

**NURSING PROGRAM GRANT AGREEMENT
BETWEEN
NATIVIDAD MEDICAL CENTER
AND
HARTNELL COLLEGE FOUNDATION**

This Nursing Program Grant Agreement ("Agreement") is made and entered into as of July 31, 2012 ("Effective Date), by and between County of Monterey ("County") on behalf of Natividad Medical Center (referred to collectively as "NMC"), and Hartnell College Foundation, an 501(c)(3) not-for-profit corporation organized to benefit Hartnell Community College District ("Hartnell"), to provide a grant to support the Hartnell College Nursing and Health Sciences Programs.

This Agreement is made with reference to the following facts:

A. NMC is a general acute care teaching hospital wholly owned and operated by the County, and County has determined and established the existence of a need to recruit and retain nurses in the community and, in particular, to provide nursing services at NMC.

B. Hartnell is the owner and operator of Hartnell Community College located at 411 Central Avenue, Salinas, California, which operates the Hartnell College Nursing and Allied Health Programs, an academic program, which, among other things, educates and trains registered nurses and licensed vocational nurses (collectively, "Nurses") for entry level nursing positions in local health care facilities, including without limitation NMC (the "Nursing Program").

C. Hartnell College Foundation is an independent, not-for-profit corporation, located at 411 Central Avenue, Salinas, California and organized to support and advise Hartnell and Hartnell Community College in developing Hartnell's activities, programs and facilities; cultivate bequests and donations; and to responsibly administer funds, properties, bequests, annuities, and other instruments for the benefit of Hartnell.

D. NMC desires to provide grant funds to Hartnell College Foundation for use in meeting the direct costs of Hartnell's Nursing Program, so as to sustain the program and facilitate the availability to NMC of qualified nurses (the "Grant").

E. NMC desires to establish a Joint Oversight Committee, in which both NMC and Hartnell College Foundation shall participate, to act as NMC's designee in the day-to-day administration of the Grant funds, subject to the oversight of both NMC and the County Board of Supervisors, all in accordance with the terms of this Agreement. Other than with respect to the use of Grant funds, the parties acknowledge and agree that Hartnell shall remain solely responsible for the direction and administration of the Nursing Program.

NOW, THEREFORE, it is agreed between the parties as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated and made part of the Agreement.

2. Purpose of Grant. The purpose of the Grant by NMC to Hartnell College Foundation is to provide Hartnell with funding for Hartnell's use in meeting the direct costs of the Nursing Program, so as to help sustain and support the program. The parties believe that the Grant will serve a direct and primary public purpose, by providing funds to improve the quality and quantity of Nurses available to provide nursing services in the community and, in particular, at NMC, and by improving the skills and training of nurses on staff at NMC. The Grant funds may not be used for any other purpose without prior written approval from NMC.
3. Amount of Grant. The Grant from NMC that is available to Hartnell College Foundation under this Agreement for the Initial Term (as defined in Section 8 below) is in the amount of One Hundred Seventy Five Thousand Dollars (\$175,000). The Grant shall be made available in accordance with the terms set forth herein.
4. Joint Oversight Committee. A Joint Oversight Committee consisting of members from NMC and Hartnell College Foundation as follows will be created to review the progress made on the improvements to the Nursing Program and to oversee the distribution and use of the Grant funds, all subject to the review and approval of NMC and County as described herein.
 - 4.1 Composition. The Joint Oversight Committee shall consist of four to six (4-6) members. Each party shall appoint two to three (2-3) members to serve on the Joint Oversight Committee, and those members shall appoint a chairperson. In the event of a deadlock on any issue, the chairperson's vote shall decide.
 - 4.2 Reports; Meetings. Hartnell College Foundation shall timely provide all written reports regarding use of the Grant funds as NMC or the Joint Oversight Committee may request from time to time. The Joint Oversight Committee will meet quarterly to review such reports and shall prepare an annual report for NMC pursuant to section 4.3 below.
 - 4.3 Annual Report. The Joint Oversight Committee will report directly to the NMC representative that NMC shall designate from time to time. The Joint Oversight Committee will review the quarterly financial and accounting reports from Hartnell College Foundation for the Nursing Program, and will report on same to NMC on a fiscal year basis. In January of each year the Joint Oversight Committee shall review a progress report and propose modifications or action plans for the following year. The annual report submitted by the Joint Oversight Committee to NMC shall be submitted to the Hartnell College Foundation and the Hartnell Board of Directors for their information.
5. Annual Budget and Estimated Payment Schedule. Each February during the term of this Agreement, Hartnell College Foundation will submit to NMC a detailed budget for the Nursing Program ("Annual Budget") and a requested payment schedule for the intended use and distribution of the Grant funds based on the budget ("Payment Schedule"). The Joint Oversight Committee will review the Annual Budget and Payment Schedule and

