

## **Summary of Key Changes: Edmonds College–Foundation Agreement Effective July 1, 2025 – June 30, 2029**

The revised agreement between Edmonds College and the Edmonds College Foundation clarifies roles, responsibilities, and resource commitments to strengthen our partnership and ensure mutual accountability and impact.

### **1. Clarified Roles and Oversight**

- The **College President remains the sole supervisor** of the Executive Director, with **strategic input from the Foundation Board Chair**.
- **Hiring and termination decisions** for the Executive Director rest with the College President, with required consultation from both the Vice President for Innovation and Strategic Partnerships and the Foundation Board Executive Committee.
- Annual **performance evaluations** will be conducted collaboratively between the College and Foundation leadership.

### **2. Defined In-Kind and Financial Support**

- The College will provide **up to \$300,000 annually for salaries and benefits** and an additional **\$50,000 for office space, equipment, and services**, with a maximum total of **\$350,000 per year**.
- Support levels and allocations will be reviewed **annually by June 30**, with opportunity for renegotiation in fiscal year 2027–28 for implementation in FY 2028–29.

### **3. Foundation Obligations and Benefit to College**

- The Foundation must demonstrate **annual net benefit to the College**, exceeding the College's total support through fundraising, grants, and program investments.
- Annual reporting to the College will include a **year-end balance sheet and summary of impact**.

### **4. Strengthened Financial Oversight**

- The Foundation agrees to an **annual independent audit**, with **costs split 50/50** between the College and Foundation.
- The College will **review Foundation Executive Director expenses** and collaborate on financial oversight.
- A **joint post-closing financial summary** will be reviewed each year by the College President and Foundation Board Chair.

### **5. Human Resources and Operations Alignment**

- Foundation staff are College employees and subject to College HR policies.
- Hiring for key roles requires **collaboration and Foundation Board approval**.

- Activities supporting the College must align with Foundation priorities and performance goals.

## **6. Term and Review**

- Agreement is valid through **June 30, 2029**, with formal **review required every four years**.
- Can be terminated by either party with **90 days' written notice at the end of a biennium**.

This revised agreement reaffirms the Foundation's role as the exclusive fundraising arm for the College and outlines the collaborative, transparent structure needed to fulfill our shared mission of advancing student success.



## AGREEMENT BETWEEN

### EDMONDS COLLEGE FOUNDATION AND EDMONDS COLLEGE

This Agreement is entered into by and between **Edmonds College** (College), an agency of the State of Washington, and **Edmonds College Foundation** (Foundation), a 501(C)3 nonprofit organization operating in the State of Washington.

The Administrator for each of the parties shall be the contact person for all communications.

Administrator for EDMONDS COLLEGE FOUNDATION is:	Administrator for EDMONDS COLLEGE is:
Foundation Board Chair 20000 68 <sup>th</sup> Ave. W, Lynwood, WA 98036	<del>Vice-College President/Designee for Innovation and Strategic Partnerships</del> 20000 68 <sup>th</sup> Ave. W, Lynwood, WA 98036

## PREAMBLE

**Edmonds College** is one of 34 public community and technical colleges in Washington that is funded through the state legislature and is subject to the laws of the State Revised Codes of Washington, including, but not limited to, RCW 28B.50, RCW 39.26, and RCW 42.52.

The **Edmonds College Foundation** is a nonprofit corporation governed by the laws of the State of Washington including, but not limited to, Chapter RCW 24.03, RCW 19.09, RCW 11.110, and 43.09 and the requirements for tax-exempt entities under the Federal Internal Revenue Code, including its 26 USC Section 501(c)(3).

The Foundation is empowered by the College to solicit and receive contributions, grants, gifts, and property, among other things, in the name and on behalf of the College and make contributions, grants, gifts, and transfers of property to the College.

As a public state entity receiving a large portion of operating funds through state tax dollars, Colleges are closely governed by appropriate financial Revised Code of Washington laws (RCWs). To do business with Edmonds College is to do business with the State of Washington, and Colleges are governed by the same fiscal (RCW 39.26) and ethical (RCW 42.52) responsibilities to taxpayers as the state.

