

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**AGENDA ITEM SUMMARY**

**Meeting Date: November 21, 2006**

☒ [X]

**Consent**

☐ [ ]

**Regular**

☐ [ ]

**Workshop**

☐ [ ]

**Public Hearing**

**Department: Cooperative Extension Service**

**I. EXECUTIVE BRIEF**

**Motion and Title:** **Staff recommends motion to:** A) **approve** Memorandum of Understanding with the Florida 4-H Foundation, Inc., a public corporation of the State of Florida through the University of Florida/IFAS Extension for the establishment of a fund designated and held for the use and benefit of the Palm Beach County 4-H Programs; and B) **authorize** Cooperative Extension Service Director and her designee to generate additional funds locally to support 4-H Cooperative Extension Programs in Palm Beach County.

**Summary:** By approving the Memorandum of Understanding, all funds will be moved from the existing Palm Beach County 4-H and Extension Foundation, Inc. "Foundation", to the Florida 4-H Foundation, Inc. This is a cost-saving measure that will allow funds to be administered by the Florida 4-H Foundation, Inc., in an account designated for Palm Beach County. The Director of Cooperative Extension Service and her designee will also be able to continue fundraising activities to support 4-H Cooperative Extension Programs in Palm Beach County. This action is necessary because the Foundation was previously responsible for these activities, but has recently been dissolved.

**Background and Policy Issues:** Palm Beach County Cooperative Extension Service includes several programs, one of which is the 4-H Youth Development Program. It is a part of the University of Florida/IFAS Extension working in concert to deliver research-based education to the community. The Foundation was responsible for generating funds locally to support 4-H Youth Development Programs in Palm Beach County and for handling and distributing funds, contributions and gifts on behalf of the County's 4-H programs. On June 19, 2006, the Foundation held a special meeting, which dissolved the Foundation. Due to the Foundation's dissolution, the Cooperative Extension Service must transfer the Foundation's remaining assets and future funds to the Florida 4-H Foundation, Inc., a public corporation of the State of Florida through the University of Florida/IFAS Extension. This is a cost-saving measure that will allow funds to be administered by the Florida 4-H Foundation, Inc., in an account designated for Palm Beach County. A fund administrator will be assigned by the Dean for UF/IFAS Cooperative Extension Service. The fund administrator is responsible for ensuring that the fund is administered in accordance with donor intent, Foundation policies and State and Federal laws. The nominal deposit fee (currently 4%) is less than what the Foundation spent on bank fees, bookkeeping and accounting.

**Attachments:**

1. Memorandum of Understanding
2. Resolution No. R-2006-01
3. Articles of Dissolution
4. Plan of Distribution of Assets

**Recommended By:**

*Audrey R. Norman*  
Audrey R. Norman, Department Director

*11/8/2006*  
Date

**Approved By:**

*[Signature]*  
Assistant County Administrator

*11-17-06*  
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years            | 2006     | 2007     | 2008     | 2009     | 2010     |
|-------------------------|----------|----------|----------|----------|----------|
| Capital Expenditures    | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Operating Costs         | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| External Revenues       | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Program Income (County) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| In-Kind Match (County)  | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| NET FISCAL IMPACT       | <u>0</u> | _____    | _____    | _____    | _____    |
| # ADDITIONAL FTE        | <u>0</u> | _____    | _____    | _____    | _____    |
| POSITIONS (Cumulative)  | <u>0</u> | _____    | _____    | _____    | _____    |

Is Item Included in Current Budget? Yes\_\_\_\_ No\_\_\_\_ N/A  
Budget Account No.: Fund\_\_\_\_\_ Dept.\_\_\_\_ Unit\_\_\_\_\_ Object\_\_\_\_  
Program\_\_\_\_\_ N/A

