Account Information, End User Log Files and Customer-specific Aggregations.

"Customer-specific Aggregations" means customer-specific aggregated information derived from the End User Log Files (including, without limitation, usage analytics, bandwidth consumption, availability performance, rules, and settings) which is used to provide the Additional Hosted Services.

"End User" means a third-party visitor to the Customer parties' Internet Properties and/or user of any of the Customer's services delivered thereon.

"End User Log Files" means the raw logs of End User interactions with Customer (and applicable Affiliates, to the extent included in the Permitted Usage) Internet Properties that Sitecore processes on behalf of Customer (and applicable Affiliates, to the extent included in the Permitted Usage) during the course of providing the Additional Hosted Services.

"Internet Properties" means a website or any internet connected application, including any subdomain thereof.

• 3. SOFTWARE

(A) SITECORE XM/XP/XC

Sitecore Software Definitions

"Domain" means the combination of a single second-level domain with a single top-level domain, and all subdomains thereunder, as illustrated by e.g., *.company.com, where "*" represents unlimited subdomains, "company" is the second-level domain, and ".com" is the top-level domain. Domains whose sole purpose is to redirect visitors to a Domain (as defined here) will not count against the total number of authorized Domains. Additionally, domains that allow visitors to access a translated version of content will not count against the total authorized number of Domains. For example, if www.company.au is a direct translation of the site located at www.company.com, www.company.au will not count as an additional Domain, but if www.company.au is both translated and otherwise localized, the domain will count against the total authorized number of Domains.

"Environment" means the Software installed on any number of servers that all point back to a single instance of Sitecore's main content database.

"Non-Production Environment" means an Environment used to support but not perform Production Activities.

"Production Activities" means the creation, authoring, publishing and/or delivery of digital content to a website, email, mobile visitor or service, including separate commerce, email and/or print capabilities if purchased, and the processing and reporting of Visits for use in xDB.

"Production Environment" means an Environment used to perform Production Activities.

"User" means each individual person concurrently logged into the user interfaces of any installation(s) of the Software for purposes of editing content, site administration, development, testing or such similar actions.

"Visit" means an instance where an application (e.g. website or any other software application running on a digital device) is presenting, using or otherwise leveraging content, data or functionality originating from (whether accessed directly or indirectly) the Software to service a single person within a given Time Frame, where a 'Time Frame': (A) is deemed to start when a person first interacts with such application or

interacts with such application after a previous Time Frame has ended, and (B) is deemed to end upon the occurrence of one of the following events: (i) the Time Frame is longer than 1800 minutes; (ii) the person is not interacting with such application for more than 30 minutes, or (iii) such application is closed or terminated.

Sitecore Customer Order

Customer:	University Of Idaho
Company/Tax ID No:	N/A
Customer Address:	875 Perimeter Dr. Moscow, Idaho 83844
Sitecore:	Sitecore USA, Inc.
Address:	44 Montgomery, Suite 3340 San Francisco, CA, 94104
Order Voidability Date	May 3 rd , 2024
Order Effective Date	This Order will be effective on the date signed by both parties below.
Existing Master Terms Date (where applicable)	October 31, 2019

This Order is entered into between Sitecore and Customer under the master agreement executed between the parties as of the Existing Master Terms Date, including any cloud addendum entered into by the parties, if applicable (collectively, the '**Master Terms**'). This Order will be governed by the Master Terms and will form part of the Agreement between the parties. This Order will be effective as of the Order Effective Date. Unless otherwise defined in this Order, capitalized terms shall have the meanings set forth in the Master Terms. This Order is voidable at Sitecore's option if not signed by Customer on or before the Order Voidability Date.

1. Sitecore Services

Custom Consulting Services

Sitecore will provide the following Consulting Services, a description of which is attached as Appendix A.

One-Time Custom Consulting Services

Sitecore will provide the following One-Time Consulting Services:

Quantity	Description	Hours	Rate/hr	Net Price
1	Development Consulting Services (consisting of the following line items)	See below	See below	See below
1	Front End Developer - Offshore (per hour)	720	\$150.00	\$108,000.00
1	Architect/Development Lead (per hour)	180	\$310.00	\$55,800.00
1	Senior Developer (per hour)	280	\$240.00	\$67,200.00
1	Client Manager (per hour)	560	\$210.00	\$117,600.00
1	Content Hub Solution Architect (per hour)	440	\$350.00	\$154,000.00
1	Content Hub Developer (per hour)	256	\$240.00	\$61,440.00
1	Content Hub Business Analyst (per hour)	480	\$270.00	\$129,600.00
			Total	\$693,640.00

The One-Time Consulting Services are effective on the Order Effective Date and continue until the One-Time Consulting Services are complete or 12 months after the Order Effective Date. The One-Time Consulting Services do not automatically renew.

Development Services Retainer

Sitecore will provide the following Recurring Consulting Services on an annual basis for the duration of the Subscription Term (as defined below):

Quantity	Description	Hours	Rate/hr	Net Price
1	Development Services Retainer (consisting of the following line items)	See below	See below	See below
1	Architect/Development Lead (per hour)	960	\$310.00	\$297,600.00
1	Senior Developer (per hour)	960	\$240.00	\$230,400.00
1	Client Manager (per hour)	480	\$210.00	\$100,800.00
			Total	\$628,800.00

2. Subscription Term; Renewal

This Order is effective on the Order Effective Date and continues for the minimum commitment of 12 months. At the end of this minimum commitment, any Recurring Consulting Services under the Order may be renewed by mutual written agreement by the parties. The “**Subscription Term**” is equal to the minimum commitment plus any renewals.

3. Change Orders

If Customer believes any changes to the schedule, scope or any milestones are necessary or desirable, it shall submit a written change request to Sitecore’s contact set forth above (a “**Change Request**”). Sitecore’s prior approval is needed any time a Change Request increases or decreases the cost of the Services or materially extends the schedule for the Services, and the compensation will be adjusted accordingly and documented in a change order signed by both parties which will serve to amend this Order.

4. Invoicing and Payment Terms

Below is a summary of the invoicing under this Order:

Year	Description	Price
1	One-Time Fee (Development Consulting Services)	\$693,640.00
1	Recurring Fee (Development Services Retainer)	\$628,800.00
	Subtotal	\$1,322,440.00
	15% Discount	\$198,366.00
	TOTAL	\$1,124,074.00

Upon the Order Effective Date, the initial invoice will be sent to Daniel Ewart at dewart@uidaho.edu as set forth below. If applicable, any Recurring Fees under this Order will be invoiced annually and due on the anniversary of the Order Effective Date, for the remainder of the Subscription Term.

Customer Billing Address:	875 Perimeter Dr. Moscow, Idaho 83844
Customer Shipping Address:	875 Perimeter Dr. Moscow, Idaho 83844
Customer Technical Contact Name:	Steven Cox
Customer Technical Contact Email:	scox@uidaho.edu

All prices as set out in this Order are USD and exclusive of any applicable taxes unless otherwise indicated.

Payment Terms

Net 30 days

Payment terms for all amounts under this Order are **Net 30 days** from the date of a valid invoice issued by Sitecore. An invoice shall be valid where the amounts invoiced are accurate and without regard to other referenced information including but not limited to purchase order number. In the event of non-payment by Customer of a valid invoice, if Customer still fails to pay such invoice after being sent a 15 days' reminder notice to pay such invoice, Sitecore may, at its sole discretion, suspend the access or provision of the Sitecore Products and/or Services, or terminate the affected Order. Customer agrees to pay interest calculated at the rate of six percent (6%) per annum or the maximum amount permitted by law, whichever is less, of the total outstanding amount, for the time period the payment remains past due.

Additional Terms and Conditions

Idaho Regulatory Certifications

Customer is prohibited by state law from entering into certain contractual agreements. Sitecore hereby certifies that: (i) pursuant to Idaho Code Section 67-2346, if payments under the Agreement exceed one hundred thousand dollars (\$100,000) and it employs ten (10) or more persons, it is not currently engaged in, and will not for the duration of the Agreement engage in a boycott of goods or services from Israel or territories under its control; (ii) pursuant to Idaho Code Section 67-2359, it is not currently owned or operated by the People's Republic of China and will not for the duration of the Agreement be owned or operated by the People's Republic of China; and (iii) it is not an abortion provider or an affiliation of an abortion provider under the No Public Funds for Abortion Act. The terms in this section defined in Idaho Code Section 67-2346, Idaho Code Section 67-2359, and in Title 18, Chapter 87, Idaho Code, respectively, shall have the meanings defined therein.

For any customer that issues Purchase Orders (PO), Sitecore requires Customer's approved PO Number before being able to fully process the Order and before being able to request staffing.

By executing this Order, Customer commits to the payments set forth above. Each person signing this Order represents and warrants that he or she has been duly authorized and has full authority to execute this Order on behalf of the party below. This Order may be executed in counterpart, and may be executed by way of facsimile or electronic signature, and if so, will be considered an original.

Sitecore

University Of Idaho

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Appendix A

SCOPE OF CONSULTING SERVICES

Project Name

Development Consulting Services (One-time Services) & Development Services Retainer (Subscription Services)

Project Description

Sitecore to work with University of Idaho to implement XM Cloud, Content Hub DAM, CDP, Personalization and Search.

Scope of Development Consulting Services (One-time Services)

The One-time Services will be acquired as a pre-paid pool of hours (as detailed in Section 2 of the Order). The hours consumed will be counted in time increments of 30 minutes.

The One-time Services will be performed based on a delivery schedule agreed upon between the parties after the Order is signed. Changes to the scheduling of activities must be requested no less than two weeks prior to the first day of the scheduled performance of the activity.

The One-time Services must be consumed within 12 months of the Order Effective Date (the "Expiry Date"). Sitecore will also allow customer to move up to 10% of unused hours from Q4 of the 1st year of the Order to Q1 of the 2nd year of the Order (should there be a year 2 renewal), but such hours must be used in the first 3 months of the 2nd year of the Order. Sitecore shall provide monthly consumption reporting. Should Customer require additional hours at any time during the One-time Services Term, the parties shall enter into a mutually agreeable amendment or add-on order to this Order.

Scope of Development Services Retainer (Subscription Services)

Sitecore Subscription Services remote consulting activities (up to 960 Architect/Development Lead hours per year, up to 960 Sr. Developer hours per year, and up to 480 Client Manager hours per year) prioritized by the Customer, as time allows. The resources are dedicated to the Customer on an annual basis as follows:

- Up to 240 hours of Services by Architect/Development Lead each quarter, intended to be delivered as approximately 80 hours per month.
- Up to 240 hours of Services by Sr. Developers each quarter, intended to be delivered as approximately 80 hours per month.
- Up to 120 hours of Services by Client Manager each quarter, intended to be delivered as approximately 40 hours per month.
- The hours consumed will be counted in time increments of 30 minutes.
- The maximum hours to be used in a day is 8 hours per resource.
- Each week that has maintenance requests, the Sitecore Client/Project Manager will provide a weekly report of the hours consumed the previous week with details on the service provided and hours remaining.

The intent is to perform activities such as the following:

- Discovery and project planning/management
- Planning for and executing on the migration of uidaho.edu, including link management, to ensure a continuity of user experiences (between 8.2 and XM Cloud)
- Assist the web team in website builds and content migrations as requested
- Implementation of the University of Idaho's user facing website (<https://www.uidaho.edu/>) on XM Cloud, which will include, at minimum:
 - Initial solution and XM Cloud environment setup for Dev, QA, and Production
 - Working with the design team and primary stakeholders to break down provided designs into well-defined components, functionality, and page templates
 - Sitecore Search configuration and implementation
 - CI/CD pipeline implementation
- Configuration of Sitecore's Component Builder for use by University of Idaho's marketing team post implementation
- Implementation of Content Hub DAM
 - Migration of existing DAM content to Content Hub DAM
 - Integration of Content Hub DAM with XM Cloud instance
- Begin discovery for journey mapping and implementation of CDP/Personalize integrations and initial use cases
- Work breakdown and task definition efforts

There is no guarantee that any specific work effort will be completed in the allocated time, however this is Sitecore's estimate given the information provided. Once work is underway, should Sitecore believe additional hours are needed, Sitecore will communicate that to Customer and provide a Change Request for any additional hours needed.

Quarterly consumption: Subscription Services hours are pre-paid annually and consumed quarterly, with the first quarter starting on the Order Effective Date and ending 3 months thereafter. Sitecore will allow Customer to move up to 10% of unused hours from quarter to quarter within the first year. Sitecore will also allow customer to move up to 10% of unused hours from Q4 of the 1st year of the Order to Q1 of the 2nd year of the Order (should there be a year 2 renewal), but such hours must be used in the first 3 months of the 2nd year of the Order. Any Subscription Services hours not consumed within a given quarter will expire. Sitecore is under no obligation to deliver any unused pre-paid Subscription Services after expiry and any fees or applicable expenses will remain payable. If Customer consumes the allotted number of Subscription Services hours in a given quarter, Sitecore will cease performance until the beginning of the next quarter. Sitecore shall provide monthly consumption reporting. Should Customer require additional hours at any time during the Subscription Term, the parties shall enter into a mutually agreeable amendment or add-on order to this Order.

Assumptions

- Resource availability and staffing to be determined and communicated upon order execution.
- Customer shall provide Sitecore resources access to the following:
 - Sitecore instances (admin logins)

- o Source control repository (read and write access)
 - o Relevant hosting/infrastructure assets
 - o If VPN access or other security measures are required, Customer will provide the necessary software/credentials to Sitecore prior to project kick-off.
 - o Access to UAT site(s) which require web tagging, outside of new XM Cloud instances, if any
- Customer to provide documented overview of analytics/user data and storage location for use in CDP discovery.
- The University of Idaho team will be responsible for any required styling and functional updates to 3rd party services, such as embedded forms, which are hosted externally to Sitecore and utilized on the site.
- Customer will identify and schedule the appropriate stakeholders required for meetings of all types in a timely manner. Delays in scheduling meetings may cause delays in the project timeline. Any such delays requiring scope changes are considered change requests by the Customer and may result in a formal Change Request for additional funding, timeline changes, and/or scope changes. Sitecore will make best efforts to promptly communicate the impact of any actual or potential delay to Customer.
- The solution shall adhere to WCAG 2.1 Level AA accessibility standards at the time of initial production deployment.
 - o If Customer has design or customer experience requirements that do not adhere to these standards or provides content that does not adhere to these standards, Sitecore shall note the non-compliant items in writing and shall not include the relevant standards in its testing.
 - o Changes made by Customer users after initial production deployment may not adhere to these standards and are Customer's responsibility to identify and fix.
 - o Any content entered by Customer may not adhere to these standards and is Customer's responsibility to identify and fix.

Location

Consulting Services will be performed remotely via a Customer-approved remote access method. Customer's Confidential Information will not be removed from Customer's systems.

CONSENT
APRIL 17-18, 2024

LEWIS-CLARK STATE COLLEGE

SUBJECT

Operating agreement between Lewis-Clark State College and the Lewis-Clark State College Foundation

REFERENCE

October 2009	Idaho State Board of Education (Board) approved operating agreement between Lewis-Clark State College and the Lewis-Clark State College Foundation.
December 2017	Board again approved operating agreement between Lewis-Clark State College and the Lewis-Clark State College Foundation.
February 2021	Board again approved operating agreement between Lewis-Clark State College and the Lewis-Clark State College Foundation.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section V.E.

ALIGNMENT WITH STRATEGIC PLAN

Goal 2: Educational Attainment, Objective C: Access

BACKGROUND/DISCUSSION

Board policy requires a foundation of an institution to be formally recognized by the Board as a nonprofit corporation or affiliated foundation to benefit a public college or university in Idaho. The operating agreement between an institution and an affiliated foundation must be approved by the Board prior to execution and must be re-submitted to the Board every three (3) years, or as otherwise requested by the Board for review and re-approval. The operating agreement must address the topics outlined in Policy V.E.

IMPACT

The Operating Agreement was revised in 2021 to conform to Board Policy and minor modifications have been made in the 2024 revision. Notable revisions are the signatory authority has been expanded to include a designee by the Foundation board president to allow for additional coverage during board member absences, clarification that the board approves restricted fund transfers to the institution, recognition that the Foundation funds are transitioning to a separate bank account than the institution, increased limits for the faculty and staff award amounts due to endowment growth, and revisions in the investment and endowment fund fee policies.

CONSENT
APRIL 17-18, 2024

ATTACHMENTS

- Attachment 1 – Proposed Operating Agreement Between Lewis-Clark State College and Lewis-Clark State College Foundation
- Attachment 2 – Redline comparing the Proposed Operating Agreement to the Board Template
- Attachment 3 – Redline comparing the Proposed Operating Agreement to the 2021 Operating Agreement

STAFF COMMENTS AND RECOMMENDATIONS

Board staff have reviewed the documents to assure substantial alignment with the template developed in 2019 as part of Board Policy V.E.

Staff inquired as to why changes were made to Art. IV, Section 7. The language from the template requiring that foundation assets be held in a separate bank account in the name of the Foundation using the Foundation's Federal Employer Identification Number was deleted. Lewis-Clark State College (LCSC) management responded "that up until recently, the Foundation did not have its own bank account, it was within LCSC's general operating account because the college pays their bills directly and processes transactions on their behalf. Most of the Foundation's funds are stored with the Foundation's investor (and under their federal EIN) so only a small portion is stored within the LCSC bank account. We have just started the transition to separating the bank accounts, but it is still an LCSC bank account with a reference as the Foundation, again because the college pays their bills and processes their transactions. Within LCSC's accounting system, they have their own accounts that reconcile back to what funds belong to the Foundation and now, this reconciliation will compare directly against the college account with the Foundation's name. So in short, the college has always removed this language from the template and we have now made a small step in creating a separate bank account under the purview of LCSC."

The Audit Committee reviewed the Operating Agreement at its meeting on March 29 and recommended its approval to the Board.

BOARD ACTION

I move to approve the request by Lewis-Clark State College to enter into the proposed Operating Agreement with the Lewis-Clark State College Foundation.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

**OPERATING AGREEMENT
BETWEEN
LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
AND
LEWIS-CLARK STATE COLLEGE**

This Operating Agreement (“Operating Agreement”) between Lewis-Clark State College Foundation, Inc. (“Foundation”) and Lewis-Clark State College (“College”) is entered into as of this 9th day of March, 2021.

WHEREAS, the Foundation was organized and incorporated April 4, 1984 for the purpose of generating voluntary private support from alumni, employees, friends, corporations, foundations, and others for the benefit of the College.

WHEREAS, the Foundation exists to receive contributions, raise, and manage private resources supporting the mission and priorities of the College, and provide opportunities for students and employees and a degree of institutional excellence unavailable with state funding levels.

WHEREAS, the Foundation promotes access, excellence and relevance in higher education through financial support of the College. The Foundation is dedicated to assisting the College in the building of the endowment to address, through financial support, the long-term academic and other priorities of the College.

WHEREAS, 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 College, soliciting cash, 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.

WHEREAS, in connection with its fund-raising and asset-management activities, the Foundation utilizes, in accordance with this Operating Agreement, personnel experienced in planning for and managing private support.

WHEREAS, the mission of the Foundation is to secure, manage and distribute private contributions and support the growth and development of the College.

WHEREAS, the College and Foundation desire to set forth in writing various aspects of their relationship with respect to matters such as the solicitation, receipt, management, transfer and expenditure of funds.

WHEREAS, the Parties hereby acknowledge that they will at all times conform to and abide by the Idaho State Board of Education's Governing Policies and Procedures, Gifts and Affiliated Foundations Policy V.E., and that they will submit this Operating Agreement for initial State Board of Education ("State Board") approval, and thereafter every three (3) years, or as otherwise requested by the State Board, for review and re-approval.

WHEREAS, the Foundation and the College intend for this Operating Agreement to be the written operating agreement required by State Board Policy V.E.2.b.

NOW THEREFORE, 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 I Foundation's Purposes

The Foundation is the primary affiliated foundation responsible for securing, managing and distributing private support for the College. Accordingly, to the extent consistent with the Foundation's Articles of Incorporation and Bylaws, and the State Board's Policies and Procedures, the Foundation shall: (1) solicit, receive and accept gifts, devises, bequests and other direct or indirect contributions of money and other property made for the benefit of the College from the general public (including individuals, corporations, other entities and other sources); (2) manage and invest the money and property it receives for the benefit of the College; and (3) support and assist the College in fundraising and donor relations.

In carrying out its purposes, the Foundation shall not engage in activities that: (1) conflict with federal or state laws, rules and regulations (including all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations); (2) cause the College to be in violation of applicable policies of the State Board; or (3) conflict with the role and mission of the College.

ARTICLE II Foundation's Organizational Documents

The Foundation shall provide copies of its current Articles of Incorporation and Bylaws to the College. The Foundation, to the extent practicable, also shall provide the College with an advance copy of any proposed amendments to the Foundation's Articles of Incorporation and Bylaws. The College shall provide all such documents to the State Board.

ARTICLE III
College Resources and Services

1. College Employees.

a. *College/Foundation Liaison:* The College's Director of College Advancement shall serve as the College's Liaison to the Foundation and as the Foundation Executive Director.

- i. The College's Director of College Advancement shall be responsible for coordinating the College's and the Foundation's fundraising efforts and for supervising and coordinating the administrative support provided by the College to the Foundation.
- ii. The College's Director of College Advancement or designee shall attend each meeting of the Foundation's Board of Directors and shall report on behalf of the College to the Foundation's Board of Directors regarding the College's coordination with the Foundation's fundraising efforts.
- iii. The College's Director of College Advancement shall be responsible for the supervision and control of the day-to-day operations of the Foundation. More specific duties of the Director of College Advancement are set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement").

d. *Other College Employees Holding Key Foundation or Administrative or Policy Positions:* In the event the College and the Foundation determine it is appropriate for one or more additional College employees who function in a key administrative or policy making capacity for the College (including, but not limited to, any College Vice-President or equivalent position) to serve both the College and the Foundation, then, pursuant to State Board Policy V.E., this Operating Agreement shall be amended to clearly set forth the authority and responsibilities of the position of any such College employee.

e. *Limited Authority of College Employees.* Notwithstanding the foregoing provisions, no College employee who functions in a key administrative or policy making capacity for the College (including, but not limited to, any College Vice-President or equivalent position) shall be permitted to have responsibility or authority for Foundation policy making, financial oversight, spending authority, and investment decisions.

2. Support Services. The College shall provide administrative, financial, accounting, investment, and development services to the Foundation, as set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement"). All College employees who provide support services to the Foundation shall remain College employees under the direction and control

of the College, unless agreed that the direction and control of any such employee will be vested with the Foundation in a written Loaned Employee Agreement. The Foundation will pay directly to the College the portion of the overhead costs associated with the services provided to the Foundation pursuant to the Service Agreement. The portion of such costs shall be determined by the agreement of the Parties.

3. College Facilities and Equipment. The College shall provide the use of the College's office space and equipment to the Foundation upon the terms agreed to by the College and the Foundation. The terms of use (including amount of rent) of the College's office space and equipment shall be as set forth in the Service Agreement.

4. No Foundation Payments to College Employees. Notwithstanding any provision of this Operating Agreement to the contrary, the Foundation shall not make any payments directly to a College employee in connection with any resources or services provided to the Foundation pursuant to this Operating Agreement.

ARTICLE IV

Management and Operation of Foundation

The management and control of the Foundation shall rest with its Board of Directors.

1. Gift Solicitation.

Authority of College's Director of College Advancement. All Foundation gift solicitations shall be subject to the direction and control of the Director for College Advancement.

a. *Form of Solicitation.* Any and all Foundation gift solicitations shall make clear to prospective donors that (1) the Foundation is a separate legal and tax entity organized for the purpose of encouraging voluntary, private gifts, trusts, and bequests for the benefit of the College; and (2) responsibility for the governance of the Foundation, including the investment of gifts and endowments, resides in the Foundation's Board of Directors.

b. *Foundation is Primary Donee.* Absent unique circumstances, prospective donors shall be requested to make gifts directly to the Foundation rather than to the College.

2. Acceptance of Gifts.

a. *Approval Required Before Acceptance of Certain Gifts.* Before accepting contributions or grants for restricted or designated purposes that may require administration or direct expenditure by the College, the Foundation shall obtain the prior written approval of the College. Similarly, the Foundation shall also obtain the prior written approval of the College of the acceptance of any gift or grant that would impose a binding financial or contractual obligation on the College.

b. *Acceptance of Gifts of Real Property.* The Foundation shall conduct adequate due diligence on all gifts of real property that it receives. All gifts of real property intended to be held and used by the College shall be approved by the State Board before acceptance by the College and the Foundation. In cases where the real property is intended to be used by the College in connection with carrying out its proper functions, the real property may be conveyed directly to the College, in which case the College and not the Foundation shall be responsible for the due diligence obligations for such property.

c. *Processing of Accepted Gifts.* All gifts received by the College or the Foundation shall be delivered (if cash) or reported (if any other type of property) to the Foundation's designated gift administration office (a unit of the Foundation) in accordance with the Service Agreement.

3. Fund Transfers. The Foundation agrees to transfer funds, both current gifts and income from endowments to the College on a regular basis as agreed to by the Parties. The Foundation's Treasurer or other individual to whom such authority has been delegated by the Foundation's Board of Directors shall be responsible for transferring funds as authorized by the Foundation's Board of Directors.

a. *Restricted Gift Transfers.* The Foundation shall inform the College officials into whose program or department funds are transferred of any restrictions on the use of such funds and provide such officials with access to any relevant documentation concerning such restrictions. Such College officials shall account for such restricted funds separate from other program and department funds in accordance with applicable College policies and shall notify the Foundation on a timely basis regarding the expenditure of such restricted funds.

b. *Unrestricted Gift Transfers.* The Foundation may utilize any unrestricted gifts it receives for any use consistent with the Foundation's purposes as generally summarized in Article I of this Operating Agreement. If the Foundation elects to use unrestricted gifts to make grants to the College, such grants shall be made at such times and in such amounts as the Foundation's Board of Directors may determine in the Board's sole discretion.

4. Foundation Expenditures and Financial Transactions.

a. *Signature Authority.* The Foundation designates the Foundation Board President and Vice President, or designee by the Foundation Board President, as the individual(s) with signature authority for the Foundation in all financial transactions. The Foundation may supplement or change this designation with written notice to the College; provided, however, in no event may the person(s) with Foundation signature authority for financial transactions be a College employee.

b. *Expenditures.* All expenditures of the Foundation shall be (1) consistent with the charitable purposes of the Foundation, and (2) not violate restrictions imposed by the donor or the Foundation as to the use or purpose of the specific funds.

5. College Report on Distributed Funds. On a regular basis, which shall not be less than annually, the College shall report to the Foundation on the use of restricted and unrestricted funds transferred to the College. This report shall specify the restrictions on any restricted funds. The Foundation shall approve expenditures prior to restricted fund transfers to the College and the Foundation will retain details of the uses of such funds.

6. Transfer of College Assets to the Foundation. No College funds, assets, or liabilities may be transferred directly or indirectly to the Foundation without the prior approval of the State Board except when:

- a. A donor inadvertently directs a contribution to the College that is intended for the Foundation in which case such funds may be transferred to the Foundation so long as the documents associated with the gift indicate the Foundation was the intended recipient of the gift. In the absence of any such indication of donor intent, such funds shall be deposited in an institutional account, and State Board approval will be required prior to the College's transfer of such funds to the Foundation.
- b. The College has gift funds that were originally transferred to the College from the Foundation and the College wishes to return a portion of those funds to the Foundation for reinvestment consistent with the original intent of the gift.
- c. Transfers of a *de minimis* amount not to exceed \$10,000 from the College to the Foundation provided such funds are for investment by the Foundation for scholarship or other general College support purposes. This exception shall not apply to payments by the College to the Foundation for obligations of the College to the Foundation, operating expenses of the Foundation or other costs of the Foundation.
- d. The transfer is of funds raised by the College for scholarship or program support and the funds are deposited with the affiliated foundation for investment and distribution in accordance with the purpose for which the funds were raised.

7. Separation of Funds. All Foundation assets (including bank and investment accounts) shall be held in separate bank accounts. The financial records of the Foundation shall be kept using a separate chart of accounts. For convenience purposes, some Foundation expenses may be paid through the College such as payroll and campus charges. These expenses will be paid through accounts clearly titled as belonging to the Foundation and shall be reimbursed by the Foundation on a regular basis.

8. Insurance. The Foundation shall maintain insurance to cover the operations and activities of its directors, officers and employees. The Foundation shall also maintain general liability coverage.

9. Investment Policies. All funds held by the Foundation, except those intended for short term expenditures, shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act, Idaho Code Sections 33-5001 to 33-5010, and the Foundation's investment policy which is attached hereto as Exhibit "C"; provided, however, the Foundation shall not invest any funds in a manner that would violate the applicable terms of any restricted gifts. The Foundation shall provide to the College any updates to such investment policy which updates shall also be attached hereto as Exhibit "C".

10. Organization Structure of the Foundation. The organizational structure of the Foundation is set forth in the Foundation's Articles of Incorporation and the Bylaws. The Foundation agrees to provide copies of such Articles and Bylaws as well as any subsequent amendments to such documents to both the College and the State Board. Any such amendments to the Articles and Bylaws shall be attached hereto as additions to Exhibit "D" and "E", respectively.

ARTICLE V

Foundation Relationships with the College

At all times and for all purposes of this Operating Agreement, the College and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party, provided, however, the College and the Foundation acknowledge that the Foundation carries out functions for the benefit of the College. As such, the Parties shall share certain information as provided below.

1. Access to Records. Subject to recognized legal privileges and any third-party obligations of confidentiality and protection of proprietary information, each Party shall have the right to access the other Party's financial, audit, donor and related books and records as needed to properly conduct its operations.

2. Record Management.

a. The Parties recognize that the records of the Foundation relating to actual or potential donors contain confidential information. Such records shall be kept by the Foundation in such a manner as to protect donor confidentiality to the fullest extent allowed by law. Notwithstanding the access to records permitted above, access to such confidential information by the College shall be limited to the College's President and any designee of the College's President.

b. The Foundation shall be responsible for maintaining all permanent records of the Foundation including but not limited to the Foundation's Articles, Bylaws and other governing documents, all necessary documents for compliance with IRS regulations, all gift instruments, and all other Foundation records as required by applicable laws.

c. Although the Foundation is a private entity and is not subject to the Idaho Public Records Law, the Foundation, while protecting personal and private information related to

private individuals, is encouraged, to the extent reasonable, to be open to public inquiries related to revenue, expenditure policies, investment performance and/or similar non-personal and non-confidential financial or policy information.

3. Name and Marks. Consistent with its mission to help to advance the plans and objectives of the College, the College grants the Foundation the limited, non-exclusive right to use the name of the College, for use in its support of the College. The Foundation shall operate under the College's logotype in support of its organizational business and activities. Any use by the Foundation of the College's logotypes or other trademarks must be with prior approval of the College through the Communications and Marketing Department.

4. Identification of Source. The Foundation shall be clearly identified as the source of any correspondence, activities and advertisements emanating from the Foundation.

5. Establishing the Foundation's Annual Budget. The Foundation shall provide the College with the Foundation's proposed annual operating budget and capital expenditure plan (if any) prior to the date the Foundation's Board of Directors meeting at which the Foundation's Board will vote to accept such operating budget. Any of the College's funding requests to the Foundation shall be communicated in writing to the Foundation's President and Executive Director by March 1 of each year, or in conjunction with the spring Finance and Investment Committee meeting.

6. Attendance of College's President at Foundation's Board of Director Meetings. The College's President shall be invited to attend all meetings of the Foundation's Board of Directors and may act in an advisory capacity in such meetings.

7. Supplemental Compensation of College Employees. Any supplemental compensation of College employees by the Foundation must be preapproved by the State Board. Any such supplemental payment or benefits must be paid by the Foundation to the College, and the College shall then pay compensation to the employee in accordance with the College's normal practice. No College employee shall receive any payments or other benefits directly from the Foundation. The Foundation Board of Directors may provide funds to the College annually for Faculty and Staff Achievement Awards, in an amount not to exceed \$35,000. Such awards will be made primarily with funds donated to the Foundation for that purpose and any additional Foundation funds used will be approved by the Board of Directors in the Foundation's annual budget. The College identifies the faculty and staff who will be recipients of these awards and disburses the funds to the recipients.

ARTICLE VI Audits and Reporting Requirements

1. Fiscal Year. The Foundation and the College shall have the same fiscal year.
2. Annual Audit. On an annual basis, the Foundation shall have an audit conducted by a qualified, independent certified public accountant who is not a director or officer of the

Foundation. The annual audit will be provided on a timely basis to the College's President and the State Board, in accordance with the State Board's schedule for receipt of said annual audit. The Foundation's annual statements will be presented in accordance with standards promulgated by the Financial Accounting Standards Board (FASB). The Foundation is a component unit of the College as defined by the Government Accounting Standards Board (GASB). Accordingly, the College is required to include the Foundation in its financial statements which follow a GASB format. Therefore, the Foundation will include in its audited financial statement, schedules reconciling the FASB Statements to GASB standards in the detail required by GASB Standards. The annual audited financial statements, including the auditor's independent opinion regarding such financial statements, and schedules shall be submitted to the College Controller's Office in sufficient time to incorporate the same into the College's statements. All such reports and any accompanying documentation shall protect donor privacy to the extent allowable by law.

3. Separate Audit Rights. The College agrees that the Foundation, at its own expense, may at any time during normal business hours conduct or request additional audits or reviews of the College's books and records pertinent to the expenditure of donated funds. The Foundation agrees that the College and the State Board, at its own expense, may, at reasonable times, inspect and audit the Foundation's books and accounting records.

4. Annual Reports to College President. On a regular basis, which shall not be less than annually, the Foundation shall provide a written report to the College President setting forth the following items:

- a. the annual financial audit report;
- b. an annual report of Foundation transfers made to the College, summarized by College department;
- c. an annual report of unrestricted funds received by the Foundation;
- d. an annual report of unrestricted funds available for use during the current fiscal year;
- e. a list of all of the Foundation's officers, directors, and employees;
- f. a list of College employees for whom the Foundation made payments to the College for supplemental compensation or any other approved purpose during the fiscal year, and the amount and nature of that payment;
- g. a list of all state and federal contracts and grants managed by the Foundation;
- h. an annual report of the Foundation's major activities;

- i. an annual report of each real estate purchase or material capital lease, investment, or financing arrangement entered into during the preceding Foundation fiscal year for the benefit of the College; and
- j. an annual report of (1) any actual litigation involving the Foundation during its fiscal year; (2) identification of legal counsel used by the Foundation for any purpose during such year; and (3) identification of any potential or threatened litigation involving the Foundation.

ARTICLE VII Conflict of Interest and Code of Ethics and Conduct

1. Conflicts of Interest Policy and Code of Ethics and Conduct. The Foundation's Conflict of Interest Policy is attached as Exhibit "F", and its Code of Ethical Conduct is set forth as Exhibit "G".

2. Dual Representation. Under no circumstances may a College employee represent both the College and the Foundation in any negotiation, sign for both entities in transactions, or direct any other College employee under their immediate supervision to sign for the related Party in a transaction between the College and the Foundation. This shall not prohibit College employees from drafting transactional documents that are subsequently provided to the Foundation for its independent review, approval and use.

3. Contractual Obligation of College. The Foundation shall not enter into any contract that would impose a financial or contractual obligation on the College without first obtaining the prior written approval of the College. College approval of any such contract shall comply with policies of the State Board with respect to State Board approval of College contracts.

4. Acquisition or Development of Real Estate. The Foundation shall not acquire or develop real estate or otherwise build facilities for the College's use without first obtaining approval of the State Board. In the event of a proposed purchase of real estate by the Foundation for the College, the College shall notify the State Board at the earliest possible date. Any such proposed purchase for the College's use shall be a coordinated effort of the College and the Foundation. Any notification to the State Board required pursuant to this paragraph may be made through the State Board's chief executive officer in executive session pursuant to the open meeting law, set forth in Idaho Code, Title 74, Chapter 2.

ARTICLE VIII General Terms

1. Effective Date. This Operating Agreement shall be effective on the date set forth above.

2. Right to Terminate. This Operating Agreement shall terminate upon the mutual written agreement of both Parties. In addition, either Party may, upon 90 days prior written notice to the other, terminate this Operating Agreement, and either Party may terminate this Operating Agreement in the event the other Party defaults in the performance of its obligations and fails to cure the default within 30 days after receiving written notice from the non-defaulting Party specifying the nature of the default. Should the College choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the Foundation that is not cured within the time frame set forth above, the Foundation may require the College to pay, within 180 days of written notice, all debt incurred by the Foundation on the College's behalf including, but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives. Should the Foundation choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the College that is not cured within the time frame set forth above, the College may require the Foundation to pay any debt it holds on behalf of the Foundation in like manner. The Parties agree that in the event this Operating Agreement shall terminate, they shall cooperate with one another in good faith to negotiate a new agreement within six (6) months. In the event negotiations fail, the Parties will initiate the dispute resolution mechanism described below (through reference to the Foundation President and the State Board) to further attempt to negotiate a new agreement within the time period specified herein, they will refer the matter to the State Board for resolution. Termination of this Operating Agreement shall not constitute or cause dissolution of the Foundation.