will submit the Annual Budget and Payment Schedule, together with any modifications to the Payment Schedule as such committee deems fit, to NMC for NMC's and County's approval. Hartnell College Foundation acknowledges and agrees that all distributions and uses of Grant funds are at all times subject to the ultimate approval of County and its Board of Supervisors.

6. Payment of Grant Funds. Each July during the term of this Agreement, Hartnell College Foundation will submit to the Joint Oversight Committee a request for the amount to be distributed from the Grant funds and the specific uses therefore by means of a written request. The Joint Oversight Committee will review the request for funds and upon approval of the Joint Oversight Committee, followed by approval by NMC and County (as applicable), the funds will be paid to Hartnell College Foundation for use in accordance with the written request. Pursuant to section 14 below, Hartnell College Foundation shall submit to NMC its written request, approved by the Joint Oversight Committee, on a form acceptable to County and setting forth the amounts claimed by Hartnell College Foundation for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. NMC shall certify the invoice within thirty (30) days of the date of the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within thirty (30) days of the date of such certification (the "Due Date").
7. Other Grant Funding. Hartnell College Foundation shall immediately report to the Joint Oversight Committee any grant funds received by Hartnell College Foundation from other parties to support the same items of the Nursing Program as are financially supported by NMC hereunder.
8. Term of Agreement. The initial term of this Agreement shall commence on the Effective Date and continue for a period of one (1) year through and including June 30, 2013 ("Initial Term"). At any time during the Initial Term, NMC may decide in its sole discretion to extend the Initial Term for up to a maximum of two (2) additional years. NMC shall promptly notify Hartnell of such a decision. Should NMC decide to extend the Initial Term, it will thereupon provide an additional grant amount of One Hundred Seventy Five Thousand Dollars (\$175,000) for each additional year for which the Initial Term is extended. If either party determines in good faith that the performance of any provision of this Agreement should jeopardize any licensure of either party, its participation in any reimbursement or payment programs, any accreditation by any state or nationally recognized accreditation organization, or if for any other reason said performance should be in violation of law or be deemed illegal by any recognized body, agency, or association in the hospital or nursing fields, either party may at its option terminate this Agreement immediately upon written notice. Effective upon such termination, Hartnell College Foundation shall repay all Grant funds to the extent NMC determines, in its sole discretion, that such repayment is required to avoid or mitigate any of the foregoing jeopardy events. Grant funds for the Initial Term are to be applied in accordance with the Annual Budget attached hereto as Exhibit A.

