

November 5, 2012

**AB 1478 Match
Procedural Guide
for
Operating Agreements**



**State of California
Department of Parks and Recreation**

Department Mission

The mission of California State Parks is to provide for the health, inspiration, and education of the people of California by helping to preserve the state's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

TABLE OF CONTENTS

AB 1478 MATCHING FUND INTRODUCTION	1
PROCEDURAL GUIDE OVERVIEW	2
MATCH ELIGIBILITY PROCESS THROUGH NEW AGREEMENTS	3
MATCH ELIGIBILITY PROCESS FOR AMENDING EXISTING AGREEMENTS	5
WORKSHEET AND EXAMPLES	8
FINANCIAL CONTRIBUTION COMMITMENT FORM	11
MATCH PENDING FORM	12
FINANCIAL CONTRIBUTION DELIVERY FORM	13
MATCH ALLOCATION FORM	14
DEFINITIONS	15

**Meanings of words and terms shown in SMALL CAPS are in the
Definitions Section at the back of this guide**

AB 1478 Matching Fund Introduction

CALIFORNIA STATE PARKS (herein referred to as the DEPARTMENT) is working hard to keep parks open for our communities and millions of visitors. Although the DEPARTMENT has experienced numerous internal and external challenges in recent months, DEPARTMENT employees are proud of and driven by the DEPARTMENT'S mission and are committed to serve the public in new ways.

In addition to improving the DEPARTMENT'S processes and management structure to enhance accountability and build trust, the DEPARTMENT is still faced with funding challenges. In the past, 90 percent of the DEPARTMENT'S budget came from the State's General Fund. Today, less than 30 percent of the DEPARTMENT'S budget is derived from the State's General Fund. This challenge is further complicated by a significant and growing DEFERRED MAINTENANCE backlog which threatens the environmental, historical and cultural preservation and safety of our PARKS.

Given the history of budget cuts and a substantial and growing DEFERRED MAINTENANCE backlog, the DEPARTMENT is creating long-term strategies to become as self-sustainable as possible while maintaining the integrity of its mission. Support from donors and partners is critical to keeping parks open, while protecting California's world renowned natural and cultural legacy for the benefit of future generations.

AB 1478 Introduction

On September 25, 2012, Governor Edmund G. Brown Jr. signed Assembly Bill 1478, which appropriated \$20.5 million of unreported funds in the State Parks and Recreation Fund (SPRF) to help prevent park closures in the 2012-13 and 2013-14 fiscal years. AB 1478 funds are one-time funds intended to bridge the gap to get through the next two years. However, the DEPARTMENT needs the continued support of its partners to meet the fiscal challenges and help develop a new financial model to ensure the future financial security of the CALIFORNIA STATE PARK system.

Through AB 1478, Public Resources Code §541.5(b)(1) was added to specify that \$10 million of the \$20.5 million appropriated to the DEPARTMENT from the SPRF will be available to MATCH ^[1] contributed funds^[2], dollar-for-dollar. This appropriation creates an enhanced opportunity to MATCH the FINANCIAL CONTRIBUTIONS to strengthen the PARK. The DEPARTMENT will do all that it can to stretch the available funding, and continued support will help make this happen. The DEPARTMENT is committed to exploring all opportunities for possible FINANCIAL CONTRIBUTIONS and MATCH – whether with non-profits, local governments, private individuals or

^[1] MATCH is allocated by the DEPARTMENT as an equivalency of a DONOR'S or OPERATING PARTNER'S FINANCIAL CONTRIBUTION. MATCH is not money given to a DONOR or OPERATING PARTNER. MATCH is defined in the last section of this guide.

^[2] FINANCIAL CONTRIBUTION DELIVERY is provided by a DONOR or DEPARTMENT OPERATING PARTNER before the DEPARTMENT may allocate the MATCH.

combinations and hybrids thereof – to keep PARKS open for the maximum possible public benefit.

Procedural Guide Overview

There are two possible types of AGREEMENTS for the purpose of MATCH.