B. Recommended Sources of Funds/Summary of Fiscal Impact:

N/A

C. Departmental Fiscal Review: \_\_\_\_\_

III. REVIEW COMMENTS

A. OFMB Budget and/or Contract Dev. and Control Comments:

Elizabeth Bress  
OFMB/Budget  
11/09/06 11/14/06

Jim J. Jacobs 11/15/06  
Contract Development and Control  
11/15/06

B. Legal Sufficiency:

Anne Helgert 11/16/06  
Assistant County Attorney

C. Other Department Review:

\_\_\_\_\_  
Department Director

**MEMORANDUM OF UNDERSTANDING  
FLORIDA 4-H FOUNDATION, INC.  
AND  
PALM BEACH COUNTY COOPERATIVE EXTENSION SERVICE**

This is a Memorandum of Understanding (MOU) between the Florida 4-H Foundation, Inc. (Foundation) and the Palm Beach County Extension Service (PBCES) regarding the establishment of a fund designated and held for the use and benefit of the Palm Beach County 4-H Program (Program). The fund will be used to accept any operating funds generated by the Program, to accept contributions and gifts on behalf of the Program, as well as to process funds for expenditures incurred by the Program.

The Foundation will establish the "Palm Beach County 4-H" account within its named funds and account #5000 will be assigned. A fund administrator will be assigned by the Dean for Cooperative Extension Service. The fund administrator is responsible for ensuring that the fund is administered in accordance with donor intent, Foundation policies, and State and Federal laws.

Conditions of this MOU are as expressly set forth below or as agreed to from time to time in writing by the Foundation and the PBCES.

Account #5000 is established with an initial amount of \$10,000.00. The Foundation will accept gifts on behalf of PBCES as consistent with its policies, and these gifts will be placed in Account #5100 to be used as designated by the donor on behalf of the Program exclusively. Donations should be made directly to the Foundation, Inc. A one-time overhead assessment fee of 4% is charged by the Foundation on all monies deposited into the account. The Foundation's assessment fee is determined by the 4-H Foundation Board of Directors.

Together, the Program and the PBCES will determine cash needs from the account and will make quarterly requests for distributions to the Florida 4-H Foundation Comptroller. The Foundation, upon receipt of fully-executed disbursement request invoices, will produce a check for the total of the invoice on a quarterly basis. The Foundation will not advance the Program more funds than the account has available. Quarterly reports will be furnished to the designated account manager.

All funds will be administered with due regard to conditions attached to any gifts and governing statutes and rules, in accordance with what is reasonable and equitable, and in the manner in which persons of ordinary prudence would act in the management of the property of another. It is important to judge all expenditures in light of the Foundation's responsibility to the public and its donors.

The PBCES and the Program agree to adhere to four basic criteria to determine the legitimate use of Foundation funds:

1. The use must be reasonable and benefit the Program.
2. The use must fall within the donor's intent for the gift.
3. The use must not jeopardize the Foundation's tax-exempt status.
4. The use must comply to all applicable statutes and regulations.

Additionally, all disbursements and expenditures must have written justification suitable for auditing purposes. Requests for reimbursement for travel must comply with IRS and University of Florida regulations. Questions regarding the appropriateness of any expenditures will be determined by the Foundation.

The Foundation enforces all federal and state rules and regulations. In addition no Foundation funds may be used for:

- First class travel
- Private club memberships
- Lavish or extravagant entertainment
- Political or charitable contributions
- Personal benefit to an individual
- Except scholarships to 4-H members

The PBCES and the Program agree to contact the Foundation Comptroller if they have questions regarding any policies, processes or activities concerning Account #5000 or the Florida 4-H Foundation, Inc. The Foundation agrees to provide the PBCES with a copy of its yearly audited report.