9. Return of Unused or Improperly Used Grant Funds. Upon the expiration or earlier termination of this Agreement, if there are any Grant funds paid by NMC to Hartnell College Foundation which have not been used or are not committed for a specific use, such funds shall be returned to NMC. In addition, to the extent Hartnell College Foundation has used Grant funds for purposes not specifically intended by this Agreement, and not otherwise specifically approved by NMC and County (in advance of such use, and in writing), Hartnell College Foundation shall refund such amounts to NMC.
10. Indemnification. Hartnell College Foundation shall indemnify, defend and hold harmless NMC against all actions, claims, demands and liabilities, and against all loss, damage, costs and expenses, including reasonable attorneys' fees (collectively, "Loss"), arising directly or indirectly from (i) any negligent or willful acts or omissions of Hartnell College Foundation, and (ii) any breach by Hartnell of a representation and warranty or other assurance contained herein.
11. Prohibition Against Discrimination. Neither NMC nor Hartnell College Foundation shall discriminate against any student or any applicant to the Nursing Program because of sex, race, color, religion, ancestry, national origin, disability, medical condition, marital status, or sexual orientation as provided by law.
12. Use of Name and Logo. Neither party may use the name or logo of the other for any purpose without the prior written consent of the entity whose name or logo is proposed to be used.
13. Cooperation in Disposition of Claims. NMC and Hartnell College Foundation mutually agree to cooperate with each other in the timely investigation and disposition of audits, disciplinary actions and third-party liability claims that arise out of any and all activities encompassed by this Agreement, or in the operation of the Nursing Program or the Grant funding. The parties shall notify one another as soon as possible of any issue that may result in liability to the other party. Cooperation between the parties may include, but is not limited to, timely notice, joint investigation, defense, disposition of third party claims arising with respect to this Agreement, and making witnesses available.
14. Notice. Any notice required or permitted under this Agreement to any party shall be deemed sufficiently made and given if personally delivered, sent by overnight delivery service, return receipt requested, or deposited in the United States mail, postage paid (certified mail, return receipt requested), as follows:

If to NMC:

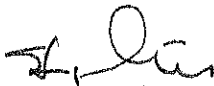
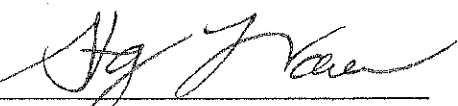

Daniel Leon
Chief Financial Officer
Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA. 93906
Phone: 831.783.2561

**If to HARTNELL COLLEGE
FOUNDATION:**

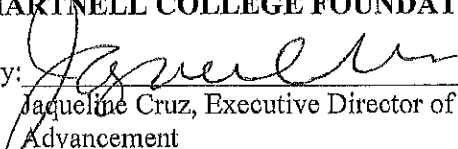
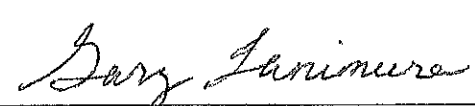
Jackie Cruz
Hartnell College Foundation
411 Central Avenue
Salinas, California 93901
Phone: 831-755-6810

15. Amendment. This Agreement may be amended only in writing signed by the authorized representatives of both parties.
16. Governing Laws. The laws of the State of California shall govern this Agreement.
17. Entire Agreement. This document constitutes the entirety of the Agreement between the parties and supersedes all prior agreements and understandings regarding the subject matter hereof.
18. Compliance with Law. Both parties acknowledge and agree that nothing in this Agreement shall be construed to require or permit any activity that would constitute a violation of any applicable law or regulation.
19. Disputes; Mediation; General Reference. The parties hereto agree that any controversy, claim, action or dispute arising out of or relating to this Agreement, shall be heard by a general referee pursuant to the provision of Code of Civil Procedure §§ 638 through 645.1, inclusive, in Monterey County, California, according to the following procedures; provided however, that any controversy, claim, action or dispute arising out of or relating to this Agreement, shall first be the subject of non-binding mediation in Salinas, California. The parties shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy in accordance with the terms hereof.
20. Severability. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws or regulations effective during the term hereof, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never been a part of the Agreement, and the remaining provisions shall remain in full force and effect unaffected by such severance.
21. Waiver. Waiver by either party of any breach of any provision of this Agreement or warranty or representation herein set forth shall not be construed as a waiver of any subsequent breach of the same or any other provision. The failure to exercise any right hereunder shall not operate as a waiver of such right. All rights and remedies provided for herein are cumulative.

22. Counterparts. This Agreement may be executed in separate counterparts, none of which need contain the signatures of both parties, and each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute and be one and the same instrument.