1. **OPERATING AGREEMENTS:** Only PARKS on the CLOSURE LIST are eligible for MATCH through OPERATING AGREEMENTS.
 - This Procedural Guide explains the eligibility process of FINANCIAL CONTRIBUTIONS and MATCH through OPERATING AGREEMENTS.
 - This Procedural Guide is a working document subject to revisions.
2. **DONOR AGREEMENTS:** Any PARK in the STATE PARK system can be considered for a MATCH of FINANCIAL CONTRIBUTIONS made through a DONOR AGREEMENT. If specified in the signed DONOR AGREEMENT, *the FINANCIAL CONTRIBUTION* may be spent on PARK improvements unrelated to keeping it open. However, *the DEPARTMENT 'S MATCH can only be spent* on a FUNCTION or DEFERRED MAINTENANCE expenditure necessary to keep the same PARK open.
 - An “AB 1478 Match Procedural Guide for Donor Agreements” is available at www.parks.ca.gov

There are two separate Procedural Guides because the definition and rules for a “FINANCIAL CONTRIBUTION” differs between OPERATING AGREEMENTS and DONOR AGREEMENTS. “FINANCIAL CONTRIBUTIONS” through DONOR AGREEMENTS only involve payments to the DEPARTMENT for MATCH. “FINANCIAL CONTRIBUTION’S” through OPERATING AGREEMENTS may involve an OPERATING PARTNER’S in-kind OPERATING EXPENDITURES for MATCH.

This Procedural Guide is intended to:

- Assist OPERATING PARTNERS in understanding how the DEPARTMENT can MATCH their FINANCIAL CONTRIBUTIONS through new or amended OPERATING AGREEMENTS.
- Describe the DEPARTMENT’S process and methodology used to implement the legislative mandates and direction provided in AB 1478. The facts and circumstances of each FINANCIAL CONTRIBUTION COMMITMENT and FINANCIAL CONTRIBUTION DELIVERY must be considered to determine if and when the DEPARTMENT can allocate the MATCH.

Please direct any questions regarding AB 1478 MATCH to Brian Cahill, Assistant Deputy Director - Park Operations, at bcahill@parks.ca.gov. Important updates about the status of each PARK and AB 1478 MATCH can be found at www.parks.ca.gov

Meanings of words and terms shown in SMALL CAPS are in the Definitions Section at the back of this guide.

Match Eligibility Process through New Agreements

This section explains the process to MATCH an OPERATING PARTNER'S FINANCIAL CONTRIBUTION.

MATCH eligibility rules are included under each relevant step to determine when the DEPARTMENT can ultimately allocate MATCH for a specific purpose at a specific PARK.

The process involves these eight steps to determine if and when the MATCH can be allocated.

- 1. Read this Guide:** The interested OPERATING PARTNER reads the MATCH eligibility rules described below relevant to each process step, and then contacts Brian Cahill at bcahill@parks.ca.gov to explain the desired terms and conditions of the FINANCIAL CONTRIBUTION and MATCH.
- 2. PARKS on CLOSURE LIST only:** Through OPERATING AGREEMENTS, only the PARKS on the CLOSURE LIST are eligible for MATCH.
- 3. Draft the AGREEMENT:**
 - a. The draft AGREEMENT includes, but may not be limited to, an unsigned "Financial Contribution Commitment Form" and "Match Pending Form" found in this guide.
 - b. Negotiations may include what FUNCTIONS or DEFERRED MAINTENANCE will be funded by FINANCIAL CONTRIBUTIONS or MATCH.
 - c. If specified in the signed AGREEMENT, the MATCH and FINANCIAL CONTRIBUTION can be spent on different FUNCTIONS or DEFERRED MAINTENANCE needs at the same PARK.
 - d. If specified in the signed AGREEMENT, the FINANCIAL CONTRIBUTION may be spent on PARK improvements unrelated to keeping it open. However, the MATCH must be spent on FUNCTIONS or DEFERRED MAINTENANCE needs at the same PARK necessary to keep the PARK open.
- 4. Sign the AGREEMENT:** The AGREEMENT must be signed by both the OPERATING PARTNER and DEPARTMENT before June 30, 2014. This includes signing the "Financial Contribution Commitment Form" and "Match Pending Form".
- 5. Monitor and provide updates of FINANCIAL CONTRIBUTION and MATCH availability:** After the AGREEMENT is signed, the DEPARTMENT will provide QUARTERLY financial and status updates to the OPERATING PARTNER about the pending FINANCIAL CONTRIBUTION DELIVERY. This includes providing updates about the \$10 million MATCH availability. See a-b below for more information.

