

**OPERATING AGREEMENT  
BETWEEN CALIFORNIA STATE UNIVERSITY AND  
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION, INC.**

This agreement is made and entered into by and between the Trustees of the California State University by their duly qualified Chancellor (CSU) and California State University, Bakersfield Student Union, Inc. (Auxiliary) serving California State University, Bakersfield (Campus). The term of this agreement shall be July 1, 2019 through June 30, 2024 unless sooner terminated as herein provided.

**1. PURPOSE**

The purpose of this agreement is to set forth the terms and conditions under which Auxiliary may operate as an auxiliary organization pursuant to California Education Code §89900 et seq. and California Code of Regulations (CCR) Title 5, § 42400 et seq. In entering this agreement, CSU finds that certain functions important to its mission are more effectively accomplished by the use of an auxiliary organization rather than by the Campus under the usual state procedures.

**2. PRIMARY FUNCTION(S) OF THE AUXILIARY**

In consideration of receiving recognition as an official CSU auxiliary organization, Auxiliary agrees, for the period covered by this agreement, that the primary function(s), which the Auxiliary is to manage, operate or administer is/are (*Check each category that applies*):

- Student Body Organization
- Student Union
- Housing
- Philanthropic
- Externally Funded Projects
- Real Property Acquisition / Real Property Development
- Commercial

In carrying out the above, the Auxiliary engages in the following functions authorized by, CCR tit.5, §42500, which are activities essential and integral to the educational mission of the University:

1. Student Union Programs, which includes the operation and maintenance of the Student Union facility, the Student Recreation Center (SRC) facility, the SRC Intramural field #3, the SRC Sand Volleyball Court facility, and the SRC Challenge Course facility.
2. Operating and providing programs for children including early education and child care services at the CSUB Children's Center.

Auxiliary agrees to receive and apply exclusively the funds and properties coming into its possession toward furthering these purposes for the benefit of CSU and the Campus. Auxiliary further agrees that it shall not perform any of the functions listed in CCR tit.5, §42500 unless the function has been specifically assigned in this operating agreement with the Campus. Prior to initiating any additional functions, Auxiliary understands and agrees that CSU and Auxiliary must amend this agreement in accordance with Section 21, *Amendment*.

### **3. CAMPUS OVERSIGHT AND OPERATIONAL REVIEW**

The responsibility and authority of the Campus president regarding auxiliary organizations is set forth in CCR tit.5, §42402, which requires that auxiliary organizations operate in conformity with CSU and Campus policies. The Campus President has been delegated authority by the CSU Board of Trustees (Standing Orders §VI) to carry out all necessary functions for the operation of the Campus. The operations and activities of Auxiliary under this agreement shall be integrated with Campus operations and policies and shall be overseen by the campus Chief Financial Officer (CFO) or designee so as to assure compliance with objectives stated in CCR tit.5, §42401.

The Campus shall review Auxiliary to ensure that the written operating agreement is current and that the activities of Auxiliary are in compliance with this agreement at least every five (5) years from the date the operating agreement is executed and at least every five years thereafter. Confirmation that this review has been conducted will consist of either an updated operating agreement, or a letter from the Campus CFO or designee to the Campus President with a copy to the Chancellor's Office, certifying that the review has been conducted. As part of these periodic reviews, the Campus President should examine the need for each auxiliary and look at the efficiency of the auxiliary operation and administration.

Auxiliary agrees to assist the Campus CFO or designee in carrying out the compliance and operational reviews required by applicable CSU Executive Orders and related policies.

### **4. OPERATIONAL COMPLIANCE**

Auxiliary agrees to maintain and operate its organization in accordance with all applicable laws, regulations and CSU and Campus rules, regulations and policies. Failure of Auxiliary to comply with any term of this agreement may result in the removal, suspension or probation of Auxiliary as an auxiliary organization in good standing. Such action by CSU may result in the limitation or removal of Auxiliary's right to utilize the CSU or campus name, resources and facilities (CCR tit.5, §42406).

## 5. CONFLICT OF INTEREST

No officer or employee of the CSU shall be appointed or employed by Auxiliary if such appointment or employment would be incompatible, inconsistent or in conflict with his or her duties as a CSU officer or employee.