<p>NMC <u>Natividad Medical Center</u></p> <p>By: _____ NMC Contracts/Purchasing Agent</p> <p>Date: _____</p> <p>By:  Harry Weis, Chief Executive Officer</p> <p>Date: <u>7/18/12</u></p> <p>By:  Stacy L. Saetta, Deputy County Counsel</p> <p>Date: <u>7/18/12</u></p> <p>By:  Auditor/Controller</p> <p>Date: <u>7-18-12</u></p>	<p>HARTNELL COLLEGE FOUNDATION</p> <p>By: _____ Signature</p> <p>_____ Name and Title</p> <p>Date: _____</p> <p>REVIEWED BY:</p> <p>By: _____ Signature</p> <p>Dr. Phoebe K. Helm, Superintendent/President HARTNELL COMMUNITY COLLEGE DISTRICT</p>
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22. Counterparts. This Agreement may be executed in separate counterparts, none of which need contain the signatures of both parties, and each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute and be one and the same instrument.

<p>NMC Natividad Medical Center</p> <p>By: _____ NMC Contracts/Purchasing Agent</p> <p>Date: _____</p> <p>By: _____ Harry Weis, Chief Executive Officer</p> <p>Date: _____</p> <p>By: _____ Stacy L. Saetta, Deputy County Counsel</p> <p>Date: _____</p> <p>By: _____ Auditor/Controller</p> <p>Date: _____</p>	<p>HARTNELL COLLEGE FOUNDATION</p> <p>By:  Jacqueline Cruz, Executive Director of Advancement</p> <p>Date: <u>7/18/2012</u></p> <p>By:  Gary Tanimura, President Hartnell College Foundation</p> <p>Date: <u>7/18/2012</u></p> <p>REVIEWED BY:</p> <p>By: _____ Signature</p> <p>Dr. Phoebe K. Helm, Superintendent/President HARTNELL COMMUNITY COLLEGE DISTRICT</p>
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**EXHIBIT A TO NURSING PROGRAM GRANT AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER AND
HARTNELL COLLEGE FOUNDATION**

This partnership between Natividad Medical Center ("NMC") and the Hartnell College Foundation will benefit NMC through shared interdisciplinary high fidelity simulation lab learning, "joint appointments" of NMC nurses and Hartnell Community College ("College") faculty, continued nurse residency opportunities, and support for maintaining a state of the art simulation lab. **Working together with physicians and registered nurses from NMC in the College's high fidelity simulation lab will educate staff and students, and ultimately improve patient care.** The College and NMC have developed a partnership model with medical and nursing staff from the Emergency Department to work with registered and vocational nursing, EMT and respiratory care students. This concept creates an environment to practice basic communication and assessment skills, such as obtaining a health history and physical examination, to highly complex and technical skills, such as administering IV medications and intubating in a CODE. This model supports current and future nurses, doctors and allied health professionals with interdisciplinary experiences that can be directly applied to clinical situations.

Sharing staff through "joint appointments" is a model practiced at other universities and teaching medical centers. Currently, **Hartnell College employs two of NMC's skilled RNs in OB and PEDS on our staff as adjunct faculty** so that our students in clinical rotations are on patient care units with nursing staff employed there, demonstrating a benefit in orientation to the unit, meeting the staff, knowing the policies, understanding medication and documentation systems, and safely utilizing equipment and supplies. To continue this model, we propose **sharing two RNs each year who would remain employed by NMC, but would be released to practice 12-hours/ week for 18 weeks during the spring semester: \$22,000**

Additionally, we are recommending "joint appointments" of **two faculty members** to work with MDs, RNs and other healthcare team members to focus on projects, committees, and continuing education. Examples include collaboration with nursing faculty and NMC nurse educators on continuing education, planning and implementing "Quality and Skills Education"; implementation and evaluation of Core Measures on specific units, and nursing faculty collaborating with administrators, physicians and nurses to ensure standards of care are practiced. To implement this model, we propose **sharing two faculty members each year who would be released from 20% of teaching responsibility at the college: \$42,500.**