- a. PARKS on the CLOSURE LIST shall be given priority for MATCH of FINANCIAL CONTRIBUTIONS. However, funds received pursuant to a DONOR AGREEMENT for a PARK not on the CLOSURE LIST are also eligible for MATCH.
- b. Between all statewide OPERATING AGREEMENTS and DONOR AGREEMENTS, the DEPARTMENT'S authority to allocate MATCH is limited to \$10 million. The FINANCIAL CONTRIBUTION DELIVERY must occur before June 30, 2014 so the DEPARTMENT can allocate the MATCH. The DEPARTMENT cannot allocate MATCH after receiving \$10 million of FINANCIAL CONTRIBUTIONS pursuant to all statewide AGREEMENTS, or after June 30, 2014, whichever is earlier.

Therefore, the DEPARTMENT will allocate MATCH in the same order of FINANCIAL CONTRIBUTION DELIVERY.

- 6. The OPERATING PARTNER provides the FINANCIAL CONTRIBUTION DELIVERY.** The "Financial Contribution Delivery Form" found in this guide is signed by the OPERATING PARTNER and DEPARTMENT.
- 7. DEPARTMENT allocates MATCH.** The "Match Allocation Form" found in this guide is signed by the DEPARTMENT and OPERATING PARTNER.
 - a. For AGREEMENTS effective any time between July 1, 2012 through June 30, 2013 whereby the FINANCIAL CONTRIBUTION DELIVERY occurs before June 30, 2013, the DEPARTMENT may allocate the MATCH for the 2013/14 fiscal year.

For AGREEMENTS effective any time between July 1, 2012 through June 30, 2014 (both fiscal years), the DEPARTMENT may allocate the MATCH of FINANCIAL CONTRIBUTIONS for one or both fiscal years.
 - b. As stated above, the DEPARTMENT will allocate the entire \$10 million MATCH on a first come, first serve FINANCIAL CONTRIBUTION DELIVERY basis before June 30, 2014.
 - c. If the entire \$10 million MATCH has already been allocated at the time when the OPERATING PARTNER provides a FINANCIAL CONTRIBUTION DELIVERY:
 - The DEPARTMENT will not immediately deposit the payment.
 - The DEPARTMENT will notify OPERATING PARTNER that \$10 million of statewide FINANCIAL CONTRIBUTION DELIVERY has been received, and therefore the entire \$10 million MATCH appropriated to the DEPARTMENT has already been allocated.
 - The DEPARTMENT will obtain approval to deposit the payment or work with the OPERATING PARTNER to amend the AGREEMENT because the \$10 million MATCH is no longer available.
- 8. The allocated MATCH funds must be spent before June 30, 2016.**

Match Eligibility Process for Amending Existing Agreements

This section explains the process to MATCH an OPERATING PARTNER'S FINANCIAL CONTRIBUTION.

MATCH eligibility rules are included under each relevant step to determine if and when the DEPARTMENT can ultimately allocate MATCH for a specific purpose at a specific PARK.

1. **PARKS on CLOSURE LIST only:** Through existing OPERATING AGREEMENTS, only the PARKS on the CLOSURE LIST are eligible for an amendment for MATCH. For MATCH, the DEPARTMENT is not amending existing OPERATING AGREEMENTS for PARKS that are not on the CLOSURE LIST.
2. **Inform existing OPERATING PARTNERS:** The DEPARTMENT will contact OPERATING PARTNERS with existing AGREEMENTS to discuss the possibility for an amendment.
 - This guide is given to the OPERATING PARTNER to explain which terms and conditions of the FINANCIAL CONTRIBUTION COMMITMENT are eligible for a potential renegotiation for a MATCH.
3. **Draft an amendment:** The OPERATING PARTNER may propose to amend the desired terms and conditions of the FINANCIAL CONTRIBUTION for MATCH, using unsigned drafts of the "Financial Contribution Commitment Form" and "Match Pending Form" found in this guide.