All employees of Edmonds College are also employees of the State of Washington. Per RCW 42.52.150,

Washington State employees cannot accept gifts or donations of any kind in excess of \$50, **subject to certain statutory conditions**. While the College as an entity is legally permitted to accept gifts, bequests, or property from private sources per RCW 28B.50.140(8), there may be circumstances when **directing a gift or bequest to a** the tax exempt **organization** status of a 501(c)(3) non-profit **organization** would yield the best charitable return to the College.

Edmonds College seeks to actively raise funds for programs, students, facilities, faculty, and staff that further the mission of the College. The Edmonds College Foundation with **tax exempt status pursuant to 26 USC Section 501(c)3** status is best suited to garner both positive community connection and appropriately steward financial investments to benefit Edmonds College and its students, faculty, and staff.

~~The Edmonds College Foundation is a nonprofit corporation governed by the laws of the State of Washington through RCW 24.03 and holds status under Section 501(c)(3) of the Internal Revenue Code. The Article III of the Foundation's Articles of Incorporation set forth in Article III states the purpose of the Edmonds College Foundation is " to operate exclusively for the purposes of promoting, supporting, maintaining, developing, increasing, and extending educational offerings and the pursuit thereof at Edmonds [Community] College. Its mission is to advance "the mission of Edmonds College by engaging our community, inspiring charitable contributions, and stewarding resources to amplify student success."~~  
support access, success, and excellence for students, faculty, and staff at Edmonds College. The Foundation is empowered by the College to solicit and receive contributions, grants, gifts, and property, among other things, in the name and on behalf of the College and make contributions, grants, gifts and transfers of property to the College.

The Foundation and **the** College recognize that close collaboration and cooperation **are** necessary **to** (a) **to** appropriately serve **the** educational mission and priorities of the College; and (b) **to** avoid competition for funds or unproductive duplication **of** effort.

The Foundation and the College shall exchange information that will help the Foundation in selecting those activities and programs that **will** advance the mission of the College. The College recognizes the Foundation's efforts in that regard and that the goals of the Foundation and its fundraising activities are aligned with the mission of the College.

Therefore, it is the purpose of this Agreement to establish the responsibilities and **obligations of each party to authorities that will** foster a collaborative relationship under which the College and the Foundation **can** will work together for mutual benefit and maximum collective impact.

## AGREEMENT

### SECTION I: FOUNDATION RESPONSIBILITIES

1. Expend its best efforts **to seek** to accrue gifts, grants, conveyances, devises, and bequests of **money and real and personal property for the exclusive benefit of the college, its students, faculty, staff, and facilities or for payment of necessary and reasonable administrative expenses**

of the Foundation.

2. Tender to the College all gifts and donations it may receive wherein the College is designated as recipient, and properly account and be responsible for all donations which designate the Foundation as recipient;
3. Make contributions, grants, gifts, loans, and transfers or leases of property, both real and personal, either outright or in trust, to or for the benefit of the College, its students, faculty, staff, and facilities.

#### GIFT MANAGEMENT

1. The Edmonds College Foundation will design and implement programs and procedures to solicit and receive money and property and also to acquire such property by purchase, lease, exchange, or otherwise, to further the purposes of the Foundation which benefit the College, its students, faculty, staff, and facilities;
2. Accept, hold, administer, invest, and disburse such funds and properties of any kind or character as from time to time may be given to it, in accordance with the terms of such gift, provided, however, that any restricted or conditional gift which in any way obligates the College shall not be accepted by the Foundation without the prior consent of the College President or other College official specifically delegated with authority to approve such gifts on behalf of the College.

