AFFILIATION AGREEMENT  
BETWEEN  
ARIZONA BOARD OF REGENTS  
FOR AND ON BEHALF OF  
THE UNIVERSITY OF ARIZONA  
AND  
ODER LIFE-LONG LEARNING INSTITUTE  
AT THE UNIVERSITY OF ARIZONA  
(formerly Tucson SAGE Society)

This Agreement is entered into as of February 21, 2007, between the Arizona Board of Regents, a body corporate, for and on behalf of The University of Arizona ("University") and the Osher Life-long Learning Institute at the University of Arizona (formerly known as Tucson SAGE Society), an Arizona nonprofit corporation ("OLLI/UA").

Recitals:

A. University is an institution of higher education established pursuant to the laws of the State of Arizona. University is engaged in comprehensive academic and research programs.

B. OLLI/UA is a non-profit corporation exempt from taxation under section §501(c)(3) of the Internal Revenue Code of 1986, as amended. OLLI/UA arises out of an educational outreach program known as "Seniors' Achievement and Growth through Education" ("SAGE"), which was established in 1989 as an unincorporated voluntary association under the auspices of the University's Office of Continuing Education and Academic Outreach (formerly known as Extended University) (CEAO). The SAGE program was incorporated, under the name Tucson SAGE Society, in 2004, and changed its name to OLLI/UA in 2006. The mission of OLLI/UA is to provide continuing learning experiences for seniors living in and about Tucson, Arizona. From the outset, the organization has been member-driven, under the aegis of CEAO and the University, and is dedicated to enhancing the lives of its members by providing learning, teaching, research (when and if applicable), volunteer projects including service to the University and social opportunities befitting the organizational mission. The purpose of this Agreement is to set forth the terms of affiliation between OLLI/UA and the University.

C. OLLI/UA has changed its name to "Osher Lifelong Learning Institute at the University of Arizona", reflecting a grant (the "Osher Grant") from the Bernard Osher Foundation ("Osher") and an alliance of OLLI/UA with the network of Osher Lifelong Learning Institutes throughout the United States.

D. As an affiliate of the University, OLLI/UA contributes to the University’s mission to provide lifelong learning opportunities and outreach to the community of Tucson, particularly the senior community.
E. While OLLI/UA will now exist as an independent organization, the continued provision of some University services, staff and facilities under the terms of this Agreement will enable OLLI/UA to advance the University's outreach and continuing education missions, to the benefit of the University and the State of Arizona.

F. University and OLLI/UA deem it desirable, by this Agreement, to recognize and confirm long-standing policies, procedures, and working relationships between University and OLLI/UA and to clarify the respective rights and responsibilities of University and OLLI/UA.

Agreement:

In consideration of the foregoing, and of the mutual covenants and undertakings set forth herein, University and OLLI/UA agree as follows:

ARTICLE 1
Obligations of OLLI/UA

1.1 Operations

OLLI/UA agrees to provide an organized program of educational services to senior and retired Arizonans through noncredit discussion groups, study sessions, brown bag lectures, and other activities.

1.2 Financial Responsibility

1.2.1 Affiliated Organizations Policy. As long as this Agreement is in effect, OLLI/UA shall comply with all relevant provisions of University's policy on University Relations with Affiliated Organizations. FRS Manual 6.15, as such policy may be amended from time to time.

1.2.2 Membership Fees and Fundraising. OLLI/UA will collect membership fees, tuition and other payments from OLLI/UA members and will conduct such fund-raising activities for the benefit of OLLI/UA and its membership as may be authorized from time to time by the OLLI/UA Board. Such activities may include, without limitation, but in accord with established University policy, the solicitation of funds and/or the conducting of fund-raising events for equipment, capital and operating purposes; for the granting of scholarships; and for the obtaining of gifts and bequests to or for the benefit of OLLI/UA. OLLI/UA may accept donations from any source it may deem acceptable, but solicitation and acceptance of gifts shall be subject to University's policy on Gifts, F.R.S. Manual 8.12, as such policy may be amended from time to time. Such activities shall be coordinated with University and with the University of Arizona Foundation, and shall be subject to overall approval of the President of the University, or such officer as the President of the University may designate. Donations to the University from or procured by OLLI/UA, other than the Osher Grant, shall not be subject to restrictions in the Osher Grant on the use of funds for overhead expenses.
1.2.3 **Expenses.** OLLI/UA will be responsible for any direct expenses incurred by its officers and members.