3. Dispute Resolution. The Parties agree that in the event of any dispute arising from this Operating Agreement, they shall first attempt to resolve the dispute by working together with the appropriate staff members of each of the Parties. If the staff cannot resolve the dispute, then the dispute will be referred to the President of the Board of the Foundation and the College President. If the Foundation Board President and College President cannot resolve the dispute, then the dispute will be referred to the Foundation President and the State Board for resolution. If they are unable to resolve the dispute, the Parties shall submit the dispute to mediation by an impartial third Party or professional mediator mutually acceptable to the Parties. If and only if all the above mandatory steps are followed in sequence and the dispute remains unresolved, then, in such case, either Party shall have the right to initiate litigation arising from this Operating Agreement. In the event of litigation, the prevailing Party shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs, attorney fees, and other professional expenses.

4. Dissolution of Foundation. Consistent with provisions appearing in the Foundation's Bylaws and Articles of Incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code §501(c)(3) organization, the Foundation shall transfer to the State Board (or College, as applicable) the balance of all property and assets of the Foundation from any source, after the payment of all debts and obligations of the Foundation, and such property shall be vested in the State Board in trust for the continued support and benefit of the College.

5. Board Approval of Operating Agreement. Prior to the Parties' execution of this Operating Agreement, an unexecuted copy of this Operating Agreement must be approved by the

State Board. Furthermore, this Operating Agreement, including any subsequent modifications and restatements of this Operating Agreement, shall be submitted to the State Board for review and approval no less frequently than once every three (3) years or more frequently if otherwise requested by the State Board.

6. Modification. Any modification to the Operating Agreement or Exhibits hereto shall be in writing and signed by both Parties.

7. Providing Document to and Obtaining Approval from the College. Unless otherwise indicated herein, any time documents are to be provided to the College or any time the College's approval of any action is required, such documents shall be provided to, or such approval shall be obtained from, the College's President or an individual to whom such authority has been properly delegated by the College's President.

8. Providing Documents to and Obtaining Approval from the Foundation. Unless otherwise indicated herein, any time documents are to be provided to the Foundation or any time the Foundation's approval of any action is required, such document shall be provided to, or such approval shall be obtained from, the Foundation's Board of Directors or an individual to whom such authority has been properly delegated by the Foundation's Board of Directors.

9. Notices. Any notices required under this Operating Agreement may be mailed or delivered as follows:

To the College:

President
Lewis-Clark State College
500 8th Avenue
Lewiston, ID 83501

To the Foundation:

Executive Director
Lewis-Clark State College Foundation, Inc.
500 8th Avenue
Lewiston, ID 83501

10. No Joint Venture. At all times and for all purposes of this Memorandum of Understanding, the College and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party.

11. Liability. The College and Foundation are independent entities and neither shall be liable for any of the other's contracts, torts, or other acts or omissions, or those of the other's trustees, directors, officers, members or employees.

12. Indemnification. To the extent allowed by law, the College and the Foundation each agree to indemnify, defend and hold the other Party, their officers, directors, agents and employees harmless from and against any and all losses, liabilities, and claims, including reasonable attorney's fees arising out of or resulting from the willful act, fault, omission, or negligence of the Party, its employees, contractors, or agents in performing its obligations under this Operating Agreement. This indemnification shall include, but not be limited to, any and all claims arising from an employee of one Party who is working for the benefit of the other Party. Nothing in this Operating Agreement shall be construed to extend to the College's liability beyond the limits of the Idaho Tort Claims Act, Idaho Code §6-901 et seq.

13. Assignment. This Operating Agreement is not assignable by either Party, in whole or in part.

14. Governing Law. This Operating Agreement shall be governed by the laws of the State of Idaho.

15. Severability. If any provision of this Operating Agreement is held invalid or unenforceable to any extent, the remainder of this Operating Agreement is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

16. Entire Agreement. This Operating Agreement constitutes the entire agreement among the Parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto.

17. List of Attachments
- a. Exhibit A – Loaned Employee Agreement
 - b. Exhibit B - Service Agreement
 - c. Exhibit C – Investment Policy
 - d. Exhibit D - Articles of Incorporation
 - e. Exhibit E – Bylaws
 - f. Exhibit F – Conflict of Interest Policy
 - g. Exhibit G – Code of Ethical Conduct
 - h. Exhibit H – Gift Acceptance Policy
 - i. Exhibit I - Policy for Accounting for Gift Revenue
 - j. Exhibit J – Foundation Insurance
 - k. Exhibit K - Committee Descriptions
 - l. Exhibit L – Endowment Fund Fee Policy

IN WITNESS WHEREOF, the College and the Foundation have executed this Operating Agreement on the above specified date.

Lewis-Clark State College

By: _____
Its: President

Lewis-Clark State College Foundation, Inc.

By: _____
Its: President

EXHIBIT "A "

Loaned Employee Agreement

Not applicable at this time

EXHIBIT "B"

Service Agreement

1. Staff
 - a. The Director of College Advancement, an employee of the College, shall serve as Executive Director of the Foundation and shall supervise the College Advancement staff who are likewise employees of the College and who will provide administrative services to the Foundation. The College is responsible for the employment and compensation of College Advancement Staff providing services to the Foundation, including the Director of College Advancement in his or her capacity as Executive Director of the Foundation. Subject to approval by the President of the College, the Foundation may appoint an employee of the College to serve as Treasurer. The Treasurer shall provide and/or supervise the provision of financial and accounting services for the Foundation. While providing services to the Foundation, College employees are subject to the oversight and direction of the Board of Directors of the Foundation. Executive officers of the College (President and Vice Presidents) shall not serve as Foundation Board officers or staff members.
2. Additional services the College provides to the Foundation
 - a. Access to the College's financial system to receive, disburse and account for funds of the Foundation. Except for funds transferred into Foundation's brokerage accounts, all funds received by the Foundation shall be deposited with the College and credited to one or more agency accounts established in the name of the Foundation within the College's financial system. In using the College's financial services, the Foundation shall comply with the College's financial and administrative policies and procedures.
 - b. Accounting services, to include cash receipts and disbursements, accounts receivable and payable, bank reconciliation, reporting and analysis, and internal auditing.
 - c. Investment, insurance, and similar services.
 - d. Development services, including research, information systems, donor records, communications and special events.
3. Facilities, Furnishings and Office Equipment
 - a. The business office of the Foundation shall be located in the College Advancement Office at 500 8th Avenue, Lewiston, Idaho. The College will provide office space to the Foundation including providing all maintenance and utilities, and local and long-distance telephone service for use in the business of the Foundation. The furnishings, computers, copiers and other items of office equipment used in the Foundation's office are owned by the College but shall be made available for use in the business of the Foundation. The cost of repairing, maintaining and replacing such furnishings and equipment shall be paid by the College.

4. Reimbursement

- a. Except as otherwise provided in the Agreement and Exhibit “L” (“Endowment Fund Fee Policy”), the Foundation shall have no obligation to reimburse the College for costs incurred by the College for personnel, use of facilities or equipment or for other services provided to the Foundation by the College. The Foundation established a fee as referenced in Exhibit L to assist with offsetting general operating costs such as accounting, fundraising, and other administration costs in support of the mission and vision of LC State. Neither the Foundation nor the College require the fee revenue to be transferred to the College though, as mutually agreed upon, all or part of the fee revenue may be transferred to offset the cost of services provided under this agreement. No payments shall be made directly from the Foundation to College employees in connection with resources or services provided to the Foundation under this Agreement.

EXHIBIT "C"

Investment Policy

PURPOSE

The purpose of this Investment Policy Statement (IPS) is to establish a clear understanding between the Lewis-Clark State College Foundation ("Foundation") and the Foundation's professional "Advisor" as to the investment objectives and policies applicable to the Foundation's investment portfolio. This Investment Policy Statement will:

- Establish reasonable expectations, objectives and guidelines in the investment of the portfolio's assets
- Set forth an investment structure detailing permitted asset classes and expected allocation among asset classes
- Encourage effective communication between the Advisor and the Foundation.
- Create the framework for a well-diversified asset mix that can be expected to generate acceptable long term returns at a level of risk suitable to the Foundation.

This IPS is not a contract. This IPS is intended to be a summary of an investment philosophy that provides guidance for the Advisor.

ADVISOR CONTRACT

The Advisor Contract will typically be awarded for an initial three (3) year period, beginning July 1, with an option for one additional three (3) year renewal. The decision to enter a new contract or engage in an RFP process or other process shall be at the sole discretion of the Foundation Board. The Board may, at its discretion, choose to forego an RFP process or other process in favor of entering into a new contract with the existing advisor. All fees shall be firm for the term of the contract and will be included in any contract agreement. A performance review will be conducted annually at the Fall meeting, by the Foundation Finance & Investment Committee, or by any of its designated subcommittees.

If, for any reason, the Foundation should wish to discontinue the professional's services, the Foundation, with sixty (60) days' written notice, may terminate the contract.

INVESTMENT OBJECTIVES

The primary investment objective for the Foundation's assets is to seek long term growth. However, the Foundation does intend to withdraw 4% annually to provide for required distribution. The cash flow intentions of the Foundation are detailed in the Foundation's Spending Policy.

TIME HORIZON

For the purposes of planning, the time horizon for investments is perpetuity. The Foundation recognizes that capital values fluctuate over shorter periods and the possibility of capital loss does exist. However, historical asset class return data suggest that the risk of principal loss over a holding period of at least ten years can be minimized with the long-term investment mix employed under this IPS.

RISK TOLERANCE

The Foundation is a moderate risk taker with regard to these investment assets. The portfolio will be managed in a manner that seeks to minimize principal fluctuations over the established horizon and is consistent with the stated objectives. Financial research has demonstrated that risk is best minimized through diversification of assets.

ASSET ALLOCATION

Academic research suggests that the decision to allocate total assets among various asset classes will far outweigh security selection and other decisions that impact portfolio performance. After reviewing the long-term performance and risk characteristics of various asset classes and balancing the risks and rewards of market behavior, the following asset classes were selected to achieve the objectives of the Foundation's Portfolio.

Table 1-1

Asset Category	Target Allocation	Acceptable Range
CASH	2%	1% - 10%
FIXED INCOME	28%	20% - 40%
STOCKS	70%	60%-80%
TOTAL	100%	

*International stocks not to exceed 10% of the total portfolio.

Updated Allocations

From time to time, it may be desirable to amend the basic allocation policy or calculations. When such changes are made, updates will be attached to this Investment Policy Statement as Appendix A and will be considered part of this Investment Policy Statement. The Advisor will provide to the Foundation the recommended or desired targeted allocation percentages. The recommendation will fall within the acceptable range as indicated in table 1-1.

Portfolio Rebalancing

From time to time, market conditions may cause the portfolio's investment in various asset classes to vary from the targeted allocation. To remain consistent with the asset allocation guidelines established by this IPS, each asset class in which the portfolio invests shall be reviewed annually by the Advisor and rebalanced back to the recommended weighting if the actual weighting varies by 3% or more from the recommended weighting (e.g., if the targeted allocation for a particular asset class is 10% and the actual is less than 7% or more than 13%, that asset class will be adjusted back to the targeted 10% allocation by either adding assets or distributing assets to or from the other asset classes.)

DIVERSIFICATION

Investment of the Foundation's funds shall be limited to the following categories:

Permitted Investment Categories

1. Cash and cash equivalents, including money market funds, or certificates of deposit
2. ETF or Index Funds
3. Stock or Bond Mutual Funds

Excluded Categories for Investment

1. Derivatives
2. Natural resources
3. Precious metals
4. Venture capital

Investment Concentration

At all times there must be a minimum of three investment categories represented among the Foundation's assets. There shall be no maximum limit to the number of categories. No individual security held shall represent more than 15% of the total portfolio.

INVESTMENT MONITORING AND CONTROL PROCEDURES

Reports

1. Advisor shall provide the Foundation with a monthly report that lists all assets held by the Foundation, values for each asset and all transactions affecting assets within the portfolio, including additions and withdraws.
2. Advisor shall provide the Foundation on a quarterly basis and within 30 days of the end of each calendar quarter, the following reports:
 - a) Portfolio performance results over the last quarter, year, 3 years and 5 years
 - b) Performance results of comparative benchmarks for the same periods; performance shall be reported on a time-weighted basis.

3. Advisor shall assist in the development of investment policies, objectives and guidelines.
4. Advisor shall prepare asset allocation analyses as necessary and recommend asset allocation strategies with respect to the Foundation's objectives.
5. Advisor shall provide research on specific issues and opportunities and assist the Foundation Finance & Investment Committee in special tasks.
6. Advisor shall make tactical implementation decisions, including rebalancing, within the asset allocations ranges set by the Foundation and among investment managers with communication of such decisions and the rationale at the next Foundation meeting. Such decisions will be tracked by the Advisor who will report the results of each of those decisions in its Investment Review provided to the Foundation for its quarterly meetings.
7. Advisor shall notify the Foundation Finance & Investment Committee of any significant changes in portfolio managers, personnel or ownership of any investment management firm hired by the Foundation.
8. Advisor shall, overall, be proactive with the Administration of the Foundation in the management of the Foundation's investments.

Meeting

Advisor shall meet with the Foundation's Finance and Investment Committee at least annually (or semi-annually if the Foundation chooses) in order to give a detailed report as to activity in the investment account, manager selection, tactical changes in the asset allocation weightings or other information the Foundation shall require.

Advisor shall also meet annually with the Foundation Board in January of each year to give a detailed report on the Foundation's investments.

ADOPTION

Adopted and Revised by the Foundation on this 21st day of December, 2021. Effective July 1, 2022.

EXHIBIT "D"

Articles of Incorporation

FILED/EFFECTIVE

01 MAR -9 AM 8:57
SECRETARY OF STATE
STATE OF IDAHO
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
(now, LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.)
LEWIS-CLARK STATE COLLEGE
ARTICLES OF AMENDMENT

CLERK SECRETARY OF STATE
MAR 14 2001 09:00
Cf: 28457 BH: 3846
38.00 = 38.00 NON PROF

C 75476

WHEREAS, the members of Lewis-Clark State College Educational Assistance and Development Foundation, Inc., at a duly called meeting, after proper notice, adopted the following resolution amending and restating the Articles of Incorporation to change the name of the corporation and to conform those Articles to the provisions of the Idaho Non-Profit Corporations Act by the affirmative vote of all members present at such meeting, constituting a majority of the voting power of the members of the corporation entitled to vote, to wit:

BE IT RESOLVED that the Articles of Incorporation of Lewis-Clark State College Educational Assistance and Development Foundation, Inc., be, and the same are hereby, amended and restated in their entirety as follows:

AMENDED AND RESTATED ARTICLES

ARTICLE I
Preliminary Matters

- 1.01 **Name.** The name of this corporation is LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
- 1.02 **Nonprofit Status.** This corporation is a nonprofit corporation.
- 1.03 **Duration.** The duration of this corporation shall be perpetual.

ARTICLE II
Purposes

- 2.01 **Charitable Scope of Purposes.** This corporation is organized and shall be operated exclusively for charitable, scientific, literary, and educational purposes, within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws (hereinafter called Internal Revenue Code"), and Treasury Regulations issued thereunder. This corporation shall serve the public interest, and no part of its assets or the income therefrom shall inure to the benefit of any private individual, except for payment of

reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on (a) by a corporation exempt from federal tax under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

- 2.02 Higher Education.** In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College.** The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in § 501(c)(3) of the Internal Revenue Code, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds.** Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs.** Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.

- c. **Facilities.** Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
- d. **Financial Assistance.** To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
- e. **Cooperation.** Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 **Statutory Powers.** This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in § 30-3-23 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict those corporation's rights and powers.
- 3.02 **Activities.** In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 **Limitations.** No part of the net earnings or assets of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be for the purpose of carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, (including the publishing and distribution of statements) any political campaign on behalf of any candidate for

public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE IV
No Members

The corporation shall not have any members.

ARTICLE V
Board of Directors

The affairs of the corporation shall be managed by a Board of Directors. The number of directors serving on the Board of Directors shall be fixed in accordance with the corporation's Bylaws. Other than the directors constituting the initial board of directors, who are designated in these articles, the Directors shall be elected, appointed or designated in the manner and for the term or terms provided in the Bylaws of the corporation.

The names and street addresses of the persons constituting the initial board of directors are:

Name	Address
Niel Zimmerman President - LCSC	500 Eighth Street Lewiston, ID 83501
Rita Morris Provost and Academic Vice-President - LCSC	500 Eighth Avenue Lewiston, ID 83501
Dean Froehlich Vice-President of Administrative Services - LCSC	500 Eighth Avenue Lewiston, ID 83501
Richard Meier Vice-President of Student Affairs - LCSC	500 Eighth Avenue Lewiston, ID 83501
Barbara Bowen President LCSC Alumni Association	601 Burrell Drive Lewiston, ID 83501

Gene Straughan
Faculty Senate Chair Elect- LCSC

P. O. Box 189
Colton, WA 99113

Eugene Baldeck
Appointed Director

2214 Vineyard
Lewiston, ID 83501

Scott Arnone
Appointed Director

1445 G Street, Suite 101
Lewiston, ID 83501

Charles Brown
Appointed Director

322 Main Street
Lewiston, ID 83501

Bob DeVleming
Appointed Director

P.O. Box 57
Lewiston, ID 83501

Donna Doyle
Appointed Director

566 Crestline Circle Drive
Lewiston, ID 83501

Joe Hall
Appointed Director

1617 21st Street
Lewiston, ID 83501

Harriet Husemann
Appointed Director

523 Cedar
Lewiston, ID 83501

Jackie McIver
Appointed Director

835 Main Street
Lewiston, ID 83501

Sam Penney
Appointed Director

P.O. Box 305
Lapwai, ID 83540

Joe Stegner
Appointed Director

216 Prospect
Lewiston, ID 83501

A. L. Alford, Jr.
Elected Director

505 C Street
Lewiston, ID 83501

Howard Hayes
Elected Director

P.O. Box 816
Lewiston, ID 83501

Darrel Inman Elected Director	P.O. Box 856 Lewiston, ID 83501
Terry Kolb Elected Director	P.O. Box 937 Lewiston, ID 83501
William Mannschreck Elected Director	2956 Mayfair Ridge Lewiston, ID 83501
Eadie Saxton Elected Director	1035 29 th Street Lewiston, ID 83501
Marilyn Stonebraker Elected Director	1224 Third Street Lewiston, ID 83501
Charles F. Woods Elected Director	308 Main Street Lewiston, ID 83501
John Young Elected Director	P.O. Box 917 Lewiston, ID 83501

ARTICLE VI
Registered Agent

- 6.01 Registered Office.** The street address of the initial registered office of this corporation is the office of the Vice-President for Administrative Services, Lewis-Clark State College, Eighth Avenue and Sixth Street, Lewiston, ID 83501.
- 6.02 Registered Agent.** The name and initial registered agent of the corporation at such street address is Dean A. Froehlich.

ARTICLE VII.
Distribution on Dissolution

Upon dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment of all debts and liabilities of this corporation shall be to the Idaho State Board of Education, as the Board of Trustees of Lewis-Clark State College; provided, however, that if at such time Lewis-Clark State College or its successor in interest is not an agency of the State of Idaho or an exempt organization described in § 501(c)(3) of the Internal Revenue Code or has substantially failed or abandoned its operations or been

dissolved, then the remaining assets of the corporation shall be distributed to such other agencies of the State of Idaho or non-profit fund foundation or corporation involved in higher education which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, as the Board of Directors may direct. Any such assets not distributed shall be distributed by the district court of the county in which the principal office of the corporation is then located, excluding for any purposes or to such organizations as the court shall determine to be consistent with the purposes of the corporation.

ARTICLE VIII.
Bylaws

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws. The Board of Directors of the corporation shall be authorized to amend the corporation's Bylaws at a properly noticed special or regular meeting of the Board of Directors.

ARTICLE VIX.
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

IN WITNESS WHEREOF, the duly undersigned officers have signed and attested these Articles of Amendment.

DATED this 20th day of February 2001.

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND
DEVELOPMENT FOUNDATION

BY Edith K. Sayton
President

Attest:

John Young
Secretary


State of Idaho
Department of State.
CERTIFICATE OF INCORPORATION
OF

LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

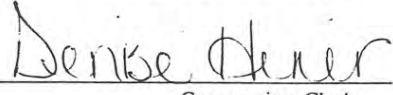
Dated April 4, , 19 84 .



**THE GREAT SEAL OF
THE STATE OF IDAHO**



SECRETARY OF STATE



Corporation Clerk

CINP 779

APR 4 8 29 AM '84

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

APRIL 1984

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

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LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
ARTICLES OF INCORPORATION

ROBERT P. BROWN, Esquire, being over the age of twenty-one (21) years, for the purpose of forming a corporation under the provisions of the Idaho Nonprofit Corporation Act, Title 30, Chapter 3 of the Idaho Code, hereby adopts these articles of incorporation:

ARTICLE I
Preliminary Matters

- 1.01 Name. The name of this corporation is LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
- 1.02 Nonprofit status. This corporation is a nonprofit corporation.
- 1.03 Duration. The duration of this corporation shall be perpetual.

ARTICLE II
Purposes

- 2.01 Charitable scope of purposes. This corporation is organized and shall be operated exclusively for charitable, scientific, literary, or educational purposes, within the meaning of §501(c)(3) of the Internal Revenue Code of 1954, as amended, or corresponding provisions of any subsequent Federal tax laws (hereinafter called Internal Revenue Code"), and Treasury Regulations issued thereunder. This corporation shall serve the public interest, and no part of its assets or the income therefrom shall inure to the benefit of any private individual, except for payment of reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

- 2.02 Higher education. In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College. The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds. Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs. Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.
 - c. Facilities. Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
 - d. Financial assistance. To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
 - e. Cooperation. Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 Statutory powers. This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in §30-307 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict this corporation's rights and powers.
- 3.02 Activities. In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 Limitations. No power or authority shall be exercised by this corporation in any manner or for any purpose which is not permitted for an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

ARTICLE IV
Members

- 4.01 Management authority. The management of the affairs of this corporation shall be vested in its members pursuant to Section 30-314(c) of the Idaho Code.
- 4.02 Apportionment of voting rights among classes. All voting rights shall be exercised by a single class of membership designated "trustee members", with each trustee member entitled to one (1) vote on each matter submitted to a vote at a meeting of such members. The bylaws of the corporation may provide for the designation of any one or more classes of nonvoting members. Except as set forth in these Articles of Incorporation, the designation, number, qualifications, terms of office, manner of selection, time and place of meetings, rights, powers, and duties of the members of each class shall be prescribed in the bylaws of the corporation.
- 4.03 Compensation. No member of the corporation shall receive any compensation for his or her services as a member of the corporation, but the corporation may pay reasonable compensation to any person, including a member of the corporation, for other services actually rendered to the corporation.

- 4.04 Notice of organization meeting. Actual personal notice of the organization meeting of the members of the corporation shall be sufficient notice pursuant to Section 30-324(b) of the Idaho Code.

ARTICLE V
Directors

There shall be no directors of the corporation, the management of the affairs of the corporation being vested in the trustee members pursuant to Section 30-314 of the Idaho Code.

ARTICLE VI
Principal Organizer

- 6.01 Name. The name of the principal organizer of this corporation is LEE A. VICKERS, who is over the age of twenty-one (21) years.
- 6.02 Address. The street address of the principal organizer is Office of the President, 8th Avenue and 6th Street, Lewiston, Idaho 83501.

ARTICLE VII
Registered Office and Registered Agent

- 7.01 Registered office. The street address of the initial registered office of this corporation is Office of the President, Lewis-Clark State College, 8th Avenue and 6th Street, Lewiston, Idaho 83501.
- 7.02 Registered agent. The name of the initial registered agent at such street address is LEE A. VICKERS.

ARTICLE VIII
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

ARTICLE IX
Dissolution

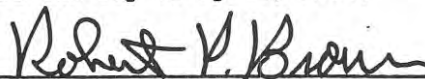
In the event of termination, dissolution or liquidation of this corporation, the net assets remaining after payment of all debts and obligations of the corporation shall be transferred and conveyed exclusively to Lewis-Clark State College or its successors-in-interest; provided, however, that if at such time Lewis-Clark State College or its successor-in-interest is not an agency of the State of Idaho or an exempt organization described in §501(c)(3) of the Internal Revenue Code, or has substantially failed or abandoned its operations or been dissolved, then the

remaining assets of this corporation shall be distributed to such other agencies of the State of Idaho and exempt organizations described in §501(c)(3) of the Internal Revenue Code involved in higher education as the board of directors may direct.

ARTICLE X
Incorporator

- 10.01 Name. The name of the incorporator of this corporation is ROBERT P. BROWN, Esquire, who is over the age of twenty-one (21) years.
- 10.02 Address. The street address of the incorporator is 13th and Idaho Streets, Lewiston, Idaho 83501.

IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation in duplicate this 2nd day of April, 1984.


ROBERT P. BROWN, Incorporator (SEAL)

STATE OF I D A H O)
: ss.
County of NEZ PERCE)

On this 2nd day of April, 1984, before me the undersigned, a notary public in and for the State of Idaho, personally appeared ROBERT P. BROWN, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

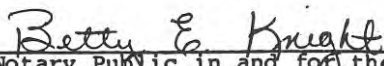
(S E A L)

Notary Public in and for the State of Idaho, Residing at Lewiston, therein.

EXHIBIT "E"

Bylaws

**AMENDED AND RESTATED BYLAWS
OF
LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.**

**ARTICLE I.
In General**

1.01 Nature of Bylaws. The following paragraphs contain provisions for the regulation and management of LEWIS-CLARK STATE COLLEGE FOUNDATION, INC., a nonprofit corporation organized and operating under the laws of the State of Idaho.

1.02 Conflicts. In the event that there is a conflict between a provision of these Bylaws and a mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation of the corporation, then the mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation shall control.

**ARTICLE II.
Principal Office**

2.01 Principal Office. The principal office of the corporation in the State of Idaho shall be located at Lewis-Clark State College, 500 8th Avenue Lewiston, ID 83501. The corporation may have such other offices, either within or without the State of Idaho, as the Directors may designate from time to time.

**ARTICLE III.
Non-Director Members**

3.01 Foundation Members. In addition to the Directors as defined in Article IV below, the corporation may recognize a class of benefactors and supporters designated as "Foundation Members", which class may be further subdivided into any number of subclasses as may be determined by the Directors.

3.02 No Management Authority or Voting Rights. Foundation Members, as described in 3.01 above, shall have no authority to manage the affairs of the corporation, and shall not be entitled to vote on any matter relating to the corporation. Foundation Members shall have the right to attend and participate in meetings of the Directors.

3.03 Rights and Privileges. Except as may be otherwise provided in these Bylaws or the Articles of Incorporation, Foundation Members shall have such recognition, rights, privileges as may be determined by the Board of Directors. Foundation Members are invited to attend meetings of the Board of Directors.

3.04 Selection. Individuals or organizations who are interested in the objectives and purposes of the corporation may be admitted as Foundation Members by majority vote of the Directors upon meeting such qualifications as may be determined by the Directors.

3.05 Designated Members. The following individuals shall serve as Designated Members by virtue of their offices, to serve for the term of their respective offices. Designated Members do not have voting rights.

- a. The President of Lewis-Clark State College.
- b. The Provost and Vice President for Academic Affairs of Lewis-Clark State College.
- c. The Vice President for Finance and Administration of Lewis-Clark State College.

- d. The Foundation Treasurer as appointed by Lewis-Clark State College with the consent of the Foundation.
- e. The Faculty Senate Chair Elect of the Lewis-Clark State College Faculty Association.
- f. The Lewis-Clark State College Alumni Association Board Representative.
- g. The Vice President of Student Affairs of Lewis-Clark State College.

3.06 Membership Roster and Certificates. The corporation shall maintain a roster of Foundation Members, and may issue certificates, cards, or other evidence of association.

3.07 Personal Status of Association. Association as a Foundation Member shall be personal to the associate admitted, and shall not survive the death of any individual associate nor be transferred by any means whatsoever.

3.08 Resignation. A Foundation Member may resign at any time by written notice to the corporation.

3.09 Removal. Association as a Foundation Member may be reviewed for any action which is detrimental to the best interests of the corporation, or for failure to actively support corporate purposes, or to actively participate in corporate activities. Removal shall require the affirmative vote of a majority of the Directors.

ARTICLE IV. **Directors**

4.01 General Powers. All corporate powers shall be exercised by or under the authority of the Board of Directors. The business and affairs of the corporation shall also be managed under the direction of the Board of Directors, except as otherwise provided in the Idaho Non-Profit Corporation Act or the Articles of Incorporation.

4.02 Presumption of Assent. A Director of the corporation who is present at a meeting of its Board of Directors at which any action on any corporate matter is taken shall be presumed to have assented to the action unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file such Director's written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified or registered mail to the secretary of the corporation within three days after the adjournment of the meeting. Such right of dissent shall not apply to a Director who voted in favor of such action.

4.03 Qualification. Directors need not be officers of the corporation nor residents of the State of Idaho.

4.04 Elected Directors. The corporation shall have such Directors as may be elected by majority vote of the Directors, as then constituted, at the annual meeting of Directors. The number of such elected Directors serving at any time shall, in no event, exceed thirty (30). Each Director, including the Director whose terms are expiring, shall have the right to vote for as many persons as there are Directors to be elected, but no Director shall be entitled to cumulate his or her votes.

4.05 Terms of Elected Directors. The terms of the Elected Directors pursuant to Article 4.04 shall serve for a period of three (3) years until the annual meeting in the year in which their respective terms expire and until their successors are duly appointed or elected and qualified.

4.06 Resignation. Any Director may resign at any time giving written notice to the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance by the corporation.

4.07 Removal. An elected or appointed Director may be removed from office prior to expiration of the term of office by the vote of at least two-thirds (2/3) of the Directors other than the Director voted upon, at any regular or special meeting of Directors. Unexcused absences from two (2) consecutive meetings of the Directors shall be cause for consideration of removal of a Director. The Designated Director is not subject to removal.

4.08 Vacancies. A vacancy among the Directors shall be deemed to exist upon death, resignation or removal of a Director. The vacancy of a Director shall be filled by his or her successor in office at the time the office is assumed. The vacancy of a Designated Director shall be filled by appointment of the Executive Committee. A Director appointed or elected to fill a vacancy shall serve the unexpired term of his predecessor in office.

4.09 Place of Meetings. All meetings of the Directors shall be held at the principal office of the corporation or at such other place, either within or without the State of Idaho, as the Directors may, from time to time, direct.

4.10 Organization of Meeting. The president of the corporation shall act as chairman of meetings of Directors. In the absence of the president, the next Officer shall act as chairman: vice president, then secretary, respectively.

4.11 Annual Meetings. The annual meetings of the Directors shall be held in the spring each year. In the event that such annual meeting is omitted by oversight or otherwise, it may be held at a subsequent special meeting called in accordance with the provisions of these Bylaws and the laws of the State of Idaho, and any business transacted or elections held at such meetings shall be valid as if transacted or held at the annual meeting.

4.12 Special Meetings. A special meeting of the Directors may be called at any time by the president, and shall be called by the president upon the written request of a majority of the Directors.

4.13 Notice of Meetings. Written notice of each meeting of Directors stating the place, day or hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) days before the date of the meeting. Exceptions may occur with extenuating circumstances. If mailed, such notice shall be deemed to be delivered three (3) days after they are deposited in the United States Mail addressed to the Director at his or her address as it appears on the records of the corporation, with postage paid thereon.

Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The Directors may waive notice of any meeting, and written waiver of notice executed either before or after the meeting shall be sufficient.

Any adjournment or adjournments of an annual or special meeting to another time and place may be held without new notice being given.

4.14 Quorum. A simple majority (defined as 51% or more) of the voting Directors shall constitute a quorum for the transaction of business. The act of a majority (defined as 51% or more) of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

Foundation Members and Designated Members shall not be considered to constitute a quorum and do not have voting rights.

If, at any meeting of the Directors, there shall be less than a quorum present, those present may adjourn the meeting without notice other than by announcement at the meeting. If, subsequently additional directors arrive and a quorum is present, such meeting can be re-convened and any business may be transacted which might have been transacted at the meeting as originally notified.

4.15 Action Without a Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Directors or of a committee, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by a simple majority of the Directors, or by a simple majority of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

4.16 Powers and Duties. The Directors shall establish policies and have the general management, control and direction of all the business and affairs of the corporation and of all its undertakings to the fullest extent permitted by law. In addition to all powers granted by law, Directors shall have power and authority:

- a. To call meetings of the Directors whenever deemed proper or necessary.
- b. To elect officers of the corporation, to appoint such employees or agents as they deem necessary or proper, to confer upon any officer the power to appoint, remove and suspend officers, employees and agents, and to similarly remove any officer, employee or agent with or without cause.
- c. To determine the policies of the corporation and to make such rules and regulations as may be deemed necessary or proper for the government and guidance of the officers, employees and Directors of the corporation, not inconsistent with the laws of the State of Idaho, the Articles of Incorporation, these Bylaws or the Operating Agreement.
- d. To oversee the security and safekeeping of endowment funds to insure that the same are invested in accordance with the Uniform Prudent Management of Institutional Funds Act as adopted by the State of Idaho and in a manner consistent with the objectives of the corporation. These duties include cooperation with any investment committee or external investment advisors that may be designated by the Directors.
- e. To purchase or otherwise acquire, and to sell, convey, and otherwise dispose of assets on behalf of the corporation at such prices and upon which terms as the Directors may deem appropriate.
- f. To approve payment for such property, rights or privileges, in whole or in part, with money or other securities of the corporation, or by delivery of other property of the corporation.
- g. To approve an action to borrow money and incur indebtedness; to create, make and issue mortgages, deeds of trust, trust and annuity agreements and negotiable or transferable instruments and securities; to do every other act necessary to effectuate the same.
- h. To hold, operate, leave, invest, reinvest and otherwise manage real and personal property of every kind and description.
- i. To fix the compensation, fringe benefits and emoluments of officers and other employees in accordance with noted Article VI.
- j. To select one or more financial institutions to act as depositor of the funds of the corporation and to determine the manner of receiving, depositing and disbursing the funds of the corporation.
- k. To determine by whom and in what manner the corporation bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed, and to confer and delegate such power.
- l. To do everything necessary or proper for the carrying out of the objects and purposes of the corporation as set forth in the Articles of Incorporation.

Notwithstanding the general delegation of authority granted, the Directors shall support and assist the College in fundraising and donor relations. In carrying out its purposes the Foundation Directors shall not engage in activities that conflict with federal or state laws, rules and regulations (including but not limited to all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations), applicable policies of the Idaho State Board of Education or the role and mission of the College.

4.17 Executive Committee. There shall be an executive Committee which shall have and may exercise all of the authority of the Directors other than in reference to amendment of the Articles of Incorporation, adoption of a plan of merger or consolidation of the corporation, the sale, lease, exchange or other disposition of all or substantially all the assets of the corporation otherwise than in the usual and regular course of its activities, a voluntary dissolution of the corporation or a revocation thereof, or amendment of the Bylaws of the corporation. The members of this committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

All action of the executive committee shall be reported to the Directors at its next meeting succeeding such action, and shall be subject to revision or alteration by the Directors, provided that no rights or acts of third parties shall be affected by any such revision or alteration.

A quorum at any meeting of the executive committee shall consist of a simple majority of the Executive Committee Members.

4.18 Scholarship Committee. The Directors may designate two or more members as a scholarship committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

To promote the Foundation Scholars Program:

- a. Establish and maintain scholarship criteria and policies including approval/disapproval of any exceptions to policy
- b. Select scholarship recipients on an annual basis
- c. Provide to the Finance & Investment Committee any information that could impact the amount of the annual scholarship award and/or the number of new scholarships to be given
- d. Provide support, encouragement and develop rapport with individual Foundation Scholars through attendance at social functions such as the orientation at the beginning of the academic year, a winter holiday party, a reception at the LCSC President's home, and/or through a graduation recognition event
- e. Maintain long-term contact with Foundation Scholars, at the minimum annually, in recognition that these scholars are the future ambassadors for the Foundation

To meet as often as required to review other scholarship applications as requested and select recipients in accordance with established individual scholarship criteria

To participate in the annual Scholarship Luncheon to honor LCSC Foundation and Alumni Association scholarship recipients and donors.