#### COLLEGE AS EXCLUSIVE BENEFICIARY

Use all assets and earnings of the Foundation for the exclusive benefit of the College, its students, faculty, staff, and facilities or for payment of necessary and reasonable administrative expenses of the Foundation. No part of such assets and earnings shall accrue to the benefit of any director, officer, member, or employee of the Foundation or any other individual, except for appropriate payment of reasonable compensation for services actually rendered or reimbursement of reasonable expenses necessarily incurred.

#### SECTION II: COLLEGE RESPONSIBILITIES

##### OVERALL IN-KIND SUPPORT

1. Provide the Foundation with up to \$300,000 annually for staff salaries and benefits, and approximately \$50,000 annually in office space, equipment, and in-kind staff support and services. ~~to \$300,000-\$350,000 in annual support to the Foundation, as well as in-kind support not to exceed \$50,000 for operational costs, which can be modified subject to mutual approval, with the expectation that dollars raised by the Foundation in support of the College will be in excess of the provided support. These supports include but are not limited to:~~

- a. Office space, including utilities, use of office furniture, file cabinets, consumable office supplies, computers, copy machines, printers, postage, telephone service and associated equipment, audio-visual equipment, and any necessary Wi-Fi and internet capabilities as well as any hardware and software required to operate within the College's network and systems. All resources are considered state resources. ~~and are~~
  - b. Provide the Foundation with office space, including utilities, and warehouse space for temporary storage of donated materials and equipment, and any other necessary physical space needed for Foundation operations, including space for special events;
2. Provide the Foundation with access to ~~s~~Staff and professional support from college offices providing services such as payroll and benefits, human resources, grants, institutional research, financial aid, print and mail center, marketing and public information, business office, and the Office of the President.
  - a. ~~Marketing and media:~~ The Foundation can pursue third-party support for creative services, social media and digital and print marketing campaigns, provided that graphics and communication styles will be complimentary to the Edmonds College branding guidelines while reflecting the Edmonds College Foundation's unique brand. The College marketing and public information team will provide support to the Foundation through the creation of an annual marketing plan, press releases, content creation, communication editing, and for strategic advice to execute effective campaigns with the support of a marketing agency relationship. The Foundation will also be included in College marketing and outreach in a similar manner to other departments and programs to ensure a uniform and collaborative approach to outreach and marketing to community at large and to students, faculty, and staff of the College.
3. The in-kind support financial calculation and total provided to the Foundation from the College will be recorded by the ~~Foundation's~~ Finance Director ~~of the Foundation~~ throughout the year. This calculation shall be reviewed by the College ~~P~~resident ~~or designee, vice president,~~ and Foundation ~~B~~oard ~~C~~hair ~~and vice chair~~ annually by June 30<sup>th</sup>. Any changes to the calculation must be approved through an addendum to this agreement.
4. Reimbursement to the College for Foundation related salary and operational costs should be in line with an agreed upon calculation method set forth in writing and reviewed annually by June 30<sup>th</sup> each year ~~by the President's designee and the Foundation's Financial Director.~~ Funds shall be transferred monthly to the College for regular accounting, with Foundation board approval.
5. The President of Edmonds College shall serve as the sole supervisor of the Foundation Executive Director. The Chair of the Edmonds College Foundation Board may provide input and feedback, particularly on matters related to strategic direction and alignment. ~~The Edmonds College President and the Foundation Board Chair Board of Directors shall serve as joint supervisors to the Foundation Executive Director, except that with the hiring and termination decisions shall be being the sole responsibility of the President of the College, with~~

~~input from the Vice President for Innovation and Strategic Partnerships at the College and the Chair of the Board of the Edmonds College Foundation Board Chair.~~