The amendment can include these scenarios:

- i. Decrease the amount of the FINANCIAL CONTRIBUTION COMMITMENT by 50%. (For example, if the OPERATING PARTNER was going to fund \$50,000 of FUNCTIONS performed by the DEPARTMENT, the amount could be decreased to \$25,000 and the DEPARTMENT would MATCH \$25,000 to achieve the original \$50,000.)
- ii. Add new FINANCIAL CONTRIBUTION COMMITMENTS. (For example, the OPERATING PARTNER creates a new fundraising plan to provide \$100,000 for a DEFERRED MAINTENANCE need. Upon the \$100,000 FINANCIAL CONTRIBUTION DELIVERY the DEPARTMENT would allocate a \$100,000 MATCH to achieve \$200,000.)
- iii. Negotiations may include which FUNCTIONS or DEFERRED MAINTENANCE will be funded by FINANCIAL CONTRIBUTIONS OR MATCH.
- iv. If specified in the signed AGREEMENT, the MATCH and FINANCIAL CONTRIBUTION can be spent on different FUNCTIONS or DEFERRED MAINTENANCE needs within the same PARK.
- v. If specified in the signed AGREEMENT, the FINANCIAL CONTRIBUTION may be spent on PARK improvements unrelated to keeping it open. However, the MATCH must be spent on FUNCTIONS or DEFERRED MAINTENANCE needs at the same PARK necessary to keep the PARK open.

4. **Sign the amendment (AGREEMENT):** The amendment must be signed by both the OPERATING PARTNER and DEPARTMENT before June 30, 2014. This includes signing the “Financial Contribution Commitment Form” and “Match Pending Form”.
5. **Monitor and provide updates of FINANCIAL CONTRIBUTION and MATCH availability:** After the AGREEMENT is signed, the DEPARTMENT will provide QUARTERLY financial and status updates to the OPERATING PARTNER about the pending FINANCIAL CONTRIBUTION DELIVERY. This includes providing updates about the one-time \$10 million MATCH availability. See a-b below for more information.
 - a. PARKS on the CLOSURE LIST shall be given priority for MATCH of FINANCIAL CONTRIBUTIONS. However, funds received pursuant to a DONOR AGREEMENT for a PARK not on the CLOSURE LIST are also eligible for MATCH.
 - b. Between all statewide DONOR AGREEMENTS and OPERATING AGREEMENTS, the DEPARTMENT’S authority to allocate MATCH is limited to \$10 million. The FINANCIAL CONTRIBUTION DELIVERY must occur before June 30, 2014 so the DEPARTMENT can allocate the MATCH. The DEPARTMENT cannot allocate MATCH after receiving \$10 million of FINANCIAL CONTRIBUTIONS pursuant to all statewide AGREEMENTS, or after June 30, 2014, whichever is earlier.

Therefore, the DEPARTMENT will allocate MATCH in the same order of FINANCIAL CONTRIBUTION DELIVERY.

6. **The OPERATING PARTNER provides the FINANCIAL CONTRIBUTION DELIVERY.** The “Financial Contribution Delivery Form” found in this guide is signed by the OPERATING PARTNER and DEPARTMENT.
7. **DEPARTMENT allocates MATCH:** The “Match Allocation Form” found in this guide is signed by the DEPARTMENT and OPERATING PARTNER.
 - a. As stated above, the DEPARTMENT will allocate the entire \$10 million MATCH on a first come, first serve FINANCIAL CONTRIBUTION DELIVERY basis before June 30, 2014.
 - b. For AGREEMENTS effective any time between July 1, 2012 through June 30, 2013 whereby the FINANCIAL CONTRIBUTION DELIVERY occurs before June 30, 2013, the DEPARTMENT may allocate the MATCH for the 2013/14 fiscal year.