4.19 Finance & Investment Committee. The Directors may designate two more members as the Finance & Investment Committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

Finance & Investment Committee of the Foundation shall have the following responsibilities:

- a. Oversight of endowment investments. Allocate investments among assets classes according to the investment policy statement. Review the performance of investment portfolio and advisor at least annually.
- b. Approve annual distribution of endowments according to the foundation spending policy. For underwater endowments determine if distribution will be paid. If underwater endowment distributions are made, determine the source of funding, including General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- c. Select the number of Foundation scholar scholarships awarded to freshman each year. For scholarships awarded in excess of funds available in the Foundation Scholars Program, determine if distribution will be paid from General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- d. Review financial reports and examine fund balances. Develop the annual operating budget two months before the start of each fiscal year.
- e. Approve charitable gift annuities established with gifts of more than \$100,000 per beneficiary. For annuities established with gifts of more than \$200,000 per beneficiary, submit recommendation for full board approval.
- f. Approve acceptance of gifts of assets other than cash. For noncash gifts in excess of \$200,000, submit recommendation for full board approval. Acceptance of marketable securities does not require approval by the committee. Marketable securities will be liquidated immediately upon receipt.

4.20 Other Committees or Task Forces. The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

ARTICLE V.
Officers

5.01 Qualification. An Officer must be a Director of the corporation with the exception of the Treasurer, who may be a Designated Member as described in Section 3.05.

5.02 Offices. The offices of the corporation shall consist of president, vice president, secretary, and treasurer and such other offices as the Directors may choose to appoint.

5.03 Election. The officers of the corporation, with the exception of the Treasurer, shall be elected by the Directors at the organizational meeting of Directors and at such annual meeting of Directors thereafter. Officers shall be elected or appointed for a term extending for two years until the next annual meeting of the Directors and shall serve until their successors shall have been duly elected and qualified.

5.04 Duties of President. The president shall be the chief executive officer of the corporation and shall attend and preside at all meetings of the Directors and any executive committee of the Directors. The president shall have responsibility for the planning and implementation of the corporation's activities and the appointment of employees of the corporation, subject to the advisement and approval of the Directors. The president or vice-president, unless some other person is specifically authorized by vote of the Directors, shall sign all bonds, deeds, mortgages, contracts and other documents of the corporation. The president shall perform all the duties commonly incident to such office and shall perform such other duties as the Directors shall designate.

5.05 Duties of a Vice President. The vice president shall perform the duties and have the powers of the president during his or her absence or disability. A vice president shall perform such other duties and have such others powers as the Directors may designate.

5.06 Duties of the Secretary. The secretary shall ensure accurate minutes of all meetings of the foundation members and the Directors are maintained. The secretary shall attend to the giving and serving of all notices of the corporation, shall have custody of all the original records, papers, files and books of the corporation (except books of accounts and valuable papers properly in the custody of the treasurer); shall attest all instruments in writing executed in the name of the corporation and requiring his or her signature; and shall, in general, perform all the duties incident to the office of secretary and such other duties as the Directors shall designate. In the absence of the secretary, an assistant secretary or a secretary pro tempore shall perform such duties.

5.07 Duties of Treasurer. The treasurer, subject to the order of the Directors, shall have the care and custody of the funds and valuable papers of the corporation in such bank or banks as the Directors shall designate. The treasurer shall have and exercise, under the supervision of the Directors, all the powers and duties commonly incident to such office and give bond in such form and with such sureties as may be required by the Directors. The treasurer shall keep accurate books of account of the corporation's transactions, which shall be the property of the corporation, and, together with all its property in his or her possession, shall be subject at all times to the inspection and control of the Directors.

5.08 Duties of Executive Director. The executive director shall be given the necessary authority and responsibility to operate the affairs of the corporation and all its activities subject to such policies as may be adopted and such orders as may be issued by the Directors or by any committee or task force to whom they have delegated power for such action. He or she shall act as the duly authorized representative of the Directors in all matters in which the Directors have not formally designated some other person to act.

The authorities and duties of the executive director shall include the responsibility for:

- a. Carrying out all policies established by the Directors.
- b. Developing and submitting to the Directors for approval of plans and strategies for the corporation's affairs, including public relations, soliciting donations, and other matters intended to carry out the objectives of the corporation.

- c. Preparing an annual budget showing the expected receipts and expenditures as required by the Directors.
- d. Selecting and managing staff and developing and maintaining personnel policies and practices.
- e. Presenting to the Directors, or their authorized committee, periodic reports reflecting the operating and financial activities of the corporation and the preparation and submission of such special reports as may be required by the Directors.
- f. Attending all meetings of the Directors and committees.
- g. Performing such other duties as may be necessary and in the best interest of the corporation.

5.09 Other Officers. The duties of the additional officers, other than as defined in the Bylaws of the corporation, shall be prescribed and defined by the Directors.

5.10 Authority to Sign Checks. All checks, drafts or other orders for payment of money, note or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation as provided in these Bylaws or in such manner as shall be determined by the Board of Directors.

5.11 Resignation. Any officer may resign at any time by giving written notice to the corporation, to the Directors, to the president, or to the secretary of the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance.

5.12 Removal. Any officer or agent may be removed at any time by action of the Directors.

5.13 Vacancies. Any vacancy among the officers of the corporation shall be selected by the executive committee subject to the authority of the Directors to approve, disapprove or fill the vacancy themselves.

ARTICLE VI.

Compensation and Indemnification

6.01 Compensation of Directors. Directors shall not be compensated.

6.02 Compensation of Officers. The president, vice president, secretary and treasurer shall receive no compensation.

6.03 Repayment. Any payments made to an employee of the corporation for compensation, salary, bonus, interest, rent or expense incurred by him or her, which shall be determined to be unreasonable in whole or in part by the Internal Revenue Service pursuant to Section 4941(d) (2) (E) of the Internal Revenue Code shall be reimbursed by such employee to the corporation to the full extent of such determination of unreasonableness. It shall be the duty of the Directors to enforce repayment of each such amount. In lieu of repayment by the employee, subject to the determination of the Directors, amounts may be withheld from the employee's future compensation or expense reimbursement payments until the amount owed to the corporation shall have been recovered.

6.04 Indemnification. Any person who serves on behalf of the Foundation as a director, employee, chairperson or member of any committee, or as a director, trustee or officer of another corporation, shall be deemed to be the Foundation's agent for purposes of this Article and shall be indemnified by the Foundation against expenses (including attorney's fees), judgments, fines, excise taxes and amounts paid in settlement actually or reasonably incurred by such person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or a derivative action, by reason of such service, provided such person acted in good faith and in a manner that he or she reasonably believe to be in the best interest of the foundation and, with respect to any criminal action proceeding, had no reasonable cause to believe his or her conduct was unlawful.

**ARTICLE VII.
Gifts to Corporation**

7.01 In General. Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

7.02 Acceptance of Governing Documents. Each donor, by making a gift to the corporation, accepts and agrees to all of the provisions of the Articles of Incorporation and these Bylaws.

**ARTICLE VIII.
Miscellaneous**

8.01 Books and Records. The corporation shall keep accurate and complete books and records of account and shall keep minutes of the proceedings of its Directors and committees having any authority of the Directors. All books and records of the corporation may be inspected by any Director for any proper purpose at any reasonable time.

8.02 Parliamentary Procedure. Parliamentary Procedure shall be the code that governs the procedures of the Foundation Board of Directors' meetings.

8.03 Corporate Seal. There shall be no seal of the corporation, and all contracts and other papers of the corporation shall be authenticated without any corporate seal.

8.04 Waiver of Notice. Whenever any notice whatsoever is required to be given by these Bylaws, or the Articles of Incorporation, or any of the nonprofit corporation laws of the State of Idaho, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice for all purposes.

8.05 Contracts and Conveyances. All contracts, deeds, conveyances, negotiable instruments and other instruments of like character which have first been approved by the Directors shall be signed by the president or vice president and the secretary or an assistant secretary, or otherwise as directed by the Directors. No contract of any officer of the corporation shall be valid without previous authorization or subsequent ratification of the Directors.

8.06 Fiscal Year. The Foundation shall operate on a fiscal year beginning July 1st and ending June 30th.

8.07 Dissolution. The corporation exists for the sole purpose of providing support to Lewis-Clark State College (the "College"). Given the significant administrative contribution provided to the corporation by the College, in the event that the corporation ceases to provide such support, the corporation may be dissolved and all assets and records will be distributed exclusively to the College or its successor in interest pursuant to the Articles of Incorporation.

8.08 Amendment. These bylaws may be altered, amended or repealed at any regular or special meeting of the Directors, provided a quorum is present and provided further that notice of the substance of the proposed amendment shall be submitted to each Director within the same time and in the same manner prescribed for notice of the meeting.

CERTIFICATION

We, the undersigned President, Vice President and Secretary of the Lewis-Clark State College Foundation, Inc. an Idaho Corporation, do hereby certify that the foregoing Bylaws supersede all prior Bylaws, amended or restated, were duly adopted as the restated Bylaws of said corporation at a duly constituted meeting of the members

of the corporation at which a quorum was present, in person or by proxy, said meeting, held March 17, 2015, and that the same do now constitute the Bylaws of said corporation.

EXHIBIT "F"

Conflict of Interest Policy

**Lewis-Clark State College Foundation
CONFLICTS OF INTEREST POLICY**

No board member shall use his or her position, or the knowledge gained therefrom, in such a manner that conflict between the interest of the organization or any of its affiliates and his or her personal interests arises.

Each board member has a duty to place the interest of the organization foremost in any dealings with the organization and has a continuing responsibility to comply with the requirements of this policy.

Board or committee members may not obtain for themselves, their relatives, or their friends a material interest of any kind from their association with the organization.

It is, nevertheless, recognized that transactions between Lewis-Clark State College Foundation ("Foundation") and a business or other organization with whom a board member is affiliated may be beneficial to the Foundation and that the Foundation should not be precluded from entering into that beneficial transaction so long as the board member does not participate in or otherwise influence the Foundation's decision regarding the transaction.

It shall be the policy of the Foundation to require that all new Board members, prior to assuming their positions, and all present Board members, as soon as practicable after the adoption of this policy, submit in writing to the President a list of all businesses or other organizations (other than the Foundation) of which he or she is an officer, member, owner (either as a sole practitioner or partner), shareholder with a five percent (5%) or greater interest in all outstanding voting shares, employee or agent, with which the Foundation has, or may reasonably in the future have, a relationship or transaction in which the Board member or officer would have conflicting interests. Each written statement shall be resubmitted each year with any necessary changes.

The President shall become familiar with the statements of all Board members and officers in order to guide their conduct should a conflict arise. The Vice-President shall be familiar with the statement filed by the President.

At such time as any matter comes before the Board in such a way as to give rise to conflict of interest, the affected Board member or officer shall make known the potential conflict, whether disclosed by written statement or not. After answering any questions that might be asked, the affected Board member shall withdraw from the meeting until the matter has been voted upon. In the event that the affected Board member or officer fails to withdraw voluntarily, the President is empowered to require withdrawal from the room during both discussion and vote on the matter. In the event the conflict of interest affects the President, the Vice-President is empowered to require that the President withdraw in the same manner, and for the duration of discussion and action on the matter the Vice-President shall preside.

If the matter about which a conflict has arisen is the item of business for which a special meeting of the Board was called, the affected member may be counted to establish a quorum, but shall not participate in the discussion or vote on it.

ADOPTED, this 15th day of December, 1998.

EXHIBIT "G"

Code of Ethical Conduct

Directors and Officers of the LC State Foundation represent Lewis-Clark State College and its Foundation, and have a responsibility to conduct themselves in such a manner as to give a positive impression of Lewis-Clark State College to the public, students, and alumni. Directors and Officers of the LC State Foundation pledge to accept the following ethical guidelines:

1. Accountability: Faithfully abide by the Articles of Incorporation, Bylaws and policies of the LC state Foundation, and exercise reasonable care, faith and due diligence in organizational affairs.
2. Professional Excellence: Maintain a professional level of courtesy, respect and objectivity in all Foundation activities.
3. Professional Gain: Exercise the powers invested for the good of all members of the organization rather than his/her personal benefit. Transactions involving the Foundation and the personal or business affairs of a trustee, director, officer, or staff member should be approved in advance by the Foundation's governing board. In addition, directors, officers, and staff members of a foundation disqualify themselves from making, participating, or influencing a decision in which they have or would have a financial interest.
4. Confidential Information: Respect the confidentiality of sensitive information known due to service.
5. Collaboration and Cooperation: Respect the diversity of opinions as expressed or acted upon by the Foundation board, committees and membership, and promote collaboration, cooperation and partnership among Foundation Members.
6. Gifts: No director, trustee, officer, or staff member of a foundation shall accept from any source any material gift or gratuity in excess of fifty dollars (\$50.00) that is offered, or reasonably appears to be offered, because of the position held with the foundation; nor should an offer of a prohibited gift or gratuity be extended by such an individual on a similar basis.

EXHIBIT "H"

Gift Acceptance Policy

**Lewis-Clark State College Foundation
Gift Acceptance Policy
(Article VII of the Bylaws)**

Gifts to Corporation:

In General

Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

Acceptance of Governing Documents

Each donor, by making a gift to the corporation, accepts and agrees to all the provisions of the Articles of Incorporation and (the) Bylaws.

Split Interest Gifts

The corporation shall have the power and authority to arrange and administer deferred and other split-interest gifts, including, but not limited to, charitable lead and remainder unitrusts and annuity trusts, and charitable gift annuities, but only as permitted by the laws of the State of Idaho. If a gift is made to the corporation or a third party (in trust or otherwise) to make income or other payments for a period of a life or lives or other periods to any individuals or for noncharitable purposes, followed by payments to the corporation, or to make income or other payments to the corporation, followed by payments to any individuals or for noncharitable purposes, only the payments to the corporation shall be regarded as subject to the corporation's Articles of Incorporation and (the) Bylaws and then only when the corporation becomes entitled to their use. The Directors may take such actions as it, from time to time, deems necessary to protect the corporation's rights to receive such payments.

Restricted Gifts, Acceptance

Any donor may, with respect to a gift made by such donor to the corporation, provide at the time of the gifts restrictions or conditions which are not inconsistent with the charitable purposes of the corporation, as to (i) the manner of distribution, including amounts, times and conditions of payment and whether from principal or income, and (ii) the name, as a memorial or otherwise, for a fund given, or addition to a fund previously held, or anonymity for the gift. Restrictions involving the naming of a fund as a memorial or otherwise may be satisfied by keeping such name appropriate accounts reflecting the interest of such funds in a common investment. Nothing in the foregoing shall obligate the corporation to accept any gift or to perform any act, which, in the opinion of the Directors, will not be in the best interests of the corporation or which may jeopardize or cause it to lose its status as an exempt organization described in Section 501 (c) (3) of the Internal Revenue Code.

EXHIBIT "I"

Policy for Accounting for Gift Revenue

**Lewis-Clark State College Foundation
Policy for Accounting of Gift Revenue**

1. **Fiduciary Responsibility.** Each gift, regardless of value, form, or designated use, shall be accounted for at the time of receipt until used as directed by the donors in support of the mission of the Foundation and/or the College. During such time as funds are retained, they shall be invested in accordance with procedures of the Finance and Investment Committee. The development office shall be responsible for any reports to donors on the use of their funds, to be accomplished in concert with operating managers and the accounting department.
2. **Allocation to Restricted Funds.** Gifts received for restricted purposes (either temporarily restricted or permanently restricted) shall be separately accounted for in order to maintain stewardship of these funds as donors direct. The segregation of these funds is to be performed by the accounting department, who shall report to donors on their disposition and use through the development office.
3. **Expenditure Controls.** The uses of gift revenue, especially restricted gifts shall be fully accounted for, beginning with their deposit to temporarily restricted fund accounts, stewardship, disposition reports, and with expenditures only as directed by the donor in keeping with the mission of the College and/or the Foundation.
4. **Allocation to Endowment.** Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for in accord with policies of the Finance and Investment Committee.
5. **Investment of Funds.** All gifts received shall be invested until used in accord with donor wishes, using short-term or long-term investment plans as defined by the Finance and Investment Committee. Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for as directed by the Finance and Investment Committee. Investment earnings shall be used only for the purposes board, with amounts as resolved by the Finance and Investment Committee.
6. **Accounting Reports.** Regular accounting reports will summarize the disposition of all money, illustrating their present disposition by source, purpose or use, and fundraising program, which shall be prepared for each Foundation Board meeting and distributed to the Board members.

EXHIBIT "J"

Foundation Insurance

NBP1557971C
Renewal of Number
POLICY DECLARATIONS
No. NBP1557971D

*** **RENEWAL CERTIFICATE** ***

United States Liability Insurance Company
1190 Devon Park Drive, Wayne, Pennsylvania 19087
A Member Company of United States Liability Insurance Group

Direct Bill Policy

NAMED INSURED AND ADDRESS:
LEWIS-CLARK STATE COLLEGE FOUNDATION
500 8TH AVE
LEWISTON, ID 83501

POLICY PERIOD: (MO. DAY YR.) From: 03/26/2023 To: 03/26/2024

12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS SHOWN ABOVE

FORM OF BUSINESS: Non-Profit Corporation

BUSINESS DESCRIPTION: Foundation

IN CONSIDERATION OF THE RENEWAL PREMIUM STATED BELOW, EXPIRING POLICY NUMBER NBP1557971C IS RENEWED
FOR THE POLICY PERIOD STATED ABOVE. PLEASE ATTACH THIS RENEWAL CERTIFICATE TO YOUR EXPIRING POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Businessowners Liability Coverage Part	\$605.00
Businessowners Property Coverage Part	\$50.00

TOTAL: \$655.00

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue
See Endorsement EOD (1/95)

Agent: **STONEBRAKER MCQUARY AGENCY GROUP, INC. (2141)**
P.O. Box 9
Clarkson, WA 99403

Issued: 03/15/2023 9:05 AM

By: 
Authorized Representative

UPC (08-07) THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,
COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF,
COMPLETE THE ABOVE NUMBERED POLICY.

EXHIBIT "K"

**Committee Descriptions
Committee or Task Force Descriptions**

Executive Committee

The Executive Committee is chaired by the President of the Foundation Board.

The members of the Executive Committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

Responsibilities include:

- * making interim decisions for the Board (to be ratified by the full Board at its subsequent meeting);
- * overseeing the long-range and strategic planning of the organization;
- * serving as a sounding board for new programs or policies that should come before the full Board eventually;
- * enforcing membership responsibilities, including attendance policies and committee appointments;
- * monitoring progress of Board and staff in achieving the current year goals;
- * scrutinizing budget performance;
- * maintaining a close and candid relationship with the leadership of the College;
- * following and evaluating the performance of the Foundation's Executive Director;
- * evaluating Board performance by recognizing superior results or levels of service and by arranging for the departure of unproductive Board members;
- * acting on behalf of the Board in times of emergency or necessary expediency.

The actions of the Executive Committee are subject to revision or alteration by the Board. Minutes of Executive Committee meetings are sent to each Board member. Membership in the Executive Committee will not exceed a quorum of the full Board. A quorum at any meeting of the Executive Committee shall consist of a simple majority of the members.

**Lewis-Clark State College Foundation
Other Committee or Task Force Descriptions**

Finance and Investment Committee

The Finance and Investment Committee shall oversee the Foundation's budget activities and expenses; monitor the flow of funds to determine consistency between expenditures and generated revenue; manage the investment portfolio; establish financial policies; oversee the buildings and grounds owned by the Foundation.

Scholarship Committee

The Scholarship Committee shall oversee the awarding of specific scholarships; establish scholarship policies and review the process; assist in the planning of three scholarship events annually.

Other Committees or Task Forces

The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

EXHIBIT "L"

Endowment Fund Fee Policy

Notice of Endowment Fund Fee Policy
LCSC Foundation

Effective July 1, 2023, the LCSC Foundation Board will implement the following policy regarding administrative fees on all funds received.

2% Fee on Donations Received

In general, a 2% administrative fee will apply to all donations received by the Foundation to offset the costs of accounting, fundraising, and other administration costs. The fee will not apply to in-kind donations.

The 2% fee will apply at the time of the donation and will be a one-time fee. The 2% fee for gift annuities will apply at the end of the annuity when the funds become available to the Foundation.

½ of 1% (.5%) Annual Fee on
Average Endowment Fund Balances

The .5% fee will be charged to Endowment Funds, Alumni Endowments, and Other Endowments. The .5% fee will not apply to the following fund classifications:

1. Gift annuities
2. General Unrestricted Funds
3. Annual Funds
4. Funds designated as Other Funds
5. LCSC Designated Funds

The .5% fee will be based on the average endowment fund balances and not on the amount of profit or loss earned or allocated for any time period. The fee will be calculated twice during each year using .25% times the fund market values at December 31 and June 30, and will be included with the December and June six months' market allocation postings.

OPERATING AGREEMENT

BETWEEN

LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.

AND

INSTITUTION/AGENCY

LEWIS-CLARK STATE COLLEGE

This Operating Agreement ("Operating Agreement") between Lewis-Clark State College Foundation, Inc. ("Foundation") and Institution/Agency ("Operating Agreement") Lewis-Clark State College ("College") is entered into as of this 9th day of March, 2021, by and between Institution, herein known as "Institution/Agency" and the Foundation, Inc., herein known as "Foundation".

WHEREAS, the Foundation was organized and incorporated in April 4, 1984 for the purpose of generating voluntary private support from alumni, employees, friends, corporations, foundations, and others for the benefit of the Institution/Agency College.

WHEREAS, the Foundation exists to receive contributions, raise, and manage private resources supporting the mission and priorities of the Institution/Agency College, and provide opportunities for (e.g. students) and employees and a degree of institutional excellence unavailable with state funding levels.

WHEREAS, the Foundation promotes access, excellence and relevance in higher education through financial support of the College. The Foundation is dedicated to assisting the Institution/Agency College in the building of the endowment to address, through financial support, the long-term academic and other priorities of the Institution/Agency College.

WHEREAS, 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 Institution/Agency College, soliciting cash, securities, real and intellectual property, and other private resources for the support of the Institution/Agency College, and acknowledging and stewarding such gifts in accordance with donor intent and its fiduciary responsibilities.

WHEREAS, in connection with its fund-raising and asset-management activities, the Foundation utilizes, in accordance with this Operating Agreement, personnel experienced in planning for and managing private support.

WHEREAS, the mission of the Foundation is to secure, manage and distribute private contributions and support the growth and development of the Institution/Agency College.

WHEREAS, the Institution/AgencyCollege and Foundation desire to set forth in writing various aspects of their relationship with respect to matters such as the solicitation, receipt, management, transfer and expenditure of funds.

WHEREAS, the Parties hereby acknowledge that they will at all times conform to and abide by the Idaho State Board of Education's Governing Policies and Procedures, Gifts and Affiliated Foundations Policy V.E., and that they will submit this Operating Agreement for initial State Board of Education ("State Board") approval, and thereafter every three (3) years, or as otherwise requested by the State Board, for review and re-approval.

WHEREAS, the Foundation and the Institution/AgencyCollege intend for this Operating Agreement to be the written operating agreement required by State Board Policy V.E.2.b.

NOW THEREFORE, 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 I Foundation's Purposes

The Foundation is the primary affiliated foundation responsible for securing, managing and distributing private support for the Institution/AgencyCollege. Accordingly, to the extent consistent with the Foundation's Articles of Incorporation and Bylaws, and the State Board's Policies and Procedures, the Foundation shall: (1) solicit, receive and accept gifts, devises, bequests and other direct or indirect contributions of money and other property made for the benefit of the Institution/AgencyCollege from the general public (including individuals, corporations, other entities and other sources); (2) manage and invest the money and property it receives for the benefit of the Institution/AgencyCollege; and (3) support and assist the Institution/AgencyCollege in fundraising and donor relations.

In carrying out its purposes, the Foundation shall not engage in activities that: (1) conflict with federal or state laws, rules and regulations (including all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations); (2) cause the InstitutionCollege to be in violation of applicable policies of the State Board; or (3) conflict with the role and mission of the Institution/AgencyCollege.

ARTICLE II Foundation's Organizational Documents

The Foundation shall provide copies of its current Articles of Incorporation and Bylaws to the Institution/AgencyCollege. The Foundation, to the extent practicable, also shall provide the Institution/AgencyCollege with an advance copy of any proposed amendments to the Foundation's

Articles of Incorporation and Bylaws. The ~~Institution/Agency~~College shall provide all such documents to the State Board.

~~Institution/Agency~~

ARTICLE III
College Resources and Services

1. Institution/AgencyCollege Employees.

a. Institution/AgencyCollege/Foundation Liaison: The Institution/Agency's Vice President for Institution/AgencyCollege's Director of College Advancement shall serve as the Institution/Agency'sCollege's Liaison to the Foundation and as the Foundation Executive Director.

i. The Institution/Agency's Vice President for Institution/AgencyCollege's Director of College Advancement shall be responsible for coordinating the Institution/Agency'sCollege's and the Foundation's fundraising efforts and for supervising and coordinating the administrative support provided by the Institution/AgencyCollege to the Foundation.

ii. The Vice President for Institution/AgencyThe College's Director of College Advancement or designee shall attend each meeting of the Foundation's Board of Directors and shall report on behalf of the Institution/AgencyCollege to the Foundation's Board of Directors regarding the Institution/Agency'sCollege's coordination with the Foundation's fundraising efforts.

~~b. Managing Director: The Managing Director of the Foundation is an employee of the Institution/Agency loaned to the Foundation. All of the Managing Director's services shall be provided directly to the Foundation as follows:~~

~~i.iii. The Managing DirectorThe College's Director of College Advancement shall be responsible for the supervision and control of the day-to-day operations of the Foundation. More specific duties of the Managing Director may be set forth in a written job description prepared by the Foundation and attached to the Loaned Employee Agreement described in paragraph (iii) below. The Managing Director shall be subject to the control and direction of the Foundation.Director of College Advancement are set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement").~~

~~ii. The Managing Director shall be entitled to Institution/Agency benefits to the same extent and on the same terms as other full-time Institution/Agency employees of the same classification as the Managing Director. The Foundation shall reimburse the~~

~~Institution/Agency for all costs incurred by the Institution/Agency in connection with the Institution/Agency's employment of the *Managing Director* including such expenses as salary, payroll taxes, and benefits.~~

~~iii. The Foundation and the Institution/Agency shall enter into a written agreement, in the form of Exhibit "A" hereto, establishing that the *Managing Director* is an employee of the Institution/Agency but subject to the direction and control of the Foundation (generally a "Loaned Employee Agreement"). The Loaned Employee Agreement shall also set forth the relative rights and responsibilities of the Foundation and the Institution/Agency with respect to the *Managing Director*, including the following:~~

~~1. The Foundation shall have the right to choose to terminate the Loaned Employee Agreement in accordance with Foundation Procedures and applicable law, such termination may include election by the Foundation for non-renewal of the Loaned Employee Agreement.~~

~~2. Termination of the Loaned Employee Agreement in accordance with the Foundation procedures and applicable law shall constitute grounds for a termination proceeding by the Institution/Agency or for non-renewal of any obligation of the Institution/Agency to employ the Loaned Employee, subject to applicable legal and procedural requirements of the State of Idaho and the Institution/Agency.~~

~~3. The Loaned Employee shall be subject to the supervision, direction and control of the Foundation Board of Directors and shall report directly to the Foundation president or designee.~~

~~c. *Other Loaned Employees.* Other loaned employees providing services pursuant to this Operating Agreement shall also serve pursuant to a Loaned Employee Agreement which shall set forth their particular responsibilities and duties.~~

d. *Other Institution/AgencyCollege Employees Holding Key Foundation or Administrative or Policy Positions:* In the event the Institution/AgencyCollege and the Foundation determine it is appropriate for one or more additional Institution/AgencyCollege employees who function in a key administrative or policy making capacity for the Institution/AgencyCollege (including, but not limited to, any Institution/AgencyCollege Vice-President or equivalent position) to serve both the Institution/AgencyCollege and the Foundation, then, pursuant to State Board Policy V.E., this Operating Agreement shall be amended to clearly set forth the authority and responsibilities of the position of any such Institution/AgencyCollege employee.

e. *Limited Authority of Institution/AgencyCollege Employees.* Notwithstanding the foregoing provisions, no Institution/AgencyCollege employee who functions in a key administrative or policy making capacity for the Institution/AgencyCollege (including, but not limited to, any Institution/AgencyCollege Vice-President or equivalent position) shall be permitted to have responsibility or authority for Foundation policy making, financial oversight, spending authority, and investment decisions, ~~or the supervision of Foundation employees.~~

2. Support Services. The Institution/AgencyCollege shall provide administrative, financial, accounting, investment, and development services to the Foundation, as set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement"). All Institution/AgencyCollege employees who provide support services to the Foundation shall remain Institution/AgencyCollege employees under the direction and control of the Institution/AgencyCollege, unless agreed that the direction and control of any such employee will be vested with the Foundation in a written Loaned Employee Agreement. The Foundation will pay directly to the Institution/AgencyCollege the portion of the overhead costs associated with the services provided to the Foundation pursuant to the Service Agreement. The portion of such costs shall be determined by the agreement of the Parties.

3. Institution/AgencyCollege Facilities and Equipment. The Institution/AgencyCollege shall provide the use of the Institution/Agency'sCollege's office space and equipment to the Foundation upon the terms agreed to by the Institution/AgencyCollege and the Foundation. The terms of use (including amount of rent) of the Institution/Agency'sCollege's office space and equipment shall be as set forth in the Service Agreement.

4. No Foundation Payments to Institution/AgencyCollege Employees. Notwithstanding any provision of this Operating Agreement to the contrary, the Foundation shall not make any payments directly to ~~an Institution/Agency College~~ employee in connection with any resources or services provided to the Foundation pursuant to this Operating Agreement.

ARTICLE IV Management and Operation of Foundation

The management and control of the Foundation shall rest with its Board of Directors.

1. Gift Solicitation.

Authority of ~~Vice-President for Institution/AgencyCollege's Director of College~~ Advancement. All Foundation gift solicitations shall be subject to the direction and control of the ~~Vice President~~ Director for Institution/AgencyCollege Advancement.

a. *Form of Solicitation.* Any and all Foundation gift solicitations shall make clear to prospective donors that (1) the Foundation is a separate legal and tax entity organized for the purpose of encouraging voluntary, private gifts, trusts, and bequests for the benefit of the

Institution/AgencyCollege; and (2) responsibility for the governance of the Foundation, including the investment of gifts and endowments, resides in the Foundation's Board of Directors.

b. *Foundation is Primary Donee.* Absent unique circumstances, prospective donors shall be requested to make gifts directly to the Foundation rather than to the Institution/AgencyCollege.

2. Acceptance of Gifts.

a. *Approval Required Before Acceptance of Certain Gifts.* Before accepting contributions or grants for restricted or designated purposes that may require administration or direct expenditure by the Institution/AgencyCollege, the Foundation shall obtain the prior written approval of the Institution/AgencyCollege. Similarly, the Foundation shall also obtain the prior written approval of the Institution/AgencyCollege of the acceptance of any gift or grant that would impose a binding financial or contractual obligation on the Institution/AgencyCollege.

b. *Acceptance of Gifts of Real Property.* The Foundation shall conduct adequate due diligence on all gifts of real property that it receives. All gifts of real property intended to be held and used by the Institution/AgencyCollege shall be approved by the State Board before acceptance by the Institution/AgencyCollege and the Foundation. In cases where the real property is intended to be used by the Institution/AgencyCollege in connection with carrying out its proper functions, the real property may be conveyed directly to the Institution/AgencyCollege, in which case the Institution/AgencyCollege and not the Foundation shall be responsible for the due diligence obligations for such property.

c. *Processing of Accepted Gifts.* All gifts received by the Institution/AgencyCollege or the Foundation shall be delivered (if cash) or reported (if any other type of property) to the Foundation's designated gift administration office (a unit of the Foundation) in accordance with the Service Agreement.

3. Fund Transfers. The Foundation agrees to transfer funds, both current gifts and income from endowments, to the Institution/AgencyCollege on a regular basis as agreed to by the Parties. The Foundation's Treasurer or other individual to whom such authority has been delegated by the Foundation's Board of Directors shall be responsible for transferring funds as authorized by the Foundation's Board of Directors.

a. *Restricted Gift Transfers.* The Foundation shall inform the Institution/AgencyCollege officials into whose program or department funds are transferred of any restrictions on the use of such funds and provide such officials with access to any relevant documentation concerning such restrictions. Such Institution/AgencyCollege officials shall account for such restricted funds separate from other program and department funds in accordance with applicable Institution/AgencyCollege policies and shall notify the Foundation on a timely basis regarding the usesexpenditure of such restricted funds.

b. *Unrestricted Gift Transfers.* The Foundation may utilize any unrestricted gifts it receives for any use consistent with the Foundation's purposes as generally summarized in Article I of this Operating Agreement. If the Foundation elects to use unrestricted gifts to make grants to the Institution/AgencyCollege, such grants shall be made at such times and in such amounts as the Foundation's Board of Directors may determine in the Board's sole discretion.

4. Foundation Expenditures and Financial Transactions.

a. *Signature Authority.* The Foundation designates the Foundation ~~Treasurer~~Board President and Vice President, or designee by the Foundation Board President, as the individual(s) with signature authority for the Foundation in all financial transactions. The Foundation may supplement or change this designation with written notice to the Institution/AgencyCollege; provided, however, in no event may the person(s) with Foundation signature authority for financial transactions be ~~an Institution/Agency~~ a College employee.

b. *Expenditures.* All expenditures of the Foundation shall be (1) consistent with the charitable purposes of the Foundation, and (2) not violate restrictions imposed by the donor or the Foundation as to the use or purpose of the specific funds.

5. Institution/AgencyCollege Report on Distributed Funds. On a regular basis, which shall not be less than annually, the Institution/AgencyCollege shall report to the Foundation on the use of restricted and unrestricted funds transferred to the Institution/AgencyCollege. This report shall specify the restrictions on any restricted funds ~~and. The Foundation shall approve expenditures prior to restricted fund transfers to the College and the Foundation will retain details of the~~ uses of such funds.

6. Transfer of Institution/AgencyCollege Assets to the Foundation. No Institution/AgencyCollege funds, assets, or liabilities may be transferred directly or indirectly to the Foundation without the prior approval of the State Board except when:

- a. A donor inadvertently directs a contribution to the Institution/AgencyCollege that is intended for the Foundation in which case such funds may be transferred to the Foundation so long as the documents associated with the gift indicate the Foundation was the intended recipient of the gift. In the absence of any such indication of donor intent, such funds shall be deposited in an institutional account, and State Board approval will be required prior to the Institution/Agency'sCollege's transfer of such funds to the Foundation.
- b. The Institution/AgencyCollege has gift funds that were originally transferred to the Institution/AgencyCollege from the Foundation and the Institution/AgencyCollege wishes to return a portion of those funds to the Foundation for reinvestment consistent with the original intent of the gift.

- c. Transfers of a *de minimis* amount not to exceed \$10,000 from the InstitutionCollege to the Foundation provided such funds are for investment by the Foundation for scholarship or other general Institution/AgencyCollege support purposes. This exception shall not apply to payments by the InstitutionCollege to the Foundation for obligations of the InstitutionCollege to the Foundation, operating expenses of the Foundation or other costs of the Foundation.
- d. The transfer is of funds raised by the InstitutionCollege for scholarship or program support and the funds are deposited with the affiliated foundation for investment and distribution in accordance with the purpose for which the funds were raised.
7. Separation of Funds. All Foundation assets (including bank and investment accounts) shall be held in separate ~~accounts in the name of the Foundation using Foundation's Federal Employer Identification Number~~ bank accounts. The financial records of the Foundation shall be kept using a separate chart of accounts. For convenience purposes, some Foundation expenses may be paid through the Institution/AgencyCollege such as payroll and campus charges. These expenses will be paid through accounts clearly titled as belonging to the Foundation and shall be reimbursed by the Foundation on a regular basis.
8. Insurance. The Foundation shall maintain insurance to cover the operations and activities of its directors, officers and employees. The Foundation shall also maintain general liability coverage.
9. Investment Policies. All funds held by the Foundation, except those intended for short term expenditures, shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act, Idaho Code Sections 33-5001 to 33-5010, and the Foundation's investment policy which is attached hereto as Exhibit "C"; provided, however, the Foundation shall not invest any funds in a manner that would violate the applicable terms of any restricted gifts. The Foundation shall provide to the Institution/AgencyCollege any updates to such investment policy which updates shall also be attached hereto as Exhibit "C".
10. Organization Structure of the Foundation. The organizational structure of the Foundation is set forth in the Foundation's Articles of Incorporation and the Bylaws. The Foundation agrees to provide copies of such Articles and Bylaws as well as any subsequent amendments to such documents to both the Institution/AgencyCollege and the State Board. Any such amendments to the Articles and Bylaws shall be attached hereto as additions to Exhibit "D" and "E", respectively.

ARTICLE V
Foundation Relationships with the Institution/AgencyCollege

At all times and for all purposes of this Operating Agreement, the InstitutionCollege and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party, provided, however, the InstitutionCollege and the Foundation acknowledge that the

AssociationFoundation carries out functions for the benefit of the InstitutionCollege. As such, the Parties shall share certain information as provided below.

1. Access to Records. Subject to recognized legal privileges and any third-party obligations of confidentiality and protection of proprietary information, each Party shall have the right to access the other Party's financial, audit, donor and related books and records as needed to properly conduct its operations.

