

Memorandum of Understanding Between  
San Mateo Medical Center  
and  
San Mateo County Health Foundation

The purpose of this Memorandum of Understanding (MOU) is to describe and make explicit the agreement between the San Mateo Medical Center (SMMC) and the San Mateo County Health Foundation (SMCHF) by which the County of San Mateo, through SMMC, will make an annual contribution to the SMCHF and the SMCHF will direct its fundraising efforts solely to supporting SMMC and will make other organizational changes to increase its focus on SMMC and to address other SMMC-related initiatives.

**I. Background Information**

SMMC is a 509-bed public hospital and clinic integrated health care delivery system fully accredited by The Joint Commission. SMMC operates outpatient clinics throughout San Mateo County, an acute-care hospital, and long-term care facilities in San Mateo and Burlingame. San Mateo Medical Center serves the health care needs of all residents of San Mateo County, with an emphasis on health promotion and primary care. San Mateo Medical Center is part of the San Mateo County Health System and receives financial support from the San Mateo County Health Foundation.

The SMCHF is a fundraising foundation committed to advancing wellness in our community. From prenatal to palliative care, the SMCHF funds innovative healthcare programs that treat the whole person for the entire lifespan. In the twenty years of its existence, it has raised over \$15 million to benefit the health of San Mateo County. The SMCHF makes funding decisions based on careful consideration of future impact rather than temporary relief. The SMCHF has historically primarily funded programs of SMMC. Extraordinary generosity from the SMCHF donor community has helped SMMC to remain at the forefront of innovation and a vital community resource that impacts the entire community.

**II. Term of Agreement**

This MOU shall be in effect starting July 1, 2011, and continue indefinitely. The MOU may be terminated by either party with sixty days advance written notice.

**III. Responsibilities**

SMMC is responsible for the following under this MOU:

1. SMMC will work with the County of San Mateo to provide an annual contribution to the SMCHF to support the SMCHF's operating expenses, starting with the 2011-2012 fiscal year.

2. Once any required changes are made to the SMCHF bylaws, SMMC will propose two voting members for the SMCHF Board of Directors, one of whom will be the SMMC Chief Executive Officer (CEO) and one of whom will be selected by SMMC in any manner it deems appropriate. Once ratified by the SMCHF Board of Directors, the SMMC CEO will serve on the SMCHF Board of Directors for a term that is concurrent with that individual's term as SMMC CEO. Once ratified by the SMCHF Board of Directors, the other SMMC-selected member of the SMCHF Board of Directors will serve the same length of term as other members of the SMCHF Board of Directors as outlined by the SMCHF bylaws.
3. SMMC will continue to work closely with the SMCHF to further the goals outlined by this MOU.
4. SMMC will communicate with the SMCHF in a timely manner regarding any issues relating to this MOU.
5. SMMC has no obligations under this MOU until all necessary changes to the SMCHF bylaws and the SMCHF organizational structure are implemented to accommodate the purposes of this MOU.

The SMCHF is responsible for the following under this MOU:

1. The SMCHF shall make all necessary changes to its bylaws and organizational structure to implement the requirements outlined by this MOU. Until such changes are made, SMMC has no obligations under this MOU.
2. The SMCHF Board of Directors will not unreasonably withhold its approval and ratification of the two voting members of the SMCHF Board of Directors proposed by SMMC under this MOU. Once approved/ratified, those members shall serve on the SMCHF Board of Directors for the terms outlined by this MOU.
3. For the term of this MOU, the SMCHF agrees to direct its fundraising efforts to supporting SMMC. However, this focus on fundraising for SMMC does not preclude the SMCHF from accepting unsolicited donations to support other health-related causes in San Mateo County.
4. The SMCHF will merge with and incorporate SMMC's employee giving organization, formerly known as Chope Champions and now known as Healthcare Heroes. This new group will function as a committee of the SMCHF Board of Directors and will nominate one voting member of the SMCHF Board of Directors, said voting member to serve for the term and as otherwise outlined by the SMCHF bylaws.
5. The SMCHF will establish an employee-directed fund, known as the Healthcare Heroes Fund that functions similarly to the fund recently overseen by Chope Champions. SMMC and other County of San Mateo employees

can continue to donate to the SMCHF's general fund and/or to the Healthcare Heroes Fund through payroll deduction or single donation. The SMCHF will work with SMMC and the County of San Mateo to ensure that these methods of donation are possible for County employees.

6. The SMCHF will include in its fund-raising appeals direct appeals to employees of SMMC and/or the County of San Mateo Health System.
7. The SMCHF will continue to work closely with SMMC to further the goals outlined by this MOU.
8. The SMCHF will communicate with SMMC in a timely manner regarding any issues relating to this MOU.

#### **IV. Amount and Source of Payment**

Once the SMCHF has made all necessary changes to its bylaws and structure outlined above, the County of San Mateo, through SMMC, shall make a contribution to the SMCHF of two-hundred fifty thousand dollars (\$250,000) for the 2011-2012 SMMC fiscal year to support the SMCHF's operating expenses. Thereafter, the County of San Mateo, through SMMC, shall make an annual contribution to the SMCHF to support the SMCHF's operating expenses in the amount included in the approved SMMC budget for that fiscal year. The amount contributed each year to the SMCHF is subject to and contingent upon the annual approval of the SMMC budget by the San Mateo County Board of Supervisors, and nothing in this MOU obligates the County of San Mateo or SMMC to provide any contribution to SMCHF if funds are not allocated or available in any given year. The total amount of funding for the SMCHF under this MOU for the 2011-2012 fiscal year shall not exceed two-hundred fifty thousand dollars (\$250,000).

For the 2011-2012 fiscal year, SMCHF commits to distributing a minimum of \$500,000 to SMMC programs, projects, or equipment and may distribute more during that period, and during future years SMCHF will distribute such funds to SMMC programs, projects, or equipment as it decides are appropriate.

#### **V. Other Terms**

This agreement includes the following additional terms:

1. This MOU constitutes the sole and entire agreement of the parties hereto regarding the subject matter of this MOU and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties regarding the subject matter of this MOU not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by an authorized representative of the parties to this MOU.

2. The parties agree, understand, and acknowledge that the responsibilities outlined by this MOU are performed as separate entities, and that the employees of the County of San Mateo are not employees of the SMCHF and the employees of the SMCHF are not employees of the County of San Mateo. The employees of each party acquire none of the rights, privileges, powers or advantages of employees of the other party.
3. By signing below, each party's representative indicates that he or she is duly authorized to enter into this MOU.

## **SIGNATURES**

### COUNTY OF SAN MATEO

By: \_\_\_\_\_  
President, Board of Supervisors, San Mateo  
County

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

\_\_\_\_\_  
Patricia O'Brien, Executive Director  
San Mateo County Health Foundation

\_\_\_\_\_  
Date