

**NURSING PROGRAM GRANT AGREEMENT
BETWEEN
NATIVIDAD MEDICAL CENTER
AND
CALIFORNIA STATE UNIVERSITY, MONTEREY BAY**

This Nursing Program Grant Agreement ("Agreement") is made and entered into as of August 28, 2012 ("Effective Date), by and between the County of Monterey ("County") on behalf of Natividad Medical Center (referred to collectively as "NMC"), and California State University, Monterey Bay, a part of the California State University system incorporated as the Trustees of California State University ("CSUMB"), to provide a grant to support the CSUMB Nursing Program.

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 and the Monterey County Health Department.

B. CSUMB is a university in the California State University system and is located at 100 Campus Ctr., Seaside, California. CSUMB operates a nursing program, an academic program to educate and train registered nurses and licensed vocational nurses (collectively, "Nurses") for entry level nursing positions in local health care facilities, including without limitation NMC and the County Health Department (the "Nursing Program").

C. NMC desires to provide grant funds to CSUMB for use in meeting the direct costs of the Nursing Program, so as to sustain the program and facilitate the availability to NMC and the County Health Department of qualified nurses (the "Grant").

D. NMC desires to establish a Joint Oversight Committee, in which NMC, the County Health Department, and CSUMB 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 CSUMB 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 CSUMB is to provide CSUMB with funding for CSUMB'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 the County Health Department. 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 CSUMB under this Agreement for the Initial Term (as defined in Section 8 below) is in the amount of One Hundred Ninety Five Thousand Dollars (\$195,000). 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, the County Health Department, and CSUMB 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 (4) members. NMC and CSUMB each shall appoint two (2) 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. CSUMB shall timely provide all written reports regarding use of the Grant funds as NMC or the Joint Oversight Committee may request quarterly. 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 CSUMB for the Nursing Program, and will report on same to NMC on a fiscal year basis. The annual report submitted by the Joint Oversight Committee to NMC shall also be submitted to the CSUMB Dean, Extended Education and the Dean, College of Professional Studies for their information.
5. Annual Budget and Scope of Work. The University Fiscal Year begins July 1. Each January during the term of this Agreement, CSUMB will submit to NMC a detailed Grant budget for the Nursing Program for the coming University Fiscal Year ("Annual Budget"). The Joint Oversight Committee will review the Annual Budget and Scope of Work and will submit both, together with any modifications as such committee deems fit, to NMC for NMC's and County's approval. The Annual Budget and Scope of Work will be made part of a draft amendment to this Agreement, which will be submitted to NMC and to the County and its Board of Supervisors for approval. CSUMB 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. For Year 1, the Scope of Work and Annual Budget are attached as Exhibit A.
6. Payment of Grant Funds. Following approval by NMC and the County of this Agreement and of any subsequent amendments adding a new Annual Budget and Scope of Work for Year 2 or Year 3, CSUMB shall issue an invoice for the approved amount,

and the funds described in the Annual Budget will be paid to CSUMB for use in accordance with the written Scope of Work. For Year 1, CSUMB shall issue an invoice when Agreement is approved by all parties.

7. Other Grant Funding. CSUMB shall report to the Joint Oversight Committee any grant funds received by CSUMB 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 CSUMB 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, CSUMB 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. This agreement may be terminated for any reason by either party hereto by giving written notice to the other party at least sixty (60) days in advance of the specified date of termination.
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 CSUMB 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 CSUMB 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), CSUMB shall refund such amounts to NMC.
10. Indemnification.
 - 10.1 CSUMB shall indemnify, defend and hold harmless the County and its officers, employees, volunteers and agents against all actions, claims, demands and liabilities, and against all loss, damage, costs and expenses, including reasonable attorneys' fees, arising directly or indirectly from (i) any negligent or willful acts or omissions of CSUMB in the performance of this Agreement, and (ii) any breach by CSUMB of a representation and warranty or other assurance contained herein.

10.2 The County shall indemnify, defend, and hold harmless the State of California, Trustees of the California State University, California State University, Monterey Bay, and all officers, employees, volunteers and agents of each of them against all actions, claims, demands and liabilities, and against all loss, damage, costs and expenses, including reasonable attorneys' fees, arising directly or indirectly from (i) any negligent or willful acts or omissions of NMC in the performance of this Agreement, and (ii) any breach by NMC of a representation and warranty or other assurance contained herein.