Hereby agreed to by the following parties as representatives of their entities:

ATTEST:  
SHARON R. BOCK, CLERK &  
COMPTROLLER

PALM BEACH COUNTY BOARD  
OF COUNTY COMMISSIONERS

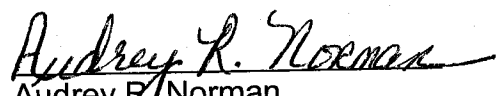
\_\_\_\_\_  
Deputy Clerk

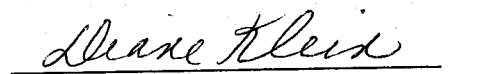
\_\_\_\_\_  
Addie L. Greene, Chairperson

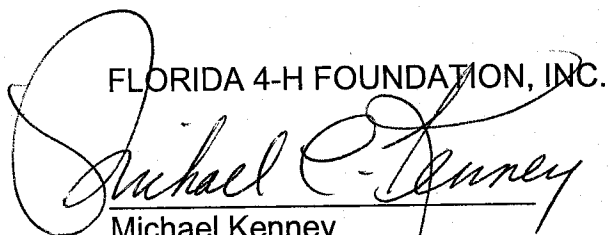
APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

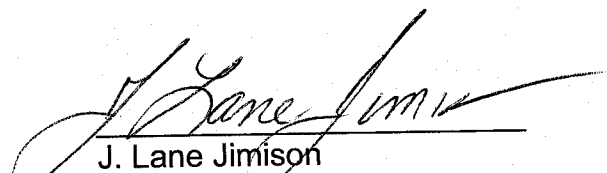
APPROVED AS TO TERMS  
AND CONDITIONS

  
Assistant County Attorney

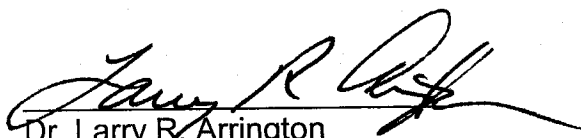
  
Audrey R. Norman  
County Extension Director

  
Diane Klein, Palm Beach County  
4-H and Extension Foundation

FLORIDA 4-H FOUNDATION, INC.  
  
Michael Kenney  
President

  
J. Lane Jimison  
Executive Director

FLORIDA COOPERATIVE EXTENSION SERVICE

  
Dr. Larry R. Arrington  
Dean and Director

**RESOLUTION NO. R-2006-01**

**RESOLUTION OF THE PALM BEACH COUNTY 4-H AND  
EXTENSION FOUNDATION, INC. DISSOLVING THE  
FOUNDATION AND PROVIDING FOR AN EFFECTIVE  
DATE.**

**WHEREAS**, in 2002, the Palm Beach County 4-H And Extension Foundation ("the Foundation") was established to help Palm Beach County identify resources to provide financial support to Palm Beach County's 4-H program and Extension program areas; to promote the educational objectives of the Palm Beach County Division of the Florida Extension Service, University of Florida; to foster mental, physical, social, spiritual, and all other respects of youth development; and to support Extension programs in the interest of youth as the Board of Directors of the Foundation may deem appropriate; and

**WHEREAS**, the Foundation has served Palm Beach County's citizens by providing recommendations to the Palm Beach County's Cooperative Extension Service and providing financial support to Palm Beach County's 4-H program and Extension programs; and

**WHEREAS**, the Foundation and Palm Beach County Cooperative Extension Service have agreed that the purposes for which the Foundation was established may be more efficiently and effectively fulfilled directly by Palm Beach County Cooperative Extension Service, with support from volunteers in the fundraising arena; and

**WHEREAS**, the Foundation recommends dissolution at this time.

**NOW, THEREFORE, BE IT RESOLVED BY THE PALM BEACH COUNTY  
4-H AND EXTENSION FOUNDATION, INC. that:**

**Section 1. Recitals**

The forgoing recitals are hereby adopted and ratified.

**Section 2. Dissolution**

The Foundation, hereby dissolves the Foundation pursuant to this Resolution effective upon filing Articles of Dissolution with the Secretary of State of the State of Florida;

The appropriate officer of the Foundation is hereby authorized to file Articles of Dissolution with the Secretary of State of the State of Florida, effective upon filing;

The assets of the Foundation will be transferred to the Palm Beach County Extension Service in accordance with Section XI of the Foundation's by-laws;

The appropriate officer of the Foundation is hereby authorized, empowered and directed for, in the name and on behalf of the Foundation, to execute, deliver and perform any and all agreements, documents and instruments, and to make any changes and amendments thereto, and to do and to perform any and all actions and things which may be necessary, desirable or convenient in order to wind up the affairs of the Foundation; and

The appropriate officer of the Foundation is hereby authorized to take any further action and execute, deliver and perform any and all agreements,

documents and instruments which may be deemed necessary to effectuate the purposes and intents of the foregoing resolutions and the transactions contemplated there.