1.2.4 **Dues.** OLLI/UA shall set the annual dues for its membership.

1.2.5 **Budget.** OLLI/UA will prepare a budget to guide its operations in conjunction with the CEAO. Overhead (OH) expenses paid to the CEAO cover the counsel and advice of the Director of CEAO and services of the CEAO Finance and Marketing Departments, Registration (fee processing) and Computer support. The annual OH assessment will vary in accordance with assessment of other CEAO units. (The budgeted OH assessment for fiscal year 2006-2007 is approximately $14,000.) During the succeeding five fiscal years, the University shall not increase the annual OH assessment by more than 5% per year.

1.2.6 **Accountability.** To assure that the resources and services provided by University hereunder are expended for the ultimate benefit of University, as long as this Agreement is in effect OLLI/UA shall provide to University, not less often than annually, the following information:

A. OLLI/UA's most recent IRS Form 990, "Return of Organization Exempt from Taxation", which shall also be publicly available.

B. A report specifying how OLLI/UA resources were used, and the benefits (both financial and intangible) to University therefrom.

C. A budget for OLLI/UA's operations and a description of proposed activities for the coming year.

D. OLLI/UA's current financial policies, procedures and controls.

1.2.7 **Osher Grant.** The University shall be the recipient of the Osher Grant, and shall in consultation with OLLI/UA administer such grant in accordance with its terms. Funds shall be expended and disbursed in accordance with an annual budget approved by both the University and OLLI/UA. OLLI/UA agrees to execute such further agreements and other documents as may be required to administer the Osher Grant, and shall comply with all terms of the Osher Grant and of such further agreements and other documents. Such further agreements regarding administration of the Osher Grant may, with the consent of both parties, be set forth as an Addendum to this Agreement.

1.2.8 **Inspection and Audit.** University shall have the right to audit all records, financial and otherwise, of OLLI/UA to assure that funds, resources and services provided by University are expended for the ultimate benefit of University and are expended by the OLLI/UA for purposes consistent with the terms of the Agreement. If University resources are used for purposes inconsistent with this Agreement, OLLI/UA upon demand by University shall
reimburse University for the cost or value of such misused resources, and University shall have all rights provided by law, including the right to suspend further provision of resources under this Agreement and to terminate this Agreement. In accordance with A.R.S. § 35-214, OLLI/UA agrees to retain all books, accounts, reports, files and other records of OLLI/UA relating to this Agreement and make such records available at all reasonable times for inspection and audit by University or the Auditor General of the State of Arizona, or their agents, during the term of and for a period of five (5) years after the completion of this Agreement. Such records shall be provided at The University of Arizona, Tucson, Arizona, or such other location as designated by University upon reasonable notice to OLLI/UA. OLLI/UA shall have a corresponding right to audit University records relating to the administration of the Osher Grant and other OLLI/UA funds in possession of the University.

1.2.9 Insurance

A. OLLI/UA shall obtain insurance against all claims, losses and liabilities not covered under the State of Arizona statutory risk management program, A.R.S. § 41-621 et seq., and shall name as additional insured under such insurance the State of Arizona, the Arizona Board of Regents, and The University of Arizona. Such policies shall include, at a minimum, commercial general liability insurance, with host liquor endorsement, with policy limits of not less than two million dollars, and workers’ compensation, in the amount required by law. If OLLI/UA uses University vehicles, or provides transportation on behalf of the University, it shall provide commercial automobile liability coverage with policy limits of not less than one million dollars. Additionally, OLLI/UA shall be responsible for insuring all property it owns. Any events in a university building at which alcohol will be served require a university alcohol permit, and compliance with all Arizona liquor control laws and regulations, as well as the host liquor endorsement.

B. OLLI/UA agrees to maintain directors’ and officers’ liability insurance coverage protecting those involved with OLLI/UA's Board of Directors.

ARTICLE 2
Obligations of University

2.1 Resource Support

2.1.1 Space. University agrees to continue permitting OLLI/UA to utilize the current 900 net assignable square feet of space on the third floor of the University Services Building ("USB") until the earlier of (a) the Fall semester of 2008 (August 31, 2008) or (b) the end of the academic semester in which tenant improvements are completed in approximately 2552 square feet of space in the University Services Annex ("USA"), at which time OLLI/UA will vacate the space in USB. Occupancy of the space in USA shall be subject to a separate Lease Agreement setting forth the terms and conditions of such rental, provided, however, that a breach of this Agreement shall constitute a breach of any such Lease, a breach of any such Lease shall
constitute a breach of this Agreement, and termination of one for breach shall constitute termination of the other.

2.1.2 University Assets. All physical property provided by University under this agreement which is its property shall remain such and shall not be deemed sold, conveyed or transferred to OLLI/UA unless done pursuant to separate agreements. For purposes of this paragraph, resources provided by University do not include funds generated by OLLI/UA that are deposited in University accounts.

2.2 Member Benefits

As long as this Agreement is in effect, OLLI/UA members shall be entitled to receive the benefits of University Affiliates under the Guidelines for Affiliates, Associates and volunteers, as such benefits may be changed from time to time; provided, however, that such benefits shall not include eligibility for the University’s Qualified Tuition Reduction Plan. At the time of execution of this agreement, such benefits are described in Exhibit A, attached, and online at: http://www.hr.arizona.edu/03_hire/volGuidelines.php

2.3 Marketing Assistance.

The CEAO Marketing Department will continue to provide descriptions of OLLI/UA’s course offerings to be placed in The University of Arizona and CEAO’s web pages, and other marketing support at levels comparable to practices before this agreement was executed. In addition, on OLLI/UA’s request, and for a mutually agreed upon fee, the Marketing Department may provide additional (beyond established levels) marketing planning and scheduling, OLLI/UA bulletins, including direct mail, paid advertising, news releases and similar marketing activities to help OLLI/UA in its membership recruitment.

2.4 OLLI/UA Funds

2.4.1 Bank Accounts. University acknowledges that OLLI/UA may establish bank and investment accounts outside University to support its programs and activities. All such accounts shall be disclosed in writing to University, and shall be subject to the financial reporting requirements disclosed under section 1.2.6 of this Agreement. In no event shall any funds belonging to University, or to the State of Arizona, be deposited in any such accounts.

2.4.2 Transfer of Assets. Upon full execution of agreement, and OLLI/UA's receipt of IRS recognition of nonprofit status, UA will transfer to OLLI/UA the unexpended balance of the Donna French gift (subject to approval by the probate court, if required by the representatives of the French estate) and other gifts or funds received as a result of fund-raising activities for the benefit of OLLI/UA (members' endowment fund and building fund), and any computers or other equipment purchased with OLLI/UA program revenues for the specific use of the OLLI/UA program. All furnishings and classroom and office equipment, including audio-visual and
computer, purchased with OLLI/UA funds shall be the property of and for the sole use of OLLI/UA, and a separate inventory will be maintained. The parties shall cooperate to prepare a schedule of OLLI/UA assets, which shall be approved by representatives of both parties. Other funds in University accounts (such as member dues) will be retained in those accounts and expended for OLLI/UA purposes. If OLLI/UA chooses at a future time to be responsible for collecting and handling member dues and other program revenues in OLLI/UA accounts, its obligations to the University (including, but not limited to, OH assessment and rental/maintenance on space in the USA building) shall be paid in advance on the first day of each calendar quarter.

2.5 OLLI/UA Data

All information pertaining to OLLI/UA, whether written or entered into OLLI/UA’s University computer database, will be clearly identified and accessible to designated OLLI/UA officers (who from time to time may be redesignated by the OLLI/UA President), subject to the University’s computer security and privacy policies. Hosting of OLLI/UA’s web page and other computer, data processing and information services shall be subject to such terms, conditions and charges as University may impose for such services.

ARTICLE 3
Operations

3.1 Communication and Coordination

The chief executive of CEAO (or designee) and the President of OLLI/UA will consult on a regular basis to ensure that the program and responsibilities outlined in this Agreement are fulfilled to enable the mission of OLLI/UA to be carried out successfully in accord with the CEAO and The University of Arizona goals and objectives.

3.2 Staff Support.

3.2.1 Administrative Staff. University shall continue to provide the services of the current administrative assistant to perform OLLI/UA office and administrative support functions on a full-time basis, provided that OLLI/UA shall reimburse the University for all salary and employee related expenses and other overhead related to such individual’s employment, and shall be entitled to input on the individual’s annual performance review. If the current administrative assistant leaves this position, University may choose in its sole discretion to continue this arrangement with another individual, or may require that such support functions be assigned to an individual employed and compensated by OLLI/UA. Following execution of this Agreement, the University will initiate, through its normal evaluation and reclassification procedures, whether the current "administrative assistant" position should be upgraded to "program coordinator".
3.2.2 Manager/executive director. During the term of the Osher Grant, the University shall hire a consultant or employee to manage OLLI/UA. The job description for this individual will be prepared by OLLI/UA and approved by the Principal Investigator of the Osher Grant, and OLLI/UA will have joint representation in the selection of the individual. The title to be given this position will be determined in accordance with University personnel practices, but will indicate his or her position and authority while performing duties such as fund raising and outreach projects in the community. This position will report to the Principal Investigator of the Osher Grant, but all activities shall be for the benefit of OLLI/UA in consultation with the OLLI/UA board of directors; annual or more frequent performance reviews shall be conducted by both the Principal Investigator and the OLLI/UA board of directors. OLLI/UA shall reimburse the University for all salary and employee related expenses and other overhead related to position, which may be funded through the Osher Grant to the extent permitted under the terms thereof. The salary/fee for this position will follow the Five-Year Budget presented in the OLLI/UA Business Plan dated November 2006. Continuation of this position beyond the term of the Osher Grant will be the decision and sole financial responsibility of OLLI/UA.

3.2.3 Equal Opportunity. OLLI/UA agrees to uphold The University of Arizona’s commitment to both Equal Employment Opportunity and Affirmative Action for all persons who are employed by and who participate in University affiliated activities. The University of Arizona prohibits discrimination on the basis of age, color, disability, ethnicity, gender, national origin, religion, sexual orientation or veteran’s status.

3.3 Names and Marks

3.3.1 Name. OLLI/UA shall operate under its own name, seal and logotype. University grants OLLI/UA the right to use the name "University of Arizona" in its corporate name as long as this agreement is in effect. If this Agreement is terminated in accordance with its terms, such permission shall be automatically revoked, without further notice or action by the University, and OLLI/UA shall immediately change its corporate name to eliminate any reference to the University of Arizona, shall in all communications prominently communicate the fact that it is not affiliated with or supported by University, and shall refrain from any communications stating or implying that gifts to OLLI/UA are for the benefit of University.

3.3.2 Affiliate Status. As long as this Agreement is in effect, OLLI/UA may describe itself in public communications as "an independent senior education program affiliated with the University of Arizona", or terms of similar import, provided that no such description shall represent or imply that OLLI/UA is owned or operated by the State of Arizona, the Arizona Board of Regents, or the University of Arizona.

3.3.3 University Marks. OLLI/UA shall not use University seal or other identifying marks, trade marks, logotypes and other proprietary marks in the promotion of OLLI/UA’s activities, or in fulfilling its obligations under this Agreement, unless OLLI/UA first obtains authorization from the University Office of Trademarks and Licensing. OLLI/UA may not
delegate the authority to use University’s name or other marks to any person or entity without University’s prior written approval.

3.3.4 OLLI/UA Marks. OLLI/UA may develop and utilize its own trademark, trade name or other proprietary mark or name so long as any such trademarks, trade names or other proprietary marks do not infringe any University trademarks, trade names or proprietary marks, and are consistent with this Agreement and any licensing agreement OLLI/UA may enter into with the University Office of Trademarks and Licensing.

ARTICLE 4
Duration

This Agreement shall take effect upon execution by both parties and shall continue in effect until June 30, 2009 unless sooner terminated by mutual agreement. Thereafter, this Agreement shall continue in effect without interruption unless terminated by either party, in its sole discretion, on not less than 180 days written notice to the other party. Notwithstanding the foregoing, this Agreement may be terminated by either party for material breach by the other party, if such breach is not cured within 60 days after the non-breaching party give written notice thereof or, if cure within 60 days is not feasible, such cure is commenced during such 60 day period and is diligently pursued to completion.

ARTICLE 5
Dispute Resolution

All disagreements between the parties relating to their respective rights and obligations under this Agreement shall be submitted to the President of University, who shall decide the matter after consultation with the Director of CEAO and the Chair of the Board of Directors of OLLI/UA. If OLLI/UA disagrees with the decision, it shall be subject to review for arbitrariness or abuse of discretion through arbitration pursuant to the Arizona Uniform Rules of Procedure for Arbitration. The decision of the arbitrator(s) shall be final.

ARTICLE 6
Official Representatives

6.1 Notice to University: All official notices or communications to University pursuant to this Agreement shall be submitted to:

Executive Director
Office of Continuing Education and Academic Outreach
University of Arizona
University Services Building 322
P.O. Box 210158
Tucson AZ 85721-0158
6.2 **Notice to OLLI/UA:** All official notices or communications to OLLI/UA pursuant to this Agreement shall be submitted to:

President
Osher Lifelong Learning Institute at the University of Arizona

Tucson AZ 85721

**ARTICLE 7**
**Other Provisions**

7.1 **Nondiscrimination.** The parties agree to be bound by applicable state and federal rules governing Equal Employment Opportunity and Non-Discrimination.

7.2 **Conflict of Interest.** This agreement is subject to cancellation pursuant to the provisions of Arizona Revised Statute § 38-511 regarding Conflict of Interest.

7.3 **State Obligation.** To the extent that performance by University of its obligations under this Agreement is dependent upon the appropriation of funds by the State Legislature of Arizona, if the Legislature fails to appropriate the necessary funds or if University's appropriation is reduced during the fiscal year, University may reduce the scope of this agreement if appropriate or cancel the agreement without further duty or obligation. University agrees to notify OLLI/UA as soon as reasonably possible after the unavailability of said funds comes to its attention.

7.4 **Governing Law.** This contract is made under and shall be interpreted according to Arizona law.

7.5 **Severability.** If any provision of, or any covenant, obligation or agreement contained in, this agreement is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained in this contract. The invalidity or unenforceability of any provision, covenant, obligation, or agreement shall not affect any valid or enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

7.6 **Amendments.** This Agreement may not be modified, amended, altered, or changed except with the prior written consent of the parties hereto.
7.7 *Entire Agreement.* This Agreement represents the entire agreement between the parties regarding the subject matter hereof, and replaces and supersedes all prior agreements regarding that subject matter. Upon execution of this Agreement, the letter of understanding executed March 12, 2004, shall be of no further force or effect.

DATED this ___21st___ day of __Feb___, 2007.

University: ARIZONA BOARD OF REGENTS, a body corporate, for and on behalf of The University of Arizona

By ____________________________
Name: GEORGE H. DAVIS
Title: Provost
Date: 2/21/07

OLLI/UA: OSHER LIFE-LONG LEARNING INSTITUTE AT THE UNIVERSITY OF ARIZONA (formerly known as Tucson SAGE Society), an Arizona non-profit corporation

By ____________________________
Name: ROBERT H. NILSETH
Title: PRESIDENT, OLLI, UA
Date: 2/23/07