11. Prohibition Against Discrimination. Neither NMC nor CSUMB 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 CSUMB 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

Sid Cato
Management Analyst/Contracts
Natividad Medical Center
1441 Constitution Blvd.
Salinas, CA. 93906
Phone: 831.783.2620
FAX: 831.757-2592
Email: catosl@natividad.com

If to CSUMB

Contracts and Procurement
California State University, Monterey Bay
100 Campus Ctr., Mountain Hall
Seaside, California 93995
Attention: Arthur J. Evjen
Phone: 831-582-3394
Fax: 831-582-4430
Email: aevjen@csumb.edu


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.

NMC
Natividad Medical Center

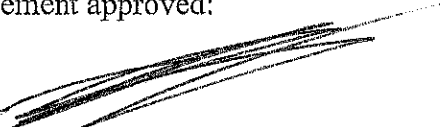
By: _____
NMC Contracts/Purchasing Agent

Date: _____

By: 
Harry Weis, CEO,
Natividad Medical Center


Date: 8/16/12

Participation by Monterey County Health
Department in implementation of
Agreement approved:

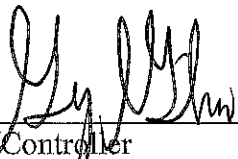
By: 
Ray Bullick, Director,
Monterey County Health Department

Date: 8-16-12

Approved as to legality and as to form:

By: 
Stacy L. Sagata, Deputy County
Counsel

Date: 8/16/12

By: 
Auditor/Controller

Date: 8/16-12

CSUMB
California State University, Monterey Bay

By: _____
Signature

Name and Title

Date: _____

NMC
Natividad Medical Center

By: _____
NMC Contracts/Purchasing Agent

Date: _____

By: _____
Harry Weis, CEO,
Natividad Medical Center

Date: _____

Participation by Monterey County Health
Department in implementation of
Agreement approved:

By: _____
Ray Bullick, Director,
Monterey County Health Department

Date: _____

Approved as to legality and as to form:

By: _____
Stacy L. Saetta, Deputy County
Counsel

Date: _____

By: _____
Auditor/Controller

Date: _____

CSUMB
California State University, Monterey Bay

By: _____
Signature

John Fitzgibbon, AVP Finance
Name and Title

Date: 8/16/12

**EXHIBIT A TO NURSING PROGRAM GRANT AGREEMENT
BETWEEN NATIVIDAD MEDICAL CENTER AND
CALIFORNIA STATE UNIVERSITY, MONTEREY BAY**

California State University Bachelor of Nursing Program Funding

The California State University, Monterey Bay (CSUMB) Bachelor of Science in Nursing (BSN) program will provide Natividad Medical Center (NMC) and the Monterey County Health Department (MCHD) with graduates who are well prepared to participate in activities that enhance clinical practice such as quality and safety, leadership, and advancing information technology utilization. The BSN program will produce graduates who are well prepared to function in the practice environment of NMC and MCHD and who possess a readiness to begin work needing minimal institutional hiring/training/orientation resources and will provide a steady supply of Bachelors degree Registered Nurses who are prepared to begin assuming leadership positions in the MCHD and NMC.

The first year of activity will serve both the MCHD and NMC. This early intensive phase of program implementation will require regularly scheduled meetings that assure the establishment of thorough communication between the leadership of the MCHD, NMC and the CSUMB nursing program. The development of communication will serve to maximize student effectiveness to deliver enhanced safe high quality care in the clinical environment of the MCHD and NMC.

Understanding that the proposed agreement is for one year with subsequent years subject to NMC approval, this narrative and budget outlines a three-year period of activity and funding.

In the first and following years of the agreement, the Director and up to three Registered Nurse faculty will share the liaison, direction and supervision of specific BSN related activities and on site student activities between the MCHD and NMC. The Annual Budget, approved by the Joint Oversight Committee, NMC and County as described in Section 5 of the Agreement, will outline the specific effort and dollar amounts for the CSUMB Director, BSN Faculty, Administrative Support and Consulting Services.

In collaboration with MCHD, NMC, and local community college leadership and staff the CSUMB faculty and students will participate in the delivery of care to hospital and community based patients. In addition during each term, the CSUMB faculty and students will be available to NMC and MCHD to assist directly with the development of interdisciplinary simulation exercises, develop quality and safety protocols, develop and guide research programs to enhance evidenced based nursing actions, all toward the goal of enhancing the clinical environment.

Three cohorts of students will serve in the NMC and MCHD sites during the three-year duration of the Bachelors degree. The number of immersed training hours during the three-year period will total over 37,500 hours.