### SECTION III: COLLEGE AND FOUNDATION RESPONSIBILITIES

#### ACCOUNTABILITY IN HUMAN RESOURCE MANAGEMENT: EXECUTIVE DIRECTOR AND STAFF

1. ~~1-~~Employees necessary to administer and perform~~operate~~ the daily operations of the Foundation will be employees of the College and entitled to all benefits and employee services provided by the College. Foundation staff, being College employees, shall conduct themselves in accordance with the College's operational policies and procedures.~~as determined by College policies and procedures.~~
2. Individuals whose job responsibilities and time are allocated to services for ~~to~~ the Foundation shall be full-time College employees and their salaries will be paid by the College in accordance with mutually agreed upon standard operating procedures. ¶
- ¶
3. The Foundation executive director will align Foundation staff time with Foundation priorities. Any activities required of Foundation employees to support the College, including planning, funds management, attendance, or participation in College department events, fundraisers, or activities will be considered in relation to meeting the goals, metrics, and expectations of the executive director and the Foundation. Events, trainings, and meetings that require all College employees to attend by directive of the College ~~P~~resident will include Foundation staff.
4. In accordance with ~~Edmonds~~ College hiring policies and regulations, hiring of College employees who will provide significant support to the ~~Edmonds College~~ Foundation will be accomplished through a collaborative hiring process between ~~the Edmonds~~ College and the ~~Edmonds College~~ Foundation that will include at least one representative from the Foundation on the hiring committee. The Foundation ~~B~~oard of ~~D~~irectors must approve and designate funds for positions prior to offering a position to a candidate.
5. The hiring, supervision, and termination of the executive director of the Foundation shall be the responsibility of the College ~~P~~resident, with input from the Foundation ~~Board Chair~~~~executive committee and the Vice President for Innovation and Strategic Planning.~~ The ~~Foundation Board Chair~~~~executive committee of the Foundation board~~ is authorized to recommend performance improvement plans or termination of the executive director to the College President and/or Vice President for Innovation and Strategic Partnerships. All employment related decisions must adhere to with laws and regulations applicable to state employees.
6. ~~The Foundation Board Chair executive committee and the College Vice pPresident or designee for Innovation and Strategic Partnershipshall collaborate in the annual performance review process for the executive director and in the development and approval of any and all annual goals,~~

~~performance improvement plans, and salary decisions. Employment related decisions shall must be in accordance with the annual evaluation cycle for College employees and comply with the College's human resources policies and procedures. In addition, The Eexecutive Ddirector shall be held accountable to the expectations set forth in this Agreement.~~

7. It shall be the responsibility of the Eexecutive Ddirector, in general, to supervise and conduct all activities and operations of the Foundation, subject to the control, advice, and consent of the Foundation Bboard of Ddirectors and the supervising College vice President or designee. The Eexecutive Ddirector shall keep the Foundation Bboard informed, freely consult with them in relation to all activities of the Foundation, and ensure that all orders and/or resolutions of the Foundation Bboard are carried out to the effect as intended. The Eexecutive Ddirector shall be empowered to act, speak for, or otherwise represent the Foundation outside of meetings of the Foundation board. The Foundation Bboard and the College are jointly responsible for determining the organizational structure of the Foundation, and all positions must be approved by the Board and the College prior to hiring. The Eexecutive Ddirector shall coordinate and recommend the hiring and firing of all Foundation personnel, in accordance with Edmonds College policies and procedures. The executive committee of the Foundation Bboard Chair of directors shall receive have prior notification and an opportunity for input on hiring decisions. The Eexecutive Ddirector shall be responsible for keeping the Eexecutive Ccommittee of the Foundation timely informed regarding staff performance concerns and any personnel policy and procedure updates.

## ACCOUNTING AND FIDUCIARY RESPONSIBILITY

1. The Eexecutive Ddirector is authorized to contract, receive, deposit, disburse, and account for all funds of the Foundation; to execute in the name of the Foundation all contracts and other documents authorized either generally or specifically by the Foundation Bboard to be executed by the Foundation, and to negotiate any and all material business transactions of the Foundation in accordance with policies and procedures approved by the Foundation Bboard. All accounting and fiduciary responsibilities carried out by the executive director must be approved by the Foundation Bboard through the annual budget process and quarterly financial reviews. The Eexecutive Ddirector shall not establish banking and investment accounts, or transfers of funds, without the express permission of the Foundation Bboard.
2. The Ffinance Ddirector for the Foundation shall perform all accounting and fiscal functions, and the Foundation Bboard of directors has the authority and responsibility to review and approve any financial transactions on the part of the Foundation, if in accordance with the Board Foundation-approved annual budget. The operating procedures that govern payments and in-kind donations to and from the College must be reviewed and approved by the College and the Foundation Bboard of directors. The College will provide administrative support from its finance team in the event that any information outside of Foundation-required accounting is requested, and the College agrees to pay for 50% of for 50% of the costs associated with an



annual independent audit of the Foundation. The Foundation agrees to cooperate with providing necessary access and information for the audit to be performed

3. The College will assign appropriate staff to work with the executive committee of the Foundation to review the expenses of the Foundation executive director on an ad hoc basis to ensure that operating costs and other expenses are in accordance with College policy and Foundation expectations.
4. Each fiscal year (July 1 through June 30), the Foundation ~~Bb~~board of directors shall complete a budget by July 1 ~~of each year~~ showing all anticipated transactions and services under this Agreement for the upcoming fiscal year, including all space and equipment, supplies, personnel, and other services the College is expected to provide to the Foundation. The Board ~~of the Foundation~~ will review and approve the proposed budget.

5.

The College will be responsible for 60% of all Foundation staff salaries and benefits each year, subject to a current maximum of \$300,000. In addition, the College will contribute approximately \$50,000 annually toward office space, equipment, and in-kind staff support and services. The value of in-kind staff support and services will be estimated by the College each year and reviewed with the Foundation during an annual assessment of this calculation, to be completed on or before June 30. In the spirit of collaboration, the College will make every effort to maximize its contributions to meet the \$50,000 annual support commitment to the Foundation.

~~The maximum value of all space and equipment, supplies, personnel, and other services that the College provides to the Foundation totals \$350,000.00 annually, an amount that can be modified subject to mutual written approval and addendum to this agreement. Furthermore, the amount as well as the percentage allocation set forth below, are subject to renegotiation during the 2027-2028 fiscal year with any change to be implemented beginning on July 1, 2028. If the Foundation wishes to renegotiate these provisions, it will give written notice to the President or designee no later than November 1, 2028.~~ The College will regularly keep track of the space and equipment, supplies, personnel, and other services it is providing to assure that this maximum amount is not being exceeded. The finance director will annually prepare, and the ~~College President and the Board Chairs of the Foundation and the College~~ and/or their designees will annually review a post-closing summary of the transactions between their two parties.

The College is authorized to support Foundation operations—including salaries, benefits, office supplies, office space, and other resources—because the Foundation exists solely to benefit the College. This support includes up to \$300,000 annually for staff salaries and benefits, and approximately \$50,000 annually in office space, equipment, and in-kind staff support and services. This investment is justified as long as the Foundation provides a demonstrated net benefit to the College each year—exceeding the College's total contribution—through fundraising, grants, and other tangible support. To maintain this partnership, the Foundation must show annually that it delivers greater value to the

College than the total support it receives. ~~The College is authorized to fund salaries, benefits, office supplies, office space, etc., in exchange for a net benefit from the Foundation, which means the Foundation exceeds the in-kind investment in the form of fundraising dollars, grants, and other tangible support. The Foundation exists for the sole benefit of the College and will provide demonstrated net and sole benefit to the College each year sufficient to justify the College support. The College will be responsible for 60% of all Foundation staff salaries and benefits each year (subject to a current maximum amount of \$300,000), as well as approximately \$50,000 each year toward office space, equipment, and in-kind staff and services from the College. The in-kind staff and services provided by the College will be estimated by the College each year and reviewed with the Foundation during an annual assessment of this calculation on or before June 30<sup>th</sup> each year. In the spirit of collaboration, the College will do its best to maximize its support to meet the \$50,000 support of the Foundation.~~ ¶