For AGREEMENTS effective any time between July 1, 2012 through June 30, 2014 (both fiscal years), the DEPARTMENT may allocate the MATCH of FINANCIAL CONTRIBUTIONS for one or both fiscal years.
 - c. If the entire \$10 million MATCH has already been allocated at the time when a DONOR or OPERATING PARTNER provides a FINANCIAL CONTRIBUTION DELIVERY:
 - The DEPARTMENT will not immediately deposit the payment.
 - The DEPARTMENT will notify the OPERATING PARTNER that \$10 million of statewide FINANCIAL CONTRIBUTION DELIVERY has been received, and

therefore the entire \$10 million MATCH appropriated to the DEPARTMENT has already been allocated.

- The DEPARTMENT will obtain approval to deposit the payment or work with the OPERATING PARTNER to amend the AGREEMENT because the \$10 million MATCH is no longer available.

8. The allocated MATCH funds must be spent before June 30, 2016.

Worksheet and Examples

For purpose of MATCH through OPERATING AGREEMENTS, a FINANCIAL CONTRIBUTION includes three possibilities. See the definition of FINANCIAL CONTRIBUTION. The following worksheet provides the formula and examples for calculating the OPERATING PARTNER'S FINANCIAL CONTRIBUTION for MATCH based on the three possibilities:

Possibility 1, per the definition of FINANCIAL CONTRIBUTION:

1) The OPERATING PARTNER funds a DEPARTMENT service(s): the DEPARTMENT will MATCH the amount dollar-for-dollar by providing FUNCTIONS or addressing DEFERRED MAINTENANCE needs to keep a specific PARK on the CLOSURE LIST open.

The following provides an example for calculating the OPERATING PARTNER'S funding of DEPARTMENT services as a FINANCIAL CONTRIBUTION for MATCH:

The OPERATING PARTNER funds the use of a DEPARTMENT ranger or maintenance worker who is authorized to use State equipment necessary to keep the PARK open.
\$30,000

DEPARTMENT'S MATCH: \$30,000

Total services provided: \$60,000

Possibility 2, per the definition of FINANCIAL CONTRIBUTION:

2) The OPERATING PARTNER uses FEES collected at the PARK or fund raising for a park improvement project: The DEPARTMENT will MATCH the OPERATING PARTNER'S amount spent on the project by allocating the MATCH to the same project, or by providing different FUNCTIONS or addressing DEFERRED MAINTENANCE needs to keep the PARK open. The DEPARTMENT'S MATCH must be spent on FUNCTIONS or addressing DEFERRED MAINTENANCE necessary to keep the PARK open.

The following provides two examples for calculating the OPERATING PARTNER'S park improvement FINANCIAL CONTRIBUTION for MATCH:

Example A:

OPERATING PARTNER'S surplus FEE REVENUE or fundraised money is used for educational displays to improve the PARK experience: \$100,000

DEPARTMENT'S MATCH: \$100,000

Total provided for the PARK: \$200,000

In the above example, the OPERATING PARTNER obtained approval from the DEPARTMENT to use the additional funds for a park improvement project. In this example, the park improvement funded by the OPERATING PARTNER is unrelated to

keeping the PARK open. The DEPARTMENT'S MATCH cannot be spent on the same PARK improvement project, because the MATCH can only be spent on FUNCTIONS or addressing DEFERRED MAINTENANCE necessary to keep the PARK open.

Example B:

OPERATING PARTNER'S FEE REVENUE and fundraised money is used to help fund an urgent DEFERRED MAINTENANCE need that threatens PARK closure if not addressed: \$500,000

DEPARTMENT'S MATCH: \$500,000

Total provided for DEFERRED MAINTENANCE: \$1,000,000

Possibility 3, per the definition of FINANCIAL CONTRIBUTION:

3) The OPERATING PARTNER'S OPERATING EXPENDITURES: the total (QUARTERLY) amount of an OPERATING PARTNER'S in-kind cost of services (cost of employee salaries and goods to operate the PARK), equal to or less than the PARK'S OPERATING COST THRESHOLD, subtracted by the FEE REVENUE collected at the PARK during the same QUARTER.