2. Record Management.

a. The Parties recognize that the records of the Foundation relating to actual or potential donors contain confidential information. Such records shall be kept by the Foundation in such a manner as to protect donor confidentiality to the fullest extent allowed by law. Notwithstanding the access to records permitted above, access to such confidential information by the Institution/AgencyCollege shall be limited to the Institution/Agency'sCollege's President and any designee of the Institution/Agency'sCollege's President.

b. The Foundation shall be responsible for maintaining all permanent records of the Foundation including but not limited to the Foundation's Articles, Bylaws and other governing documents, all necessary documents for compliance with IRS regulations, all gift instruments, and all other Foundation records as required by applicable laws.

c. Although the Foundation is a private entity and is not subject to the Idaho Public Records Law, the Foundation, while protecting personal and private information related to private individuals, is encouraged, to the extent reasonable, to be open to public inquiries related to revenue, expenditure policies, investment performance and/or similar non-personal and non-confidential financial or policy information.

3. Name and Marks. Consistent with its mission to help to advance the plans and objectives of the InstitutionCollege, the InstitutionCollege grants the AssociationFoundation the limited, non-exclusive right to use of the name Institutionof the College, for use in its support of the InstitutionCollege. The AssociationFoundation shall operate under the Institution'sCollege's logotype in support of its organizational business and activities. Any use by the AssociationFoundation of the Institution'sCollege's logotypes or other trademarks must be with prior approval of the InstitutionCollege through the Office of Trademark Licensing Communications and EnforcementMarketing Department.

4. Identification of Source. The Foundation shall be clearly identified as the source of any correspondence, activities and advertisements emanating from the Foundation.

5. Establishing the Foundation's Annual Budget. The Foundation shall provide the Institution/AgencyCollege with the Foundation's proposed annual operating budget and capital expenditure plan (if any) prior to the date the Foundation's Board of Directors meeting at which the Foundation's Board will vote to accept such operating budget. Any of the

Institution/Agency's College's funding requests to the Foundation shall be communicated in writing to the Foundation's ~~Treasurer~~President and ~~Assistant Treasurer~~Executive Director by ~~April~~March 1 of each year, or in conjunction with the spring Finance and Investment Committee meeting.

6. Attendance of Institution/Agency's College's President at Foundation's Board of Director Meetings. The Institution/Agency's College's President shall be invited to attend all meetings of the Foundation's Board of Directors and may act in an advisory capacity in such meetings.

7. Supplemental Compensation of Institution/Agency College Employees. Any supplemental compensation of Institution/Agency College employees by the Foundation must be preapproved by the State Board. Any such supplemental payment or benefits must be paid by the Foundation to the Institution/Agency College, and the Institution/Agency College shall then pay compensation to the employee in accordance with the Institution/Agency's College's normal practice. No Institution/Agency College employee shall receive any payments or other benefits directly from the Foundation. The Foundation Board of Directors may provide funds to the College annually for Faculty and Staff Achievement Awards, in an amount not to exceed \$35,000. Such awards will be made primarily with funds donated to the Foundation for that purpose and any additional Foundation funds used will be approved by the Board of Directors in the Foundation's annual budget. The College identifies the faculty and staff who will be recipients of these awards and disburses the funds to the recipients.

ARTICLE VI Audits and Reporting Requirements

1. Fiscal Year. The Foundation and the Institution/Agency College shall have the same fiscal year.

2. Annual Audit. On an annual basis, the Foundation shall have an audit conducted by a qualified, independent certified public accountant who is not a director or officer of the Foundation. The annual audit will be provided on a timely basis to the Institution/Agency's College's President and the State Board, in accordance with the State Board's schedule for receipt of said annual audit. The Foundation's annual statements will be presented in accordance with standards promulgated by the Financial Accounting Standards Board (FASB). The Foundation is a component unit of the Institution/Agency College as defined by the Government Accounting Standards Board (GASB). Accordingly, the Institution/Agency College is required to include the Foundation in its financial statements which follow a GASB format. Therefore, the Foundation will include in its audited financial statement, schedules reconciling the FASB Statements to GASB standards in the detail required by GASB Standards. The annual audited financial statements, including the auditor's independent opinion regarding such financial statements, and schedules shall be submitted to the Institution/Agency College Controller's Office ~~of Finance and Administration~~ in sufficient time to incorporate the same into the Institution/Agency's College's statements. All such reports and any accompanying documentation shall protect donor privacy to the extent allowable by law.

3. Separate Audit Rights. The Institution/AgencyCollege agrees that the Foundation, at its own expense, may at any time during normal business hours conduct or request additional audits or reviews of the Institution/Agency'sCollege's books and records pertinent to the expenditure of donated funds. The Foundation agrees that the Institution/AgencyCollege and the State Board, at its own expense, may, at reasonable times, inspect and audit the Foundation's books and accounting records.

4. Annual Reports to Institution/AgencyCollege President. On a regular basis, which shall not be less than annually, the Foundation shall provide a written report to the Institution/AgencyCollege President setting forth the following items:

- a. the annual financial audit report;
- b. an annual report of Foundation transfers made to the Institution/AgencyCollege, summarized by Institution/AgencyCollege department;
- c. an annual report of unrestricted funds received by the Foundation;
- d. an annual report of unrestricted funds available for use during the current fiscal year;
- e. a list of all of the Foundation's officers, directors, and employees;
- f. a list of Institution/AgencyCollege employees for whom the Foundation made payments to the Institution/AgencyCollege for supplemental compensation or any other approved purpose during the fiscal year, and the amount and nature of that payment;
- g. a list of all state and federal contracts and grants managed by the Foundation;
- h. an annual report of the Foundation's major activities;
- i. an annual report of each real estate purchase or material capital lease, investment, or financing arrangement entered into during the preceding Foundation fiscal year for the benefit of the Institution/AgencyCollege; and
- j. an annual report of (1) any actual litigation involving the Foundation during its fiscal year; (2) identification of legal counsel used by the Foundation for any purpose during such year; and (3) identification of any potential or threatened litigation involving the Foundation.

ARTICLE VII
Conflict of Interest and Code of Ethics and Conduct

1. Conflicts of Interest Policy and Code of Ethics and Conduct. The Foundation's Conflict of Interest Policy is attached as Exhibit "F", and its Code of Ethical Conduct is set forth as Exhibit "G".

2. Dual Representation. Under no circumstances may ~~an Institution/Agency~~ College employee represent both the ~~Institution/Agency~~ College and the Foundation in any negotiation, sign for both entities in transactions, or direct any other ~~institution~~ College employee under their immediate supervision to sign for the related Party in a transaction between the ~~Institution/Agency~~ College and the Foundation. This shall not prohibit ~~Institution/Agency~~ College employees from drafting transactional documents that are subsequently provided to the Foundation for its independent review, approval and use.

3. Contractual Obligation of ~~Institution/Agency~~ College. The Foundation shall not enter into any contract that would impose a financial or contractual obligation on the ~~Institution/Agency~~ College without first obtaining the prior written approval of the ~~Institution/Agency~~ College. College approval of any such contract shall comply with policies of the State Board with respect to State Board approval of ~~Institution/Agency~~ College contracts.

4. Acquisition or Development of Real Estate. The Foundation shall not acquire or develop real estate or otherwise build facilities for the ~~Institution/Agency's~~ College's use without first obtaining approval of the State Board. In the event of a proposed purchase of real estate by the Foundation for the ~~Institution/Agency~~ College, the ~~Institution/Agency~~ College shall notify the State Board at the earliest possible date. Any such proposed purchase for the ~~Institution/Agency's~~ College's use shall be a coordinated effort of the ~~Institution/Agency~~ College and the Foundation. Any notification to the State Board required pursuant to this paragraph may be made through the State Board's chief executive officer in executive session pursuant to the open meeting law, set forth in Idaho Code, Title 74, Chapter 2.

ARTICLE VIII General Terms

1. Effective Date. This Operating Agreement shall be effective on the date set forth above.

2. Right to Terminate. This Operating Agreement shall terminate upon the mutual written agreement of both Parties. In addition, either Party may, upon 90 days prior written notice to the other, terminate this Operating Agreement, and either Party may terminate this Operating Agreement in the event the other Party defaults in the performance of its obligations and fails to cure the default within 30 days after receiving written notice from the non-defaulting Party specifying the nature of the default. Should the ~~Institution/Agency~~ College choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the Foundation that is not cured within the time frame set forth above, the Foundation may require the ~~Institution/Agency~~ College to pay, within 180 days of written notice, all debt incurred by the

Foundation on the ~~Institution/Agency'sCollege's~~ behalf including, but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives. Should the Foundation choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the ~~Institution/AgencyCollege~~ that is not cured within the time frame set forth above, the ~~Institution/AgencyCollege~~ may require the Foundation to pay any debt it holds on behalf of the Foundation in like manner. The Parties agree that in the event this Operating Agreement shall terminate, they shall cooperate with one another in good faith to negotiate a new agreement within six (6) months. In the event negotiations fail, the Parties will initiate the dispute resolution mechanism described below (through reference to the Foundation ~~ChairPresident~~ and the State Board) to further attempt to negotiate a new agreement within the time period specified herein, they will refer the matter to the State Board for resolution. Termination of this Operating Agreement shall not constitute or cause dissolution of the Foundation.

3. Dispute Resolution. The Parties agree that in the event of any dispute arising from this Operating Agreement, they shall first attempt to resolve the dispute by working together with the appropriate staff members of each of the Parties. If the staff cannot resolve the dispute, then the dispute will be referred to the ~~ChairPresident~~ of the Board of the Foundation and the ~~Institution/AgencyCollege~~ President. If the Foundation Board ~~ChairPresident~~ and ~~Institution/AgencyCollege~~ President cannot resolve the dispute, then the dispute will be referred to the Foundation ~~ChairPresident~~ and the State Board for resolution. If they are unable to resolve the dispute, the Parties shall submit the dispute to mediation by an impartial third Party or professional mediator mutually acceptable to the Parties. If and only if all the above mandatory steps are followed in sequence and the dispute remains unresolved, then, in such case, either Party shall have the right to initiate litigation arising from this Operating Agreement. In the event of litigation, the prevailing Party shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs, attorney fees, and other professional expenses.

4. Dissolution of Foundation. Consistent with provisions appearing in the Foundation's Bylaws and Articles of Incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code §501(c)(3) organization, the Foundation shall transfer to the State Board (or ~~InstitutionCollege~~, as applicable) the balance of all property and assets of the Foundation from any source, after the payment of all debts and obligations of the Foundation, and such property shall be vested in the State Board in trust for the ~~usecontinued support~~ and benefit of the ~~Institution/AgencyCollege~~.

5. Board Approval of Operating Agreement. Prior to the Parties' execution of this Operating Agreement, an unexecuted copy of this Operating Agreement must be approved by the State Board. Furthermore, this Operating Agreement, including any subsequent modifications and restatements of this Operating Agreement, shall be submitted to the State Board for review and approval no less frequently than once every three (3) years or more frequently if otherwise requested by the State Board.

6. Modification. Any modification to the Operating Agreement or Exhibits hereto shall be in writing and signed by both Parties.

7. Providing Document to and Obtaining Approval from the Institution/Agency-College. Unless otherwise indicated herein, any time documents are to be provided to the Institution/AgencyCollege or any time the Institution/Agency'sCollege's approval of any action is required, such documents shall be provided to, or such approval shall be obtained from, the Institution/Agency'sCollege's President or an individual to whom such authority has been properly delegated by the Institution/Agency'sCollege's President.

8. Providing Documents to and Obtaining Approval from the Foundation. Unless otherwise indicated herein, any time documents are to be provided to the Foundation or any time the Foundation's approval of any action is required, such document shall be provided to, or such approval shall be obtained from, the Foundation's Board of Directors or an individual to whom such authority has been properly delegated by the Foundation's Board of Directors.

9. Notices. Any notices required under this Operating Agreement may be mailed or delivered as follows:

To the Institution/AgencyCollege:

President
— Institution/Agency
— Street Address
— City, Lewis-Clark State and ZipCollege
— 500 8th Avenue
— Lewiston, ID 83501

To the Foundation:

ManagingExecutive Director
— Lewis-Clark State College Foundation, Inc.
— Street Address
— City, State and Zip
— 500 8th Avenue
— Lewiston, ID 83501

10. No Joint Venture. At all times and for all purposes of this Memorandum of Understanding, the Institution/AgencyCollege and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party.

11. Liability. The Institution/AgencyCollege and Foundation are independent entities and neither shall be liable for any of the other's contracts, torts, or other acts or omissions, or those of the other's trustees, directors, officers, members or employees.

12. Indemnification. To the extent allowed by law, the ~~Institution/Agency~~College and the Foundation each agree to indemnify, defend and hold the other Party, their officers, directors, agents and employees harmless from and against any and all losses, liabilities, and claims, including reasonable attorney's fees arising out of or resulting from the willful act, fault, omission, or negligence of the Party, its employees, contractors, or agents in performing its obligations under this Operating Agreement. This indemnification shall include, but not be limited to, any and all claims arising from an employee of one Party who is working for the benefit of the other Party. Nothing in this Operating Agreement shall be construed to extend to the ~~Institution/Agency's~~College's liability beyond the limits of the Idaho Tort Claims Act, Idaho Code §6-901 et seq.

13. Assignment. This Operating Agreement is not assignable by either Party, in whole or in part.

14. Governing Law. This Operating Agreement shall be governed by the laws of the State of Idaho.

15. Severability. If any provision of this Operating Agreement is held invalid or unenforceable to any extent, the remainder of this Operating Agreement is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

16. Entire Agreement. This Operating Agreement constitutes the entire agreement among the Parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto.

17. List of Attachments

- a. Exhibit A – Loaned Employee Agreement
- b. Exhibit B - Service Agreement
- c. Exhibit C – Investment Policy
- d. Exhibit D - Articles of Incorporation
- e. Exhibit E – Bylaws
- f. Exhibit F – Conflict of Interest Policy
- g. Exhibit G – Code of Ethical Conduct
- h. Exhibit H – Gift Acceptance Policy
- i. Exhibit I - Policy for Accounting for Gift Revenue
- j. Exhibit J – Foundation Insurance
- k. Exhibit K - Committee Descriptions
- l. Exhibit L – Endowment Fund Fee Policy

IN WITNESS WHEREOF, the ~~Institution/Agency~~College and the Foundation have executed this Operating Agreement on the above specified date.

~~Institution/Agency~~Lewis-Clark State College

By: _____
Its: President

Foundation, Inc.

~~Institution/Agency~~Lewis-Clark State College

By: _____
Its: ~~Chairman~~President

EXHIBIT "A"

Loaned Employee Agreement

Not applicable at this time

EXHIBIT "B"

Service Agreement

1. Staff

- a. The Director of College Advancement, an employee of the College, shall serve as Executive Director of the Foundation and shall supervise the College Advancement staff who are likewise employees of the College and who will provide administrative services to the Foundation. The College is responsible for the employment and compensation of College Advancement Staff providing services to the Foundation, including the Director of College Advancement in his or her capacity as Executive Director of the Foundation. Subject to approval by the President of the College, the Foundation may appoint an employee of the College to serve as Treasurer. The Treasurer shall provide and/or supervise the provision of financial and accounting services for the Foundation. While providing services to the Foundation, College employees are subject to the oversight and direction of the Board of Directors of the Foundation. Executive officers of the College (President and Vice Presidents) shall not serve as Foundation Board officers or staff members.

2. Additional services the College provides to the Foundation

- a. Access to the College's financial system to receive, disburse and account for funds of the Foundation. Except for funds transferred into Foundation's brokerage accounts, all funds received by the Foundation shall be deposited with the College and credited to one or more agency accounts established in the name of the Foundation within the College's financial system. In using the College's financial services, the Foundation shall comply with the College's financial and administrative policies and procedures.
- b. Accounting services, to include cash receipts and disbursements, accounts receivable and payable, bank reconciliation, reporting and analysis, and internal auditing.
- c. Investment, insurance, and similar services.
- d. Development services, including research, information systems, donor records, communications and special events.

3. Facilities, Furnishings and Office Equipment

- a. The business office of the Foundation shall be located in the College Advancement Office at 500 8th Avenue, Lewiston, Idaho. The College will provide office space to the Foundation including providing all maintenance and utilities, and local and long-distance telephone service for use in the business of the Foundation. The furnishings, computers, copiers and other items of office equipment used in the Foundation's office are owned by the College but shall be made available for use in the business of the Foundation. The cost of repairing, maintaining and replacing such furnishings and equipment shall be paid by the College.

4. Reimbursement

- a. Except as otherwise provided in the Agreement and Exhibit “L” (“Endowment Fund Fee Policy”), the Foundation shall have no obligation to reimburse the College for costs incurred by the College for personnel, use of facilities or equipment or for other services provided to the Foundation by the College. The Foundation established a fee as referenced in Exhibit L to assist with offsetting general operating costs such as accounting, fundraising, and other administration costs in support of the mission and vision of LC State. Neither the Foundation nor the College require the fee revenue to be transferred to the College though, as mutually agreed upon, all or part of the fee revenue may be transferred to offset the cost of services provided under this agreement. No payments shall be made directly from the Foundation to College employees in connection with resources or services provided to the Foundation under this Agreement.

EXHIBIT "C"

Investment Policy

PURPOSE

The purpose of this Investment Policy Statement (IPS) is to establish a clear understanding between the Lewis-Clark State College Foundation ("Foundation") and the Foundation's professional "Advisor" as to the investment objectives and policies applicable to the Foundation's investment portfolio. This Investment Policy Statement will:

- Establish reasonable expectations, objectives and guidelines in the investment of the portfolio's assets
- Set forth an investment structure detailing permitted asset classes and expected allocation among asset classes
- Encourage effective communication between the Advisor and the Foundation.
- Create the framework for a well-diversified asset mix that can be expected to generate acceptable long term returns at a level of risk suitable to the Foundation.

This IPS is not a contract. This IPS is intended to be a summary of an investment philosophy that provides guidance for the Advisor.

ADVISOR CONTRACT

The Advisor Contract will typically be awarded for an initial three (3) year period, beginning July 1, with an option for one additional three (3) year renewal. The decision to enter a new contract or engage in an RFP process or other process shall be at the sole discretion of the Foundation Board. The Board may, at its discretion, choose to forego an RFP process or other process in favor of entering into a new contract with the existing advisor. All fees shall be firm for the term of the contract and will be included in any contract agreement. A performance review will be conducted annually at the Fall meeting, by the Foundation Finance & Investment Committee, or by any of its designated subcommittees.

If, for any reason, the Foundation should wish to discontinue the professional's services, the Foundation, with sixty (60) days' written notice, may terminate the contract.

INVESTMENT OBJECTIVES

The primary investment objective for the Foundation's assets is to seek long term growth. However, the Foundation does intend to withdraw 4% annually to provide for required distribution. The cash flow intentions of the Foundation are detailed in the Foundation's Spending Policy.

TIME HORIZON

For the purposes of planning, the time horizon for investments is perpetuity. The Foundation recognizes that capital values fluctuate over shorter periods and the possibility of capital loss does exist. However, historical asset class return data suggest that the risk of principal loss over a holding period of at least ten years can be minimized with the long-term investment mix employed under this IPS.

RISK TOLERANCE

The Foundation is a moderate risk taker with regard to these investment assets. The portfolio will be managed in a manner that seeks to minimize principal fluctuations over the established horizon and is consistent with the stated objectives. Financial research has demonstrated that risk is best minimized through diversification of assets.

ASSET ALLOCATION

Academic research suggests that the decision to allocate total assets among various asset classes will far outweigh security selection and other decisions that impact portfolio performance. After reviewing the long-term performance and risk characteristics of various asset classes and balancing the risks and rewards of market behavior, the following asset classes were selected to achieve the objectives of the Foundation's Portfolio.

Table 1-1

<u>Asset Category</u>	<u>Target Allocation</u>	<u>Acceptable Range</u>
<u>CASH</u>	<u>2%</u>	<u>1% - 10%</u>
<u>FIXED INCOME</u>	<u>28%</u>	<u>20% - 40%</u>
<u>STOCKS</u>	<u>70%</u>	<u>60%-80%</u>
<u>TOTAL</u>	<u>100%</u>	

*International stocks not to exceed 10% of the total portfolio.

Updated Allocations

From time to time, it may be desirable to amend the basic allocation policy or calculations. When such changes are made, updates will be attached to this Investment Policy Statement as Appendix A and will be considered part of this Investment Policy Statement. The Advisor will provide to the Foundation the recommended or desired targeted allocation percentages. The recommendation will fall within the acceptable range as indicated in table 1-1.

Portfolio Rebalancing

From time to time, market conditions may cause the portfolio's investment in various asset classes to vary from the targeted allocation. To remain consistent with the asset allocation guidelines established by this IPS, each asset class in which the portfolio invests shall be reviewed annually by the Advisor and rebalanced back to the recommended weighting if the actual weighting varies by 3% or more from the recommended weighting (e.g., if the targeted allocation for a particular asset class is 10% and the actual is less than 7% or more than 13%, that asset class will be adjusted back to the targeted 10% allocation by either adding assets or distributing assets to or from the other asset classes.)

DIVERSIFICATION

Investment of the Foundation's funds shall be limited to the following categories:

Permitted Investment Categories

1. Cash and cash equivalents, including money market funds, or certificates of deposit
2. ETF or Index Funds
3. Stock or Bond Mutual Funds

Excluded Categories for Investment

1. Derivatives
2. Natural resources
3. Precious metals
4. Venture capital

Investment Concentration

At all times there must be a minimum of three investment categories represented among the Foundation's assets. There shall be no maximum limit to the number of categories. No individual security held shall represent more than 15% of the total portfolio.

INVESTMENT MONITORING AND CONTROL PROCEDURES

Reports

1. Advisor shall provide the Foundation with a monthly report that lists all assets held by the Foundation, values for each asset and all transactions affecting assets within the portfolio, including additions and withdraws.
2. Advisor shall provide the Foundation on a quarterly basis and within 30 days of the end of each calendar quarter, the following reports:
 - a) Portfolio performance results over the last quarter, year, 3 years and 5 years
 - b) Performance results of comparative benchmarks for the same periods; performance shall be reported on a time-weighted basis.

3. Advisor shall assist in the development of investment policies, objectives and guidelines.
4. Advisor shall prepare asset allocation analyses as necessary and recommend asset allocation strategies with respect to the Foundation's objectives.
5. Advisor shall provide research on specific issues and opportunities and assist the Foundation Finance & Investment Committee in special tasks.
6. Advisor shall make tactical implementation decisions, including rebalancing, within the asset allocations ranges set by the Foundation and among investment managers with communication of such decisions and the rational at the next Foundation meeting. Such decisions will be tracked by the Advisor who will report the results of each of those decisions in its Investment Review provided to the Foundation for its quarterly meetings.
7. Advisor shall notify the Foundation Finance & Investment Committee of any significant changes in portfolio managers, personnel or ownership of any investment management firm hired by the Foundation.
8. Advisor shall, overall, be proactive with the Administration of the Foundation in the management of the Foundation's investments.

Meeting

Advisor shall meet with the Foundation's Finance and Investment Committee at least annually (or semi-annually if the Foundation chooses) in order to give a detailed report as to activity in the investment account, manager selection, tactical changes in the asset allocation weightings or other information the Foundation shall require.

Advisor shall also meet annually with the Foundation Board in January of each year to give a detailed report on the Foundation's investments.

ADOPTION

Adopted and Revised by the Foundation on this 21st day of December, 2021. Effective July 1, 2022.

EXHIBIT "D"

Articles of Incorporation

01 MAR -9 AM 8:57 ARTICLES OF AMENDMENT
 SECRETARY OF STATE
 STATE OF MISSISSIPPI
 LEWIS-CLARK STATE COLLEGE
 EDUCATION ASSISTANCE AND DEVELOPMENT FOUNDATION
 (now, LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.)

BE IT RESOLVED that the Articles of Incorporation of Lewis-Clark State College Educational Assistance and Development Foundation, Inc., be, and the same are hereby, amended and restated in their entirety as follows:

ARTICLE I

Preliminary Matters

- ## ARTICLE II
- ### Purposes

- 1-

reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on (a) by a corporation exempt from federal tax under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

- 2.02 Higher Education.** In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College.** The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in § 501(c)(3) of the Internal Revenue Code, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds.** Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs.** Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.

- c. **Facilities.** Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
- d. **Financial Assistance.** To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
- e. **Cooperation.** Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 **Statutory Powers.** This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in § 30-3-23 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict those corporation's rights and powers.
- 3.02 **Activities.** In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 **Limitations.** No part of the net earnings or assets of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be for the purpose of carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, (including the publishing and distribution of statements) any political campaign on behalf of any candidate for

public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE IV
No Members

The corporation shall not have any members.

ARTICLE V
Board of Directors

The affairs of the corporation shall be managed by a Board of Directors. The number of directors serving on the Board of Directors shall be fixed in accordance with the corporation's Bylaws. Other than the directors constituting the initial board of directors, who are designated in these articles, the Directors shall be elected, appointed or designated in the manner and for the term or terms provided in the Bylaws of the corporation.

The names and street addresses of the persons constituting the initial board of directors are:

Name	Address
Niel Zimmerman President - LCSC	500 Eighth Street Lewiston, ID 83501
Rita Morris Provost and Academic Vice-President - LCSC	500 Eighth Avenue Lewiston, ID 83501
Dean Froehlich Vice-President of Administrative Services - LCSC	500 Eighth Avenue Lewiston, ID 83501
Richard Meier Vice-President of Student Affairs - LCSC	500 Eighth Avenue Lewiston, ID 83501
Barbara Bowen President LCSC Alumni Association	601 Burrell Drive Lewiston, ID 83501

Gene Straughan Faculty Senate Chair Elect- LCSC	P. O. Box 189 Colton, WA 99113
Eugene Baldeck Appointed Director	2214 Vineyard Lewiston, ID 83501
Scott Arnone Appointed Director	1445 G Street, Suite 101 Lewiston, ID 83501
Charles Brown Appointed Director	322 Main Street Lewiston, ID 83501
Bob DeVleming Appointed Director	P.O. Box 57 Lewiston, ID 83501
Donna Doyle Appointed Director	566 Crestline Circle Drive Lewiston, ID 83501
Joe Hall Appointed Director	1617 21 st Street Lewiston, ID 83501
Harriet Husemann Appointed Director	523 Cedar Lewiston, ID 83501
Jackie McIver Appointed Director	835 Main Street Lewiston, ID 83501
Sam Penney Appointed Director	P.O. Box 305 Lapwai, ID 83540
Joe Stegner Appointed Director	216 Prospect Lewiston, ID 83501
A. L. Alford, Jr. Elected Director	505 C Street Lewiston, ID 83501
Howard Hayes Elected Director	P.O. Box 816 Lewiston, ID 83501

Darrel Inman Elected Director	P.O. Box 856 Lewiston, ID 83501
Terry Kolb Elected Director	P.O. Box 937 Lewiston, ID 83501
William Mannschreck Elected Director	2956 Mayfair Ridge Lewiston, ID 83501
Eadie Saxton Elected Director	1035 29 th Street Lewiston, ID 83501
Marilyn Stonebraker Elected Director	1224 Third Street Lewiston, ID 83501
Charles F. Woods Elected Director	308 Main Street Lewiston, ID 83501
John Young Elected Director	P.O. Box 917 Lewiston, ID 83501

ARTICLE VI
Registered Agent

- 6.01 Registered Office.** The street address of the initial registered office of this corporation is the office of the Vice-President for Administrative Services, Lewis-Clark State College, Eighth Avenue and Sixth Street, Lewiston, ID 83501.
- 6.02 Registered Agent.** The name and initial registered agent of the corporation at such street address is Dean A. Froehlich.

ARTICLE VII.
Distribution on Dissolution

Upon dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment of all debts and liabilities of this corporation shall be to the Idaho State Board of Education, as the Board of Trustees of Lewis-Clark State College; provided, however, that if at such time Lewis-Clark State College or its successor in interest is not an agency of the State of Idaho or an exempt organization described in § 501(c)(3) of the Internal Revenue Code or has substantially failed or abandoned its operations or been

dissolved, then the remaining assets of the corporation shall be distributed to such other agencies of the State of Idaho or non-profit fund foundation or corporation involved in higher education which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, as the Board of Directors may direct. Any such assets not distributed shall be distributed by the district court of the county in which the principal office of the corporation is then located, excluding for any purposes or to such organizations as the court shall determine to be consistent with the purposes of the corporation.

ARTICLE VIII.
Bylaws

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws. The Board of Directors of the corporation shall be authorized to amend the corporation's Bylaws at a properly noticed special or regular meeting of the Board of Directors.

ARTICLE VIX.
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

IN WITNESS WHEREOF, the duly undersigned officers have signed and attested these Articles of Amendment.

DATED this 20th day of February 2001.

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND
DEVELOPMENT FOUNDATION

BY Edith K. Saxon
President

Attest:

John Young
Secretary


State of Idaho
Department of State.
CERTIFICATE OF INCORPORATION
OF

LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated April 4, _____, 19 84.


SECRETARY OF STATE
Pete T. Cenarrusa
Dorise Hener
Corporation Clerk

CINP 779

APR 4 8 29 AM '84

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

APRIL 1984

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

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LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
ARTICLES OF INCORPORATION

ROBERT P. BROWN, Esquire, being over the age of twenty-one (21) years, for the purpose of forming a corporation under the provisions of the Idaho Nonprofit Corporation Act, Title 30, Chapter 3 of the Idaho Code, hereby adopts these articles of incorporation:

ARTICLE I
Preliminary Matters

- 1.01 Name. The name of this corporation is LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
- 1.02 Nonprofit status. This corporation is a nonprofit corporation.
- 1.03 Duration. The duration of this corporation shall be perpetual.

ARTICLE II
Purposes

- 2.01 Charitable scope of purposes. This corporation is organized and shall be operated exclusively for charitable, scientific, literary, or educational purposes, within the meaning of §501(c)(3) of the Internal Revenue Code of 1954, as amended, or corresponding provisions of any subsequent Federal tax laws (hereinafter called Internal Revenue Code"), and Treasury Regulations issued thereunder. This corporation shall serve the public interest, and no part of its assets or the income therefrom shall inure to the benefit of any private individual, except for payment of reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

- 2.02 Higher education. In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College. The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds. Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs. Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.
 - c. Facilities. Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
 - d. Financial assistance. To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
 - e. Cooperation. Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 Statutory powers. This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in §30-307 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict this corporation's rights and powers.
- 3.02 Activities. In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 Limitations. No power or authority shall be exercised by this corporation in any manner or for any purpose which is not permitted for an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

ARTICLE IV
Members

- 4.01 Management authority. The management of the affairs of this corporation shall be vested in its members pursuant to Section 30-314(c) of the Idaho Code.
- 4.02 Apportionment of voting rights among classes. All voting rights shall be exercised by a single class of membership designated "trustee members", with each trustee member entitled to one (1) vote on each matter submitted to a vote at a meeting of such members. The bylaws of the corporation may provide for the designation of any one or more classes of nonvoting members. Except as set forth in these Articles of Incorporation, the designation, number, qualifications, terms of office, manner of selection, time and place of meetings, rights, powers, and duties of the members of each class shall be prescribed in the bylaws of the corporation.
- 4.03 Compensation. No member of the corporation shall receive any compensation for his or her services as a member of the corporation, but the corporation may pay reasonable compensation to any person, including a member of the corporation, for other services actually rendered to the corporation.

- 4.04 Notice of organization meeting. Actual personal notice of the organization meeting of the members of the corporation shall be sufficient notice pursuant to Section 30-324(b) of the Idaho Code.

ARTICLE V
Directors

There shall be no directors of the corporation, the management of the affairs of the corporation being vested in the trustee members pursuant to Section 30-314 of the Idaho Code.

ARTICLE VI
Principal Organizer

- 6.01 Name. The name of the principal organizer of this corporation is LEE A. VICKERS, who is over the age of twenty-one (21) years.
- 6.02 Address. The street address of the principal organizer is Office of the President, 8th Avenue and 6th Street, Lewiston, Idaho 83501.

ARTICLE VII
Registered Office and Registered Agent

- 7.01 Registered office. The street address of the initial registered office of this corporation is Office of the President, Lewis-Clark State College, 8th Avenue and 6th Street, Lewiston, Idaho 83501.
- 7.02 Registered agent. The name of the initial registered agent at such street address is LEE A. VICKERS.

ARTICLE VIII
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

ARTICLE IX
Dissolution

In the event of termination, dissolution or liquidation of this corporation, the net assets remaining after payment of all debts and obligations of the corporation shall be transferred and conveyed exclusively to Lewis-Clark State College or its successors-in-interest; provided, however, that if at such time Lewis-Clark State College or its successor-in-interest is not an agency of the State of Idaho or an exempt organization described in §501(c)(3) of the Internal Revenue Code, or has substantially failed or abandoned its operations or been dissolved, then the

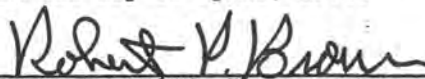
remaining assets of this corporation shall be distributed to such other agencies of the State of Idaho and exempt organizations described in §501(c)(3) of the Internal Revenue Code involved in higher education as the board of directors may direct.

ARTICLE X
Incorporator

10.01 Name. The name of the incorporator of this corporation is ROBERT P. BROWN, Esquire, who is over the age of twenty-one (21) years.

10.02 Address. The street address of the incorporator is 13th and Idaho Streets, Lewiston, Idaho 83501.

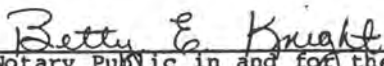
IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation in duplicate this 2nd day of April, 1984.

 (SEAL)
ROBERT P. BROWN, Incorporator

STATE OF I D A H O)
 : ss.
County of NEZ PERCE)

On this 2nd day of April, 1984, before me the undersigned, a notary public in and for the State of Idaho, personally appeared ROBERT P. BROWN, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(S E A L)

Notary Public in and for the State of
Idaho, Residing at Lewiston, therein.

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EXHIBIT "E"

Bylaws

AMENDED AND RESTATED BYLAWS
OF
LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.

ARTICLE I.
In General

1.01 Nature of Bylaws. The following paragraphs contain provisions for the regulation and management of LEWIS-CLARK STATE COLLEGE FOUNDATION, INC., a nonprofit corporation organized and operating under the laws of the State of Idaho.

1.02 Conflicts. In the event that there is a conflict between a provision of these Bylaws and a mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation of the corporation, then the mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation shall control.

ARTICLE II.
Principal Office

2.01 Principal Office. The principal office of the corporation in the State of Idaho shall be located at Lewis-Clark State College, 500 8th Avenue Lewiston, ID 83501. The corporation may have such other offices, either within or without the State of Idaho, as the Directors may designate from time to time.

ARTICLE III.
Non-Director Members

3.01 Foundation Members. In addition to the Directors as defined in Article IV below, the corporation may recognize a class of benefactors and supporters designated as "Foundation Members", which class may be further subdivided into any number of subclasses as may be determined by the Directors.

3.02 No Management Authority or Voting Rights. Foundation Members, as described in 3.01 above, shall have no authority to manage the affairs of the corporation, and shall not be entitled to vote on any matter relating to the corporation. Foundation Members shall have the right to attend and participate in meetings of the Directors.

3.03 Rights and Privileges. Except as may be otherwise provided in these Bylaws or the Articles of Incorporation, Foundation Members shall have such recognition, rights, privileges as may be determined by the Board of Directors. Foundation Members are invited to attend meetings of the Board of Directors.

3.04 Selection. Individuals or organizations who are interested in the objectives and purposes of the corporation may be admitted as Foundation Members by majority vote of the Directors upon meeting such qualifications as may be determined by the Directors.

3.05 Designated Members. The following individuals shall serve as Designated Members by virtue of their offices, to serve for the term of their respective offices. Designated Members do not have voting rights.

- a. The President of Lewis-Clark State College.
- b. The Provost and Vice President for Academic Affairs of Lewis-Clark State College.
- c. The Vice President for Finance and Administration of Lewis-Clark State College.

- d. The Foundation Treasurer as appointed by Lewis-Clark State College with the consent of the Foundation.
- e. The Faculty Senate Chair Elect of the Lewis-Clark State College Faculty Association.
- f. The Lewis-Clark State College Alumni Association Board Representative.
- g. The Vice President of Student Affairs of Lewis-Clark State College.

3.06 Membership Roster and Certificates. The corporation shall maintain a roster of Foundation Members, and may issue certificates, cards, or other evidence of association.

3.07 Personal Status of Association. Association as a Foundation Member shall be personal to the associate admitted, and shall not survive the death of any individual associate nor be transferred by any means whatsoever.

3.08 Resignation. A Foundation Member may resign at any time by written notice to the corporation.

3.09 Removal. Association as a Foundation Member may be reviewed for any action which is detrimental to the best interests of the corporation, or for failure to actively support corporate purposes, or to actively participate in corporate activities. Removal shall require the affirmative vote of a majority of the Directors.