Auxiliary has established and will maintain a conflict of interest policy. The Auxiliary's Conflict of Interest Policy is attached as Attachment 1.

## 6. EXPENDITURES AUGMENTING CSU APPROPRIATIONS

With respect to expenditures for public relations or other purposes which would serve to augment appropriations for CSU operations, Auxiliary may expend funds in such amount and for such purposes as are approved by Auxiliary's governing body. Auxiliary shall file, as Attachment 2 to this agreement, a statement of Auxiliary's policy on accumulation and use of public relations funds. The statement shall include the policy and procedures for solicitation of funds, the purposes for which the funds may be used, the allowable expenditures and procedures of control.

## 7. FISCAL AUDITS

Auxiliary agrees to comply with CSU policy and the provisions of CCR tit.5, §42408, regarding fiscal audits. All fiscal audits shall be conducted by auditors meeting the guidelines established the Integrated CSU Administrative Manual (ICSUAM).

The Campus CFO shall annually review, and submit a written evaluation to the Chancellor's Office in accordance with Section 20, Notices, of the external audit firm selected by the Auxiliary. This review by the Campus CFO must be conducted prior to the Auxiliary engaging an external audit firm and annually thereafter. If the Auxiliary has not changed audit firms, and the audit firm was previously reviewed and received a satisfactory evaluation, a more limited review may be conducted and submitted.

## 8. USE OF NAME

Campus agrees that Auxiliary may, in connection with its designated functions as a CSU auxiliary organization in good standing and this agreement, use the name of the Campus, the Campus logo, seal or other symbols and marks of the Campus, provided that Auxiliary clearly communicates that it is conducting business in its own name for the benefit of Campus. All correspondence, advertisements, and other communications by Auxiliary must clearly indicate that the communication is by and from Auxiliary and not by or from CSU or Campus.

Auxiliary shall use the name of Campus, logo, seal or other symbols or marks of Campus only in connection with services rendered for the benefit of Campus and in accordance with Campus guidance and direction furnished to Auxiliary by Campus and only if the

nature and quality of the services with which the Campus name, logo, seal or other symbol or mark are used are satisfactory to the Campus or as specified by Campus.

Campus shall exercise control over and shall be the sole judge of whether Auxiliary has met or is meeting the standards of quality of the Campus for use of its name, logo, seal or other symbol or mark.

Auxiliary shall not delegate the authority to use the Campus name, logo, seal or other symbol or mark to any person or entity without the prior written approval of the Campus President or designee. Auxiliary shall cease using the Campus name, logo, seal or other symbol or mark upon expiration or termination of this agreement, or if Auxiliary ceases to be a CSU auxiliary organization in good standing, dissolves or disappears in a merger.

#### **9. CHANGE OR MODIFICATION OF CORPORATE STATUS**

Auxiliary shall provide notice to the CSU upon any change in Auxiliary's legal, operational or tax status including but not limited to changes in its Articles of Incorporation, bylaws, tax status, bankruptcy, dissolution, merger, or change in name.

#### **10. FAIR EMPLOYMENT PRACTICES**

In the performance of this agreement, and in accordance with California Government Code §12900 et. seq., Auxiliary shall not deny employment opportunities to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status. Auxiliary shall adopt employment procedures consistent with the policy statement on nondiscrimination and affirmative action in employment adopted by the CSU.

#### **11. BACKGROUND CHECK POLICY COMPLIANCE**

In compliance with governing laws and CSU policy, Auxiliary shall confirm that background checks are completed for all new hires and for those independent contractors, consultants, outside entities, volunteers and existing employees in positions requiring background checks as set forth in CSU systemwide policy. Auxiliary will provide confirmation of completed and cleared background checks to the University President/Chancellor upon request, or as established by campus policy. (See HR 2016-08).

#### **12. DISPOSITION OF ASSETS**

Attached hereto as **Attachment 3** is a copy of Auxiliary's Constitution or Articles of Incorporation (as applicable) which, in accordance with CCR tit.5, §42600, establishes that upon dissolution of Auxiliary, the net assets other than trust funds shall be distributed *to the CSU or to another affiliated entity subject to financial accounting and reporting standards issued by the Government Accounting Standards Board.* Auxiliary agrees to

maintain this provision as part of its Constitution or Articles of Incorporation. In the event Auxiliary should change this provision to make other dispositions possible, this agreement shall terminate as of the date immediately preceding the date such change becomes effective.