6. The Foundation shall annually confirm **in writing** to the College: (1) that it has fully complied with its obligations to expend its best efforts ~~to seek~~ to accrue gifts, grants, donations, and endowments for the benefit of the College, its students, faculty, staff, and facilities; and (2) that it has used all assets and earnings of the Foundation for the exclusive benefit ~~of~~ to the College **and/or** the payment of necessary and reasonable administrative expenses of the Foundation. For this purpose, the Foundation will share with the College its accomplishments for the preceding year and its ~~end-of~~ **end-of**-year balance sheet.
7. The Foundation is a separate entity from the College, but the College is a state institution of higher education and must be audited by a reputable independent Certified Public Accountant designated by the College. **As a separate entity, the Foundation is not subject to the state's audit requirements. However,** in order to support the auditing requirements of the College, the Foundation **agrees to shall be annually** audited **annually** by a reputable independent Certified Public Accountant designated by the **College and acceptable to the** Foundation with costs split evenly between the College and the Foundation.
8. ~~The Foundation shall permit the president of the College~~ **President**, or the president's designee to inspect and/or copy all Foundation books, accounts, and records at all reasonable times in order to determine compliance with the commitments made in this Agreement.

#### OTHER AGREEMENTS

1. ~~4-Independent Capacity:~~ **Independent Capacity:** At all times and for all purposes of this Agreement, each party shall act in an independent capacity and not as an agent or representative of the other party.
2. No Indemnification: Each party shall be responsible for ~~the its own~~ actions and inactions ~~of itself~~ and its own officers, employees, and agents acting within the scope of their authority.
3. No Assignment: This Agreement is not assignable by either party, in whole or in part.

4. **Governing Law and Disputes:** This Agreement shall be governed by the laws of the State of Washington. Before instituting any legal action hereunder, the College President and Board Chair or their designees ~~a party, through its president, shall meet with the president of the other party~~ and attempt in good faith to resolve the disagreement. Venue of any action ~~hereunder~~ shall be in Snohomish County Superior Court.
5. **Entire Agreement:** This constitutes the entire agreement of the parties, including all oral understandings, on the subject of their general and overall relationship. In addition, the parties may enter into other stand-alone agreements on specific subjects. All such agreements shall be in writing and signed by the parties.
6. **Modification:** No alteration or modification of any term of this Agreement shall be valid unless made in writing, signed by the parties and approved as to form by the Attorney General or designee.
7. **Articles of Incorporation:** The Foundation may not merge, consolidate, or change the Foundation's Article of Incorporation, without ~~the~~ written agreement from the College.
8. **Effective Date and Duration Clause:** This Agreement shall be effective once both parties have signed. This Agreement shall be reviewed ~~on every two~~ **four** years by the president/chair or designees of the College and Foundation. Unless the annual review results in changes to this Agreement, the Agreement shall be renewed by the respective parties at least every four (4) years, ~~and~~ preferably prior to the beginning of a new biennium, and an updated Agreement shall be signed by both parties. Therefore, this current Agreement shall end on June 30, 2025, and require a new Agreement be signed between the College and the Foundation.
9. **Termination:** This Agreement may be terminated by either party only at the end of a State fiscal biennium upon **at least ninety (90) days** written notice to the other party ~~given at least ninety (90) days in advance~~. However, this Agreement or a successor overall agreement with the College shall be necessary for the Foundation to operate.

This agreement is effective July 1, 2025, and will continue until cancelled by ninety (90) days written notice by either party **or until June 30, 2029, whichever occurs first.**

AGREED TO AND SIGNED BY:

EDMONDS COLLEGE FOUNDATION

~~31 August 2021~~ 

~~Brian Donaldson~~ 

Date

Chair, Edmonds College Foundation Board of Directors

EDMONDS COLLEGE 




~~June 10, 2021~~

---

Dave Earling  
Chair, Board of Trustees

Date

ATTORNEY GENERAL'S OFFICE APPROVED AS TO FORM:

~~9-7-21~~ 

---

Arlene Anderson  
Assistant Attorney General for Edmonds College

Date