ARTICLE IV. **Directors**

4.01 General Powers. All corporate powers shall be exercised by or under the authority of the Board of Directors. The business and affairs of the corporation shall also be managed under the direction of the Board of Directors, except as otherwise provided in the Idaho Non-Profit Corporation Act or the Articles of Incorporation.

4.02 Presumption of Assent. A Director of the corporation who is present at a meeting of its Board of Directors at which any action on any corporate matter is taken shall be presumed to have assented to the action unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file such Director's written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified or registered mail to the secretary of the corporation within three days after the adjournment of the meeting. Such right of dissent shall not apply to a Director who voted in favor of such action.

4.03 Qualification. Directors need not be officers of the corporation nor residents of the State of Idaho.

4.04 Elected Directors. The corporation shall have such Directors as may be elected by majority vote of the Directors, as then constituted, at the annual meeting of Directors. The number of such elected Directors serving at any time shall, in no event, exceed thirty (30). Each Director, including the Director whose terms are expiring, shall have the right to vote for as many persons as there are Directors to be elected, but no Director shall be entitled to cumulate his or her votes.

4.05 Terms of Elected Directors. The terms of the Elected Directors pursuant to Article 4.04 shall serve for a period of three (3) years until the annual meeting in the year in which their respective terms expire and until their successors are duly appointed or elected and qualified.

4.06 Resignation. Any Director may resign at any time giving written notice to the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance by the corporation.

4.07 Removal. An elected or appointed Director may be removed from office prior to expiration of the term of office by the vote of at least two-thirds (2/3) of the Directors other than the Director voted upon, at any regular or special meeting of Directors. Unexcused absences from two (2) consecutive meetings of the Directors shall be cause for consideration of removal of a Director. The Designated Director is not subject to removal.

4.08 Vacancies. A vacancy among the Directors shall be deemed to exist upon death, resignation or removal of a Director. The vacancy of a Director shall be filled by his or her successor in office at the time the office is assumed. The vacancy of a Designated Director shall be filled by appointment of the Executive Committee. A Director appointed or elected to fill a vacancy shall serve the unexpired term of his predecessor in office.

4.09 Place of Meetings. All meetings of the Directors shall be held at the principal office of the corporation or at such other place, either within or without the State of Idaho, as the Directors may, from time to time, direct.

4.10 Organization of Meeting. The president of the corporation shall act as chairman of meetings of Directors. In the absence of the president, the next Officer shall act as chairman: vice president, then secretary, respectively.

4.11 Annual Meetings. The annual meetings of the Directors shall be held in the spring each year. In the event that such annual meeting is omitted by oversight or otherwise, it may be held at a subsequent special meeting called in accordance with the provisions of these Bylaws and the laws of the State of Idaho, and any business transacted or elections held at such meetings shall be valid as if transacted or held at the annual meeting.

4.12 Special Meetings. A special meeting of the Directors may be called at any time by the president, and shall be called by the president upon the written request of a majority of the Directors.

4.13 Notice of Meetings. Written notice of each meeting of Directors stating the place, day or hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) days before the date of the meeting. Exceptions may occur with extenuating circumstances. If mailed, such notice shall be deemed to be delivered three (3) days after they are deposited in the United States Mail addressed to the Director at his or her address as it appears on the records of the corporation, with postage paid thereon.

Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The Directors may waive notice of any meeting, and written waiver of notice executed either before or after the meeting shall be sufficient.

Any adjournment or adjournments of an annual or special meeting to another time and place may be held without new notice being given.

4.14 Quorum. A simple majority (defined as 51% or more) of the voting Directors shall constitute a quorum for the transaction of business. The act of a majority (defined as 51% or more) of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

Foundation Members and Designated Members shall not be considered to constitute a quorum and do not have voting rights.

If, at any meeting of the Directors, there shall be less than a quorum present, those present may adjourn the meeting without notice other than by announcement at the meeting. If, subsequently additional directors arrive and a quorum is present, such meeting can be re-convened and any business may be transacted which might have been transacted at the meeting as originally notified.

4.15 Action Without a Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Directors or of a committee, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by a simple majority of the Directors, or by a simple majority of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

4.16 Powers and Duties. The Directors shall establish policies and have the general management, control and direction of all the business and affairs of the corporation and of all its undertakings to the fullest extent permitted by law. In addition to all powers granted by law, Directors shall have power and authority:

- a. To call meetings of the Directors whenever deemed proper or necessary.
- b. To elect officers of the corporation, to appoint such employees or agents as they deem necessary or proper, to confer upon any officer the power to appoint, remove and suspend officers, employees and agents, and to similarly remove any officer, employee or agent with or without cause.
- c. To determine the policies of the corporation and to make such rules and regulations as may be deemed necessary or proper for the government and guidance of the officers, employees and Directors of the corporation, not inconsistent with the laws of the State of Idaho, the Articles of Incorporation, these Bylaws or the Operating Agreement.
- d. To oversee the security and safekeeping of endowment funds to insure that the same are invested in accordance with the Uniform Prudent Management of Institutional Funds Act as adopted by the State of Idaho and in a manner consistent with the objectives of the corporation. These duties include cooperation with any investment committee or external investment advisors that may be designated by the Directors.
- e. To purchase or otherwise acquire, and to sell, convey, and otherwise dispose of assets on behalf of the corporation at such prices and upon which terms as the Directors may deem appropriate.
- f. To approve payment for such property, rights or privileges, in whole or in part, with money or other securities of the corporation, or by delivery of other property of the corporation.
- g. To approve an action to borrow money and incur indebtedness; to create, make and issue mortgages, deeds of trust, trust and annuity agreements and negotiable or transferable instruments and securities; to do every other act necessary to effectuate the same.
- h. To hold, operate, leave, invest, reinvest and otherwise manage real and personal property of every kind and description.
- i. To fix the compensation, fringe benefits and emoluments of officers and other employees in accordance with noted Article VI.
- j. To select one or more financial institutions to act as depositor of the funds of the corporation and to determine the manner of receiving, depositing and disbursing the funds of the corporation.
- k. To determine by whom and in what manner the corporation bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed, and to confer and delegate such power.
- l. To do everything necessary or proper for the carrying out of the objects and purposes of the corporation as set forth in the Articles of Incorporation.

Notwithstanding the general delegation of authority granted, the Directors shall support and assist the College in fundraising and donor relations. In carrying out its purposes the Foundation Directors shall not engage in activities that conflict with federal or state laws, rules and regulations (including but not limited to all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations), applicable policies of the Idaho State Board of Education or the role and mission of the College.

4.17 Executive Committee. There shall be an executive Committee which shall have and may exercise all of the authority of the Directors other than in reference to amendment of the Articles of Incorporation, adoption of a plan of merger or consolidation of the corporation, the sale, lease, exchange or other disposition of all or substantially all the assets of the corporation otherwise than in the usual and regular course of its activities, a voluntary dissolution of the corporation or a revocation thereof, or amendment of the Bylaws of the corporation. The members of this committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

All action of the executive committee shall be reported to the Directors at its next meeting succeeding such action, and shall be subject to revision or alteration by the Directors, provided that no rights or acts of third parties shall be affected by any such revision or alteration.

A quorum at any meeting of the executive committee shall consist of a simple majority of the Executive Committee Members.

4.18 Scholarship Committee. The Directors may designate two or more members as a scholarship committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

To promote the Foundation Scholars Program:

- a. Establish and maintain scholarship criteria and policies including approval/disapproval of any exceptions to policy
- b. Select scholarship recipients on an annual basis
- c. Provide to the Finance & Investment Committee any information that could impact the amount of the annual scholarship award and/or the number of new scholarships to be given
- d. Provide support, encouragement and develop rapport with individual Foundation Scholars through attendance at social functions such as the orientation at the beginning of the academic year, a winter holiday party, a reception at the LCSC President's home, and/or through a graduation recognition event
- e. Maintain long-term contact with Foundation Scholars, at the minimum annually, in recognition that these scholars are the future ambassadors for the Foundation

To meet as often as required to review other scholarship applications as requested and select recipients in accordance with established individual scholarship criteria

To participate in the annual Scholarship Luncheon to honor LCSC Foundation and Alumni Association scholarship recipients and donors.

4.19 Finance & Investment Committee. The Directors may designate two more members as the Finance & Investment Committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

Finance & Investment Committee of the Foundation shall have the following responsibilities:

- a. Oversight of endowment investments. Allocate investments among assets classes according to the investment policy statement. Review the performance of investment portfolio and advisor at least annually.
- b. Approve annual distribution of endowments according to the foundation spending policy. For underwater endowments determine if distribution will be paid. If underwater endowment distributions are made, determine the source of funding, including General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- c. Select the number of Foundation scholar scholarships awarded to freshman each year. For scholarships awarded in excess of funds available in the Foundation Scholars Program, determine if distribution will be paid from General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- d. Review financial reports and examine fund balances. Develop the annual operating budget two months before the start of each fiscal year.
- e. Approve charitable gift annuities established with gifts of more than \$100,000 per beneficiary. For annuities established with gifts of more than \$200,000 per beneficiary, submit recommendation for full board approval.
- f. Approve acceptance of gifts of assets other than cash. For noncash gifts in excess of \$200,000, submit recommendation for full board approval. Acceptance of marketable securities does not require approval by the committee. Marketable securities will be liquidated immediately upon receipt.

4.20 Other Committees or Task Forces. The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

ARTICLE V.
Officers

5.01 Qualification. An Officer must be a Director of the corporation with the exception of the Treasurer, who may be a Designated Member as described in Section 3.05.

5.02 Offices. The offices of the corporation shall consist of president, vice president, secretary, and treasurer and such other offices as the Directors may choose to appoint.

5.03 Election. The officers of the corporation, with the exception of the Treasurer, shall be elected by the Directors at the organizational meeting of Directors and at such annual meeting of Directors thereafter. Officers shall be elected or appointed for a term extending for two years until the next annual meeting of the Directors and shall serve until their successors shall have been duly elected and qualified.

5.04 Duties of President. The president shall be the chief executive officer of the corporation and shall attend and preside at all meetings of the Directors and any executive committee of the Directors. The president shall have responsibility for the planning and implementation of the corporation's activities and the appointment of employees of the corporation, subject to the advisement and approval of the Directors. The president or vice-president, unless some other person is specifically authorized by vote of the Directors, shall sign all bonds, deeds, mortgages, contracts and other documents of the corporation. The president shall perform all the duties commonly incident to such office and shall perform such other duties as the Directors shall designate.

5.05 Duties of a Vice President. The vice president shall perform the duties and have the powers of the president during his or her absence or disability. A vice president shall perform such other duties and have such others powers as the Directors may designate.

5.06 Duties of the Secretary. The secretary shall ensure accurate minutes of all meetings of the foundation members and the Directors are maintained. The secretary shall attend to the giving and serving of all notices of the corporation, shall have custody of all the original records, papers, files and books of the corporation (except books of accounts and valuable papers properly in the custody of the treasurer); shall attest all instruments in writing executed in the name of the corporation and requiring his or her signature; and shall, in general, perform all the duties incident to the office of secretary and such other duties as the Directors shall designate. In the absence of the secretary, an assistant secretary or a secretary pro tempore shall perform such duties.

5.07 Duties of Treasurer. The treasurer, subject to the order of the Directors, shall have the care and custody of the funds and valuable papers of the corporation in such bank or banks as the Directors shall designate. The treasurer shall have and exercise, under the supervision of the Directors, all the powers and duties commonly incident to such office and give bond in such form and with such sureties as may be required by the Directors. The treasurer shall keep accurate books of account of the corporation's transactions, which shall be the property of the corporation, and, together with all its property in his or her possession, shall be subject at all times to the inspection and control of the Directors.

5.08 Duties of Executive Director. The executive director shall be given the necessary authority and responsibility to operate the affairs of the corporation and all its activities subject to such policies as may be adopted and such orders as may be issued by the Directors or by any committee or task force to whom they have delegated power for such action. He or she shall act as the duly authorized representative of the Directors in all matters in which the Directors have not formally designated some other person to act.

The authorities and duties of the executive director shall include the responsibility for:

- a. Carrying out all policies established by the Directors.
- b. Developing and submitting to the Directors for approval of plans and strategies for the corporation's affairs, including public relations, soliciting donations, and other matters intended to carry out the objectives of the corporation.

- c. Preparing an annual budget showing the expected receipts and expenditures as required by the Directors.
- d. Selecting and managing staff and developing and maintaining personnel policies and practices.
- e. Presenting to the Directors, or their authorized committee, periodic reports reflecting the operating and financial activities of the corporation and the preparation and submission of such special reports as may be required by the Directors.
- f. Attending all meetings of the Directors and committees.
- g. Performing such other duties as may be necessary and in the best interest of the corporation.

5.09 Other Officers. The duties of the additional officers, other than as defined in the Bylaws of the corporation, shall be prescribed and defined by the Directors.

5.10 Authority to Sign Checks. All checks, drafts or other orders for payment of money, note or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation as provided in these Bylaws or in such manner as shall be determined by the Board of Directors.

5.11 Resignation. Any officer may resign at any time by giving written notice to the corporation, to the Directors, to the president, or to the secretary of the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance.

5.12 Removal. Any officer or agent may be removed at any time by action of the Directors.

5.13 Vacancies. Any vacancy among the officers of the corporation shall be selected by the executive committee subject to the authority of the Directors to approve, disapprove or fill the vacancy themselves.

ARTICLE VI. **Compensation and Indemnification**

6.01 Compensation of Directors. Directors shall not be compensated.

6.02 Compensation of Officers. The president, vice president, secretary and treasurer shall receive no compensation.

6.03 Repayment. Any payments made to an employee of the corporation for compensation, salary, bonus, interest, rent or expense incurred by him or her, which shall be determined to be unreasonable in whole or in part by the Internal Revenue Service pursuant to Section 4941(d) (2) (E) of the Internal Revenue Code shall be reimbursed by such employee to the corporation to the full extent of such determination of unreasonableness. It shall be the duty of the Directors to enforce repayment of each such amount. In lieu of repayment by the employee, subject to the determination of the Directors, amounts may be withheld from the employee's future compensation or expense reimbursement payments until the amount owed to the corporation shall have been recovered.

6.04 Indemnification. Any person who serves on behalf of the Foundation as a director, employee, chairperson or member of any committee, or as a director, trustee or officer of another corporation, shall be deemed to be the Foundation's agent for purposes of this Article and shall be indemnified by the Foundation against expenses (including attorney's fees), judgments, fines, excise taxes and amounts paid in settlement actually or reasonably incurred by such person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or a derivative action, by reason of such service, provided such person acted in good faith and in a manner that he or she reasonably believe to be in the best interest of the foundation and, with respect to any criminal action proceeding, had no reasonable cause to believe his or her conduct was unlawful.

ARTICLE VII.
Gifts to Corporation

7.01 In General. Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

7.02 Acceptance of Governing Documents. Each donor, by making a gift to the corporation, accepts and agrees to all of the provisions of the Articles of Incorporation and these Bylaws.

ARTICLE VIII.
Miscellaneous

8.01 Books and Records. The corporation shall keep accurate and complete books and records of account and shall keep minutes of the proceedings of its Directors and committees having any authority of the Directors. All books and records of the corporation may be inspected by any Director for any proper purpose at any reasonable time.

8.02 Parliamentary Procedure. Parliamentary Procedure shall be the code that governs the procedures of the Foundation Board of Directors' meetings.

8.03 Corporate Seal. There shall be no seal of the corporation, and all contracts and other papers of the corporation shall be authenticated without any corporate seal.

8.04 Waiver of Notice. Whenever any notice whatsoever is required to be given by these Bylaws, or the Articles of Incorporation, or any of the nonprofit corporation laws of the State of Idaho, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice for all purposes.

8.05 Contracts and Conveyances. All contracts, deeds, conveyances, negotiable instruments and other instruments of like character which have first been approved by the Directors shall be signed by the president or vice president and the secretary or an assistant secretary, or otherwise as directed by the Directors. No contract of any officer of the corporation shall be valid without previous authorization or subsequent ratification of the Directors.

8.06 Fiscal Year. The Foundation shall operate on a fiscal year beginning July 1st and ending June 30th.

8.07 Dissolution. The corporation exists for the sole purpose of providing support to Lewis-Clark State College (the "College"). Given the significant administrative contribution provided to the corporation by the College, in the event that the corporation ceases to provide such support, the corporation may be dissolved and all assets and records will be distributed exclusively to the College or its successor in interest pursuant to the Articles of Incorporation.

8.08 Amendment. These bylaws may be altered, amended or repealed at any regular or special meeting of the Directors, provided a quorum is present and provided further that notice of the substance of the proposed amendment shall be submitted to each Director within the same time and in the same manner prescribed for notice of the meeting.

CERTIFICATION

We, the undersigned President, Vice President and Secretary of the Lewis-Clark State College Foundation, Inc. an Idaho Corporation, do hereby certify that the foregoing Bylaws supersede all prior Bylaws, amended or restated, were duly adopted as the restated Bylaws of said corporation at a duly constituted meeting of the members

of the corporation at which a quorum was present, in person or by proxy, said meeting, held March 17, 2015, and that the same do now constitute the Bylaws of said corporation.

EXHIBIT "F"

Conflict of Interest Policy

Lewis-Clark State College Foundation
CONFLICTS OF INTEREST POLICY

No board member shall use his or her position, or the knowledge gained therefrom, in such a manner that conflict between the interest of the organization or any of its affiliates and his or her personal interests arises.

Each board member has a duty to place the interest of the organization foremost in any dealings with the organization and has a continuing responsibility to comply with the requirements of this policy.

Board or committee members may not obtain for themselves, their relatives, or their friends a material interest of any kind from their association with the organization.

It is, nevertheless, recognized that transactions between Lewis-Clark State College Foundation ("Foundation") and a business or other organization with whom a board member is affiliated may be beneficial to the Foundation and that the Foundation should not be precluded from entering into that beneficial transaction so long as the board member does not participate in or otherwise influence the Foundation's decision regarding the transaction.

It shall be the policy of the Foundation to require that all new Board members, prior to assuming their positions, and all present Board members, as soon as practicable after the adoption of this policy, submit in writing to the President a list of all businesses or other organizations (other than the Foundation) of which he or she is an officer, member, owner (either as a sole practitioner or partner), shareholder with a five percent (5%) or greater interest in all outstanding voting shares, employee or agent, with which the Foundation has, or may reasonably in the future have, a relationship or transaction in which the Board member or officer would have conflicting interests. Each written statement shall be resubmitted each year with any necessary changes.

The President shall become familiar with the statements of all Board members and officers in order to guide their conduct should a conflict arise. The Vice-President shall be familiar with the statement filed by the President.

At such time as any matter comes before the Board in such a way as to give rise to conflict of interest, the affected Board member or officer shall make known the potential conflict, whether disclosed by written statement or not. After answering any questions that might be asked, the affected Board member shall withdraw from the meeting until the matter has been voted upon. In the event that the affected Board member or officer fails to withdraw voluntarily, the President is empowered to require withdrawal from the room during both discussion and vote on the matter. In the event the conflict of interest affects the President, the Vice-President is empowered to require that the President withdraw in the same manner, and for the duration of discussion and action on the matter the Vice-President shall preside.

If the matter about which a conflict has arisen is the item of business for which a special meeting of the Board was called, the affected member may be counted to establish a quorum, but shall not participate in the discussion or vote on it.

ADOPTED, this 15th day of December, 1998.

EXHIBIT "G"

Code of Ethical Conduct

Directors and Officers of the LC State Foundation represent Lewis-Clark State College and its Foundation, and have a responsibility to conduct themselves in such a manner as to give a positive impression of Lewis-Clark State College to the public, students, and alumni. Directors and Officers of the LC State Foundation pledge to accept the following ethical guidelines:

1. Accountability: Faithfully abide by the Articles of Incorporation, Bylaws and policies of the LC state Foundation, and exercise reasonable care, faith and due diligence in organizational affairs.
2. Professional Excellence: Maintain a professional level of courtesy, respect and objectivity in all Foundation activities.
3. Professional Gain: Exercise the powers invested for the good of all members of the organization rather than his/her personal benefit. Transactions involving the Foundation and the personal or business affairs of a trustee, director, officer, or staff member should be approved in advance by the Foundation's governing board. In addition, directors, officers, and staff members of a foundation disqualify themselves from making, participating, or influencing a decision in which they have or would have a financial interest.
4. Confidential Information: Respect the confidentiality of sensitive information known due to service.
5. Collaboration and Cooperation: Respect the diversity of opinions as expressed or acted upon by the Foundation board, committees and membership, and promote collaboration, cooperation and partnership among Foundation Members.
6. Gifts: No director, trustee, officer, or staff member of a foundation shall accept from any source any material gift or gratuity in excess of fifty dollars (\$50.00) that is offered, or reasonably appears to be offered, because of the position held with the foundation; nor should an offer of a prohibited gift or gratuity be extended by such an individual on a similar basis.

EXHIBIT "H"

Gift Acceptance Policy

Lewis-Clark State College Foundation
Gift Acceptance Policy
(Article VII of the Bylaws)

Gifts to Corporation:

In General

Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

Acceptance of Governing Documents

Each donor, by making a gift to the corporation, accepts and agrees to all the provisions of the Articles of Incorporation and (the) Bylaws.

Split Interest Gifts

The corporation shall have the power and authority to arrange and administer deferred and other split-interest gifts, including, but not limited to, charitable lead and remainder unitrusts and annuity trusts, and charitable gift annuities, but only as permitted by the laws of the State of Idaho. If a gift is made to the corporation or a third party (in trust or otherwise) to make income or other payments for a period of a life or lives or other periods to any individuals or for noncharitable purposes, followed by payments to the corporation, or to make income or other payments to the corporation, followed by payments to any individuals or for noncharitable purposes, only the payments to the corporation shall be regarded as subject to the corporation's Articles of Incorporation and (the) Bylaws and then only when the corporation becomes entitled to their use. The Directors may take such actions as it, from time to time, deems necessary to protect the corporation's rights to receive such payments.

Restricted Gifts, Acceptance

Any donor may, with respect to a gift made by such donor to the corporation, provide at the time of the gifts restrictions or conditions which are not inconsistent with the charitable purposes of the corporation, as to (i) the manner of distribution, including amounts, times and conditions of payment and whether from principal or income, and (ii) the name, as a memorial or otherwise, for a fund given, or addition to a fund previously held, or anonymity for the gift. Restrictions involving the naming of a fund as a memorial or otherwise may be satisfied by keeping such name appropriate accounts reflecting the interest of such funds in a common investment. Nothing in the foregoing shall obligate the corporation to accept any gift or to perform any act, which, in the opinion of the Directors, will not be in the best interests of the corporation or which may jeopardize or cause it to lose its status as an exempt organization described in Section 501 (c) (3) of the Internal Revenue Code.

EXHIBIT "I"

Policy for Accounting for Gift Revenue

Lewis-Clark State College Foundation
Policy for Accounting of Gift Revenue

- 1. Fiduciary Responsibility.** Each gift, regardless of value, form, or designated use, shall be accounted for at the time of receipt until used as directed by the donors in support of the mission of the Foundation and/or the College. During such time as funds are retained, they shall be invested in accordance with procedures of the Finance and Investment Committee. The development office shall be responsible for any reports to donors on the use of their funds, to be accomplished in concert with operating managers and the accounting department.
- 2. Allocation to Restricted Funds.** Gifts received for restricted purposes (either temporarily restricted or permanently restricted) shall be separately accounted for in order to maintain stewardship of these funds as donors direct. The segregation of these funds is to be performed by the accounting department, who shall report to donors on their disposition and use through the development office.
- 3. Expenditure Controls.** The uses of gift revenue, especially restricted gifts shall be fully accounted for, beginning with their deposit to temporarily restricted fund accounts, stewardship, disposition reports, and with expenditures only as directed by the donor in keeping with the mission of the College and/or the Foundation.
- 4. Allocation to Endowment.** Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for in accord with policies of the Finance and Investment Committee.
- 5. Investment of Funds.** All gifts received shall be invested until used in accord with donor wishes, using short-term or long-term investment plans as defined by the Finance and Investment Committee. Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for as directed by the Finance and Investment Committee. Investment earnings shall be used only for the purposes board, with amounts as resolved by the Finance and Investment Committee.
- 6. Accounting Reports.** Regular accounting reports will summarize the disposition of all money, illustrating their present disposition by source, purpose or use, and fundraising program, which shall be prepared for each Foundation Board meeting and distributed to the Board members.

EXHIBIT "J"

Foundation Insurance

NBP1557971C

Renewal of Number

*** RENEWAL CERTIFICATE ***

Direct Bill Policy

POLICY DECLARATIONS

No. NBP1557971D

United States Liability Insurance Company

1190 Devon Park Drive, Wayne, Pennsylvania 19087

A Member Company of United States Liability Insurance Group

NAMED INSURED AND ADDRESS:

LEWIS-CLARK STATE COLLEGE FOUNDATION

500 8TH AVE

LEWISTON, ID 83501

POLICY PERIOD: (MO. DAY YR.) From: 03/26/2023 To: 03/26/2024

12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS SHOWN ABOVE

FORM OF BUSINESS: Non-Profit Corporation

BUSINESS DESCRIPTION: Foundation

IN CONSIDERATION OF THE RENEWAL PREMIUM STATED BELOW, EXPIRING POLICY NUMBER NBP1557971C IS RENEWED
FOR THE POLICY PERIOD STATED ABOVE. PLEASE ATTACH THIS RENEWAL CERTIFICATE TO YOUR EXPIRING POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.

THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Businessowners Liability Coverage Part	\$605.00
Businessowners Property Coverage Part	\$50.00

TOTAL:	\$655.00
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Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: STONEBRAKER MCQUARY AGENCY GROUP, INC. (2141)
P.O. Box 9
Clarkson, WA 99403

Issued: 03/15/2023 9:05 AM

By:


Authorized Representative

UPC (08-07)

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,
COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF,
COMPLETE THE ABOVE NUMBERED POLICY.

EXHIBIT "K"

Committee Descriptions
Committee or Task Force Descriptions

Executive Committee

The Executive Committee is chaired by the President of the Foundation Board.

The members of the Executive Committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

Responsibilities include:

- * making interim decisions for the Board (to be ratified by the full Board at its subsequent meeting);
- * overseeing the long-range and strategic planning of the organization;
- * serving as a sounding board for new programs or policies that should come before the full Board eventually;
- * enforcing membership responsibilities, including attendance policies and committee appointments;
- * monitoring progress of Board and staff in achieving the current year goals;
- * scrutinizing budget performance;
- * maintaining a close and candid relationship with the leadership of the College;
- * following and evaluating the performance of the Foundation's Executive Director;
- * evaluating Board performance by recognizing superior results or levels of service and by arranging for the departure of unproductive Board members;
- * acting on behalf of the Board in times of emergency or necessary expediency.

The actions of the Executive Committee are subject to revision or alteration by the Board. Minutes of Executive Committee meetings are sent to each Board member. Membership in the Executive Committee will not exceed a quorum of the full Board. A quorum at any meeting of the Executive Committee shall consist of a simple majority of the members.

Lewis-Clark State College Foundation
Other Committee or Task Force Descriptions

Finance and Investment Committee

The Finance and Investment Committee shall oversee the Foundation's budget activities and expenses; monitor the flow of funds to determine consistency between expenditures and generated revenue; manage the investment portfolio; establish financial policies; oversee the buildings and grounds owned by the Foundation.

Scholarship Committee

The Scholarship Committee shall oversee the awarding of specific scholarships; establish scholarship policies and review the process; assist in the planning of three scholarship events annually.

Other Committees or Task Forces

The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

EXHIBIT "L"

Endowment Fund Fee Policy

Notice of Endowment Fund Fee Policy
LCSC Foundation

Effective July 1, 2023, the LCSC Foundation Board will implement the following policy regarding administrative fees on all funds received.

2% Fee on Donations Received

In general, a 2% administrative fee will apply to all donations received by the Foundation to offset the costs of accounting, fundraising, and other administration costs. The fee will not apply to in-kind donations.

The 2% fee will apply at the time of the donation and will be a one-time fee. The 2% fee for gift annuities will apply at the end of the annuity when the funds become available to the Foundation.

½ of 1% (.5%) Annual Fee on
Average Endowment Fund Balances

The .5% fee will be charged to Endowment Funds, Alumni Endowments, and Other Endowments. The .5% fee will not apply to the following fund classifications:

1. Gift annuities
2. General Unrestricted Funds
3. Annual Funds
4. Funds designated as Other Funds
5. LCSC Designated Funds

The .5% fee will be based on the average endowment fund balances and not on the amount of profit or loss earned or allocated for any time period. The fee will be calculated twice during each year using .25% times the fund market values at December 31 and June 30, and will be included with the December and June six months' market allocation postings.

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**OPERATING AGREEMENT
BETWEEN
LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
AND
LEWIS-CLARK STATE COLLEGE**

This Operating Agreement (“Operating Agreement”) between Lewis-Clark State College Foundation, Inc. (“Foundation”) and Lewis-Clark State College (“College”) is entered into as of this 9th day of March, 2021.

WHEREAS, the Foundation was organized and incorporated April 4, 1984 for the purpose of generating voluntary private support from alumni, employees, friends, corporations, foundations, and others for the benefit of the College.

WHEREAS, the Foundation exists to receive contributions, raise, and manage private resources supporting the mission and priorities of the College, and provide opportunities for students and employees and a degree of institutional excellence unavailable with state funding levels.

WHEREAS, the Foundation promotes access, excellence and relevance in higher education through financial support of the College. The Foundation is dedicated to assisting the College in the building of the endowment to address, through financial support, the long-term academic and other priorities of the College.

WHEREAS, 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 College, soliciting cash, 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.

WHEREAS, in connection with its fund-raising and asset-management activities, the Foundation utilizes, in accordance with this Operating Agreement, personnel experienced in planning for and managing private support.

WHEREAS, the mission of the Foundation is to secure, manage and distribute private contributions and support the growth and development of the College.

WHEREAS, the College and Foundation desire to set forth in writing various aspects of their relationship with respect to matters such as the solicitation, receipt, management, transfer and expenditure of funds.

WHEREAS, the Parties hereby acknowledge that they will at all times conform to and abide by the Idaho State Board of Education's Governing Policies and Procedures, Gifts and Affiliated Foundations Policy V.E., and that they will submit this Operating Agreement for initial State Board of Education ("State Board") approval, and thereafter every three (3) years, or as otherwise requested by the State Board, for review and re-approval.

WHEREAS, the Foundation and the College intend for this Operating Agreement to be the written operating agreement required by State Board Policy V.E.2.b.

NOW THEREFORE, 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 I Foundation's Purposes

The Foundation is the primary affiliated foundation responsible for securing, managing and distributing private support for the College. Accordingly, to the extent consistent with the Foundation's Articles of Incorporation and Bylaws, and the State Board's Policies and Procedures, the Foundation shall: (1) solicit, receive and accept gifts, devises, bequests and other direct or indirect contributions of money and other property made for the benefit of the College from the general public (including individuals, corporations, other entities and other sources); (2) manage and invest the money and property it receives for the benefit of the College; and (3) support and assist the College in fundraising and donor relations.

In carrying out its purposes, the Foundation shall not engage in activities that: (1) conflict with federal or state laws, rules and regulations (including all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations); (2) cause the College to be in violation of applicable policies of the State Board; or (3) conflict with the role and mission of the College.

ARTICLE II Foundation's Organizational Documents

The Foundation shall provide copies of its current Articles of Incorporation and Bylaws to the College. The Foundation, to the extent practicable, also shall provide the College with an advance copy of any proposed amendments to the Foundation's Articles of Incorporation and Bylaws. The College shall provide all such documents to the State Board.

ARTICLE III
College Resources and Services

1. College Employees.

a. *College/Foundation Liaison:* The College's Director of College Advancement shall serve as the College's Liaison to the Foundation and as the Foundation Executive Director.

- i. The College's Director of College Advancement shall be responsible for coordinating the College's and the Foundation's fundraising efforts and for supervising and coordinating the administrative support provided by the College to the Foundation.
- ii. The College's Director of College Advancement or designee shall attend each meeting of the Foundation's Board of Directors and shall report on behalf of the College to the Foundation's Board of Directors regarding the College's coordination with the Foundation's fundraising efforts.
- iii. The College's Director of College Advancement shall be responsible for the supervision and control of the day-to-day operations of the Foundation. More specific duties of the Director of College Advancement are set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement").

d. *Other College Employees Holding Key Foundation or Administrative or Policy Positions:* In the event the College and the Foundation determine it is appropriate for one or more additional College employees who function in a key administrative or policy making capacity for the College (including, but not limited to, any College Vice-President or equivalent position) to serve both the College and the Foundation, then, pursuant to State Board Policy V.E., this Operating Agreement shall be amended to clearly set forth the authority and responsibilities of the position of any such College employee.

e. *Limited Authority of College Employees.* Notwithstanding the foregoing provisions, no College employee who functions in a key administrative or policy making capacity for the College (including, but not limited to, any College Vice-President or equivalent position) shall be permitted to have responsibility or authority for Foundation policy making, financial oversight, spending authority, and investment decisions.

2. Support Services. The College shall provide administrative, financial, accounting, investment, and development services to the Foundation, as set forth in the Service Agreement attached hereto as Exhibit "B" ("Service Agreement"). All College employees who provide support services to the Foundation shall remain College employees under the direction and control

of the College, unless agreed that the direction and control of any such employee will be vested with the Foundation in a written Loaned Employee Agreement. The Foundation will pay directly to the College the portion of the overhead costs associated with the services provided to the Foundation pursuant to the Service Agreement. The portion of such costs shall be determined by the agreement of the Parties.

3. College Facilities and Equipment. The College shall provide the use of the College's office space and equipment to the Foundation upon the terms agreed to by the College and the Foundation. The terms of use (including amount of rent) of the College's office space and equipment shall be as set forth in the Service Agreement.

4. No Foundation Payments to College Employees. Notwithstanding any provision of this Operating Agreement to the contrary, the Foundation shall not make any payments directly to a College employee in connection with any resources or services provided to the Foundation pursuant to this Operating Agreement.

ARTICLE IV

Management and Operation of Foundation

The management and control of the Foundation shall rest with its Board of Directors.

1. Gift Solicitation.

Authority of College's Director of College Advancement. All Foundation gift solicitations shall be subject to the direction and control of the Director for College Advancement.

a. *Form of Solicitation.* Any and all Foundation gift solicitations shall make clear to prospective donors that (1) the Foundation is a separate legal and tax entity organized for the purpose of encouraging voluntary, private gifts, trusts, and bequests for the benefit of the College; and (2) responsibility for the governance of the Foundation, including the investment of gifts and endowments, resides in the Foundation's Board of Directors.

b. *Foundation is Primary Donee.* Absent unique circumstances, prospective donors shall be requested to make gifts directly to the Foundation rather than to the College.

2. Acceptance of Gifts.

a. *Approval Required Before Acceptance of Certain Gifts.* Before accepting contributions or grants for restricted or designated purposes that may require administration or direct expenditure by the College, the Foundation shall obtain the prior written approval of the College. Similarly, the Foundation shall also obtain the prior written approval of the College of the acceptance of any gift or grant that would impose a binding financial or contractual obligation on the College.

b. *Acceptance of Gifts of Real Property.* The Foundation shall conduct adequate due diligence on all gifts of real property that it receives. All gifts of real property intended to be held and used by the College shall be approved by the State Board before acceptance by the College and the Foundation. In cases where the real property is intended to be used by the College in connection with carrying out its proper functions, the real property may be conveyed directly to the College, in which case the College and not the Foundation shall be responsible for the due diligence obligations for such property.

c. *Processing of Accepted Gifts.* All gifts received by the College or the Foundation shall be delivered (if cash) or reported (if any other type of property) to the Foundation's designated gift administration office (a unit of the Foundation) in accordance with the Service Agreement.

3. Fund Transfers. The Foundation agrees to transfer funds, both current gifts and income from endowments to the College on a regular basis as agreed to by the Parties. The Foundation's Treasurer or other individual to whom such authority has been delegated by the Foundation's Board of Directors shall be responsible for transferring funds as authorized by the Foundation's Board of Directors.

a. *Restricted Gift Transfers.* The Foundation shall inform the College officials into whose program or department funds are transferred of any restrictions on the use of such funds and provide such officials with access to any relevant documentation concerning such restrictions. Such College officials shall account for such restricted funds separate from other program and department funds in accordance with applicable College policies and shall notify the Foundation on a timely basis regarding the expenditure of such restricted funds.

b. *Unrestricted Gift Transfers.* The Foundation may utilize any unrestricted gifts it receives for any use consistent with the Foundation's purposes as generally summarized in Article I of this Operating Agreement. If the Foundation elects to use unrestricted gifts to make grants to the College, such grants shall be made at such times and in such amounts as the Foundation's Board of Directors may determine in the Board's sole discretion.