### **13. USE OF CAMPUS FACILITIES**

Auxiliary may use those facilities identified for its use consistent with the lease provisions of this agreement. If this Operating Agreement terminates or expires and is not renewed within 30 days of the expiration, the lease contemplated herein automatically terminates, unless extended in writing by the parties.

Auxiliary and Campus may agree that Auxiliary may use specified Campus facilities and resources for research projects and for institutes, workshops, and conferences only when such use does not interfere with the instructional program of Campus and upon the written approval from appropriate Campus administrators with such specific delegated authority. Auxiliary shall reimburse Campus for costs of any such use.

### **14. CONTRACTS FOR CAMPUS SERVICES**

Auxiliary may contract with Campus for services to be performed by state employees for the benefit of Auxiliary. Any agreement must be documented in a written memorandum of understanding between Auxiliary and Campus. The memorandum of understanding shall among other things, specify the following: (a) full reimbursement to Campus for services performed by a state employee in accord with CCR tit.5, §42502(f); (b) Auxiliary must clearly identify the specific services to be provided by state employee, (c) Auxiliary must specify any performance measures used by Auxiliary to measure or evaluate the level of service; (d) Auxiliary must explicitly acknowledge that Auxiliary does not retain the right to hire, supervise or otherwise determine how to fulfill the obligations of the Campus to provide the specified services to Auxiliary.

### **15. DISPOSITION OF NET EARNINGS**

Auxiliary agrees to comply with CSU and Campus policy on expenditure of funds including, but not limited to, CSU guidelines for the disposition of revenues in excess of expenses and CSU policies on maintaining appropriate reserves. Cal. Educ. Code §89904; Executive Order 1059.

### **16. FINANCIAL CONTROLS**

Recovery of allowable and allocable indirect costs and maintenance and payment of operating expenses must comply with ICSUAM §13680. CCR tit. 5, §42502(g) and (h).

## 17. ACCEPTANCE, ADMINISTRATION, AND USE OF GIFTS

Auxiliary agrees, if authorized to do so in Section 2 above, that it will accept and administer gifts, grants, contracts, scholarships, loan funds, fellowships, bequests, and devises in accordance with policies of CSU and Campus.

### A. Authority to Accept Gifts

If authorized, Auxiliary may evaluate and accept gifts, bequests and personal property on behalf of CSU. In acting pursuant to this delegation, due diligence shall be performed to ensure that all gifts accepted will aid in carrying out the CSU mission as specified in Education Code §§89720 and 66010.4(b).

Auxiliary agrees, before accepting gifts of real estate or gifts with any restrictive terms or conditions that impose an obligation on CSU or the State of California to expend resources in addition to the gift, to obtain written approval from the appropriate campus authority. Auxiliary agrees that it will not accept a gift that has any restriction that is unlawful.

Campus Designation of Authority to Auxiliary re: Administration of Grants and Contracts is attached as **Attachment 4**.

### B. Reporting Standards

Gifts shall be recorded in compliance with the Council for Advancement and Support of Education and California State University reporting standards and shall be reported to the Chancellor's Office on an annual basis in accordance with Education Code §89720.

## 18. INDEMNIFICATION

Auxiliary agrees to indemnify, defend and save harmless the CSU, its officers, agents, employees and constituent campuses and the State of California, collectively "CSU indemnified parties" from any and all loss, damage, or liability that may be suffered or incurred by CSU indemnified parties, caused by, arising out of, or in any way connected with the operation of Auxiliary as an auxiliary organization.

## 19. INSURANCE

Auxiliary shall maintain insurance protecting the CSU and Campus as provided in this section. CSU's Systemwide Office of Risk Management shall establish minimum insurance requirements for auxiliaries, based on the insurance requirements in **Technical Letter RM 2012-01** or its successor then in effect. Auxiliary agrees to maintain at least these minimum insurance requirements.