The first and subsequent classes of students in the CSUMB BSN program will have a total enrollment target of 32 students who will be expected to participate in many different field activities. In the first year each student will be engaged and serve in activities in the MCHD. In the following two years a

target of 24 students in the CSUMB nursing program will serve in NMC in each of the four semesters detailed below.

FIRST YEAR at CSUMB exclusively 2012 -2013

Semester 1: 32 students x 8 hours each = 256 hours at MCHD Summer 2012

Semester 2: 32 students x 8 hours each = 256 Hours at MCHD Fall 2012

Semester 3: 32 students x 8 hours each = 256 hours at MCHD Spring 2013

Semester 4 : 32 students x 8 hours each = 256 hours at MCHD Summer 2013

End of First year of the BSN program total student hours in MCHD = 1,024.

Also supports CSUMB faculty to support liaison, support and planning activities.

Support for the first year of funding = \$195,000

SECOND YEAR CSUMB and Community College year 2013 - 2014

Cohort 1 Semester 5: 24 students x 16 hours per week x 15 weeks = 5,760 hours at NMC Fall 2013

Cohort 1 Semester 6: 24 students x 16 hours per week x 15 weeks = 5,760 hours at NMC Spring 2014

Cohort 2 enters the program at CSUMB in the summer of 2013 accumulating student hours in the MCHD = 1,024.

Cohort 1 end of second year of the program, total hours = 11,520 hours.

Cohort 2 end of first year of the program total student hours in MCHD = 1,024.

End of Second year total hours for all students in Cohorts 1 + 2 = 12,544 hours.

Support for the second year of funding = \$175,000/12,544 hours.

THIRD YEAR CSUMB and Community College year 2014 - 2015

Cohort 1 Semester 7: 24 student x 16 hours per week x 15 weeks = 5,760 hours at NMC Fall 2014

Cohort 1 Semester 8: 24 student x 16 hours per week x 15 weeks = 5,760 hours at NMC Spring 2015

Cohort 2 Semester 5: 24 student x 16 hours per week x 15 weeks = 5,760 hours at NMC Fall 2014

Cohort 2 Semester 6: 24 student x 16 hours per week x 15 weeks = 5,760 hours at NMC Spring 2015

Cohort 3 enters the program in the summer of 2014 accumulating the same number of student hours in the MCHD as in year one = 1,024.

End of Third year total hours all students in Cohorts 1+ 2 + 3 = 24,064

Support for the third year of funding = \$175,000/24,064 hours

TOTAL HOURS students immersed in the proposed three year period of funding 2012 - 2015 spent in the MCHD and NMC systems Cohorts 1 + 2 + 3 = 37,632 hours

**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 CSUMB)
Nursing Grant Agreement has a direct and)
primary public purpose, benefiting Monterey)
County, in general, and NMC and the)
Monterey County Health Department, in)
particular.)

WHEREAS, California State University, Monterey Bay is a university in the California State University system located in Seaside, California and offering a four year Bachelor of Science Nursing ("BSN") degree program;

WHEREAS, the CSUMB BSN degree program educates and trains registered nurses for beginning positions in nursing in local health care facilities, including NMC and the County Health Department, provides students with the means for personal and professional advancement, and qualifies them for progression into programs that offer advanced degrees (the "Nursing Program");

WHEREAS, NMC seeks to enter into an agreement ("CSUMB Nursing Grant Agreement") with CSUMB to provide CSUMB with funding in the amount of One Hundred Ninety-five Thousand Dollars (\$195,000) for the period August 28, 2012 to June 30, 2013 for use in meeting the direct costs of CSUMB's Nursing Program, so as to help sustain and support the program;

WHEREAS, the CSUMB Nursing Grant Agreement would provide NMC with the option to extend the term for up to two additional years; and

WHEREAS, expenditures under the CSUMB Nursing Grant Agreement will provide funds to improve the quality and quantity of nurses available to provide nursing services, at an advanced degree level, in the community and, in particular, at NMC and the County Health Department, and by improving the skills and training of NMC and County Health Department staff who shall collaborate with CSUMB faculty who act as liaisons in the Nursing Program;

NOW, THEREFORE BE IT RESOLVED, by the Board of Supervisors in and for the County of Monterey, that the expenditure of funds from the NMC Fiscal Year 2012/2013 Budget to underwrite the CSUMB Nursing Grant Agreement has a direct and primary public purpose, benefiting Monterey County, in general, and NMC and the County Health Department, 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