4. Foundation Expenditures and Financial Transactions.

a. *Signature Authority.* The Foundation designates the Foundation Board President and Vice President, or designee by the Foundation Board President, as the individual(s) with signature authority for the Foundation in all financial transactions. The Foundation may supplement or change this designation with written notice to the College; provided, however, in no event may the person(s) with Foundation signature authority for financial transactions be a College employee.

b. *Expenditures.* All expenditures of the Foundation shall be (1) consistent with the charitable purposes of the Foundation, and (2) not violate restrictions imposed by the donor or the Foundation as to the use or purpose of the specific funds.

5. College Report on Distributed Funds. On a regular basis, which shall not be less than annually, the College shall report to the Foundation on the use of restricted and unrestricted funds transferred to the College. This report shall specify the restrictions on any restricted funds. The Foundation shall approve expenditures prior to restricted fund transfers to the College and the Foundation will retain details of the uses of such funds.

6. Transfer of College Assets to the Foundation. No College funds, assets, or liabilities may be transferred directly or indirectly to the Foundation without the prior approval of the State Board except when:

- a. A donor inadvertently directs a contribution to the College that is intended for the Foundation in which case such funds may be transferred to the Foundation so long as the documents associated with the gift indicate the Foundation was the intended recipient of the gift. In the absence of any such indication of donor intent, such funds shall be deposited in an institutional account, and State Board approval will be required prior to the College's transfer of such funds to the Foundation.
- b. The College has gift funds that were originally transferred to the College from the Foundation and the College wishes to return a portion of those funds to the Foundation for reinvestment consistent with the original intent of the gift.
- c. Transfers of a *de minimis* amount not to exceed \$10,000 from the College to the Foundation provided such funds are for investment by the Foundation for scholarship or other general College support purposes. This exception shall not apply to payments by the College to the Foundation for obligations of the College to the Foundation, operating expenses of the Foundation or other costs of the Foundation.
- d. The transfer is of funds raised by the College for scholarship or program support and the funds are deposited with the affiliated foundation for investment and distribution in accordance with the purpose for which the funds were raised.

7. Separation of Funds. All Foundation assets (including bank and investment accounts) shall be held in separate bank accounts. The financial records of the Foundation shall be kept using a separate chart of accounts. For convenience purposes, some Foundation expenses may be paid through the College such as payroll and campus charges. These expenses will be paid through accounts clearly titled as belonging to the Foundation and shall be reimbursed by the Foundation on a regular basis.

8. Insurance. The Foundation shall maintain insurance to cover the operations and activities of its directors, officers and employees. The Foundation shall also maintain general liability coverage.

9. Investment Policies. All funds held by the Foundation, except those intended for short term expenditures, shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act, Idaho Code Sections 33-5001 to 33-5010, and the Foundation's investment policy which is attached hereto as Exhibit "C"; provided, however, the Foundation shall not invest any funds in a manner that would violate the applicable terms of any restricted gifts. The Foundation shall provide to the College any updates to such investment policy which updates shall also be attached hereto as Exhibit "C".

10. Organization Structure of the Foundation. The organizational structure of the Foundation is set forth in the Foundation's Articles of Incorporation and the Bylaws. The Foundation agrees to provide copies of such Articles and Bylaws as well as any subsequent amendments to such documents to both the College and the State Board. Any such amendments to the Articles and Bylaws shall be attached hereto as additions to Exhibit "D" and "E", respectively.

ARTICLE V

Foundation Relationships with the College

At all times and for all purposes of this Operating Agreement, the College and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party, provided, however, the College and the Foundation acknowledge that the Foundation carries out functions for the benefit of the College. As such, the Parties shall share certain information as provided below.

1. Access to Records. Subject to recognized legal privileges and any third-party obligations of confidentiality and protection of proprietary information, each Party shall have the right to access the other Party's financial, audit, donor and related books and records as needed to properly conduct its operations.

2. Record Management.

a. The Parties recognize that the records of the Foundation relating to actual or potential donors contain confidential information. Such records shall be kept by the Foundation in such a manner as to protect donor confidentiality to the fullest extent allowed by law. Notwithstanding the access to records permitted above, access to such confidential information by the College shall be limited to the College's President and any designee of the College's President.

b. The Foundation shall be responsible for maintaining all permanent records of the Foundation including but not limited to the Foundation's Articles, Bylaws and other governing documents, all necessary documents for compliance with IRS regulations, all gift instruments, and all other Foundation records as required by applicable laws.

c. Although the Foundation is a private entity and is not subject to the Idaho Public Records Law, the Foundation, while protecting personal and private information related to

private individuals, is encouraged, to the extent reasonable, to be open to public inquiries related to revenue, expenditure policies, investment performance and/or similar non-personal and non-confidential financial or policy information.

3. Name and Marks. Consistent with its mission to help to advance the plans and objectives of the College, the College grants the Foundation the limited, non-exclusive right to use the name of the College, for use in its support of the College. The Foundation shall operate under the College's logotype in support of its organizational business and activities. Any use by the Foundation of the College's logotypes or other trademarks must be with prior approval of the College through the Communications and Marketing Department.

4. Identification of Source. The Foundation shall be clearly identified as the source of any correspondence, activities and advertisements emanating from the Foundation.

5. Establishing the Foundation's Annual Budget. The Foundation shall provide the College with the Foundation's proposed annual operating budget and capital expenditure plan (if any) prior to the date the Foundation's Board of Directors meeting at which the Foundation's Board will vote to accept such operating budget. Any of the College's funding requests to the Foundation shall be communicated in writing to the Foundation's President and Executive Director by March 1 of each year, or in conjunction with the spring Finance and Investment Committee meeting.

6. Attendance of College's President at Foundation's Board of Director Meetings. The College's President shall be invited to attend all meetings of the Foundation's Board of Directors and may act in an advisory capacity in such meetings.

7. Supplemental Compensation of College Employees. Any supplemental compensation of College employees by the Foundation must be preapproved by the State Board. Any such supplemental payment or benefits must be paid by the Foundation to the College, and the College shall then pay compensation to the employee in accordance with the College's normal practice. No College employee shall receive any payments or other benefits directly from the Foundation. The Foundation Board of Directors may provide funds to the College annually for Faculty and Staff Achievement Awards, in an amount not to exceed \$35,000. Such awards will be made primarily with funds donated to the Foundation for that purpose and any additional Foundation funds used will be approved by the Board of Directors in the Foundation's annual budget. The College identifies the faculty and staff who will be recipients of these awards and disburses the funds to the recipients.

ARTICLE VI Audits and Reporting Requirements

1. Fiscal Year. The Foundation and the College shall have the same fiscal year.

2. Annual Audit. On an annual basis, the Foundation shall have an audit conducted by a qualified, independent certified public accountant who is not a director or officer of the

Foundation. The annual audit will be provided on a timely basis to the College's President and the State Board, in accordance with the State Board's schedule for receipt of said annual audit. The Foundation's annual statements will be presented in accordance with standards promulgated by the Financial Accounting Standards Board (FASB). The Foundation is a component unit of the College as defined by the Government Accounting Standards Board (GASB). Accordingly, the College is required to include the Foundation in its financial statements which follow a GASB format. Therefore, the Foundation will include in its audited financial statement, schedules reconciling the FASB Statements to GASB standards in the detail required by GASB Standards. The annual audited financial statements, including the auditor's independent opinion regarding such financial statements, and schedules shall be submitted to the College Controller's Office in sufficient time to incorporate the same into the College's statements. All such reports and any accompanying documentation shall protect donor privacy to the extent allowable by law.

3. Separate Audit Rights. The College agrees that the Foundation, at its own expense, may at any time during normal business hours conduct or request additional audits or reviews of the College's books and records pertinent to the expenditure of donated funds. The Foundation agrees that the College and the State Board, at its own expense, may, at reasonable times, inspect and audit the Foundation's books and accounting records.

4. Annual Reports to College President. On a regular basis, which shall not be less than annually, the Foundation shall provide a written report to the College President setting forth the following items:

- a. the annual financial audit report;
- b. an annual report of Foundation transfers made to the College, summarized by College department;
- c. an annual report of unrestricted funds received by the Foundation;
- d. an annual report of unrestricted funds available for use during the current fiscal year;
- e. a list of all of the Foundation's officers, directors, and employees;
- f. a list of College employees for whom the Foundation made payments to the College for supplemental compensation or any other approved purpose during the fiscal year, and the amount and nature of that payment;
- g. a list of all state and federal contracts and grants managed by the Foundation;
- h. an annual report of the Foundation's major activities;

- i. an annual report of each real estate purchase or material capital lease, investment, or financing arrangement entered into during the preceding Foundation fiscal year for the benefit of the College; and
- j. an annual report of (1) any actual litigation involving the Foundation during its fiscal year; (2) identification of legal counsel used by the Foundation for any purpose during such year; and (3) identification of any potential or threatened litigation involving the Foundation.

ARTICLE VII

Conflict of Interest and Code of Ethics and Conduct

1. Conflicts of Interest Policy and Code of Ethics and Conduct. The Foundation's Conflict of Interest Policy is attached as Exhibit "F", and its Code of Ethical Conduct is set forth as Exhibit "G".

2. Dual Representation. Under no circumstances may a College employee represent both the College and the Foundation in any negotiation, sign for both entities in transactions, or direct any other College employee under their immediate supervision to sign for the related Party in a transaction between the College and the Foundation. This shall not prohibit College employees from drafting transactional documents that are subsequently provided to the Foundation for its independent review, approval and use.

3. Contractual Obligation of College. The Foundation shall not enter into any contract that would impose a financial or contractual obligation on the College without first obtaining the prior written approval of the College. College approval of any such contract shall comply with policies of the State Board with respect to State Board approval of College contracts.

4. Acquisition or Development of Real Estate. The Foundation shall not acquire or develop real estate or otherwise build facilities for the College's use without first obtaining approval of the State Board. In the event of a proposed purchase of real estate by the Foundation for the College, the College shall notify the State Board at the earliest possible date. Any such proposed purchase for the College's use shall be a coordinated effort of the College and the Foundation. Any notification to the State Board required pursuant to this paragraph may be made through the State Board's chief executive officer in executive session pursuant to the open meeting law, set forth in Idaho Code, Title 74, Chapter 2.

ARTICLE VIII

General Terms

1. Effective Date. This Operating Agreement shall be effective on the date set forth above.

2. Right to Terminate. This Operating Agreement shall terminate upon the mutual written agreement of both Parties. In addition, either Party may, upon 90 days prior written notice to the other, terminate this Operating Agreement, and either Party may terminate this Operating Agreement in the event the other Party defaults in the performance of its obligations and fails to cure the default within 30 days after receiving written notice from the non-defaulting Party specifying the nature of the default. Should the College choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the Foundation that is not cured within the time frame set forth above, the Foundation may require the College to pay, within 180 days of written notice, all debt incurred by the Foundation on the College's behalf including, but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives. Should the Foundation choose to terminate this Operating Agreement by providing 90 days written notice or in the event of a default by the College that is not cured within the time frame set forth above, the College may require the Foundation to pay any debt it holds on behalf of the Foundation in like manner. The Parties agree that in the event this Operating Agreement shall terminate, they shall cooperate with one another in good faith to negotiate a new agreement within six (6) months. In the event negotiations fail, the Parties will initiate the dispute resolution mechanism described below (through reference to the Foundation President and the State Board) to further attempt to negotiate a new agreement within the time period specified herein, they will refer the matter to the State Board for resolution. Termination of this Operating Agreement shall not constitute or cause dissolution of the Foundation.

3. Dispute Resolution. The Parties agree that in the event of any dispute arising from this Operating Agreement, they shall first attempt to resolve the dispute by working together with the appropriate staff members of each of the Parties. If the staff cannot resolve the dispute, then the dispute will be referred to the President of the Board of the Foundation and the College President. If the Foundation Board President and College President cannot resolve the dispute, then the dispute will be referred to the Foundation President and the State Board for resolution. If they are unable to resolve the dispute, the Parties shall submit the dispute to mediation by an impartial third Party or professional mediator mutually acceptable to the Parties. If and only if all the above mandatory steps are followed in sequence and the dispute remains unresolved, then, in such case, either Party shall have the right to initiate litigation arising from this Operating Agreement. In the event of litigation, the prevailing Party shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs, attorney fees, and other professional expenses.

4. Dissolution of Foundation. Consistent with provisions appearing in the Foundation's Bylaws and Articles of Incorporation, should the Foundation cease to exist or cease to be an Internal Revenue Code §501(c)(3) organization, the Foundation shall transfer to the State Board (or College, as applicable) the balance of all property and assets of the Foundation from any source, after the payment of all debts and obligations of the Foundation, and such property shall be vested in the State Board in trust for the continued support and benefit of the College.

5. Board Approval of Operating Agreement. Prior to the Parties' execution of this Operating Agreement, an unexecuted copy of this Operating Agreement must be approved by the

State Board. Furthermore, this Operating Agreement, including any subsequent modifications and restatements of this Operating Agreement, shall be submitted to the State Board for review and approval no less frequently than once every three (3) years or more frequently if otherwise requested by the State Board.

6. Modification. Any modification to the Operating Agreement or Exhibits hereto shall be in writing and signed by both Parties.

7. Providing Document to and Obtaining Approval from the College. Unless otherwise indicated herein, any time documents are to be provided to the College or any time the College's approval of any action is required, such documents shall be provided to, or such approval shall be obtained from, the College's President or an individual to whom such authority has been properly delegated by the College's President.

8. Providing Documents to and Obtaining Approval from the Foundation. Unless otherwise indicated herein, any time documents are to be provided to the Foundation or any time the Foundation's approval of any action is required, such document shall be provided to, or such approval shall be obtained from, the Foundation's Board of Directors or an individual to whom such authority has been properly delegated by the Foundation's Board of Directors.

9. Notices. Any notices required under this Operating Agreement may be mailed or delivered as follows:

To the College:

President
Lewis-Clark State College
500 8th Avenue
Lewiston, ID 83501

To the Foundation:

Executive Director
Lewis-Clark State College Foundation, Inc.
500 8th Avenue
Lewiston, ID 83501

10. No Joint Venture. At all times and for all purposes of this Memorandum of Understanding, the College and the Foundation shall act in an independent capacity and not as an agent or representative of the other Party.

11. Liability. The College and Foundation are independent entities and neither shall be liable for any of the other's contracts, torts, or other acts or omissions, or those of the other's trustees, directors, officers, members or employees.

12. Indemnification. To the extent allowed by law, the College and the Foundation each agree to indemnify, defend and hold the other Party, their officers, directors, agents and employees harmless from and against any and all losses, liabilities, and claims, including reasonable attorney's fees arising out of or resulting from the willful act, fault, omission, or negligence of the Party, its employees, contractors, or agents in performing its obligations under this Operating Agreement. This indemnification shall include, but not be limited to, any and all claims arising from an employee of one Party who is working for the benefit of the other Party. Nothing in this Operating Agreement shall be construed to extend to the College's liability beyond the limits of the Idaho Tort Claims Act, Idaho Code §6-901 et seq.

13. Assignment. This Operating Agreement is not assignable by either Party, in whole or in part.

14. Governing Law. This Operating Agreement shall be governed by the laws of the State of Idaho.

15. Severability. If any provision of this Operating Agreement is held invalid or unenforceable to any extent, the remainder of this Operating Agreement is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

16. Entire Agreement. This Operating Agreement constitutes the entire agreement among the Parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto.

17. List of Attachments
- a. Exhibit A – Loaned Employee Agreement
 - b. Exhibit B - Service Agreement
 - c. Exhibit C – Investment Policy
 - d. Exhibit D - Articles of Incorporation
 - e. Exhibit E – Bylaws
 - f. Exhibit F – Conflict of Interest Policy
 - g. Exhibit G – Code of Ethical Conduct
 - h. Exhibit H – Gift Acceptance Policy
 - i. Exhibit I - Policy for Accounting for Gift Revenue
 - j. Exhibit J – Foundation Insurance
 - k. Exhibit K - Committee Descriptions
 - l. Exhibit L – Endowment Fund Fee Policy

IN WITNESS WHEREOF, the College and the Foundation have executed this Operating Agreement on the above specified date.

Lewis-Clark State College

By: _____
Its: President

Lewis-Clark State College Foundation, Inc.

By: _____
Its: President

EXHIBIT "A "

Loaned Employee Agreement

Not applicable at this time

EXHIBIT "B"

Service Agreement

1. Staff
 - a. The Director of College Advancement, an employee of the College, shall serve as Executive Director of the Foundation and shall supervise the College Advancement staff who are likewise employees of the College and who will provide administrative services to the Foundation. The College is responsible for the employment and compensation of College Advancement Staff providing services to the Foundation, including the Director of College Advancement in his or her capacity as Executive Director of the Foundation. Subject to approval by the President of the College, the Foundation may appoint an employee of the College to serve as Treasurer. The Treasurer shall provide and/or supervise the provision of financial and accounting services for the Foundation. While providing services to the Foundation, College employees are subject to the oversight and direction of the Board of Directors of the Foundation. Executive officers of the College (President and Vice Presidents) shall not serve as Foundation Board officers or staff members.
2. Additional services the College provides to the Foundation
 - a. Access to the College's financial system to receive, disburse and account for funds of the Foundation. Except for funds transferred into Foundation's brokerage accounts, all funds received by the Foundation shall be deposited with the College and credited to one or more agency accounts established in the name of the Foundation within the College's financial system. In using the College's financial services, the Foundation shall comply with the College's financial and administrative policies and procedures.
 - b. Accounting services, to include cash receipts and disbursements, accounts receivable and payable, bank reconciliation, reporting and analysis, and internal auditing.
 - c. Investment, insurance, and similar services.
 - d. Development services, including research, information systems, donor records, communications and special events.
3. Facilities, Furnishings and Office Equipment
 - a. The business office of the Foundation shall be located in the College Advancement Office at 500 8th Avenue, Lewiston, Idaho. The College will provide office space to the Foundation including providing all maintenance and utilities, and local and long-distance telephone service for use in the business of the Foundation. The furnishings, computers, copiers and other items of office equipment used in the Foundation's office are owned by the College but shall be made available for use in the business of the Foundation. The cost of repairing, maintaining and replacing such furnishings and equipment shall be paid by the College.

4. Reimbursement

- a. Except as otherwise provided in the Agreement and Exhibit “L” (“Endowment Fund Fee Policy”), the Foundation shall have no obligation to reimburse the College for costs incurred by the College for personnel, use of facilities or equipment or for other services provided to the Foundation by the College. The Foundation established a fee as referenced in Exhibit L to assist with offsetting general operating costs such as accounting, fundraising, and other administration costs in support of the mission and vision of LC State. Neither the Foundation nor the College require the fee revenue to be transferred to the College though, as mutually agreed upon, all or part of the fee revenue may be transferred to offset the cost of services provided under this agreement. No payments shall be made directly from the Foundation to College employees in connection with resources or services provided to the Foundation under this Agreement.

EXHIBIT "C"

Investment Policy

PURPOSE

The purpose of this Investment Policy Statement (IPS) is to establish a clear understanding between the Lewis-Clark State College Foundation ("Foundation") and the Foundation's professional "Advisor" as to the investment objectives and policies applicable to the Foundation's investment portfolio. This Investment Policy Statement will:

- Establish reasonable expectations, objectives and guidelines in the investment of the portfolio's assets
- Set forth an investment structure detailing permitted asset classes and expected allocation among asset classes
- Encourage effective communication between the Advisor and the Foundation.
- Create the framework for a well-diversified asset mix that can be expected to generate acceptable long term returns at a level of risk suitable to the Foundation.

This IPS is not a contract. This IPS is intended to be a summary of an investment philosophy that provides guidance for the Advisor.

ADVISOR CONTRACT

The Advisor Contract will typically be awarded for an initial three (3) year period, beginning July 1, with an option for one additional three (3) year renewal. The decision to enter a new contract or engage in an RFP process or other process shall be at the sole discretion of the Foundation Board. The Board may, at its discretion, choose to forego an RFP process or other process in favor of entering into a new contract with the existing advisor. All fees shall be firm for the term of the contract and will be included in any contract agreement. A performance review will be conducted annually at the Fall meeting, by the Foundation Finance & Investment Committee, or by any of its designated subcommittees.

If, for any reason, the Foundation should wish to discontinue the professional's services, the Foundation, with sixty (60) days' written notice, may terminate the contract.

INVESTMENT OBJECTIVES

The primary investment objective for the Foundation's assets is to seek long term growth. However, the Foundation does intend to withdraw 4% annually to provide for required distribution. The cash flow intentions of the Foundation are detailed in the Foundation's Spending Policy.

TIME HORIZON

For the purposes of planning, the time horizon for investments is perpetuity. The Foundation recognizes that capital values fluctuate over shorter periods and the possibility of capital loss does exist. However, historical asset class return data suggest that the risk of principal loss over a holding period of at least ten years can be minimized with the long-term investment mix employed under this IPS.

RISK TOLERANCE

The Foundation is a moderate risk taker with regard to these investment assets. The portfolio will be managed in a manner that seeks to minimize principal fluctuations over the established horizon and is consistent with the stated objectives. Financial research has demonstrated that risk is best minimized through diversification of assets.

ASSET ALLOCATION

Academic research suggests that the decision to allocate total assets among various asset classes will far outweigh security selection and other decisions that impact portfolio performance. After reviewing the long-term performance and risk characteristics of various asset classes and balancing the risks and rewards of market behavior, the following asset classes were selected to achieve the objectives of the Foundation's Portfolio.

Table 1-1

Asset Category	Target Allocation	Acceptable Range
CASH	2%	1% - 10%
FIXED INCOME	28%	20% - 40%
STOCKS	70%	60%-80%
TOTAL	100%	

*International stocks not to exceed 10% of the total portfolio.

Updated Allocations

From time to time, it may be desirable to amend the basic allocation policy or calculations. When such changes are made, updates will be attached to this Investment Policy Statement as Appendix A and will be considered part of this Investment Policy Statement. The Advisor will provide to the Foundation the recommended or desired targeted allocation percentages. The recommendation will fall within the acceptable range as indicated in table 1-1.

Portfolio Rebalancing

From time to time, market conditions may cause the portfolio's investment in various asset classes to vary from the targeted allocation. To remain consistent with the asset allocation guidelines established by this IPS, each asset class in which the portfolio invests shall be reviewed annually by the Advisor and rebalanced back to the recommended weighting if the actual weighting varies by 3% or more from the recommended weighting (e.g., if the targeted allocation for a particular asset class is 10% and the actual is less than 7% or more than 13%, that asset class will be adjusted back to the targeted 10% allocation by either adding assets or distributing assets to or from the other asset classes.)

DIVERSIFICATION

Investment of the Foundation's funds shall be limited to the following categories:

Permitted Investment Categories

1. Cash and cash equivalents, including money market funds, or certificates of deposit
2. ETF or Index Funds
3. Stock or Bond Mutual Funds

Excluded Categories for Investment

1. Derivatives
2. Natural resources
3. Precious metals
4. Venture capital

Investment Concentration

At all times there must be a minimum of three investment categories represented among the Foundation's assets. There shall be no maximum limit to the number of categories. No individual security held shall represent more than 15% of the total portfolio.

INVESTMENT MONITORING AND CONTROL PROCEDURES

Reports

1. Advisor shall provide the Foundation with a monthly report that lists all assets held by the Foundation, values for each asset and all transactions affecting assets within the portfolio, including additions and withdraws.
2. Advisor shall provide the Foundation on a quarterly basis and within 30 days of the end of each calendar quarter, the following reports:
 - a) Portfolio performance results over the last quarter, year, 3 years and 5 years
 - b) Performance results of comparative benchmarks for the same periods; performance shall be reported on a time-weighted basis.

3. Advisor shall assist in the development of investment policies, objectives and guidelines.
4. Advisor shall prepare asset allocation analyses as necessary and recommend asset allocation strategies with respect to the Foundation's objectives.
5. Advisor shall provide research on specific issues and opportunities and assist the Foundation Finance & Investment Committee in special tasks.
6. Advisor shall make tactical implementation decisions, including rebalancing, within the asset allocations ranges set by the Foundation and among investment managers with communication of such decisions and the rationale at the next Foundation meeting. Such decisions will be tracked by the Advisor who will report the results of each of those decisions in its Investment Review provided to the Foundation for its quarterly meetings.
7. Advisor shall notify the Foundation Finance & Investment Committee of any significant changes in portfolio managers, personnel or ownership of any investment management firm hired by the Foundation.
8. Advisor shall, overall, be proactive with the Administration of the Foundation in the management of the Foundation's investments.

Meeting

Advisor shall meet with the Foundation's Finance and Investment Committee at least annually (or semi-annually if the Foundation chooses) in order to give a detailed report as to activity in the investment account, manager selection, tactical changes in the asset allocation weightings or other information the Foundation shall require.

Advisor shall also meet annually with the Foundation Board in January of each year to give a detailed report on the Foundation's investments.

ADOPTION

Adopted and Revised by the Foundation on this 21st day of December, 2021. Effective July 1, 2022.

EXHIBIT "D"

Articles of Incorporation

FILED/EFFECTIVE

01 MAR -9 AM 8:57
SECRETARY OF STATE
STATE OF IDAHO
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
(now, LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.)
LEWIS-CLARK STATE COLLEGE
ARTICLES OF AMENDMENT

CLERK SECRETARY OF STATE
03/01/2009 09:00
CI: 28457 BH: 3846
38.00 = 38.00 NON PROF

C 75476

WHEREAS, the members of Lewis-Clark State College Educational Assistance and Development Foundation, Inc., at a duly called meeting, after proper notice, adopted the following resolution amending and restating the Articles of Incorporation to change the name of the corporation and to conform those Articles to the provisions of the Idaho Non-Profit Corporations Act by the affirmative vote of all members present at such meeting, constituting a majority of the voting power of the members of the corporation entitled to vote, to wit:

BE IT RESOLVED that the Articles of Incorporation of Lewis-Clark State College Educational Assistance and Development Foundation, Inc., be, and the same are hereby, amended and restated in their entirety as follows:

AMENDED AND RESTATED ARTICLES

ARTICLE I
Preliminary Matters

- 1.01 **Name.** The name of this corporation is LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
- 1.02 **Nonprofit Status.** This corporation is a nonprofit corporation.
- 1.03 **Duration.** The duration of this corporation shall be perpetual.

ARTICLE II
Purposes

- 2.01 **Charitable Scope of Purposes.** This corporation is organized and shall be operated exclusively for charitable, scientific, literary, and educational purposes, within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws (hereinafter called Internal Revenue Code"), and Treasury Regulations issued thereunder. This corporation shall serve the public interest, and no part of its assets or the income therefrom shall inure to the benefit of any private individual, except for payment of

reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on (a) by a corporation exempt from federal tax under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

- 2.02 Higher Education.** In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College.** The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in § 501(c)(3) of the Internal Revenue Code, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds.** Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs.** Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.

- c. **Facilities.** Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
- d. **Financial Assistance.** To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
- e. **Cooperation.** Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 **Statutory Powers.** This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in § 30-3-23 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict those corporation's rights and powers.
- 3.02 **Activities.** In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 **Limitations.** No part of the net earnings or assets of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be for the purpose of carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, (including the publishing and distribution of statements) any political campaign on behalf of any candidate for

public office. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under § 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE IV
No Members

The corporation shall not have any members.

ARTICLE V
Board of Directors

The affairs of the corporation shall be managed by a Board of Directors. The number of directors serving on the Board of Directors shall be fixed in accordance with the corporation's Bylaws. Other than the directors constituting the initial board of directors, who are designated in these articles, the Directors shall be elected, appointed or designated in the manner and for the term or terms provided in the Bylaws of the corporation.

The names and street addresses of the persons constituting the initial board of directors are:

Name	Address
Niel Zimmerman President - LCSC	500 Eighth Street Lewiston, ID 83501
Rita Morris Provost and Academic Vice-President - LCSC	500 Eighth Avenue Lewiston, ID 83501
Dean Froehlich Vice-President of Administrative Services - LCSC	500 Eighth Avenue Lewiston, ID 83501
Richard Meier Vice-President of Student Affairs - LCSC	500 Eighth Avenue Lewiston, ID 83501
Barbara Bowen President LCSC Alumni Association	601 Burrell Drive Lewiston, ID 83501

Gene Straughan
Faculty Senate Chair Elect- LCSC

P. O. Box 189
Colton, WA 99113

Eugene Baldeck
Appointed Director

2214 Vineyard
Lewiston, ID 83501

Scott Arnone
Appointed Director

1445 G Street, Suite 101
Lewiston, ID 83501

Charles Brown
Appointed Director

322 Main Street
Lewiston, ID 83501

Bob DeVleming
Appointed Director

P.O. Box 57
Lewiston, ID 83501

Donna Doyle
Appointed Director

566 Crestline Circle Drive
Lewiston, ID 83501

Joe Hall
Appointed Director

1617 21st Street
Lewiston, ID 83501

Harriet Husemann
Appointed Director

523 Cedar
Lewiston, ID 83501

Jackie McIver
Appointed Director

835 Main Street
Lewiston, ID 83501

Sam Penney
Appointed Director

P.O. Box 305
Lapwai, ID 83540

Joe Stegner
Appointed Director

216 Prospect
Lewiston, ID 83501

A. L. Alford, Jr.
Elected Director

505 C Street
Lewiston, ID 83501

Howard Hayes
Elected Director

P.O. Box 816
Lewiston, ID 83501

Darrel Inman Elected Director	P.O. Box 856 Lewiston, ID 83501
Terry Kolb Elected Director	P.O. Box 937 Lewiston, ID 83501
William Mannschreck Elected Director	2956 Mayfair Ridge Lewiston, ID 83501
Eadie Saxton Elected Director	1035 29 th Street Lewiston, ID 83501
Marilyn Stonebraker Elected Director	1224 Third Street Lewiston, ID 83501
Charles F. Woods Elected Director	308 Main Street Lewiston, ID 83501
John Young Elected Director	P.O. Box 917 Lewiston, ID 83501

ARTICLE VI
Registered Agent

- 6.01 Registered Office.** The street address of the initial registered office of this corporation is the office of the Vice-President for Administrative Services, Lewis-Clark State College, Eighth Avenue and Sixth Street, Lewiston, ID 83501.
- 6.02 Registered Agent.** The name and initial registered agent of the corporation at such street address is Dean A. Froehlich.

ARTICLE VII.
Distribution on Dissolution

Upon dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment of all debts and liabilities of this corporation shall be to the Idaho State Board of Education, as the Board of Trustees of Lewis-Clark State College; provided, however, that if at such time Lewis-Clark State College or its successor in interest is not an agency of the State of Idaho or an exempt organization described in § 501(c)(3) of the Internal Revenue Code or has substantially failed or abandoned its operations or been

dissolved, then the remaining assets of the corporation shall be distributed to such other agencies of the State of Idaho or non-profit fund foundation or corporation involved in higher education which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, as the Board of Directors may direct. Any such assets not distributed shall be distributed by the district court of the county in which the principal office of the corporation is then located, excluding for any purposes or to such organizations as the court shall determine to be consistent with the purposes of the corporation.

ARTICLE VIII.
Bylaws

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws. The Board of Directors of the corporation shall be authorized to amend the corporation's Bylaws at a properly noticed special or regular meeting of the Board of Directors.

ARTICLE VIX.
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

IN WITNESS WHEREOF, the duly undersigned officers have signed and attested these Articles of Amendment.

DATED this 20th day of February 2001.

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND
DEVELOPMENT FOUNDATION

BY Edith K. Sayton
President

Attest:

John Young
Secretary


State of Idaho
Department of State.
CERTIFICATE OF INCORPORATION
OF

LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated April 4, , 19 84 .


SECRETARY OF STATE
Pete T. Cenarrusa
Dorise Dener
Corporation Clerk

CINP 779

APR 4 8 29 AM '84

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

APRIL 1984

LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION
ARTICLES OF INCORPORATION

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LEWIS-CLARK STATE COLLEGE
EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
ARTICLES OF INCORPORATION

ROBERT P. BROWN, Esquire, being over the age of twenty-one (21) years, for the purpose of forming a corporation under the provisions of the Idaho Nonprofit Corporation Act, Title 30, Chapter 3 of the Idaho Code, hereby adopts these articles of incorporation:

ARTICLE I
Preliminary Matters

- 1.01 Name. The name of this corporation is LEWIS-CLARK STATE COLLEGE EDUCATIONAL ASSISTANCE AND DEVELOPMENT FOUNDATION, Inc.
- 1.02 Nonprofit status. This corporation is a nonprofit corporation.
- 1.03 Duration. The duration of this corporation shall be perpetual.

ARTICLE II
Purposes

- 2.01 Charitable scope of purposes. This corporation is organized and shall be operated exclusively for charitable, scientific, literary, or educational purposes, within the meaning of §501(c)(3) of the Internal Revenue Code of 1954, as amended, or corresponding provisions of any subsequent Federal tax laws (hereinafter called Internal Revenue Code"), and Treasury Regulations issued thereunder. This corporation shall serve the public interest, and no part of its assets or the income therefrom shall inure to the benefit of any private individual, except for payment of reasonable compensation for services rendered to the corporation. No substantial part of the activities of this corporation shall directly or indirectly consist of attempting to influence legislation by propaganda or otherwise, and the corporation shall not directly or indirectly participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles of incorporation, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

- 2.02 Higher education. In further limitation of the general charitable purposes set forth above, this corporation is organized and shall be operated for the purpose of advancing the goals of higher education. The goals of higher education shall be broadly construed to encompass the charitable, scientific, literary, artistic, educational, social and athletic objectives normally associated with nonsectarian institutions of higher education.
- 2.03 Lewis-Clark State College. The purposes of this corporation shall be accomplished primarily by encouraging, promoting, supporting, performing and carrying out the functions, programs, operations and purposes of Lewis-Clark State College, an institution of higher education and an agency of the State of Idaho with its principal campus located in Lewiston, Idaho, so long as it is an institution of higher education and an agency of the State of Idaho or an organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code. By way of illustration and not limitation, it shall be within the purposes of this corporation to:
- a. Funds. Coordinate fund raising activities on behalf of Lewis-Clark State College and receive, hold, invest and administer donations of every kind on its behalf.
 - b. Programs. Promote, support, develop, perform, carry out and extend the educational undertakings of Lewis-Clark State College, and in furtherance thereof, to support and conduct any and all charitable, scientific, literary, artistic, educational, social and athletic activities relating thereto.
 - c. Facilities. Support, conduct and operate such activities as may be designed or intended to facilitate or enhance the educational, cultural, living and operational conditions at Lewis-Clark State College; to provide support for, maintain, enlarge, and extend the curricula, services, faculty, staff, and real or personal properties of Lewis-Clark State College.
 - d. Financial assistance. To provide financial or other assistance to the students, faculty and staff of Lewis-Clark State College in their efforts to acquire new knowledge and to extend the educational endeavors of Lewis-Clark State College.
 - e. Cooperation. Promote cooperation, coordination with, and assistance to other charities in the area of Lewiston, Idaho, particularly schools and hospitals.

ARTICLE III
Powers

- 3.01 Statutory powers. This corporation shall have all rights and powers now given to nonprofit corporations generally under the laws of the State of Idaho, including those powers now set forth in §30-307 of the Idaho Code, and all further and broader rights and powers which may in the future be given to nonprofit corporations generally under any subsequent laws of this state. No subsequent repeal or amendment of any such laws shall diminish or restrict this corporation's rights and powers.
- 3.02 Activities. In addition to raising funds and making grants, the corporation may, itself, actively conduct programs designed to accomplish the purposes set forth in Article II, above. Such activities may be engaged in for or on behalf of Lewis-Clark State College in order to assist it in performing its functions or carrying out its purposes.
- 3.03 Limitations. No power or authority shall be exercised by this corporation in any manner or for any purpose which is not permitted for an exempt organization described in §501(c)(3) of the Internal Revenue Code, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

ARTICLE IV
Members

- 4.01 Management authority. The management of the affairs of this corporation shall be vested in its members pursuant to Section 30-314(c) of the Idaho Code.
- 4.02 Apportionment of voting rights among classes. All voting rights shall be exercised by a single class of membership designated "trustee members", with each trustee member entitled to one (1) vote on each matter submitted to a vote at a meeting of such members. The bylaws of the corporation may provide for the designation of any one or more classes of nonvoting members. Except as set forth in these Articles of Incorporation, the designation, number, qualifications, terms of office, manner of selection, time and place of meetings, rights, powers, and duties of the members of each class shall be prescribed in the bylaws of the corporation.
- 4.03 Compensation. No member of the corporation shall receive any compensation for his or her services as a member of the corporation, but the corporation may pay reasonable compensation to any person, including a member of the corporation, for other services actually rendered to the corporation.

- 4.04 Notice of organization meeting. Actual personal notice of the organization meeting of the members of the corporation shall be sufficient notice pursuant to Section 30-324(b) of the Idaho Code.

ARTICLE V
Directors

There shall be no directors of the corporation, the management of the affairs of the corporation being vested in the trustee members pursuant to Section 30-314 of the Idaho Code.