Auxiliary's participation in a coverage program of the California State University Risk Management Authority (CSURMA) shall fully comply with the insurance requirement for each type of required coverage (which may include but not be limited to, general liability, auto liability, directors and officers liability, fiduciary liability, professional liability, employer's liability, pollution liability, workers' compensation, fidelity, property and any other coverage necessary based on Auxiliary's operations). Auxiliary shall ensure that CSU and Campus are named as additional insured or loss payee as its interests may appear.

## **20. NOTICES**

All notices required to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed to all parties as provided below.

Notice to Auxiliary shall be addressed as follows:

California State University Bakersfield Student Union, Inc.  
56SU  
9001 Stockdale Highway  
Bakersfield, CA 93311  
Attention: Director, Student Union

Notice to the CSU shall be addressed to:

Trustees of the California State University  
401 Golden Shore  
Long Beach, California 90802  
Attention: Director, Contract Services & Procurement

Notice to the Campus shall be addressed as follows:

California State University, Bakersfield  
Office of the President  
33 BDC  
9001 Stockdale Highway  
Bakersfield, CA 93311

## **21. AMENDMENT**

This agreement may be amended only in writing signed by an authorized representative of all parties.

**22. RECORDS**

Auxiliary shall maintain adequate records and shall submit periodic reports as required by CSU showing the operation and financial status of Auxiliary. The records and reports shall cover all activities of Auxiliary whether pursuant to this agreement or otherwise.

**23. TERMINATION**

CSU may terminate this agreement upon Auxiliary's breach of or failure to comply with any term of this agreement by providing Auxiliary with a minimum of ninety (90) days advance written notice. Auxiliary may use the ninety-day advance notice period to cure the breach. If, in the judgment of CSU, the breach has been cured, the termination notice will be cancelled.

**24. REMEDIES UPON TERMINATION**

Termination by CSU of this agreement pursuant to Section 23, *Termination*, may result in Auxiliary's removal, suspension or probation as a CSU auxiliary in good standing, and loss of any right for Auxiliary to use the name, resources or facilities of CSU or any of its campuses.

Upon expiration of the term of this agreement, the parties shall have 30 days to enter into a new operating agreement which period may be extended by written mutual agreement.

**25. SEVERABILITY**

If any section or provision of this Agreement is held illegal, unenforceable or in conflict with any law by a court of competent jurisdiction, such section or provision shall be deemed severed and the validity of the remainder of this Agreement shall not be affected thereby.

**26. LEASE OF PREMISES**

The Student Union Building, location described as building 53, the Student Recreation Center (SRC), location described as building 67, the SRC Intramural Field #3, location described as field 74, the SRC Sand Volleyball Court facility, the SRC Challenge Course facility and the CSUB Children's Center consisting of approximately 440,445 square feet total of land and buildings.

The lease of the premises is subject to:

A. The use of the property for civil defense purposes or in the event of a State, CSU or national emergency.



B. Unanticipated need to meet the demands of the educational objectives of the CSU. The right to the use of any property included in this lease shall cease upon written notice by the CSU to Auxiliary that the property is needed for its exclusive use.

## **27. USE OF PREMISES**

A. Auxiliary may occupy, operate, and use the leased property only in connection with the following functions and activities in accordance with the terms of this agreement:

- 1) Operating and maintaining a student union facility for the students, faculty, staff, alumni, and guests of the campus.
- 2) Operating and maintaining student recreation facilities for the students, faculty, staff, alumni, and guests of the campus
- 3) Operating and maintaining a children's center for the students, faculty, staff, alumni, and guests of the campus

B. Auxiliary shall use the leased property only for functions and activities that are consistent with the Functions established in Section 2 and guidelines and policies that have been or may hereafter be adopted by CSU.

## **28. CONSIDERATION**

A. Auxiliary shall operate as an auxiliary organization as set forth in this agreement.

B. Auxiliary shall manage and operate the student union facilities in accordance with the bond indenture, the policies of the CSU, Campus, this agreement, and for the benefit of Campus.