### Section 3. Effective Date

This Resolution shall become effective upon adoption.

The foregoing Resolution was offered by Susan Kennedy, who moved its adoption. The motion was seconded by Richard Brown and upon being put to a vote, the vote was as follows:

Diane Klein, yes  
Susan Kennedy, yes  
Richard Brown, yes

The President thereupon declared the Resolution duly passed and adopted this 19th day of June, 2006.

**ARTICLES OF DISSOLUTION  
OF  
THE PALM BEACH COUNTY 4-H AND EXTENSION FOUNDATION, INC.  
A FLORIDA NOT FOR PROFIT CORPORATION**

Pursuant to Section 617.1403, Florida Statutes, The Palm Beach County 4-H and Extension Foundation, Inc., a Florida not for profit corporation (the "Foundation"), submits the following Articles of Dissolution:

- FIRST: The name of the foundation is: The Palm Beach County 4-H and Extension Foundation, Inc.
- SECOND: The Foundation has no Members entitled to vote on dissolution.
- THIRD: The Date of adoption of the resolution to dissolve by the Board of Directors was June 19<sup>th</sup>, 2006.
- FOURTH: The number of Directors in office was 3 and the vote for the resolution was 3 for and 0 against.

Signed this 19<sup>th</sup> day of June, 2006.

Signature: Diane Louise Klein  
Name: DIANE LOUISE KLEIN  
Title: PRESIDENT, PBC 4H & EXTENSION  
Foundation, Inc.

**THE PALM BEACH COUNTY 4-H AND  
EXTENSION FOUNDATION, INC.,  
A FLORIDA NOT FOR PROFIT CORPORATION**

**PLAN OF DISTRIBUTION OF ASSETS**

The undersigned Foundation adopts the following Plan of Distribution of Assets for the purpose of dissolving and liquidating the corporation:

First: The name of the Foundation is The Palm Beach County 4-H and Extension Foundation, Inc.

Second: All debts, liabilities and obligations of the Foundation have been paid and discharged or adequate provisions have been made therefor.

Third: No assets are held by the Foundation upon any condition requiring their return, transfer or conveyance, which condition occurs by reason of the dissolution of the Foundation.

Fourth: No assets are held by the Foundation subject to any limitation permitting their use only for charitable, religious, eleemosynary, benevolent, educational or similar purposes (or upon any condition requiring their return, transfer or conveyance by reason of the dissolution) which assets must be transferred or conveyed to any foundation, trust, society or organization engaged in activities substantially similar to those of the Foundation by reason of the dissolution of the Foundation.

Fifth: All of the assets of the Foundation have been distributed to the Palm Beach County Extension Service in accordance with Article XI of the Foundation's by-laws.

Sixth: No assets remain for distribution to any other person, trust, society, organization or corporation, whether for profit or not for profit.

THE PALM BEACH COUNTY 4-H AND  
EXTENSION FOUNDATION, INC.

By: Marian L. Klein  
Its: President



**CERTIFICATE OF COMPLIANCE**

I hereby certify that the foregoing has been executed in compliance with Section 617.1406(2), Florida Statutes.

Maxie L. Klein  
President

STATE OF FLORIDA  
COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me by Diane L. Klein, and \_\_\_\_\_, the  
Extension Foundation, Inc. is personally known to me, this 8th day of Nov, 2006

Joan N. McGee  
Notary Public, State of Florida  
My commission expires:

Joan N. McGee



Joan N. McGee  
MY COMMISSION # DD282949 EXPIRES  
May 9, 2007  
BONDED THRU TROY FAIR INSURANCE, INC.