ARTICLE VI
Principal Organizer

- 6.01 Name. The name of the principal organizer of this corporation is LEE A. VICKERS, who is over the age of twenty-one (21) years.
- 6.02 Address. The street address of the principal organizer is Office of the President, 8th Avenue and 6th Street, Lewiston, Idaho 83501.

ARTICLE VII
Registered Office and Registered Agent

- 7.01 Registered office. The street address of the initial registered office of this corporation is Office of the President, Lewis-Clark State College, 8th Avenue and 6th Street, Lewiston, Idaho 83501.
- 7.02 Registered agent. The name of the initial registered agent at such street address is LEE A. VICKERS.

ARTICLE VIII
Amendment of Articles

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in any manner now or hereafter prescribed or permitted by statute.

ARTICLE IX
Dissolution

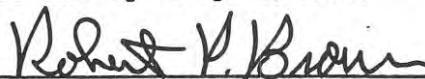
In the event of termination, dissolution or liquidation of this corporation, the net assets remaining after payment of all debts and obligations of the corporation shall be transferred and conveyed exclusively to Lewis-Clark State College or its successors-in-interest; provided, however, that if at such time Lewis-Clark State College or its successor-in-interest is not an agency of the State of Idaho or an exempt organization described in §501(c)(3) of the Internal Revenue Code, or has substantially failed or abandoned its operations or been dissolved, then the

remaining assets of this corporation shall be distributed to such other agencies of the State of Idaho and exempt organizations described in §501(c)(3) of the Internal Revenue Code involved in higher education as the board of directors may direct.

ARTICLE X
Incorporator

- 10.01 Name. The name of the incorporator of this corporation is ROBERT P. BROWN, Esquire, who is over the age of twenty-one (21) years.
- 10.02 Address. The street address of the incorporator is 13th and Idaho Streets, Lewiston, Idaho 83501.

IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation in duplicate this 2nd day of April, 1984.


ROBERT P. BROWN, Incorporator (SEAL)

STATE OF I D A H O)
: ss.
County of NEZ PERCE)

On this 2nd day of April, 1984, before me the undersigned, a notary public in and for the State of Idaho, personally appeared ROBERT P. BROWN, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

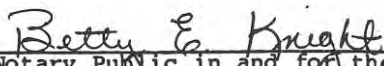
(S E A L)

Notary Public in and for the State of Idaho, Residing at Lewiston, therein.

EXHIBIT "E"

Bylaws

**AMENDED AND RESTATED BYLAWS
OF
LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.**

**ARTICLE I.
In General**

1.01 Nature of Bylaws. The following paragraphs contain provisions for the regulation and management of LEWIS-CLARK STATE COLLEGE FOUNDATION, INC., a nonprofit corporation organized and operating under the laws of the State of Idaho.

1.02 Conflicts. In the event that there is a conflict between a provision of these Bylaws and a mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation of the corporation, then the mandatory provision of the laws of the State of Idaho, or the Articles of Incorporation shall control.

**ARTICLE II.
Principal Office**

2.01 Principal Office. The principal office of the corporation in the State of Idaho shall be located at Lewis-Clark State College, 500 8th Avenue Lewiston, ID 83501. The corporation may have such other offices, either within or without the State of Idaho, as the Directors may designate from time to time.

**ARTICLE III.
Non-Director Members**

3.01 Foundation Members. In addition to the Directors as defined in Article IV below, the corporation may recognize a class of benefactors and supporters designated as "Foundation Members", which class may be further subdivided into any number of subclasses as may be determined by the Directors.

3.02 No Management Authority or Voting Rights. Foundation Members, as described in 3.01 above, shall have no authority to manage the affairs of the corporation, and shall not be entitled to vote on any matter relating to the corporation. Foundation Members shall have the right to attend and participate in meetings of the Directors.

3.03 Rights and Privileges. Except as may be otherwise provided in these Bylaws or the Articles of Incorporation, Foundation Members shall have such recognition, rights, privileges as may be determined by the Board of Directors. Foundation Members are invited to attend meetings of the Board of Directors.

3.04 Selection. Individuals or organizations who are interested in the objectives and purposes of the corporation may be admitted as Foundation Members by majority vote of the Directors upon meeting such qualifications as may be determined by the Directors.

3.05 Designated Members. The following individuals shall serve as Designated Members by virtue of their offices, to serve for the term of their respective offices. Designated Members do not have voting rights.

- a. The President of Lewis-Clark State College.
- b. The Provost and Vice President for Academic Affairs of Lewis-Clark State College.
- c. The Vice President for Finance and Administration of Lewis-Clark State College.

- d. The Foundation Treasurer as appointed by Lewis-Clark State College with the consent of the Foundation.
- e. The Faculty Senate Chair Elect of the Lewis-Clark State College Faculty Association.
- f. The Lewis-Clark State College Alumni Association Board Representative.
- g. The Vice President of Student Affairs of Lewis-Clark State College.

3.06 Membership Roster and Certificates. The corporation shall maintain a roster of Foundation Members, and may issue certificates, cards, or other evidence of association.

3.07 Personal Status of Association. Association as a Foundation Member shall be personal to the associate admitted, and shall not survive the death of any individual associate nor be transferred by any means whatsoever.

3.08 Resignation. A Foundation Member may resign at any time by written notice to the corporation.

3.09 Removal. Association as a Foundation Member may be reviewed for any action which is detrimental to the best interests of the corporation, or for failure to actively support corporate purposes, or to actively participate in corporate activities. Removal shall require the affirmative vote of a majority of the Directors.

ARTICLE IV. **Directors**

4.01 General Powers. All corporate powers shall be exercised by or under the authority of the Board of Directors. The business and affairs of the corporation shall also be managed under the direction of the Board of Directors, except as otherwise provided in the Idaho Non-Profit Corporation Act or the Articles of Incorporation.

4.02 Presumption of Assent. A Director of the corporation who is present at a meeting of its Board of Directors at which any action on any corporate matter is taken shall be presumed to have assented to the action unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file such Director's written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified or registered mail to the secretary of the corporation within three days after the adjournment of the meeting. Such right of dissent shall not apply to a Director who voted in favor of such action.

4.03 Qualification. Directors need not be officers of the corporation nor residents of the State of Idaho.

4.04 Elected Directors. The corporation shall have such Directors as may be elected by majority vote of the Directors, as then constituted, at the annual meeting of Directors. The number of such elected Directors serving at any time shall, in no event, exceed thirty (30). Each Director, including the Director whose terms are expiring, shall have the right to vote for as many persons as there are Directors to be elected, but no Director shall be entitled to cumulate his or her votes.

4.05 Terms of Elected Directors. The terms of the Elected Directors pursuant to Article 4.04 shall serve for a period of three (3) years until the annual meeting in the year in which their respective terms expire and until their successors are duly appointed or elected and qualified.

4.06 Resignation. Any Director may resign at any time giving written notice to the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance by the corporation.

4.07 Removal. An elected or appointed Director may be removed from office prior to expiration of the term of office by the vote of at least two-thirds (2/3) of the Directors other than the Director voted upon, at any regular or special meeting of Directors. Unexcused absences from two (2) consecutive meetings of the Directors shall be cause for consideration of removal of a Director. The Designated Director is not subject to removal.

4.08 Vacancies. A vacancy among the Directors shall be deemed to exist upon death, resignation or removal of a Director. The vacancy of a Director shall be filled by his or her successor in office at the time the office is assumed. The vacancy of a Designated Director shall be filled by appointment of the Executive Committee. A Director appointed or elected to fill a vacancy shall serve the unexpired term of his predecessor in office.

4.09 Place of Meetings. All meetings of the Directors shall be held at the principal office of the corporation or at such other place, either within or without the State of Idaho, as the Directors may, from time to time, direct.

4.10 Organization of Meeting. The president of the corporation shall act as chairman of meetings of Directors. In the absence of the president, the next Officer shall act as chairman: vice president, then secretary, respectively.

4.11 Annual Meetings. The annual meetings of the Directors shall be held in the spring each year. In the event that such annual meeting is omitted by oversight or otherwise, it may be held at a subsequent special meeting called in accordance with the provisions of these Bylaws and the laws of the State of Idaho, and any business transacted or elections held at such meetings shall be valid as if transacted or held at the annual meeting.

4.12 Special Meetings. A special meeting of the Directors may be called at any time by the president, and shall be called by the president upon the written request of a majority of the Directors.

4.13 Notice of Meetings. Written notice of each meeting of Directors stating the place, day or hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) days before the date of the meeting. Exceptions may occur with extenuating circumstances. If mailed, such notice shall be deemed to be delivered three (3) days after they are deposited in the United States Mail addressed to the Director at his or her address as it appears on the records of the corporation, with postage paid thereon.

Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. The Directors may waive notice of any meeting, and written waiver of notice executed either before or after the meeting shall be sufficient.

Any adjournment or adjournments of an annual or special meeting to another time and place may be held without new notice being given.

4.14 Quorum. A simple majority (defined as 51% or more) of the voting Directors shall constitute a quorum for the transaction of business. The act of a majority (defined as 51% or more) of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

Foundation Members and Designated Members shall not be considered to constitute a quorum and do not have voting rights.

If, at any meeting of the Directors, there shall be less than a quorum present, those present may adjourn the meeting without notice other than by announcement at the meeting. If, subsequently additional directors arrive and a quorum is present, such meeting can be re-convened and any business may be transacted which might have been transacted at the meeting as originally notified.

4.15 Action Without a Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action that may be taken at a meeting of the Directors or of a committee, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by a simple majority of the Directors, or by a simple majority of the members of the committee, as the case may be. Such consent shall have the same effect as a unanimous vote.

4.16 Powers and Duties. The Directors shall establish policies and have the general management, control and direction of all the business and affairs of the corporation and of all its undertakings to the fullest extent permitted by law. In addition to all powers granted by law, Directors shall have power and authority:

- a. To call meetings of the Directors whenever deemed proper or necessary.
- b. To elect officers of the corporation, to appoint such employees or agents as they deem necessary or proper, to confer upon any officer the power to appoint, remove and suspend officers, employees and agents, and to similarly remove any officer, employee or agent with or without cause.
- c. To determine the policies of the corporation and to make such rules and regulations as may be deemed necessary or proper for the government and guidance of the officers, employees and Directors of the corporation, not inconsistent with the laws of the State of Idaho, the Articles of Incorporation, these Bylaws or the Operating Agreement.
- d. To oversee the security and safekeeping of endowment funds to insure that the same are invested in accordance with the Uniform Prudent Management of Institutional Funds Act as adopted by the State of Idaho and in a manner consistent with the objectives of the corporation. These duties include cooperation with any investment committee or external investment advisors that may be designated by the Directors.
- e. To purchase or otherwise acquire, and to sell, convey, and otherwise dispose of assets on behalf of the corporation at such prices and upon which terms as the Directors may deem appropriate.
- f. To approve payment for such property, rights or privileges, in whole or in part, with money or other securities of the corporation, or by delivery of other property of the corporation.
- g. To approve an action to borrow money and incur indebtedness; to create, make and issue mortgages, deeds of trust, trust and annuity agreements and negotiable or transferable instruments and securities; to do every other act necessary to effectuate the same.
- h. To hold, operate, leave, invest, reinvest and otherwise manage real and personal property of every kind and description.
- i. To fix the compensation, fringe benefits and emoluments of officers and other employees in accordance with noted Article VI.
- j. To select one or more financial institutions to act as depositor of the funds of the corporation and to determine the manner of receiving, depositing and disbursing the funds of the corporation.
- k. To determine by whom and in what manner the corporation bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed, and to confer and delegate such power.
- l. To do everything necessary or proper for the carrying out of the objects and purposes of the corporation as set forth in the Articles of Incorporation.

Notwithstanding the general delegation of authority granted, the Directors shall support and assist the College in fundraising and donor relations. In carrying out its purposes the Foundation Directors shall not engage in activities that conflict with federal or state laws, rules and regulations (including but not limited to all applicable provisions of the Internal Revenue Code and corresponding Federal Treasury Regulations), applicable policies of the Idaho State Board of Education or the role and mission of the College.

4.17 Executive Committee. There shall be an executive Committee which shall have and may exercise all of the authority of the Directors other than in reference to amendment of the Articles of Incorporation, adoption of a plan of merger or consolidation of the corporation, the sale, lease, exchange or other disposition of all or substantially all the assets of the corporation otherwise than in the usual and regular course of its activities, a voluntary dissolution of the corporation or a revocation thereof, or amendment of the Bylaws of the corporation. The members of this committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

All action of the executive committee shall be reported to the Directors at its next meeting succeeding such action, and shall be subject to revision or alteration by the Directors, provided that no rights or acts of third parties shall be affected by any such revision or alteration.

A quorum at any meeting of the executive committee shall consist of a simple majority of the Executive Committee Members.

4.18 Scholarship Committee. The Directors may designate two or more members as a scholarship committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

To promote the Foundation Scholars Program:

- a. Establish and maintain scholarship criteria and policies including approval/disapproval of any exceptions to policy
- b. Select scholarship recipients on an annual basis
- c. Provide to the Finance & Investment Committee any information that could impact the amount of the annual scholarship award and/or the number of new scholarships to be given
- d. Provide support, encouragement and develop rapport with individual Foundation Scholars through attendance at social functions such as the orientation at the beginning of the academic year, a winter holiday party, a reception at the LCSC President's home, and/or through a graduation recognition event
- e. Maintain long-term contact with Foundation Scholars, at the minimum annually, in recognition that these scholars are the future ambassadors for the Foundation

To meet as often as required to review other scholarship applications as requested and select recipients in accordance with established individual scholarship criteria

To participate in the annual Scholarship Luncheon to honor LCSC Foundation and Alumni Association scholarship recipients and donors.

4.19 Finance & Investment Committee. The Directors may designate two more members as the Finance & Investment Committee. These committees, to the extent provided in the resolution below, shall have and exercise the authority of the Directors in the management of the corporation.

Finance & Investment Committee of the Foundation shall have the following responsibilities:

- a. Oversight of endowment investments. Allocate investments among assets classes according to the investment policy statement. Review the performance of investment portfolio and advisor at least annually.
- b. Approve annual distribution of endowments according to the foundation spending policy. For underwater endowments determine if distribution will be paid. If underwater endowment distributions are made, determine the source of funding, including General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- c. Select the number of Foundation scholar scholarships awarded to freshman each year. For scholarships awarded in excess of funds available in the Foundation Scholars Program, determine if distribution will be paid from General Unrestricted Funds, Bryden Canyon Quasi-Endowment or other funding sources.
- d. Review financial reports and examine fund balances. Develop the annual operating budget two months before the start of each fiscal year.
- e. Approve charitable gift annuities established with gifts of more than \$100,000 per beneficiary. For annuities established with gifts of more than \$200,000 per beneficiary, submit recommendation for full board approval.
- f. Approve acceptance of gifts of assets other than cash. For noncash gifts in excess of \$200,000, submit recommendation for full board approval. Acceptance of marketable securities does not require approval by the committee. Marketable securities will be liquidated immediately upon receipt.

4.20 Other Committees or Task Forces. The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

ARTICLE V.
Officers

5.01 Qualification. An Officer must be a Director of the corporation with the exception of the Treasurer, who may be a Designated Member as described in Section 3.05.

5.02 Offices. The offices of the corporation shall consist of president, vice president, secretary, and treasurer and such other offices as the Directors may choose to appoint.

5.03 Election. The officers of the corporation, with the exception of the Treasurer, shall be elected by the Directors at the organizational meeting of Directors and at such annual meeting of Directors thereafter. Officers shall be elected or appointed for a term extending for two years until the next annual meeting of the Directors and shall serve until their successors shall have been duly elected and qualified.

5.04 Duties of President. The president shall be the chief executive officer of the corporation and shall attend and preside at all meetings of the Directors and any executive committee of the Directors. The president shall have responsibility for the planning and implementation of the corporation's activities and the appointment of employees of the corporation, subject to the advisement and approval of the Directors. The president or vice-president, unless some other person is specifically authorized by vote of the Directors, shall sign all bonds, deeds, mortgages, contracts and other documents of the corporation. The president shall perform all the duties commonly incident to such office and shall perform such other duties as the Directors shall designate.

5.05 Duties of a Vice President. The vice president shall perform the duties and have the powers of the president during his or her absence or disability. A vice president shall perform such other duties and have such others powers as the Directors may designate.

5.06 Duties of the Secretary. The secretary shall ensure accurate minutes of all meetings of the foundation members and the Directors are maintained. The secretary shall attend to the giving and serving of all notices of the corporation, shall have custody of all the original records, papers, files and books of the corporation (except books of accounts and valuable papers properly in the custody of the treasurer); shall attest all instruments in writing executed in the name of the corporation and requiring his or her signature; and shall, in general, perform all the duties incident to the office of secretary and such other duties as the Directors shall designate. In the absence of the secretary, an assistant secretary or a secretary pro tempore shall perform such duties.

5.07 Duties of Treasurer. The treasurer, subject to the order of the Directors, shall have the care and custody of the funds and valuable papers of the corporation in such bank or banks as the Directors shall designate. The treasurer shall have and exercise, under the supervision of the Directors, all the powers and duties commonly incident to such office and give bond in such form and with such sureties as may be required by the Directors. The treasurer shall keep accurate books of account of the corporation's transactions, which shall be the property of the corporation, and, together with all its property in his or her possession, shall be subject at all times to the inspection and control of the Directors.

5.08 Duties of Executive Director. The executive director shall be given the necessary authority and responsibility to operate the affairs of the corporation and all its activities subject to such policies as may be adopted and such orders as may be issued by the Directors or by any committee or task force to whom they have delegated power for such action. He or she shall act as the duly authorized representative of the Directors in all matters in which the Directors have not formally designated some other person to act.

The authorities and duties of the executive director shall include the responsibility for:

- a. Carrying out all policies established by the Directors.
- b. Developing and submitting to the Directors for approval of plans and strategies for the corporation's affairs, including public relations, soliciting donations, and other matters intended to carry out the objectives of the corporation.

- c. Preparing an annual budget showing the expected receipts and expenditures as required by the Directors.
- d. Selecting and managing staff and developing and maintaining personnel policies and practices.
- e. Presenting to the Directors, or their authorized committee, periodic reports reflecting the operating and financial activities of the corporation and the preparation and submission of such special reports as may be required by the Directors.
- f. Attending all meetings of the Directors and committees.
- g. Performing such other duties as may be necessary and in the best interest of the corporation.

5.09 Other Officers. The duties of the additional officers, other than as defined in the Bylaws of the corporation, shall be prescribed and defined by the Directors.

5.10 Authority to Sign Checks. All checks, drafts or other orders for payment of money, note or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation as provided in these Bylaws or in such manner as shall be determined by the Board of Directors.

5.11 Resignation. Any officer may resign at any time by giving written notice to the corporation, to the Directors, to the president, or to the secretary of the corporation. Any such resignation shall take effect at the time specified therein, or if the time be not specified, upon its acceptance.

5.12 Removal. Any officer or agent may be removed at any time by action of the Directors.

5.13 Vacancies. Any vacancy among the officers of the corporation shall be selected by the executive committee subject to the authority of the Directors to approve, disapprove or fill the vacancy themselves.

ARTICLE VI.

Compensation and Indemnification

6.01 Compensation of Directors. Directors shall not be compensated.

6.02 Compensation of Officers. The president, vice president, secretary and treasurer shall receive no compensation.

6.03 Repayment. Any payments made to an employee of the corporation for compensation, salary, bonus, interest, rent or expense incurred by him or her, which shall be determined to be unreasonable in whole or in part by the Internal Revenue Service pursuant to Section 4941(d) (2) (E) of the Internal Revenue Code shall be reimbursed by such employee to the corporation to the full extent of such determination of unreasonableness. It shall be the duty of the Directors to enforce repayment of each such amount. In lieu of repayment by the employee, subject to the determination of the Directors, amounts may be withheld from the employee's future compensation or expense reimbursement payments until the amount owed to the corporation shall have been recovered.

6.04 Indemnification. Any person who serves on behalf of the Foundation as a director, employee, chairperson or member of any committee, or as a director, trustee or officer of another corporation, shall be deemed to be the Foundation's agent for purposes of this Article and shall be indemnified by the Foundation against expenses (including attorney's fees), judgments, fines, excise taxes and amounts paid in settlement actually or reasonably incurred by such person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or a derivative action, by reason of such service, provided such person acted in good faith and in a manner that he or she reasonably believe to be in the best interest of the foundation and, with respect to any criminal action proceeding, had no reasonable cause to believe his or her conduct was unlawful.

**ARTICLE VII.
Gifts to Corporation**

7.01 In General. Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

7.02 Acceptance of Governing Documents. Each donor, by making a gift to the corporation, accepts and agrees to all of the provisions of the Articles of Incorporation and these Bylaws.

**ARTICLE VIII.
Miscellaneous**

8.01 Books and Records. The corporation shall keep accurate and complete books and records of account and shall keep minutes of the proceedings of its Directors and committees having any authority of the Directors. All books and records of the corporation may be inspected by any Director for any proper purpose at any reasonable time.

8.02 Parliamentary Procedure. Parliamentary Procedure shall be the code that governs the procedures of the Foundation Board of Directors' meetings.

8.03 Corporate Seal. There shall be no seal of the corporation, and all contracts and other papers of the corporation shall be authenticated without any corporate seal.

8.04 Waiver of Notice. Whenever any notice whatsoever is required to be given by these Bylaws, or the Articles of Incorporation, or any of the nonprofit corporation laws of the State of Idaho, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice for all purposes.

8.05 Contracts and Conveyances. All contracts, deeds, conveyances, negotiable instruments and other instruments of like character which have first been approved by the Directors shall be signed by the president or vice president and the secretary or an assistant secretary, or otherwise as directed by the Directors. No contract of any officer of the corporation shall be valid without previous authorization or subsequent ratification of the Directors.

8.06 Fiscal Year. The Foundation shall operate on a fiscal year beginning July 1st and ending June 30th.

8.07 Dissolution. The corporation exists for the sole purpose of providing support to Lewis-Clark State College (the "College"). Given the significant administrative contribution provided to the corporation by the College, in the event that the corporation ceases to provide such support, the corporation may be dissolved and all assets and records will be distributed exclusively to the College or its successor in interest pursuant to the Articles of Incorporation.

8.08 Amendment. These bylaws may be altered, amended or repealed at any regular or special meeting of the Directors, provided a quorum is present and provided further that notice of the substance of the proposed amendment shall be submitted to each Director within the same time and in the same manner prescribed for notice of the meeting.

CERTIFICATION

We, the undersigned President, Vice President and Secretary of the Lewis-Clark State College Foundation, Inc. an Idaho Corporation, do hereby certify that the foregoing Bylaws supersede all prior Bylaws, amended or restated, were duly adopted as the restated Bylaws of said corporation at a duly constituted meeting of the members

of the corporation at which a quorum was present, in person or by proxy, said meeting, held March 17, 2015, and that the same do now constitute the Bylaws of said corporation.

EXHIBIT "F"

Conflict of Interest Policy

Lewis-Clark State College Foundation
CONFLICTS OF INTEREST POLICY

No board member shall use his or her position, or the knowledge gained therefrom, in such a manner that conflict between the interest of the organization or any of its affiliates and his or her personal interests arises.

Each board member has a duty to place the interest of the organization foremost in any dealings with the organization and has a continuing responsibility to comply with the requirements of this policy.

Board or committee members may not obtain for themselves, their relatives, or their friends a material interest of any kind from their association with the organization.

It is, nevertheless, recognized that transactions between Lewis-Clark State College Foundation ("Foundation") and a business or other organization with whom a board member is affiliated may be beneficial to the Foundation and that the Foundation should not be precluded from entering into that beneficial transaction so long as the board member does not participate in or otherwise influence the Foundation's decision regarding the transaction.

It shall be the policy of the Foundation to require that all new Board members, prior to assuming their positions, and all present Board members, as soon as practicable after the adoption of this policy, submit in writing to the President a list of all businesses or other organizations (other than the Foundation) of which he or she is an officer, member, owner (either as a sole practitioner or partner), shareholder with a five percent (5%) or greater interest in all outstanding voting shares, employee or agent, with which the Foundation has, or may reasonably in the future have, a relationship or transaction in which the Board member or officer would have conflicting interests. Each written statement shall be resubmitted each year with any necessary changes.

The President shall become familiar with the statements of all Board members and officers in order to guide their conduct should a conflict arise. The Vice-President shall be familiar with the statement filed by the President.

At such time as any matter comes before the Board in such a way as to give rise to conflict of interest, the affected Board member or officer shall make known the potential conflict, whether disclosed by written statement or not. After answering any questions that might be asked, the affected Board member shall withdraw from the meeting until the matter has been voted upon. In the event that the affected Board member or officer fails to withdraw voluntarily, the President is empowered to require withdrawal from the room during both discussion and vote on the matter. In the event the conflict of interest affects the President, the Vice-President is empowered to require that the President withdraw in the same manner, and for the duration of discussion and action on the matter the Vice-President shall preside.

If the matter about which a conflict has arisen is the item of business for which a special meeting of the Board was called, the affected member may be counted to establish a quorum, but shall not participate in the discussion or vote on it.

ADOPTED, this 15th day of December, 1998.

EXHIBIT "G"

Code of Ethical Conduct

Directors and Officers of the LC State Foundation represent Lewis-Clark State College and its Foundation, and have a responsibility to conduct themselves in such a manner as to give a positive impression of Lewis-Clark State College to the public, students, and alumni. Directors and Officers of the LC State Foundation pledge to accept the following ethical guidelines:

1. Accountability: Faithfully abide by the Articles of Incorporation, Bylaws and policies of the LC state Foundation, and exercise reasonable care, faith and due diligence in organizational affairs.
2. Professional Excellence: Maintain a professional level of courtesy, respect and objectivity in all Foundation activities.
3. Professional Gain: Exercise the powers invested for the good of all members of the organization rather than his/her personal benefit. Transactions involving the Foundation and the personal or business affairs of a trustee, director, officer, or staff member should be approved in advance by the Foundation's governing board. In addition, directors, officers, and staff members of a foundation disqualify themselves from making, participating, or influencing a decision in which they have or would have a financial interest.
4. Confidential Information: Respect the confidentiality of sensitive information known due to service.
5. Collaboration and Cooperation: Respect the diversity of opinions as expressed or acted upon by the Foundation board, committees and membership, and promote collaboration, cooperation and partnership among Foundation Members.
6. Gifts: No director, trustee, officer, or staff member of a foundation shall accept from any source any material gift or gratuity in excess of fifty dollars (\$50.00) that is offered, or reasonably appears to be offered, because of the position held with the foundation; nor should an offer of a prohibited gift or gratuity be extended by such an individual on a similar basis.

EXHIBIT "H"

Gift Acceptance Policy

**Lewis-Clark State College Foundation
Gift Acceptance Policy
(Article VII of the Bylaws)**

Gifts to Corporation:

In General

Donors may make gifts to the corporation by naming or otherwise identifying the corporation. Gifts shall vest in the corporation upon receipt and acceptance by it, whether signified by a Director, officer, employee or agent of the corporation.

Acceptance of Governing Documents

Each donor, by making a gift to the corporation, accepts and agrees to all the provisions of the Articles of Incorporation and (the) Bylaws.

Split Interest Gifts

The corporation shall have the power and authority to arrange and administer deferred and other split-interest gifts, including, but not limited to, charitable lead and remainder unitrusts and annuity trusts, and charitable gift annuities, but only as permitted by the laws of the State of Idaho. If a gift is made to the corporation or a third party (in trust or otherwise) to make income or other payments for a period of a life or lives or other periods to any individuals or for noncharitable purposes, followed by payments to the corporation, or to make income or other payments to the corporation, followed by payments to any individuals or for noncharitable purposes, only the payments to the corporation shall be regarded as subject to the corporation's Articles of Incorporation and (the) Bylaws and then only when the corporation becomes entitled to their use. The Directors may take such actions as it, from time to time, deems necessary to protect the corporation's rights to receive such payments.

Restricted Gifts, Acceptance

Any donor may, with respect to a gift made by such donor to the corporation, provide at the time of the gifts restrictions or conditions which are not inconsistent with the charitable purposes of the corporation, as to (i) the manner of distribution, including amounts, times and conditions of payment and whether from principal or income, and (ii) the name, as a memorial or otherwise, for a fund given, or addition to a fund previously held, or anonymity for the gift. Restrictions involving the naming of a fund as a memorial or otherwise may be satisfied by keeping such name appropriate accounts reflecting the interest of such funds in a common investment. Nothing in the foregoing shall obligate the corporation to accept any gift or to perform any act, which, in the opinion of the Directors, will not be in the best interests of the corporation or which may jeopardize or cause it to lose its status as an exempt organization described in Section 501 (c) (3) of the Internal Revenue Code.

EXHIBIT "I"

Policy for Accounting for Gift Revenue

**Lewis-Clark State College Foundation
Policy for Accounting of Gift Revenue**

1. **Fiduciary Responsibility.** Each gift, regardless of value, form, or designated use, shall be accounted for at the time of receipt until used as directed by the donors in support of the mission of the Foundation and/or the College. During such time as funds are retained, they shall be invested in accordance with procedures of the Finance and Investment Committee. The development office shall be responsible for any reports to donors on the use of their funds, to be accomplished in concert with operating managers and the accounting department.
2. **Allocation to Restricted Funds.** Gifts received for restricted purposes (either temporarily restricted or permanently restricted) shall be separately accounted for in order to maintain stewardship of these funds as donors direct. The segregation of these funds is to be performed by the accounting department, who shall report to donors on their disposition and use through the development office.
3. **Expenditure Controls.** The uses of gift revenue, especially restricted gifts shall be fully accounted for, beginning with their deposit to temporarily restricted fund accounts, stewardship, disposition reports, and with expenditures only as directed by the donor in keeping with the mission of the College and/or the Foundation.
4. **Allocation to Endowment.** Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for in accord with policies of the Finance and Investment Committee.
5. **Investment of Funds.** All gifts received shall be invested until used in accord with donor wishes, using short-term or long-term investment plans as defined by the Finance and Investment Committee. Funds restricted to endowment or so restricted by the Foundation Board shall be invested and accounted for as directed by the Finance and Investment Committee. Investment earnings shall be used only for the purposes board, with amounts as resolved by the Finance and Investment Committee.
6. **Accounting Reports.** Regular accounting reports will summarize the disposition of all money, illustrating their present disposition by source, purpose or use, and fundraising program, which shall be prepared for each Foundation Board meeting and distributed to the Board members.

EXHIBIT "J"

Foundation Insurance

NBP1557971C

Renewal of Number

*** RENEWAL CERTIFICATE ***

Direct Bill Policy

POLICY DECLARATIONS

No. NBP1557971D

United States Liability Insurance Company

1190 Devon Park Drive, Wayne, Pennsylvania 19087

A Member Company of United States Liability Insurance Group

NAMED INSURED AND ADDRESS:

LEWIS-CLARK STATE COLLEGE FOUNDATION

500 8TH AVE

LEWISTON, ID 83501

POLICY PERIOD: (MO. DAY YR.) From: 03/26/2023 To: 03/26/2024

12:01 A.M. STANDARD TIME AT YOUR
MAILING ADDRESS SHOWN ABOVE

FORM OF BUSINESS: Non-Profit Corporation

BUSINESS DESCRIPTION: Foundation

IN CONSIDERATION OF THE RENEWAL PREMIUM STATED BELOW, EXPIRING POLICY NUMBER NBP1557971C IS RENEWED
FOR THE POLICY PERIOD STATED ABOVE. PLEASE ATTACH THIS RENEWAL CERTIFICATE TO YOUR EXPIRING POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.

THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Businessowners Liability Coverage Part	\$605.00
Businessowners Property Coverage Part	\$50.00

TOTAL:	\$655.00
---------------	-----------------

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: **STONEBRAKER MCQUARY AGENCY GROUP, INC. (2141)**
P.O. Box 9
Clarkson, WA 99403

Issued: 03/15/2023 9:05 AM

By:


Authorized Representative

UPC (08-07)

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,
COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF,
COMPLETE THE ABOVE NUMBERED POLICY.

EXHIBIT "K"

Committee Descriptions
Committee or Task Force Descriptions

Executive Committee

The Executive Committee is chaired by the President of the Foundation Board.

The members of the Executive Committee shall be: The officers of the Board, the Immediate Past President, all chairs of approved committees or task forces and other members as designated.

Responsibilities include:

- * making interim decisions for the Board (to be ratified by the full Board at its subsequent meeting);
- * overseeing the long-range and strategic planning of the organization;
- * serving as a sounding board for new programs or policies that should come before the full Board eventually;
- * enforcing membership responsibilities, including attendance policies and committee appointments;
- * monitoring progress of Board and staff in achieving the current year goals;
- * scrutinizing budget performance;
- * maintaining a close and candid relationship with the leadership of the College;
- * following and evaluating the performance of the Foundation's Executive Director;
- * evaluating Board performance by recognizing superior results or levels of service and by arranging for the departure of unproductive Board members;
- * acting on behalf of the Board in times of emergency or necessary expediency.

The actions of the Executive Committee are subject to revision or alteration by the Board. Minutes of Executive Committee meetings are sent to each Board member. Membership in the Executive Committee will not exceed a quorum of the full Board. A quorum at any meeting of the Executive Committee shall consist of a simple majority of the members.

Lewis-Clark State College Foundation
Other Committee or Task Force Descriptions

Finance and Investment Committee

The Finance and Investment Committee shall oversee the Foundation's budget activities and expenses; monitor the flow of funds to determine consistency between expenditures and generated revenue; manage the investment portfolio; establish financial policies; oversee the buildings and grounds owned by the Foundation.

Scholarship Committee

The Scholarship Committee shall oversee the awarding of specific scholarships; establish scholarship policies and review the process; assist in the planning of three scholarship events annually.

Other Committees or Task Forces

The Directors may designate and appoint one or more standing committees or task forces, each of which shall consist of two (2) or more Directors. These committees, to the extent provided in such resolution, shall have and exercise the authority of the Directors in the management of the corporation.

EXHIBIT "L"

Endowment Fund Fee Policy

Notice of Endowment Fund Fee Policy
LCSC Foundation

Effective July 1, 2023, the LCSC Foundation Board will implement the following policy regarding administrative fees on all funds received.

2% Fee on Donations Received

In general, a 2% administrative fee will apply to all donations received by the Foundation to offset the costs of accounting, fundraising, and other administration costs. The fee will not apply to in-kind donations.

The 2% fee will apply at the time of the donation and will be a one-time fee. The 2% fee for gift annuities will apply at the end of the annuity when the funds become available to the Foundation.

½ of 1% (.5%) Annual Fee on
Average Endowment Fund Balances

The .5% fee will be charged to Endowment Funds, Alumni Endowments, and Other Endowments. The .5% fee will not apply to the following fund classifications:

1. Gift annuities
2. General Unrestricted Funds
3. Annual Funds
4. Funds designated as Other Funds
5. LCSC Designated Funds

The .5% fee will be based on the average endowment fund balances and not on the amount of profit or loss earned or allocated for any time period. The fee will be calculated twice during each year using .25% times the fund market values at December 31 and June 30, and will be included with the December and June six months' market allocation postings.

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IDAHO DEPARTMENT OF EDUCATION

SUBJECT

Emergency Provisional Certificate Recommendations

REFERENCE

April 2019	Board approved SDE recommendations for processing emergency provisional certificates.
August 2019	Board approved SDE revised procedures regarding emergency provisional certificates
August 2021	Board approved SDE revised emergency provisional certificate process
October 2022	Board approved 76 provisional certificates for the 2022-2023 school year.
December 2022	Board approved 87 provisional certificates for the 2022-2023 school year.
February 2023	Board approved 31 provisional certificates for the 2022-2023 school year.
April 2023	Board approved 14 provisional certificates for the 2022-2023 school year.
June 2023	Board approved 4 certificates for the 2022-2023 school year.
October 2023	Board approved 16 provisional certificates for the 2023-2024 school year. Board approved procedures for processing emergency provisional certificates.
December 2023	Board approved 117 provisional certificates for the 2023-2024 school year.
February 2024	Board approved 26 provisional certificates for the 2023-2024 school year.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho Code § 33-1201 and 33-1203

BACKGROUND

Section 33-1201, Idaho Code, requires that every person who is employed to serve in any elementary or secondary school as a “teacher, supervisor, administrator, education specialist, school nurse or school librarian to hold a certificate issued under authority of the State Board of Education, valid for the service being rendered.” Section 33-1203, Idaho Code allows the State Board of Education to authorize a provisional certificate for teachers when the candidate has at least two years of college training and an emergency has been declared. This section of code does not authorize issuance of emergency provisional certificates for pupil service staff or administrators.

School districts receive the same level of funding for staff with an emergency

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provisional certificate as they receive for an individual with a standard certificate. Funding for long-term substitutes is at the same level as non-certified classified staff.

DISCUSSION

Ten complete Emergency Provisional Certificate applications for Instructional certificate(s)/endorsement(s) were received by the Idaho Department of Education by February 28, 2024.

