

**SECOND AMENDMENT TO AGREEMENT WITH
PENINSULA COMMUNITY FOUNDATION**

THIS AMENDMENT TO AN AGREEMENT, entered into on this day of _____, 2005, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Peninsula Community Foundation, hereinafter called "Foundation" for the purpose of administering funds for the Child Care Facilities Expansion Fund as designated by the Advisory Committee.

W I T N E S S E T H:

WHEREAS, the parties entered into an agreement on May 1, 2001, to administer funds to purchase furnishing and start-up expenses for the Maple Crossing Child Care Center in San Mateo County; and

WHEREAS, the parties entered into a First Amendment to add the administration of funds provided by the County for use in the Child Care Facilities Expansion Fund as of May 1, 2002 for the purpose of purchasing furnishing, equipment and start-up expenses for new and/or expanding child care centers.

WHEREAS, the parties wish to further amend the Agreement to transfer funds from the Maple Crossing Child Care Center Project into the Child Care Facilities Expansion Fund as the Maple Crossing Child Care Center has not been built and the project at this time is terminated.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES AS FOLLOWS:

1. Section 1 of the Agreement: **Exhibits** is hereby amended to read as follows:

Exhibit A2 – Description of Contractors Responsibilities – New Exhibit

Exhibit B2 – Payment Schedule – New Exhibit

2. Exhibit A and A1 are hereby deleted and replaced with Exhibit A2 which is attached hereto and incorporated by reference herein.

3. Exhibit B and B1 are hereby deleted and replaced with Exhibit B2 which is attached hereto and incorporated by reference herein.

4. Section 2 of the original agreement **Services to be Performed** is hereby amended to read as follows:

In consideration of the payments hereinafter set forth in **Exhibit B2**, attached hereto and incorporated by reference herein, Contractor, under the general direction of the Director of Human Services Agency, or her authorized representative, with respect to the product or

result of Contractor's services, shall perform services as described in **Exhibit A2**, attached hereto and incorporated by reference herein.

5. Section 3 paragraph A of the original agreement is hereby amended to read as follows:

Maximum Amount:

The County agrees to create and maintain with the Peninsula Community Foundation (Foundation), a Field of Interest fund under the following terms and conditions:

- A. The Fund shall be known as the Child Care Facilities Expansion Fund ("Fund") and shall be identified as such by the Foundation and its Board of Directors in the course of administration and distribution thereof.
- B. In full consideration of Contractor's performance of the services described in **Exhibit A2**, the amount that the County shall be obligated to pay for services rendered under this Agreement shall not exceed \$1,350,000 for the contract term or the balance in the fund. It is anticipated by all parties to this agreement that periodically other amounts will be donated to the Fund. Such additional contributions shall be appropriately acknowledged by the Foundation. If contributions other than cash are made to the Fund, such contributions must first be approved by the Foundation. All additional contributions shall be administered and distributed in accordance with the terms and conditions of this Agreement.

6. Section 5 of the original agreement **Relationship of Parties** is hereby amended to include the following:

The undersigned acknowledges that the Board of the Foundation has the power and the duty to modify any restriction or condition on the distribution of funds for any specified purpose or organization. It is understood that no monies will be redirected without consultation with Human Services Agency Director or her designee and mutual consent of both parties of this agreement.

It is understood and agreed by all parties that the Foundation has legal control and responsibility for the Fund. In carrying out such responsibilities, the Foundation shall hold, manage, invest, and reinvest the Fund, and shall collect the income and pay and disburse net income from the Fund for the public, education and charitable uses and purposes in accordance with the designation for purposes described in **Exhibit A2** of this agreement.

7. Section 18: **Term of the Agreement:** hereby amended to read as follows:

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from May 1, 2001 through **June 30, 2008**. This Agreement may be terminated by Contractor, Director of Human Services Agency or her designee at any time

- upon thirty (30) days' written notice to the other party.
8. All other terms and conditions of the agreement dated May 1, 2001, and subsequent Amendment between the County and Contractor shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: _____
Richard Gordon, President
Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

PENINSULA COMMUNITY FOUNDATION

Contractor's Signature

Date: _____

DESCRIPTION OF CONTRACTOR'S RESPONSIBILITIES

Peninsula Community Foundation
March 1, 2001 through June 30, 2008

Child Care Facilities Expansion Fund:

The term for the administration of funds for the Child Care Facilities Expansion Fund (the "Fund") is from March 1, 2002 through June 30, 2008.

The Human Services Agency provided funding in the amount of one million three hundred and fifty thousand dollars (\$1,350,000) to the Peninsula Community Foundation ("PCF") for the purchase of furnishings and equipment and for start-up costs for new and/or expanding child care facilities in San Mateo County. Facilities receiving such funds shall reserve a number of child care slots (equal to the rates of Human Services Agency funds to the total development costs of the facility) for Human Services Agency Foster Parents subsidized slots or slots having a sliding fee schedule that is affordable to low income families. These provisions shall apply to the funds deposited by the Human Services Agency and the income earned by such funds.

Facilities to receive funds from the Child Care Facilities Expansion Fund will be identified by an Advisory Committee. The Human Services Agency will designate one or more representatives to serve on the Advisory Committee.

The Foundation shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing and evaluation of projects, and furnishing to the Advisory Committee representative quarterly reports of all Fund income and expenses. Net income (defined as interest, dividends and capital growth less investment management fees) shall accrue to the fund. The Fund shall be invested initially as follows:

1.	Money Market Investment Pool	<u>42.5</u> %
2.	Fixed Income Investment Pool	<u>42.5</u> %
3.	Equity Investment Pool	<u>15</u> %

(Any or all of the above options may be selected or invest 100% in the Socially Responsive fund below)

4.	Social Responsive Investment Pool (A balanced portfolio with Citizens Funds)	<u>0</u> %
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It is understood that all income and capital gains/losses will be allocated to the Fund quarterly, based on the average fund balance as valued at the end of each months in the quarter. The Foundation may hold up to five percent (5%) of Fund assets in cash at any one time.

PAYMENT SCHEDULE

Peninsula Community Foundation

May 1, 2001 through June 30, 2008

1. **Child Care Facilities Expansion Fund:**

Upon execution of this Second Amendment to the Agreement the Contractor shall transfer funds from the Maple Crossing Child Care Center Project to the Child Care Facilities Expansion Fund in the amount of \$350,000 for a total contribution of \$1,350,000. The Maple Crossing Child Care Project funds are hereby reallocated because the project has been terminated at this time. These funds shall be available to develop new centers, expand existing centers, and develop or expand family child care centers/homes.

2. **Additional Payment Terms:**

It is understood that the Foundation will charge an annual administrative fee as follows:

For the Child Care Facilities Expansion Fund:

On the first \$3,000,000	1.00%
On the next 3,000,001-\$10,000,000	0.75%
Funds in excess of \$10,000,000	0.50%
Minimum Annual Fee	\$100.00

The fee will be assessed monthly, based on the "Fund" balance at the end of each month.