The **Nurse Residency program, initiated in September 2011, provides for four new graduate RNs to practice for six months at NMC.** Nurse Residencies, the third recommendation from the Institute of Medicine Report on Nursing Practice, benefit NMC by preparing RN graduates to practice in a residency program that is similar to medical residencies. At the completion of the six months, the RN has gained knowledge and confidence in all aspects of professional nursing, is likely to want to stay where the residency was practiced, and is known by the medical center as a potential employee. **We propose to continue this model for 4-6 RN graduates each year. Faculty coordination of this program, which includes teaching the didactic portion and collaborating with NMC Nursing Directors and staff. Cost: \$30,000.**

Technical and financial support for the simulation laboratory equipment and supplies are essential to keep all equipment up to date: Technical support \$25, 000; Equipment and Supplies \$55, 500.

Collaboration, communication, and interdisciplinary teaching and learning will benefit NMC and Hartnell College. Please contact Jackie Cruz, Executive Director, Hartnell College Foundation at 831-755-6810 for any additional information.

Annual Budget for Hartnell Nursing Program, 2012-2013

1. RN staff working as adjunct faculty (2 per year): \$ 22,000
2. Faculty working with NMC programs: (20% release time; 2 per year) \$ 42,500
3. Nurse Residency Program: (4-6 residents for a 6 month program, coordinated and taught by nursing faculty) \$ 30,000
4. Simulation lab technician (part-time) \$ 25,000
5. Simulation lab equipment and supplies: \$ 55,500
Total \$ 175,000

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No. _____

Expenditure of funds from the Natividad)
Medical Center ("NMC") Fiscal Year)
2012/2013 Budget to underwrite the Hartnell)
Nursing Grant Agreement has a direct and)
primary public purpose, benefiting Monterey)
County, in general, and NMC, in particular.)

WHEREAS, Hartnell Community College District ("Hartnell") is the owner and operator of Hartnell Community College, which operates the Hartnell College Nursing and Allied Health Programs, an academic program, which, among other things, educates and trains registered nurses ("RNs") and licensed vocational nurses ("LVNs") (collectively, "Nurses") for entry level nursing positions in local health care facilities, including without limitation, Natividad Medical Center ("NMC") (the "Nursing Program");

WHEREAS, Hartnell College Foundation is an independent, not-for-profit corporation organized to support and advise Hartnell and Hartnell Community College in developing Hartnell's activities, programs and facilities; cultivate bequests and donations; and to responsibly administer funds, properties, bequests, annuities, and other instruments for the benefit of Hartnell;

WHEREAS, NMC seeks to enter into an agreement ("Hartnell Nursing Grant Agreement") with the Hartnell College Foundation to provide Hartnell with funding in the amount of One Hundred Seventy-five Thousand Dollars (\$175,000) for the period July 31, 2012 to June 30, 2013 for use in meeting the direct costs of Hartnell Community College's Nursing Program, so as to help sustain and support the program;

WHEREAS, the Hartnell Nursing Grant Agreement would provide Natividad Medical Center with the option to extend the term for up to two additional years; and

WHEREAS, expenditures under the Hartnell Nursing Grant Agreement will provide funds to improve the quality and quantity of nurses available in Monterey County and, in particular, at NMC and improve the skills and training of physicians and nurses on staff at NMC through: 1) shared interdisciplinary high fidelity simulation lab learning, 2) joint appointments of NMC nurses and Hartnell faculty, and 3) continued nurse residency opportunities;

NOW, THEREFORE BE IT RESOLVED, by the Board of Supervisors in and for the County of Monterey, that the expenditure of funds from the Natividad Medical Center ("NMC") Fiscal Year 2012/2013 Budget to underwrite the Hartnell Nursing Grant

Agreement has a direct and primary public purpose, benefiting Monterey County, in general, and NMC, in particular by improving the health and safety of the people of Monterey County.

PASSED AND ADOPTED this ____ day of _____, 2012, upon motion of Supervisor _____, seconded by Supervisor _____ by the following vote, to-wit:

AYES:

NOES:

ABSENT:

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book ____ for the meeting on _____.

Dated:

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy