

**NAMING RIGHTS AGREEMENT FOR THE  
VISUAL AND PERFORMING ARTS CENTER  
AT CORONADO HIGH SCHOOL**

This Naming Rights Agreement for the Visual and Performing Arts Center at Coronado High School (“**Agreement**”) is entered into by and between the CORONADO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (“**the District**”), and the CORONADO ARTS EDUCATION FOUNDATION, a 501(c)(3) non-profit public benefit corporation (“**the Foundation**”). The District and the Foundation are sometimes referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.” This Agreement is dated as of September 14, 2017, for reference purposes only. This Agreement is entered into by the Parties with reference to the following recited facts (“**Recitals**”):

**RECITALS**

**A. Center.** The District is the owner of a Visual and Performing Arts Center (“**the Center**”), which is located on the grounds of Coronado High School at 650 D Avenue, Coronado, Ca. 92118. The Center includes, generally, the 100 Building, portions of the 200 Building, and portions of the 300 Building at Coronado High School, and is presently the headquarters of the CORONADO SCHOOL OF THE ARTS (“**CoSA**”). The area within the Center, as such term is used in this Agreement, is described more particularly in **Attachment A**.

**B. CoSA.** The Coronado School of the Arts is a regional school of the arts located on the campus of Coronado High School. This unique “school within a school” provides intensive arts education and training for motivated and talented high school students from throughout San Diego County. The District has strongly supported CoSA since its inception, and considers it to be a significant and valuable asset, to the District, to the City of Coronado and to the greater San Diego community.

**C. Foundation.** The Foundation is a 501(c)(3) non-profit public benefit corporation established to support the continued and long-term operation of CoSA. The Foundation wishes to establish an endowment fund, the income from which will be used to fund the ongoing operation of CoSA, the reasonable expenses of the Foundation, the maintenance of the fly loft operating (VORTEK) system in the Center, the upgrade of, additions to, and replacement of equipment and furnishings in the Center specific to the operation of CoSA, and otherwise to maintain and expand the scope and quality of arts education at Coronado High School.

**D. Naming Rights.** The Foundation is seeking the assignment by the District, for a specific finite period of time, and subject to all applicable District policies, of the exclusive opportunity to issue naming rights with respect to the Center and those portions of the Center identified on **Attachment B** (“**the Eligible Components**”), and to deposit any donations received in connection with any such naming rights into a “**Naming Proceeds Account**” (as hereinafter defined) administered as part of an endowment fund maintained by the Foundation in accordance with the provisions of this Agreement. The Foundation believes that it can substantially increase the proceeds realized from the issuance of such naming rights beyond the amount that would otherwise be available to the District by engaging prospective Donors – primarily individuals and foundations – from throughout San Diego County that have an interest in endowing and otherwise supporting CoSA as a regional school of the arts at Coronado High School.

**E. Purpose.** The purpose of this Agreement, among other things, is to establish procedures for the issuance of naming rights with respect to the Center and the Eligible Components, and the administration of the proceeds thereof, in a manner that will increase the aggregate proceeds received from such naming rights. Such procedures shall include the creation of a segregated account within an endowment fund administered by the Foundation the income from which will be used to fund the ongoing operation of CoSA, the reasonable expenses of the Foundation, the maintenance of the fly loft operating (VORTEK) system in the Center, the upgrade of, additions to, and replacement of equipment and furnishings in the Center specific to the operation of CoSA, and otherwise to maintain and expand the scope and quality of arts education at Coronado High School.

## **AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

### **1. EFFECTIVE DATE OF AGREEMENT.**

This Agreement shall take effect on the first date where each of the following has occurred (“**the Effective Date**”): (1) this Agreement is executed by the authorized representative of the Foundation and delivered to the District; and (2) this Agreement is executed by the authorized representative of the District.

### **2. TERM OF AGREEMENT.**

The term of this Agreement shall commence on the Effective Date and, unless sooner terminated by written agreement of the Parties, shall end on the expiration of three (3) years from the Effective Date (“**the Expiration Date**”). Nothing in this Agreement shall preclude the Foundation, subject to the District’s approval, from entering into naming rights agreements for the Center and/or its Eligible Components with major Donors that have a longer duration. If appropriate, the parties may choose to extend this Agreement beyond the Expiration Date by future written agreement.

### **3. AUTHORITY TO ISSUE NAMING RIGHTS.**

The Parties acknowledge and agree that the Foundation may be better able to achieve its goals if it is able to raise significant funds which it can administer as part of an endowment fund through the issuance of naming rights with respect to the Center and its Eligible Components. Therefore, to the extent permitted by law and subject in each case to the terms of this Agreement and all applicable District policies, the Foundation shall have the exclusive right for a period of three (3) years to issue naming rights with respect to the Center and its Eligible Components. In this regard, the parties further agree as follows:

#### **3.1 Types and Amounts of Consideration.**

**3.1.1** The Foundation shall not permit any officer, employee or other affiliate of the Foundation or the District to receive any consideration in connection with the issuance of naming rights with respect to the Center and/or its Eligible Components.

3.1.2 The Foundation shall not issue naming rights with respect to the Center and/or its Eligible Components for any consideration other than (a) cash, (b) cash equivalents (such as stocks, bonds, mutual funds or other negotiable instruments which are easily convertible to cash), or (c) to the extent approved by the District, pledges to provide cash. If naming rights are issued in connection with a pledge to provide cash, the timing for such future contributions shall be set forth clearly in the documentation applicable to the particular issuance of naming rights.

3.1.3 With respect to naming rights issued in connection with relatively smaller donations (such as individual name plates to be affixed to seats in the main theatre, floor or wall tiles, plaques, and the like) the District (through the Superintendent) and the Foundation shall agree in writing in advance on a schedule of minimum consideration to be received.

3.2 **Marketing Plan.** A general marketing plan describing how the Foundation intends to attempt to raise funds under this Agreement during the first four (4) months of this Agreement is set forth in **Attachment D**. A more detailed marketing plan describing how the Foundation intends to raise funds thereafter under this Agreement shall be presented to and approved by the District within four (4) months of the effective date of this Agreement. The Foundation shall not begin formal marketing of naming rights under this Agreement until its general marketing plan is approved by the District. The Foundation shall not deviate from its general marketing plan in any material respect except with the prior written consent of the District. If within twenty-four (24) months of the effective date of this Agreement the Foundation has not made any reasonable, good-faith efforts to raise funds under this Agreement, the District may elect to terminate this Agreement. In such case, the right to issue naming rights under this Agreement shall revert to the District.

3.3 **Agreements with Donors.** The Parties agree that the documentation pertaining to the issuance of naming rights pursuant to this Agreement shall include the following:

3.3.1 The Donor shall acknowledge that the District is not entering into a contract with the Donor and that, absent willful misconduct and/or bad faith on the part of the District, the District shall not bear any liability to the Donor (or to any person or entity honored through the issuance of naming rights) on account of the issuance of the naming rights, the fund-raising campaign, or the administration of the Naming Proceeds Account, including on account of any failure of the contributed funds to be used in the manner contemplated in the fund-raising campaign.

3.3.2 The Donor shall acknowledge that: (a) The District shall retain the right to rescind naming rights if, in the sole discretion of the District, it is determined that (i) a previously-approved name has become inappropriate due to subsequent criminal acts or acts of moral turpitude of the Donor or the person or entity honored by the issuance of the naming rights, (ii) a Donor has failed to meet its financial obligations relating to a pledged donation, or (iii) any other factor relating to the Donor, the honoree, or the donation has arisen which would discredit the District and/or is contrary to its educational mission; and (b) in such circumstances, neither the District nor any Foundation or other group associated with the District shall have any obligation to return to the Donor any portion of the amounts previously donated, and the District

shall have the right to rename the Center or the Eligible Component involved and to remove any plaque, tile or other form of commemorative display associated with the original donation. The Foundation hereby further confirms its agreement with each of the principles set forth in this section.

3.3.3 All agreements and arrangements, financial and otherwise, between any Foundations and other groups associated with the District and prospective Donors with respect to naming rights issued pursuant to this Agreement shall be fully disclosed to the District. Subject to the foregoing requirements and the terms of Section 3.4 below, the District delegates to the Superintendent the authority to approve on behalf of the District the forms of Agreements to be used in connection with the issuance of naming rights pursuant to this Agreement.

#### **3.4 Certain Further Approvals Required From District.**

3.4.1 Naming rights may be issued in connection with relatively smaller donations (such as by individual name plates to be affixed to seats in the main theatre, floor or wall tiles, plaques, and the like) without any requirement that the Foundation return to the District for further approval, so long as the Foundation is otherwise in compliance with the terms of this Agreement. All such name plates, tiles, plaques, or other forms of commemorative display shall be tastefully designed and affixed. The Foundation shall obtain the District's prior written approval of the shape, size, color and general appearance of all such name plates, tiles, plaques, or commemorative displays before they are installed in any District facilities. To expedite this review, the District delegates to the District Superintendent the authority to approve the shape, size, color and general appearance of all such name plates, tiles, plaques, or other commemorative displays.

3.4.2 Naming rights with respect to the Center and/or the Eligible Components identified on **Attachment B** as "**Major Eligible Components**" shall not be issued except upon the prior written approval of the Board of Trustees of the District. The Foundation acknowledges that under current Board Policies, no such decision of the Board of Trustees shall be made or become effective (a) except through a Board vote in a meeting open to the public and (b) unless the potential naming decision was announced in the agenda for the Board meeting that was open to the public and that immediately preceded the Board vote affirming the naming decision.

#### **4. HANDLING OF NAMING PROCEEDS.**

All donations received in connection with the issuance of naming rights with respect to the Center and/or its Eligible Components are referred to herein as "**Naming Proceeds.**" All Naming Proceeds shall be deposited into a segregated account (the "**Naming Proceeds Account**") administered as part of the Foundation's endowment fund.

**All Naming Proceeds (and the income derived therefrom) are to be held, managed, invested, administered, controlled, and used by the Foundation only. Other than as specifically set forth in this Agreement, the District shall not have any right to direct how the Naming Proceeds (or any income therefrom) shall be used.**

The parties further agree as follows with respect to the handling of the Naming Proceeds and the Naming Proceeds Account:

**4.1 Establishment of Naming Proceeds Account.** The Naming Proceeds Account shall be established and maintained exclusively at a financial institution (or financial institutions) approved by the District. The District delegates to the Superintendent the authority to approve the accounts and institution(s) comprising the Naming Proceeds Account, subject to the requirements hereof.

**4.2 Investment Principles.** The general principles by which the Foundation intends to invest and manage the assets in the Naming Proceeds Account are set forth in **Attachment C**. A more detailed plan and statement of principles for the investment of the assets in the Naming Proceeds Account, including the identification of a Portfolio Manager and the types of investments in which the Portfolio Manager will be investing, shall be presented to and approved by the District within four (4) months of the effective date of this Agreement. The Foundation shall not deviate in any material respect from such plan and principles in investing and managing such funds except with the prior written approval of the District. The District delegates to the Superintendent the authority to approve such deviations, subject to the requirements hereof.

**4.3 Withdrawals and Disbursements.** Withdrawals or disbursements from the Naming Proceeds Account in excess of \$1,000 for any single transaction or \$15,000 total for any calendar month shall only be made upon the signatures of either two current officers of the Foundation or the Executive Director of CoSA and one current officer of the Foundation (neither of which individuals shall be related by blood or marriage), and upon the prior written approval of the Superintendent or other administrative officer of the District identified for such purpose by the Board of Trustees of the District. Should the District from time to time determine that additional control procedures should be adopted to assure that all expenditures are being made in a manner consistent with this Agreement, the District shall have the right to request the same, and the District and the Foundation shall discuss the implementation of the same in good faith and shall confirm in writing any additional accounting control procedures so agreed upon.

**4.3.1** The Superintendent or other identified administrative officer shall approve withdrawals and/or disbursements to cover any direct costs incurred for the name plates, plaques, tiles or other forms of commemorative display affixed or installed in connection with donations made with respect to the Center and/or its Eligible Components, so long as (a) such name plates, plaques, tiles or other forms of commemorative display have been approved in format by the District in accordance with this Agreement, and (b) the amount of such costs is reasonable.

**4.3.2** In order for the District to meet its oversight obligations, the Foundation on an annual basis (or more frequently, if requested by the *District/Foundation*) shall submit to the District a proposed budget for the expenditure of the interest, dividends, market appreciation or other earnings (“**the income**”) derived from the assets held in the Naming Proceeds Account. The proposed budget shall set forth with reasonable particularity the line items for which such expenditures are to be made, and the anticipated amounts for such line items. The budget shall be subject to the review and approval of the District’s Board of Trustees. Once the budget has been approved by the District’s Board of Trustees, the Superintendent or other administrative officer identified pursuant to this Section 4.3 only shall disapprove a proposed expenditure pursuant to the authority set forth in the first sentence of this Section 4.3 if in his or her view (a)

the proposed transaction is not consistent with the approved annual budget or (b) the proposed transaction does not appear to be fair and reasonable under the pertinent circumstances.

4.3.3 The parties intend the creation of a permanent endowment fund to support the long-term operation of CoSA. Therefore, the principal (the original donation amount net of direct costs for the signs, plaques, tiles, name plates or other forms of commemorative display) of the Naming Proceeds Account shall be held inviolate, shall only be invaded under the compulsion of extreme financial circumstances, and only upon the specific prior approval of the District Board.

4.3.4 Upon the expiration of this Agreement (or sooner if for any reason the Foundation and CoSA should cease to exist or operate at Coronado High School) (each, a “**Termination Event**”), the funds in the Naming Proceeds Account shall be disbursed as follows: (a) if funds have been contributed pursuant to a written agreement with a Donor approved by the District which provides, in substance, how such funds should be disbursed upon a Termination Event, then promptly following the Termination Event the contributed amount of such funds shall be disbursed in accordance with the directions set forth in such agreement; and (b) in all other circumstances, all sums in the Naming Proceeds Account shall be disbursed to the District. While the following shall not constitute an enforceable covenant against the District, the present intention of the District, should it receive funds in this manner, would be to apply such funds in support of arts programs within the District (including arts programs such as CoSA which provide benefits generally to students in all portions of San Diego County (i.e., not just Coronado). Upon a Termination Event, all naming rights in question shall revert to the District, which may re-assign them in its sole discretion.

4.4 **Periodic Reporting.** In order to assist the District in assessing from time to time the relative compliance of the Foundation with the terms of this Agreement, the Parties agree as follows:

4.4.1 On a not less than a monthly basis, the Foundation shall deliver to the District copies of all statements and cancelled checks received from financial institutions in connection with any accounts comprising the Naming Proceeds Account.

4.4.2 On or before August 1 each year, the Foundation shall provide the District with a report evidencing its compliance with the provisions of this Agreement pertaining to the administration of the Naming Proceeds Account during the previous 12 month period. Such report shall include, without limitation, a description of all disbursements from the Naming Proceeds Account (along with a brief rationale justifying the conclusion that each such disbursement complies with the approved budget and this Agreement), and a description of any material investment decisions made with respect to the assets in the Naming Proceeds Account. The District delegates to the Superintendent the authority to approve the format of such report.

4.4.3 The Foundation shall preserve reasonable financial records evidencing the handling of the Naming Proceeds and the Naming Proceeds Account For a period of at least 7 years. At any time and from time to time, the District shall have the right to review and/or audit the books and records of the Foundation pertaining to the Naming Proceeds and the Naming Proceeds Account. The Foundation agrees to make the same available to the District upon reasonable notice.

## 5. **GENERAL PROVISIONS.**

**5.1 Indemnity.** The Foundation hereby agrees to indemnify, protect, defend and hold harmless the District and its personnel from and against any and all actions, claims, losses, damages, obligations, costs or expenses (including attorney's fees) arising out of any of the following: (a) any fund raising undertaken pursuant to or as a consequence of this Agreement, (b) the receipt of any funds pursuant thereto, (c) the administration of the Naming Proceeds Account (including without limitation the manner in which the assets therein are invested), (d) any disbursements from the Naming Proceeds Account, and (e) any other actions taken by the District or its personnel in good faith in connection with any of the foregoing or with this Agreement.

**5.2 Assignment.** The Foundation may not assign or transfer all or any portion of its rights or obligations under this Agreement to any third party, without obtaining the prior written approval of the District, which approval may be withheld in its sole and absolute discretion. Any purported assignment by the Foundation without the District's prior written consent shall be void.

**5.3 Binding Effect.** This Agreement shall be binding on all successors of the Foundation and the District.

**5.4 No Third Party Beneficiary.** This Agreement is entered into solely for the benefit of the District and the Foundation. Other than the District and the Foundation, no third person shall be entitled, directly or indirectly, to base any claim or have any right arising from, or related to, this Agreement.

**5.5 Entire Agreement.** This Agreement contains the entire agreement and understanding of the Parties on this subject. The District and the Foundation understand, acknowledge and agree that no Party, or any agent or attorney for any Party, has made any promise, representation or warranty of any kind whatsoever, express or implied, not contained herein to induce the execution of this Agreement. The District and the Foundation understand, acknowledge and agree that this Agreement has not been executed in reliance upon any promise, representation, or warranty not contained herein.

**5.6 Amendments.** This Agreement may only be amended by a written document signed by the District and the Foundation. No decision by either the District or the Foundation under this Agreement shall be binding against that party unless set forth in writing.

**5.7 Applicable Law.** This Agreement and all rights and obligations arising out of it shall be construed in accordance with the laws of the State of California. Any legal or administrative action arising out of this Agreement shall be conducted in San Diego County, California.

**5.8 Authority.** The persons executing this Agreement on behalf of the Foundation represent and warrant that they are duly authorized to execute this Agreement and to bind the Foundation to all terms and conditions of this Agreement. The Foundation acknowledges that the obligations of the District under this Agreement are subject to applicable law, which may evolve from time to time, and further that the District makes no representation as to the enforceability of the provisions of this Agreement as against the District.

**5.9 Severability.** If any section, subsection, sentence, clause or phrase of this Agreement, or the application thereof to any of the Parties, is for any reason held invalid or unenforceable, the validity of the remainder of the Agreement shall not be affected thereby and may be enforced by the Parties to this Agreement, so long as such enforcement thereof shall not produce an inequitable result in the context of the overall objectives of this Agreement.

**5.10 Notices.** All notices, demands and communications between the District and the Foundation shall be in writing and shall be given by personal delivery, registered mail (return receipt requested, with postage prepaid), Federal Express, or any other reliable private express delivery service, to the following addresses:

Coronado Unified School District  
201 Sixth Street  
Coronado, CA 92118  
(619) 522-8900

Coronado Arts Education Foundation  
P.O. Box 181587  
Coronado, CA 92178  
(619) 522-4050

The foregoing names, addresses and phone numbers may be changed at any time by written notice, as provided above.

**5.11 Interpretation.** This Agreement has been prepared jointly by the Parties, with full access to legal counsel of their own. No ambiguity shall be resolved against any Party on the premise that it or its attorneys were solely responsible for drafting this Agreement or any provision thereof.

**5.12 Attorney Fees.** In any future dispute between the parties with regard to the application, interpretation, or enforcement of this Agreement resulting in litigation, the prevailing party shall be entitled to an award of reasonable attorney fees in addition to any other relief which may be granted.

**5.13 Recitals.** The Recitals set forth above are fully incorporated into the terms of this Agreement by this reference.

**5.14 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original.

**5.15 No Property Interest.** Notwithstanding any provision of this Agreement, the Parties do not intend to convey any ownership or other interest in the Center, and nothing in this Agreement shall be construed or interpreted as a grant of easement or any other interest in any real property. If this Agreement or any provisions of this Agreement are construed or interpreted by a court of competent jurisdiction as conveying an interest in real property among the Parties, this Agreement shall immediately become of no further force or effect, without notice to or action by any Party. Nothing in this Agreement shall be construed as providing the Foundation with any right to control the nature or frequency of uses within the Center, or to control the names or labels applicable to events that may be held from time to time in the Center.



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first set forth above.

**DISTRICT**

**FOUNDATION**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## LIST OF ATTACHMENTS

<u>Attachment</u>	<u>Description</u>
<u>A</u>	<u>General Area Comprising Center</u>
<u>B</u>	<u>Eligible Components</u>
<u>C</u>	<u>General Description of Investment Principles for Naming Proceeds Account</u>
<u>D</u>	<u>Initial Marketing Plan</u>

## Naming Rights Agreement for the Visual and Performing Arts Center at Coronado High School

### Attachment B: Eligible Components

#### Major Component Parts:

Map Reference	Name of Component	Building #	First/Second Floor	Room Number	Sign Interior/Exterior
100-A	Performing Arts Center	100	N/A	N/A	Exterior
100-B	Theatre	100	N/A	N/A	Exterior
200-A	Black Box	200	First Floor	N/A	Exterior
100-C	Lobby	100	First floor	N/A	Interior
100-D	Concessions	100	First Floor	N/A	Interior
100-E	Box Office	100	First Floor	N/A	Interior
100-F	Featured Performers' Board	100	First Floor	N/A	Interior
100-G	Art Hallway	100	First Floor	N/A	Interior
100-H	Prop Storage	100	First Floor	N/A	Interior
100-I	Costume Shop	100	First Floor	N/A	Interior
100-J	Control Booth	100	First Floor	N/A	Interior
100-K	Orchestra Pit	100	First Floor	N/A	Interior
100-L	Stage & Vortek	100	First Floor	N/A	Interior
100-M	Scene Shop	100	First Floor	N/A	Interior
100-N	Theatre Arts Class Room	100	First Floor	N/A	Interior
100-O	Boys' Dressing Room	100	First Floor	N/A	Interior
100-P	Girls' Dressing Room	100	First Floor	N/A	Interior
100-Q	Make-up Room	100	First Floor	N/A	Interior
100-R	CoSA Offices	100	First Floor	N/A	Interior
100-S	Music Class Room	100	Second Floor	N/A	Exterior
100-T	6 Music Practice Rooms	100	Second Floor	N/A	Interior/exterior
100-U	Musical Theatre Dance Studio	100	Second Floor	N/A	Exterior
200-B	Dance Studio 1 (Tap)	200	Second Floor	N/A	Interior
200-C	Dance Studio 2 (Ballet)	200	Second Floor	N/A	Interior
200-D	Black Box Booth	200	Second Floor	N/A	Exterior
300-A	Electronic Music Studio	300	Second Floor	313	Exterior

<b>Map Reference</b>	<b>Name of Component</b>	<b>Building #</b>	<b>First/Second Floor</b>	<b>Room Number</b>	<b>Sign Interior/Exterior</b>
300-B	TV Studio & Control Room	300	Second Floor	310/312	Exterior
300-C	Video Editing Room	300	Second Floor	311	Exterior
300-D	Animation Lab	300	Second Floor	309	Exterior

### **Smaller Component Parts:**

**Naming of Theatre Seats (small plaques on arms)**

**Sponsor Wall in Lobby for Plaques**

CORONADO ARTS EDUCATION FOUNDATION  
Naming Rights Agreement  
May 17, 2007  
(updated September 14, 2017)

GUIDELINES FOR INVESTING ENDOWMENT FUNDS

The following general principles will guide the management and investment of the assets in the Naming Proceeds Account:

**MANAGEMENT:**

- The assets in the Naming Proceeds Account shall be managed by an independent Portfolio Manager who is not a member of the CoSA Foundation Board, under the direction of a Finance Committee established by the Foundation Board. The Finance Committee shall report on the Account's performance to the Foundation Board.
- An investment portfolio shall be established with a reputable financial advisement firm which will recommend and manage the investment of the assets in the Naming Proceeds Account.
- The primary goal for the management of the assets in the Naming Proceeds Account is to preserve the real (i.e. inflation-adjusted) purchasing power of the principal and income after accounting for approved expenditures, inflation and costs of investment management.
- The Finance Committee shall manage the assets in the Naming Proceeds Account in such a manner as to minimize risk of loss of the account principal while achieving the maximum return available consistent with prudent investment standards.

**COMMINGLING OF FUNDS:**

- All gifts to the Naming Proceeds Account shall be eligible for commingling for investment purposes. Accordingly, all donations to the Naming Proceeds Account, including Restricted Endowment Funds, may be pooled for investment purposes. Restricted Endowment Funds shall be accounted for separately as a specific percentage of the overall Naming Proceeds Account value. In those cases where separate, identifiable costs are incurred in the administration of Restricted Endowment Funds, such costs are to be levied against the specific restricted fund.

**INSTRUMENTS AUTHORIZED FOR INVESTMENT:**

- The Portfolio Manager shall be authorized to invest the Naming Proceeds Account's assets in the following instruments:
  - United States Treasury Notes, bonds, bills, or contracts of indebtedness or those investments for which the full faith and credit of the United States, or an authorized agency thereof, is pledged for the payment of principal and interest, with a maturity not to exceed 5 years from the date of investment therein. At the discretion of the Finance Committee, up to one hundred percent (100%) of the account may be invested in such instruments, provided the portfolio contains staggered maturities.
  - Debt instruments of prime quality issued by domestic corporations of at least the third highest letter and number rating provided by Moody's Investors Service, Inc. or Standard & Poor's Corporation with a maturity not to exceed 5 years from the date of investment therein. Up to seventy percent (70%) of the account may be invested in these instruments, provided the portfolio contains staggered maturities.
  - Mutual funds, or other pooled investments, whose portfolios consist primarily of equities traded on the New York Stock Exchange, the American Stock Exchange, the NASDAQ or other major exchange. Such funds may also contain instruments authorized by the two paragraphs immediately above without regard to the maturity of the instrument. Up to fifty percent (50%) of the account may be invested in these instruments, but no single fund may contain more than twelve percent (12%) of the total Naming Proceeds Account.
  - Mutual Funds, or other pooled investments, whose portfolios consist primarily of large capitalization international equities. Up to ten percent (10%) of the account may be invested in these instruments; however, these instruments, combined with those authorized in the paragraph immediately above shall not exceed sixty percent (60%) of the Naming Proceeds Account.
- To the extent possible, transaction costs shall be minimized in the purchase, sale and management of authorized instruments.

**PORTFOLIO REBALANCING PROCEDURES:**

- From time to time, market conditions may cause the account's investment in various asset classes to vary from the established allocation. To remain consistent with the guidelines set forth herein, every quarter the Portfolio Manager shall review the portfolio and each asset class in which the account is invested. If the actual weighting differs from the target weighting by ten percent (10%) or more

from the recommended weighting (e.g., from a recommended 50% to less than 40%, or to more than 60% of total assets), the Portfolio Manager shall rebalance the portfolio back to the recommended weighting.

The assets in the Naming Proceeds Account shall be managed and invested in a manner consistent with the “Gift Acceptance and Administration Policy” of the Coronado Arts Education Foundation. A copy of said policy is attached hereto as Attachment C-1.

## **Naming Rights Agreement for the Visual and Performing Arts Center at Coronado High School**

### **Attachment D: Initial Marketing Plan**

The Marketing Plan by the Coronado Arts Education Foundation has two major areas:

- ✓ Major Endowment Gifts
- ✓ Smaller Endowment Gifts

Preliminary Plan for Major Endowment Gifts:

Phase One -

- Continue to identify major philanthropists in San Diego County who have an interest in high quality arts education and endowing a regional school of the arts
- Using the general principles of an endowment campaign (including announcement of the campaign only after lead donors have been identified), meet with potential donors for individual discussion, etc.

Phase Two -

- Once major donors have been identified and approved, Endowment Campaign announcements will be made and marketing materials will be produced and reviewed by the District Superintendent.

Preliminary Plan for Smaller Endowment Gifts:

- Simultaneously proceed with an aggressive grass roots campaign to promote a wide-spread sense of ownership among Coronado residents and CoSA family members that includes the naming of seats, creation of lobby plaques memorializing donors, and sponsorships for the lesser eligible components of the Center.
- Produce marketing materials for these items to be reviewed by the District Superintendent.