## **29. APPLICATION OF STUDENT UNION FEES**

A. Pursuant to the CSU Systemwide Revenue Bond program, retirement of the debt incurred by CSU for the construction of the student union is to come from a mandatory student union fee to be paid by all enrolled students. After required funds have been set aside for debt service and all reserves, CSU agrees to make available to Auxiliary a portion of any remaining funds, as authorized by Education Code, Section 90076. CSU agrees to transfer such funds, if any, in the Student Union Net Revenue Fund account and/or applicable Trust Fund account, in the following circumstances:

- 1) Auxiliary shall be entitled to a transfer of funds as required for operating purposes. The transfer for operating purposes will be based on needs as shown in the operating budget and approved by the campus' Chief Financial Officer or designated staff subject to the availability of such funds.

2) Additional transfers of revenue may be made for extraordinary expenses as requested by Auxiliary and approved by the campus' Chief Financial Officer or designated staff, subject to the availability of funds.

B. This Section shall be subject to and construed in conformity with the Indenture of the Trustees of the CSU adopted April 1, 2002 authorizing the issuance of Systemwide Revenue Bonds and made a part of this agreement.

### **30. BUILDINGS, SIGNS, FIXTURES, AND EQUIPMENT**

During the term of this Agreement, Auxiliary shall have the right to erect, place, and attach buildings, fixtures, signs, and equipment in and upon the leased property. Plans and working drawings for buildings to be placed on the leased land shall have prior approval of CSU. The number, size, and location of signs are subject to prior written approval of the Campus. Fixtures, signs, and equipment so erected, placed, or attached by the Auxiliary shall be and remain the property of the Auxiliary and may be removed there from by the Auxiliary prior to the termination of this lease.

### **31. ALTERATIONS**

The leased premises shall not be altered or changed in any manner or respect without the written consent of the Campus, and changes that may be authorized shall be made under the direction of the Campus and at the expense of Auxiliary. Permanent alterations shall have prior approval of Campus.

### **32. RIGHT OF ENTRY**

It is understood and agreed that at any time CSU and its agents shall have the right to enter the leased premises or any part thereof for the purpose of examination or supervision.

Care, maintenance, and repair of the leased property shall be provided as follows:

A. Care and Maintenance: Auxiliary agrees to keep and maintain the leased property in a clean and orderly condition and shall at its own expense, at reasonably frequent intervals, and in a lawful manner dispose of all waste from the leased property.

B. Repairs: Auxiliary agrees to keep the leased premises in good repair.

### **33. RESTORATION OF PREMISES**

Upon termination of this lease, CSU shall have the option to require Auxiliary, at its own expense and risk, to restore the demised premises as nearly as possible to the condition existing prior to the execution of the lease, with the exception of normal wear and tear.

But, if Auxiliary shall fail to do so within 90 days after CSU's option, CSU may restore the property at the risk of the Auxiliary and all costs and expenses of such removal or restoration shall be paid by Auxiliary upon demand of State. CSU shall have the right to exercise this option within 30 days after the expiration of this lease, but not thereafter.

**34. MORTGAGES**

Auxiliary shall not have the right to subject this lease to any mortgage, trust deed, or other security device without the written consent of CSU.

**35. POSSESSORY INTEREST**

The County Assessor may value the possessory interest created by this lease, or any subleases. Under California Revenue and Taxation Code section 107, a property interest tax may be levied on that possessory interest. The lessee is obligated to pay this property tax, and failure to do so may be considered a material breach of the lease.

**36. ASSIGNMENTS OR SUBLEASE**

Auxiliary shall not assign or sublease any part of the premises covered by this lease without the written permission of CSU.


CSU agrees, however, that Auxiliary may sublease any portion of the premises with the approval of the Campus. Substantial deviation from CSU's policy and model sub-leases requires the approval of the Campus.

Subleases may be written with terms in excess of this agreement: however, the continuation of the sublease past the term of this Agreement is contingent on this Agreement's renewal.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto.

Approved: 5-7, 2019

California State University, Bakersfield

By   
President

Executed on 5-2, 2019

California State University, Bakersfield  
Student Union, Inc.

By   
Student Union Director

COA0497  
2019-2024

Executed on \_\_\_\_\_, 2019

California State University  
Office of the Chancellor  
Contract Services and Procurement

By \_\_\_\_\_

## **Attachment 1**

### **Conflict of Interest Policy**

#### **Policy**

It is the policy of the CSU, Bakersfield Student Union Incorporated, to have all of its Board members complete a Conflict of Interest Questionnaire annually at the first meeting of the academic year. Additionally, new members who join the board will be required to complete the Conflict of Interest Questionnaire at that time.