The Certification Department of the Idaho Department of Education reviewed each candidate's full application. Each candidate presented below, requesting Instructional certificate(s)/endorsement(s), has completed at least two years of college training, making them eligible for emergency provisional certificate consideration. Each LEA has declared a hiring emergency, summarized the hiring efforts, and attested to the candidate's ability to fill the position.

The Idaho Department of Education is requesting authorization to issue provisional certificates as presented below.

Council School District #013

1. **Applicant Name:** Robyn Warner
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: 90 credits
Declared Emergency Date: 7/24/2023
Hire/Assignment Date: 7/24/2023
Summary of Recruitment Efforts: Advertised locally, on website and through edjobsidaho.com. No other inquiries or applicants. (need board minutes)

St. Maries Joint School District #041

2. **Applicant Name:** Christie Trott
Certificate: Provisional
Endorsement(s): All Subjects
College Training: 91 credits
Declared Emergency Date: 1/8/2024
Hire/Assignment Date: 1/8/2024
Summary of Recruitment Efforts: A 4th grade teacher resigned her position after January 1. Current candidate is current completing classes towards a degree.

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Jefferson School District #251

3. **Applicant Name:** Benjamin Hogenson
Certificate: Provisional
Endorsement(s): Visual Arts (K-12)
College Training: BA
Declared Emergency Date: 12/13/2023
Hire/Assignment Date: 12/14/2023
Summary of Recruitment Efforts: One of the school's teachers passed away suddenly on November 28th. The position was posted on 12/1/2023. Only one applicant applied for the position, but he did not have the proper certification. The school is applying for the Emergency Provisional for him.

Jerome Joint School District #261

4. **Applicant Name:** Christopher Holt
Certificate: Provisional
Endorsement(s): English (6-12)
College Training: 99 credits
Declared Emergency Date: 1/23/2024
Hire/Assignment Date: 1/4/2024
Summary of Recruitment Efforts: Previous to Mr. Holt, the school filled the position with a certified teacher. That person resigned early October creating a vacancy for this position. Multiple subs were utilized in place of a certified teacher. Two other applications applied, one did not have any college credits; the other candidate did have a degree and accepted the position, but resigned after two weeks. Mr. Holt will be completing his degree this year.

Buhl Joint School District #412

5. **Applicant Name:** Nicole Jacobson
Certificate: Provisional
Endorsement(s): Mathematics (6-12)
College Training: AA
Declared Emergency Date: 1/15/2024
Hire/Assignment Date: 1/3/2024
Summary of Recruitment Efforts: The position has been advertised since November. Two applications were received, both will require Alternative Authorization or Emergency.

Idaho Science and Technology Charter School #468

6. **Applicant Name:** Jessica Olsen
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: 113 credits
Declared Emergency Date: 2/21/2024
Hire/Assignment Date: 8/1/2022
Summary of Recruitment Efforts: This is a second year provisional

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certificate. The candidate does not qualify for an Alternative Authorization due to the student teaching timeline and because she does not have a bachelor's degree.

7. **Applicant Name:** Mashalee Thomas
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: 120 credits
Declared Emergency Date: 2/21/2024
Hire/Assignment Date: 8/2022
Summary of Recruitment Efforts: This is a second year provisional certificate. This person is not eligible to student teach because she did not pass the Praxis test. She will be eligible to student teach in the 24-25 school year.

- Kootenai Classical Academy #597**
8. **Applicant Name:** Kareene Herman
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: 99 credits
Declared Emergency Date: 11/13/2023
Hire/Assignment Date: 9/2023
Summary of Recruitment Efforts: The school advertised the position for six months, using multiple platforms, but was unable to find a qualified teacher.

9. **Applicant Name:** Nikki Martin
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: AA
Declared Emergency Date: 11/13/2023
Hire/Assignment Date: 9/2023
Summary of Recruitment Efforts: The school advertised the position for six months, using multiple platforms, but was unable to find a qualified teacher.

10. **Applicant Name:** Lindsay Reese
Certificate: Provisional
Endorsement(s): All Subjects K-8
College Training: 48 credits
Declared Emergency Date: 11/13/2023
Hire/Assignment Date: 9/2023
Summary of Recruitment Efforts: The school advertised for six months, using multiple platforms, but was unable to find a qualified teacher.

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IMPACT

If the Board approves the request, the Idaho Department of Education will be authorized to issue emergency provisional certificates to the qualifying candidates. An emergency provisional certificate is effective for one (1) year. No financial penalties will be assessed to the LEA while an emergency provisional certificate is in effect.

If the Board does not approve the request, the Idaho Department of Education will not be authorized to issue the requested emergency provisional certificates. The school district would be required to pursue other hiring options and may face financial impact.

BOARD STAFF COMMENTS AND RECOMMENDATIONS

Board staff verified that each candidate has completed at least two years of college training and that the school district declared a hiring emergency. All candidates have been hired by a local education agency as teachers for the 2023-2024 school year. Candidates that have already completed a Baccalaureate degree or higher are not eligible to apply through another pathway.

The staff recommends that the Board authorize the Idaho Department of Education to issue one-year provisional certificates for candidates 1-10 as presented above.

BOARD ACTION

I move to authorize the Idaho Department of Education to issue emergency provisional standard instructional certificates for candidates 1-10 as presented above, effective for the 2023-2024 school year only, and pending a cleared background check.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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SUBJECT

Requests for approval to transport students less than one and one-half miles for the 2023-2024 school year (safety busing)

REFERENCE

June 2021	The Board approved the request for 97 school districts and 22 charter schools to transport students less than one and one-half miles for the 2019-2020 school year.
June 2022	The Board approved the request for 97 school districts and 22 charter schools to transport students less than one and one-half miles for the 2020-2021 school year.
June 2023	The Board approved the request for 96 school districts and 21 charter schools to transport students less than one and one-half miles for the 2021-2022 school year.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho Code § 33-1006
Idaho Code § 33-1502

BACKGROUND/DISCUSSION

Pursuant to Idaho Code §33-1006, "The State Board of Education shall determine what costs of transporting pupils, including maintenance, operation and depreciation of basic vehicles, insurance, payments under contract with other public transportation providers whose vehicles used to transport pupils comply with federal transit administration regulations, "bus testing," 49 CFR part 665, and any revision thereto, as provided in subsection (4)(d) of this section, or other state department of education approved private transportation providers, salaries of drivers, and any other costs, shall be allowable in computing the transportation support program of school districts."

The transportation support program of a school district shall be based upon the allowable costs of transporting pupils less than one and one-half (1½) miles as provided in Idaho Code § 33-1501 when approved by the State Board of Education.

The *Standards for Idaho School Buses and Operations* states, "All school districts submitting applications for new safety busing reimbursement approval shall establish a board policy for evaluating and rating all safety busing requests. The State Department of Education staff shall develop and maintain a measuring instrument model, which shall include an element for validating contacts with responsible organizations or persons responsible for improving or minimizing hazardous conditions. Each applying district will be required to annually affirm that conditions of all prior approved safety busing requests are unchanged.

The local board of trustees shall annually, by official action (Idaho Code § 33-1502), approve all new safety busing locations. School districts that receive state

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reimbursement of costs associated with safety busing will re-evaluate all safety busing sites at intervals of at least every three years using the local board adopted measuring or scoring instrument. To qualify for reimbursement, the local school board will, by official action, approve the initial safety-busing request and allow the students in question to be transported before the application is sent to the state. Consideration for reimbursement is contingent on the application being received by the State Department of Education Transportation Section on or before March 1 of the school year in which the safety busing began.”

All requests are submitted on the Safety Busing form found in the Idaho Bus Utilization System (IBUS) Portal. Reminders are emailed to all districts and charter schools prior to March 1. All requests recommended for approval are compliant with Idaho Code § 33-1006.

Eighty-eight (88) school districts and twenty-six (26) charter schools serving 23,831 students applied for safety busing using the correct form and are being recommended for approval.

IMPACT

The approval of LEAs with safety-based students listed in Attachment 1 allows LEAs to be reimbursed for routes that meet the safety busing requirements. Board inaction or denial of the safety bus waivers would result in a loss of funding for the LEAs in question.

ATTACHMENTS

Attachment 1 – Safety Busing Rider Count Report

STAFF COMMENTS AND RECOMMENDATIONS

Board staff recommend approval of the request to transport students less than one and one-half miles as submitted in Attachment 1.

BOARD ACTION

I move to approve the requests by eighty-eight (88) school districts and twenty-six (26) charter schools for approval to transport students less than one and one-half miles as submitted in Attachment 1.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

.

Safety Busing Rider Count Report 2023-2024		
Districts	2023-2024	88
Aberdeen District	93	
American Falls Joint District	249	
Basin School District	17	
Bear Lake County District	204	
Blackfoot District	639	
Blaine County District	508	
Bliss Joint District	47	
Boise Independent District	407	
Bonneville Joint District	2940	
Boundary County District	88	
Butte County Joint District	54	
Caldwell School District	681	
Cambridge Joint District	5	
Cassia County Joint District	571	
Castleford District	13	
Challis Joint District	25	
Clark County District	29	
Cottonwood Joint District	33	
Culdesac Joint District	9	
Emmett Independent District	118	
Firth District	46	
Fremont County Joint District	241	
Fruitland District	88	
Garden Valley District	70	
Genesee Joint District	38	
Glenns Ferry Joint District	142	
Gooding Joint District	472	
Hagerman Joint District	60	
Hansen District	46	
Homedale Joint District	117	
Horseshoe Bend School District	25	
Idaho Falls District	900	
Jefferson County Joint District	1096	
Jerome Joint District	500	
Joint School District No. 2	581	
Kamiah Joint District	32	
Kellogg Joint District	35	
Kimberly District	178	
Kootenai District	16	
Kuna Joint District	167	
Lake Pend Oreille School District	235	
Lakeland District	307	
Lapwai District	85	

Mackay Joint District	15	
Madison District	21	
Marsh Valley Joint District	83	
Marsing Joint District	47	
Melba Joint District	15	
Minidoka County Joint District	1253	
Moscow District	98	
Mountain Home District	271	
Mountain View School District	125	
Murtaugh Joint District	69	
Nampa School District	1530	
New Plymouth District	70	
North Gem District	13	
Notus District	205	
Oneida County District	87	
Orofino Joint District	60	
Parma District	89	
Payette Joint District	311	
Plummer-Worley Joint District	81	
Pocatello District	1219	
Post Falls District	161	
Potlatch District	17	
Preston Joint District	471	
Richfield District	27	
Ririe Joint District	110	
Rockland District	46	
Salmon District	64	
Shoshone Joint District	233	
Snake River District	66	
Soda Springs Joint District	143	
South Lemhi District	10	
St Maries Joint District	42	
Sugar-Salem Joint District	19	
Swan Valley Elementary District	8	
Teton County District	22	
Troy School District	67	
Twin Falls District	1541	
Vallivue School District	1150	
Wallace District	122	
Weiser District	375	
Wendell District	167	
West Bonner County District	10	
West Jefferson District	32	
West Side Joint District	117	
Wilder District	115	
	23004	

Charters	2023-2024	26
Blackfoot Charter Community Learning Center, Inc.	166	
Cardinal Academy Incorporated	1	
Chief Tahgee Elementary Academy, Inc.	0	
Compass Public Charter School, Inc.	24	
Elevate Academy Inc.	137	
Elevate Academy North, Llc	2	
Falcon Ridge Public Charter School, Inc.	8	
Future Public School, Inc.	5	
Gem Prep: Meridian North, Llc	2	
Gem Prep: Meridian, Llc	2	
Gem Prep: Nampa, Llc	12	
Heritage Academy, Inc.	13	
Heritage Community Charter School, Inc.	151	
Idaho Arts Charter School, Inc.	44	
Idaho Science And Technology Charter School, Inc.	38	
Idaho Stem Academy, Inc.	10	
Legacy Public Charter School, Inc.	4	
Liberty Charter School, Inc.	8	
Mosaics Public School, Inc.	40	
North Star Charter School, Inc.	13	
Project Impact Stem Academy, Inc.	0	
Rolling Hills Public Charter School, Inc.	0	
Thomas Jefferson Charter School, Inc.	54	
Treasure Valley Classical Academy, Inc.	26	
Victory Charter School, Inc.	3	
Vision Charter School, Inc.	64	
	827	
	23,004	
Districts		88
	827	
Charters		26
Total	23,831	114

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SUBJECT

Transportation Funding – 103% Cap Waiver

REFERENCE

June 2021	The Board approved the request for six (6) districts to receive a funding cap waiver.
June 2022	The Board approved the request for eight (8) school districts to receive a funding cap waiver.
June 2023	The Board approved the request for six (6) school districts to receive a funding cap waiver.

APPLICABLE STATUTE, RULE, OR POLICY

Idaho Code § 33-1006

BACKGROUND/DISCUSSION

Idaho Code § 33-1006 designates certain bus runs as “hardship” runs and allows districts to receive a higher cap based on the percentage of bus runs that exceed the statewide average cost per mile and cost per rider by 103%.

DISCUSSION

A total of 30 school districts and charter schools were negatively affected by the pupil transportation funding cap as of March 8, 2023. The State Department of Education Student Transportation staff reviewed these requests and determined four (4) districts met the eligibility criteria of the 103% Cap Waiver as outlined in Idaho Code §33-1006.

#341 Lapwai District submitted school bus routes that met the required criteria. This represents 44.44% of the bus runs operated by the district. When added to the 103% funding cap, as provided by law, this would allow the Board to increase their funding cap to a maximum of 147.44%.

#244 Mountain View School District submitted school bus routes that met the required criteria. This represents 46.43% of the bus runs operated by the district. When added to the 103% funding cap, as provided by law, this would allow the Board to increase their funding cap to a maximum of 149.43%.

#171 Orofino School District submitted school bus routes that met the required criteria. This represents 27.59% of the bus runs operated by the district. When added to the 103% funding cap, as provided by law, this would allow the Board to increase their funding cap to a maximum of 130.59%.

#281 Moscow School District submitted school bus routes that met the required criteria. This represents 25% of the bus runs operated by the district. When added to the 103% funding cap, as provided by law, this would allow the Board to increase their funding cap to a maximum of 128%.

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IMPACT

Approval of the cap waivers allows districts to be reimbursed for routes that meet the hardship criteria. Board inaction or denial of the funding cap waivers would result in a loss of funding for the school districts in question.

ATTACHMENTS

Attachment 1 – Negatively Affected Schools/Charters

Attachment 2 – Funding Cap Waiver Spreadsheet

STAFF COMMENTS AND RECOMMENDATIONS

Board staff recommends that the Board waive the 103% transportation funding cap for the four districts as presented.

BOARD ACTION

I move to approve the request by **#341 Lapwai School District** for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2023 of 147.44%, for a total of **\$5,876** in additional funds from the public-school appropriation.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

BOARD ACTION

I move to approve the request by **#244 Mountain View School District** for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2023 of 149.43%, for a total of **\$11,173** in additional funds from the public-school appropriation.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

BOARD ACTION

I move to approve the request by **#171 Orofino School District** for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal year 2023 of 130.59%, for a total of **\$33,531** in additional funds from the public-school appropriation.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

BOARD ACTION

I move to approve the request by **#281 Moscow School District** for a waiver of the 103% transportation funding cap, at a new cap percentage rate for the fiscal

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year 2023 of 128%, for a total of **\$77,595** in additional funds from the public-school appropriation.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

Dist #	District Name	Reduction in Funding
002	JOINT SCHOOL DISTRICT NO. 2	\$3,243,791
011	MEADOWS VALLEY DISTRICT	\$22,306
071	GARDEN VALLEY DISTRICT	\$65,721
073	HORSESHOE BEND SCHOOL DISTRICT	\$6,085
131	NAMPA SCHOOL DISTRICT	\$444,153
132	CALDWELL DISTRICT	\$542,194
134	MIDDLETON DISTRICT	\$121,898
137	PARMA DISTRICT	\$21,393
171	OROFINO JOINT DISTRICT	\$33,531
233	HAGERMAN JOINT DISTRICT	\$37,576
244	MOUNTAIN VIEW SCHOOL DISTRICT	\$11,173
281	MOSCOW DISTRICT	\$77,595
285	POTLATCH DISTRICT	\$24,304
305	HIGHLAND JOINT DISTRICT	\$27,984
340	LEWISTON INDEPENDENT DISTRICT	\$0
341	LAPWAI DISTRICT	\$5,876
411	TWIN FALLS DISTRICT	\$74,042
456	FALCON RIDGE PUBLIC CHARTER SCHOOL, INC.	\$3,863
461	TAYLOR'S CROSSING PUBLIC CHARTER SCHOOL, INC.	\$19,809
475	THE SAGE INTERNATIONAL SCHOOL OF BOISE, A PUBLIC CHARTER SCHOOL, INC.	\$21,980
478	LEGACY PUBLIC CHARTER SCHOOL, INC.	\$4,289
498	GEM PREP: MERIDIAN, LLC	\$21,479
511	PEACE VALLEY CHARTER SCHOOL, INC.	\$14,480
528	SAGE INTERNATIONAL SCHOOL MIDDLETON, LLC	\$0
549	GEM PREP: MERIDIAN NORTH, LLC	\$10,511
571	GEM PREP: MERIDIAN SOUTH LLC	\$17,652
796	GEM PREP: NAMPA, LLC	\$13,668

Pupil Transportation Funding Formula Capped at Legislatively Mandated Percent of State Average Cost Per Mile and Cost Per Rider			
Fiscal Year 2020-2021 Data - Approved Costs Reimbursed in Fiscal Year 2022-2022 (Eighteenth Capped Year)			
Set percentage cap to apply to statewide average	103%	Riders per Mile	1.6
Revised:	03/07/24 First Draft		
	Cost Per Mile	Cost Per Rider	
Statewide Averages before cap	\$6.17	\$1,462	
Statewide Averages after cap	\$6.36	\$1,506	

Dist #	District Name	District Funding Capped - Reimbursement Reduced By:	Percent of Reimbursement Loss Subsequent to Cap Impact	Total 100% Reimbursable Costs Eligible at 50%	Total 100% Reimbursable Costs Eligible at 85%	Total 100% Reimbursable Contract Costs Eligible at District-Run Rate 50-85%	Funding Cap Penalty Waived	% Hardship Bus Run Waived	Final Payment Amount
171	OROFINO JOINT DISTRICT	\$33,531	7.1%	\$508,794	\$256,130	\$0			\$650,743
244	MOUNTAIN VIEW SCHOOL DISTRICT	\$11,173	1.9%	\$456,681	\$438,207	\$0			\$832,719
281	MOSCOW DISTRICT	\$77,595	16.2%	\$450,481	\$298,067	\$0			\$555,500
341	LAPWAI DISTRICT	\$5,876	3.7%	\$176,045	\$82,030	\$0			\$204,705

CONSENT
APRIL 17-18, 2024

SUBJECT

Appointments to the Professional Standards Commission

APPLICABLE STATUTE, RULE, OR POLICY

Section 33-1252, Idaho Code

BACKGROUND/DISCUSSION

Section 33-1252, Idaho Code, sets forth criteria for membership on the Professional Standards Commission (PSC). The Commission consists of eighteen (18) members including one (1) from the State Department of Education and one (1) from the Division of Career Technical Education. The remaining members shall be representative of the teaching profession of the State of Idaho, and not less than seven (7) members shall be certificated classroom teachers in the public school system and shall include at least one (1) teacher of exceptional children and at least one (1) in pupil personnel services.

The Idaho School Superintendents' Association, the Idaho Association of Secondary School Principals, the Idaho Association of Special Education Administrators, the education departments of private colleges, and the colleges of letters and sciences of the institutions of higher education may submit nominees for (1) position each. The community colleges and the education departments of the public institutions of higher education may submit nominees for two (2) positions.

Six (6) positions on the PSC are open for three (3)-year appointments, effective July 1, 2024. two (2) positions representing certificated classroom teachers, one (1) position representing private higher education/teacher education, one (1) position representing elementary school principals, one (1) position representing school board members, and one (1) position representing the Division of Career Technical Education.

Nominations were sought from the Idaho Association of Colleges for Teacher Education (IACTE), the Idaho Education Association (IEA), the Idaho School Boards Association (ISBA), the Northwest Professional Educators (NWPE), the Idaho Indian Education Committee (IIEC), the Idaho Association of Elementary School Principals (IAESP), and the Idaho Division of Career Technical Education (IDCTE). Nominations for appointment or reappointment were received from IEA, IACTE, and IDCTE.

In compliance with Section 33-1252(2), Idaho Code, three (3) nominations are sought for each open position. Three (3) nominations for appointment were received from IACTE. The IEA and ISBA each re-nominated a current PSC appointee and did not seek additional nominations from their membership. The IDCTE also re-nominated their current PSC appointee for appointment. No

CONSENT
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nominations were received for one classroom teacher position, and no nominations were received for the elementary school principal position.

IMPACT

Board action allows for the appointment or reappointment of members to the Professional Standards Commission, ensuring all possible seats on the Commission are filled.

ATTACHMENTS

Attachment 1 – Current Professional Standards Commission Members
Attachment 2 – Angela Gillman, IEA
Attachment 3 – Melissa Green, IACTE
Attachment 4 – Kristi Enger, CTE
Attachment 5 – Karen Pyron, ISBA

STAFF COMMENTS AND RECOMMENDATIONS

The Board staff recommends approval of all proposed appointments to the Professional Standards Commission.

BOARD ACTION

I move to appoint Melissa Green of Brigham Young University-Idaho, representing private higher education/teacher education, to the Professional Standards Commission for a three-year term beginning July 1, 2024, and ending June 30, 2024.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

I move to reappoint Angela Gillman of Idaho Falls School District, representing certificated classroom teachers, to the Professional Standards Commission for a three-year term beginning July 1, 2024, and ending June 30, 2027.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

I move to reappoint Kristi Enger, representing the Idaho Division of Career Technical Education to the Professional Standards Commission, for a three-year term beginning July 1, 2024, and ending June 30, 2027.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

CONSENT
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I move to reappoint Karen Pyron, representing the Idaho School Boards Association, to the Professional Standards Commission for a three-year term beginning July 1, 2024, and ending June 30, 2027.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

2023-2024 Member Roster

Angela Gillman, Chair

Classroom Teacher
Idaho Falls School District #091
Term 7/1/21 – 6/30/24

Vanessa Anthony-Stevens, Public Teacher Education
University of Idaho
Term 7/1/22 – 6/30/25

Stephanie Brodwater, Classroom Teacher
Post Falls School District #273
Term (Partial) 10/19/22 – 6/30/25

Ryan Cantrell, Chief Deputy Superintendent
State Department of Education
Term 2/2/23 – 6/30/26

Tate Castleton, Elementary Principal
Homedale Joint School District #370
Term 7/1/21 – 6/30/24

Kristi Enger, Educator Certification Director
Idaho Career Technical Education
Term 7/1/21 – 6/30/24

Katie Horner, Classroom Teacher
Buhl School District #412
Term 7/1/21 – 6/30/24

Lance Harrison, School Superintendent
Preston Joint District #201
Term 7/1/23 – 6/30/26

Stacey Jensen, Classroom Teacher
Pocatello School District #025
Term 7/1/22 – 6/30/25

Ramona Lee, Vice Chair

Special Education Administrator
West Ada School District #002
Term 7/1/23 – 6/30/26

Katie Mathias, Public Teacher Education
Boise State University
Term 7/1/23 – 6/30/26

Amy McBride, Secondary Principal
Twin Falls School District #411
Term 7/1/22 – 6/30/25

Jamee Nixon, College of Letters and Sciences
Northwest Nazarene University
Term 7/1/22 – 6/30/25

Marci Nuxoll, Exceptional Child Teacher
Mountain View School District
Term 8/23/23 – 6/30/25

Karen Pyron, School Board Member
Butte County School District #111
Term 7/1/21 – 6/30/24

MeLissa Rose, Pupil Service Staff
Lakeland School District #272
Term 7/1/22 – 6/30/25

Lori Sanchez, Private Teacher Education
Northwest Nazarene University
Term 7/1/21 – 6/30/24

Jonelle Warnock, Classroom Teacher
Boise School District #001
Term 7/1/23 – 6/30/26

Angela Gillman

Professional Summary

Seasoned teacher with more than 27 years of experience in Idaho Public School Districts #411 and #91. Leadership positions in school districts, local and state associations, state department positions.

Positions

<i>Elementary Teacher Twin Falls & Idaho Falls (current) Districts</i>	<i>Idaho Falls, ID</i>
<i>Elementary Teacher</i>	<i>Aug 1997-Present</i>

<i>Idaho Falls School District Committees</i>	<i>Idaho Falls, ID</i>
<i>Teacher Evaluation Committee</i>	<i>Jun 2008-Jun 2012</i>
<i>Negotiations Committee</i>	<i>Jun 2007-Jun 2016</i>

<i>Idaho Falls Teachers' Association</i>	<i>Idaho Falls, ID</i>
<i>Idaho Falls Education Association President Elect/President</i>	<i>Jun 2012-Jun 2016</i>
	<i>Jun 2019-Aug 2020</i>

<i>Idaho Education Association Board of Directors</i>	<i>Idaho Falls, ID</i>
<i>Region 6 Representative</i>	<i>August 2015-present</i>

<i>National Education Association Representative</i>	<i>Idaho</i>
<i>Representative Assembly Representative</i>	<i>2012-15, 2017</i>
	<i>2019-21, 2023</i>

<i>Idaho State Department PSC</i>	<i>Idaho Falls, ID</i>
<i>Elementary Representative</i>	<i>Jun 2021-present</i>
<i>PSC Chair</i>	<i>Jun 2023-present</i>

Education

<i>Idaho State University</i>	<i>Pocatello, ID</i>
<i>Masters: School Psychology</i>	<i>Dec 2019</i>

<i>Lewis-Clark State College</i>	<i>Lewiston, ID</i>
<i>Bachelor of Arts: Elementary Education</i>	<i>May 1997</i>

<i>Brigham Young University-Idaho</i>	<i>Rexburg, ID</i>
<i>Associate of Arts: Elementary Education</i>	<i>Dec 1995</i>

Melissa Green

Summary of Qualifications

- Currently Dean of Teacher Preparation Programs
- Former Associate Dean of Faculty Development in the College of Education and Human Development
- University faculty in the Elementary, Early and Special Education Department
- Educator with 15 years of elementary classroom teaching and teacher coaching experience

Education

Ph.D. Education , Walden University, Anticipated Specialization in Learning, Instruction, and Innovation	2025
M.Ed. Educational Leadership , Brigham Young University, Provo, UT	2009
B.S. Elementary Education , Brigham Young University-Idaho, Rexburg, ID	2003

Licensure and Certification

- | | |
|---|--|
| • Utah Administrative License | • Utah ESL Endorsement |
| • Utah Educational Technology Endorsement | • Certified Evaluator for Framework for Teaching |
| • Utah Elementary Level 2 License | • Google Level 2 Educator Certification |

University Experience

Brigham Young University Idaho – Rexburg, Idaho Dean – Teacher Preparation Programs	2023- Present
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- Coordinate all education programs across campus
- Lead the Education Coordinating Council
- Ensure compliance with all state policies, codes, and standards for certifying new teachers in the state of Idaho
- Support the Education Core Classes and ensure alignment with state standards
- Coordinate accreditation with AAQEP and Idaho State Office of Education
- Supervise the Student Teaching Services Office and Initial Certification

Brigham Young University Idaho – Rexburg, Idaho
Faculty – Elementary, Early and Special Education Department

2019- Present

- Associate Dean of Faculty Development for the College of Education and Human Development
- Program lead for the Elementary Education Program
- Supervisor for Senior Practicum Experience
- Course Lead for ED 441 Language Arts Methods
- Teacher for Practicum, STEM, Educational Technology and Writing Methods courses

Education Coaching Experience

Nebo School District – Spanish Fork, Utah
Digital Coach – Various Elementary Schools

2018- 2019

- Mentored, supported, and collaborated with teachers in effectively implementing technology
- Trained educators on current research, best practices, and tools in Educational Technology.
- Taught online continuing education courses based on Educational Technology Practices

Nebo School District –Spanish Fork, Utah
Instructional Coach – Salem and Brookside Elementary Schools

2012 - 2013

- Mentored and Coached teachers for best practices in literacy instruction
- Presented literacy and professional learning community professional development
- Acted in the administrator's stead when administration was away from campus

Classroom Experience

Nebo School District – Spanish Fork, Utah
Classroom Teacher – Rees, Sierra Bonita and Brookside Elementary Schools

2005- 2018

- First, Second, Third and Fifth Grade classroom teacher
- School Technology Trainer
- Implemented Maker Space and Genius Hour
- Mentor to provisional teachers
- Team leader
- Leader in the transformation of school culture to a professional learning community
- School mathematics leader in curriculum and professional development
- School Technology Specialist
- School Teacher of the Year

Creighton School District – Phoenix, Arizona
Classroom Teacher – Papago School

2003 – 2004

- Coordinated a peer support and tutoring experience for students with an eighth-grade teacher.
- Third grade classroom teacher

School Administrative Experience

Alpine School District – Orem, Utah March – May 2009
Administrative Intern – Timpanogos High School

- Worked with students needing extra support in academics and attendance.
- Researched support programs for Mathematics and Reading.

Nebo School District – Mapleton, Utah Dec. 2008 – March 2009
Administrative Intern – Mapleton Junior High School

- Created parent email database for improved communication.
- Encourages students struggling with attendance and handled student disciplinary concerns.

Nebo School District – Spanish Fork, Utah August – November 2008
Administrative Intern – East Meadows Elementary School

- Mentored teachers to improve instruction.
- Worked with administrator on staff professional development.

Kristi A. Enger

Professional Honors and Activities

Leadership Institute/Project Leadership Graduate, 2016
Professional Standards Committee (*Idaho State Department of Education*), 2013
Association for Computer-Based Systems for Career Information (*Idaho CIS*), 2010
National Leadership Cadre (*OVAE School Counseling State Consortium 1 of 8 states*) 2006

Professional Experience

IDAHO DIVISION OF CAREER TECHNICAL EDUCATION – Boise, Idaho

State of Idaho education agency responsible for programs leading to less than a baccalaureate degree

Educator Certification Director; Certification and Professional Development Director; Secondary Programs Director; Secondary Coordinator; IOT & Marketing Education Program Manager, Career Guidance Coordinator 6/2005 to Present

Certify CTE educators as per Idaho and State Board of Education law and policy. Implement and facilitate professional development opportunities. Oversee Idaho's secondary CTE programs and funding. Coordinate programs associated with the *High Schools That Work* school reform model. Represent the Division as a superintendents' liaison. Manage individualized occupational training and marketing education programs toward the Division's quality initiative. Coordinate career guidance grades 7-16 statewide to support professional-technical programs and access for all students, including special populations.

Selected Accomplishments:

- Provide technical assistance to the field with regard to questions related to CTE educator certification, the IDCTE assignment credential manual, Perkins, and other state and federal legislation.
- Provide technical assistance to the field at the secondary and postsecondary levels in the areas of career guidance, student learning plans, work-based learning, single parent/displaced homemaker and other special populations, and marketing education.
- Facilitate various groups of internal and external stakeholders in generating quality products and program direction including:
 - Resource development for Idaho grades 7-12 based on direction provided by postsecondary technical college Curriculum development for the Idaho School Counseling Model and IOT
 - Curriculum development related to the American Careers Student Planner and Idaho Career Planning Guide
 - Career Pioneer Network implementation in response to Perkins IV and Idaho's low nontraditional field measures of enrollment and completion at the secondary and postsecondary levels.
- Administer and provide technical assistance to the Centers for New Directions.
- Communicate regularly with the field through various means, including two e-Newsletters—*Career Connection*, and *Diamond Points*.
- Define professional development needs and develop learning opportunities for grades 7-20 counselors, work-based learning coordinators, marketing education instructors, and other educational personnel.
- Network with educational and industry professionals throughout Idaho in an effort to promote career technical education, access for all, and career pathway education and employment.

GLENNS FERRY SCHOOL DISTRICT NO. 192 – Glenns Ferry, Idaho

Local education agency

High School Principal, 6/1999 to 6/2005

Supervised instruction and provided educational leadership to a staff of 32 certificated and classified staff in academic, co-curricular, and extracurricular activities. Served as district professional-technical online administrator, district curriculum coordinator, and K-12 summer school administrator

Selected Accomplishments:

- Coordinated district curriculum in English and mathematics.
- Authored successful Title I CSR Grant to assist in implementing *High Schools That Work* systemic school reform and provided collaborative leadership to involve all staff in improving student achievement.

- Administered high school general budget and special project funds, and Associated Student Body funds as district's assistant treasurer.

THREE FORKS SCHOOL DISTRICT – Three Forks, Montana

Local education agency

K-6 Counselor, Drug-Free Schools Coordinator, Technology Coordinator, 8/1995 to 5/1999

Secured resources and implemented K-6 guidance curriculum. Established and maintained collaborative relationships with instructional staff, students, and parents toward facilitating student success. Facilitated district-wide technology implementation, growth, and maintenance.

Selected Accomplishments:

- Provided individual, group and family counseling as requested/identified.
- Established *Sidekick* mentoring program (K-12) in collaboration with Big Brothers Big Sisters, and secured grant funding to establish *Bridging the Gap* after-school program.

WILLOW CREEK SCHOOL DISTRICT – Willow Creek, Montana

Local education agency

K-12 Counselor, Drug-Free Schools Coordinator, Title I Coordinator, 8/1995 to 5/1999

Selected Accomplishments:

- Administered Title I program in cooperation with Title I staff.
- Established electronic student database.

POPLAR PUBLIC SCHOOL DISTRICT – Poplar, Montana

Local education agency

High School Counselor, 6/1991 to 5/1995

Selected Accomplishments:

- Established crisis intervention management plan and trained staff in same.
- Developed and implemented counseling curriculum, K-12.

Business Education Instructor, 8/1987 to 5/1991

Selected Accomplishments:

- Designed, maintained, and upgraded PC-compatible lab.
- Implemented student store as authentic, project-based, learning laboratory.

Professional Memberships

Association for Career Technical Education/Career Technical Educators of Idaho

Education

MONTANA STATE UNIVERSITY – Bozeman, Montana

Administrative Endorsement, Educational Leadership, 8/1998

MONTANA STATE UNIVERSITY – Bozeman, Montana

Masters of Education, 8/1994

- Major: Guidance and Counseling | Graduated with highest honors

MONTANA STATE UNIVERSITY – Bozeman, Montana

Bachelor of Science, 3/1986

- Major: Business Education/Office Systems | Minor: Business Management | Graduated with highest honors

Karen M. Pyron

Improving Performance • Enhancing Programs • Inspiring Systemic Change

EXPERIENCED Administrator

An abbreviated resume for re-appointment to the Professional Standards Commission

SUMMARY OF QUALIFICATIONS

- **Specializations include:** Currently on the Professional Standards Commission; 13 Years administrative experience; state teacher evaluation task force, commissions, leadership; Federal program experience includes over ten years completing Title I consolidated plans, Title IIA, WISE Tool / school improvement, and most recently, Supplemental Education Services (wrote grant for services including “self- provider”; directed local SES program); 2007 Idaho National Distinguished Principal
- **Instructional Leadership** – Work with TIA, RTI, Danielson teacher evaluation model, SWPBS, Supplemental Educational Services, Title I; State RTI training 2010-2011
- **Participated on state program review team** – BYU-I teacher education program
- **Attended 2011 National Association of State Directors of Teacher Education and Certification Annual Conference:** Educator Boundaries & Social Media
- **Participated in National Principals Mentor Training and Certification Program,** March 2012
- **State Administrator training for Danielson evaluation model,** March – June 2012
- **Attended NAESP National Conference 2012** featuring Charlotte Danielson, Rick Stiggins, Doug Reeves, Richard & Rebecca DuFour
- **2011-2012 Lost River Economic Development Leadership Academy**

PROFESSIONAL TEACHING AND ADMINISTRATIVE EXPERIENCES

ELEMENTARY PRINCIPAL ARCO ELEMENTARY SCHOOL, ARCO, IDAHO April 1998 – August 31, 2011

- Contributed to a significant increase in student performances on standardized testing
- Served on state’s Teacher Evaluation Task Force
- Active member, committees, and region president Idaho Association of Elementary School Principals
- Enforced the “No Child Left Behind” Act through supplemental educational services.
- Named Idaho’s 2007 elementary National Distinguished Principal.

CLASSROOM TEACHER, BUTTE COUNTY SCHOOL DISTRICT, ARCO, IDAHO August 1975 – April 1998

ASSOCIATIONS & CERTIFICATIONS

Idaho Superintendent Endorsement
Idaho Principal Endorsement, K-12
Secondary Teacher Certification Speech, English, Reading, and Psychology
Idaho Association of School Administrators
Idaho Association of Elementary School Principals (past regional president)
National Association of Elementary School Principals
American Association of Curriculum and Supervision
Idaho Education Association, 1975 – 2009
Board of Control, Idaho High School Activities Association, 1985 - 1995