#### **General Statement**

A potential conflict of interest occurs when a divergence develops between an individual's private interests and his/her professional obligations to the University and its auxiliary organizations such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise.

A conflict of interest exists when a review reasonably determines that a significant financial interest could directly and significantly affect the design, conduct, and reporting of the proposed activities. Upon such a finding, the CSUB Student Union Board of Directors, Inc. will refer the actual or potential conflict to the office of the Vice President for Business and Administrative Services where an investigation will be implemented. The CSUB Student Union Board of Directors, Inc. will abide by the findings of the independent review committee.

#### **Procedure**

The CSUB Student Union Board of Directors, Inc., Secretary will issue each of the Board of Directors a Conflict of Interest Questionnaire and instructions at the first meeting of the academic year. The Board's Secretary will monitor the return of the forms in a timely manner. The originals will be kept on file in the Office of Business and Administrative Services. A copy of the forms will be kept locally in the CSUB Student Union Director's Office.



# CSU Bakersfield

Student Affairs

Student Union Incorporated

Mail Stop: 56 BU  
9001 Stockdale Highway  
Bakersfield, California 93311-1022

(661) 654-2494  
(661) 654-2453 FAX  
[www.csu.edu/studentunion](http://www.csu.edu/studentunion)

COA0497  
2019-2024

## Attachment 2

### Item 6.

California State University, Bakersfield Student Union Incorporated at California State University, Bakersfield does not expend funds for public relations nor other purposes to augment appropriations for CSU operations.

  
Emile Callahan, Director

3-28-19  
Date

A0736859

1740418

**FILED**  
Secretary of State  
State of California  
JAN 18 2013

**CERTIFICATE OF RESTATED  
ARTICLES OF INCORPORATION OF  
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

Savanah Natividad and Martie Martinez certify that:

1. They are the Chairman of the Board and Secretary, respectively, of the California State University, Bakersfield Student Union.

2. The following restated Articles of Incorporation of this corporation have been approved by the Board of Directors:

**ARTICLE I  
Name**

The name of this corporation is:

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION.

**ARTICLE II  
Corporate Status**

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

**ARTICLE III  
Purposes**

This Corporation is organized and operated solely for the benefit of California State University, Bakersfield. This corporation is organized as an auxiliary organization under Section 89900, et seq. of the California Education Code, exclusively purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as amended and for the following purposes:

(a) To operate exclusively for purposes within the meaning of the California Revenue and Taxation Code, Section 23701(d) (or corresponding provisions of any future California Revenue Law).

(b) Subject to the direction and approval of the University President or designee, to operate a campus union facility at the University, as a student body center for the benefit of students, faculty, staff, and alumni in order to promote and assist the educational mission of the University on an integrated basis, and to apply the funds and properties coming into its control toward furthering the educational program carried on or approved by the University President or a designee.

(c) Subject to the direction and approval of the University President or designee, to purchase, own, sell and encumber and otherwise deal in and with such real and personal property as the Board of Directors or members of this corporation may find or consider to be suited to the primary purpose of advancing the welfare of California State University, Bakersfield and for promoting the common educational interests of California State University, Bakersfield as approved by the University President or a designee.

(d) To do or refrain from doing any lawful act or thing which at anytime may be authorized by the Board of Directors or members of this corporation, so long as the doing or refraining from doing the lawful act will advance the welfare of California State University, Bakersfield.

#### ARTICLE IV Conformity with Law

The corporation shall be an auxiliary organization to California State University, Bakersfield, and shall conduct its operations in conformity with the California statutes governing such organizations (Chapter 7, commencing with Section 89900, of Part 55, Division 8, Title 3 of the Education Code) and the Regulations adopted by the Board of Trustees of California State University (Subchapter 6, commencing with Section 42400, of Chapter 1, Division 5 of Title 5 of the California Code of



Regulations) as required by the Education Code, Section 89900(c).

**ARTICLE V**  
**Exempt Status**

No part of the net earnings of this corporation shall inure to the benefit of or be distributable to its members, directors, officers, or other private persons, except that this 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 III hereof.

**ARTICLE VI**  
**Limitation on Activities**

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

**ARTICLE VII**  
**Irrevocable Dedication and Dissolution**

This corporation irrevocably dedicates its assets for the benefit of California State University, Bakersfield. Upon the dissolution of this corporation, net assets other than trust funds shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code (or corresponding section of any future federal tax code) or to a government for public purposes, as approved by the President of California State University, Bakersfield and by the Chancellor of the California State University. Trust funds shall be distributed consistent with the terms of the trust instruments and section 501(c)(3) of the Internal Revenue Code (or corresponding section of any future federal tax code).

**ARTICLE VIII**  
**Officers and Directors**

The Officers and number of Directors, their qualifications, powers, duties, terms of office, manner of removal and filling vacancies on the Board, and the manner of calling and holding meetings of Directors, shall be as stated in the Bylaws.

**ARTICLE IX**  
**Members**

This corporation shall have no members other than the persons constituting its Board of Directors. The Board of Directors shall, under any statute or rule of law, be the members of this corporation and shall have all the rights and powers members would otherwise have.

**ARTICLE X**  
**Voting**

Each voting member of the Board of Directors shall have one vote. There shall be no proxy voting permitted for the transaction of any of the business of this corporation.

**ARTICLE XI**  
**Amendment**

The Articles of Incorporation of this corporation may be amended only by resolution of the Board of Directors adopted by the majority vote of the Board of Directors and approved by the University President, provided that the amendment had been submitted in writing to the Board of Directors at a previous regular meeting.

3. The foregoing restated Articles of Incorporation, have been approved by a resolution duly adopted by the Board of Directors and approved by the University President, as required by Article XI.

4. The corporation has no members other than the persons constituting its Board of Directors.

Verification

Each of the undersigned declares under penalty of perjury under the laws of the State of California that the statements in the foregoing certificate are true and correct of his or her own knowledge, and that this declaration was executed on the date below at Bakersfield, California.

Date: November 30, 2012

  
Savannah Natividad, Chairman of the Board

  
Martie Martinez, Secretary

COA0497

Attachment 4

Administration of Grants and Contracts  
Addendum to Auxiliary Operating Agreement  
Between Trustees of the California State University,  
California State University, Bakersfield  
And  
California State University, Bakersfield Student Union, Inc.

This is an addendum to the Operating Agreement between the Trustees of the California State University (CSU) and California State University, Bakersfield Student Union, Inc. (Auxiliary) serving California State University, Bakersfield (Campus), effective from July 1, 2019 through June 30, 2024, and authorizes the Auxiliary to perform the function "7. Externally Funded Projects Including Research, Workshops, Conferences and Institutes" as specified in 5 CCR (California Code of Regulations) 42500.

With this addendum, Campus designates Auxiliary as:

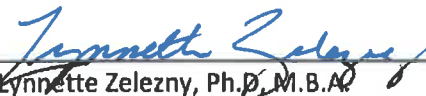
An Auxiliary that operates a child care facility for the Campus and receives federal grant funds through the CCAMPIS program.

Auxiliary will ensure that all proposals for external funding are reviewed by the President or designees to provide programmatic and fiscal written approval in accordance with CSU systemwide policy, ICSUAM 11002.01 (formerly EO 890).<sup>1</sup>

Auxiliary, when acting as SPA, agrees to provide grant and contract administration services in compliance with all CSU (see ICSUAM, Section 11000), Campus and Auxiliary policies related to sponsored program administration, federal and state regulations and funding agency (sponsor) regulations and guidelines.


**Approved:**

California State University, Bakersfield

  
\_\_\_\_\_  
Lynnette Zelezny, Ph.D., M.B.A.  
President

5-7-19  
\_\_\_\_\_  
Date

California State University, Bakersfield Student Union, Inc.

  
\_\_\_\_\_  
Emile Callahan  
Student Union Director

5-2-19  
\_\_\_\_\_  
Date

<sup>1</sup> ICSUAM Policy 11002.01 incorporates the relevant policy sections from EO890, including proposal review and approval requirements. EO890 is superseded by ICSUAM Section 11000 et al.