The following provides two examples for calculating the OPERATING PARTNER'S OPERATING EXPENDITURES as a FINANCIAL CONTRIBUTION for MATCH:

Example A:

A) PARK'S OPERATING COST THRESHOLD: (QUARTERLY) \$200,000

B) The OPERATING PARTNER'S OPERATING EXPENDITURES: (QUARTERLY) \$100,000

C) The PARK'S OPERATING COST THRESHOLD (A) or the OPERATING PARTNER'S OPERATING EXPENDITURES (B), whichever is less: \$100,000

D) FEE REVENUE collected at PARK: (QUARTERLY) \$50,000

Balance surplus/deficit: (C minus D) \$ \$50,000 deficit:

The OPERATING deficit balance between C) minus D) is the FINANCIAL CONTRIBUTION eligible for MATCH:

\$50,000 is the in-kind FINANCIAL CONTRIBUTION eligible for MATCH.

\$50,000 is the DEPARTMENT'S MATCH

Example B:

- A) PARK'S OPERATING COST THRESHOLD: (QUARTERLY) \$200,000
- B) The OPERATING PARTNER'S OPERATING EXPENDITURES: (QUARTERLY) \$230,000
- C) The PARK'S OPERATING COST THRESHOLD (A) or the OPERATING PARTNER'S OPERATING EXPENDITURES (B), whichever is less: \$200,000
- D) FEE REVENUE collected at PARK: (QUARTERLY) \$250,000

Balance: (C minus D) \$ 50,000 surplus

The OPERATING deficit balance between C) minus D) is the FINANCIAL CONTRIBUTION eligible for MATCH: \$0 is the in-kind FINANCIAL CONTRIBUTION eligible for MATCH due to the \$50,000 surplus. However, possibility 1 and 2 above, per the definition of FINANCIAL CONTRIBUTION, explain how FEE REVENUE surplus can qualify for MATCH

Worksheet for Possibility 3 above:

- A) PARK'S OPERATING COST THRESHOLD: (divide the PARK'S OPERATING COST THRESHOLD by four to make it QUARTERLY) \$_____
- B) The OPERATING PARTNER'S OPERATING EXPENDITURES: (QUARTERLY) \$_____
- C) PARK'S OPERATING COST THRESHOLD (A) or the OPERATING PARTNER'S OPERATING EXPENDITURES (B), whichever is less: \$_____
- D) FEE REVENUE collected at PARK: (QUARTERLY) \$_____

Balance surplus/deficit: (C minus D) \$ _____

The OPERATING deficit balance between C) minus D) is the in-kind OPERATING EXPENDITURE eligible for MATCH as a FINANCIAL CONTRIBUTION:
\$ _____

Operating Partner's Financial Contribution Commitment Form

This form is used for the purpose of establishing the AGREEMENT (or amendment). It lists what the OPERATING PARTNER plans to deliver in the future.

Purpose: Description of the FINANCIAL CONTRIBUTION and use.	Schedule of month/year of FINANCIAL CONTRIBUTION DELIVERY	Amount of the FINANCIAL CONTRIBUTION
		\$
		\$
		\$
		\$
		Grand Total:
		\$

Name of PARK subject to this AGREEMENT: _____

I certify that the DEPARTMENT and OPERATING PARTNER understand and agree with the above offer and agree with all of the following: The DEPARTMENT'S MATCH authority is limited to \$10 million for all statewide FINANCIAL CONTRIBUTION DELIVERIES. All FINANCIAL CONTRIBUTION DELIVERIES must occur before June 30, 2014 because the DEPARTMENT must allocate MATCH before June 30, 2014. Therefore, the DEPARTMENT will allocate MATCH in the same order that FINANCIAL CONTRIBUTIONS are received. The DEPARTMENT cannot allocate MATCH after receiving \$10 million of FINANCIAL CONTRIBUTIONS pursuant to all statewide AGREEMENTS, or after June 30, 2014, whichever is earlier. The allocated MATCH funds must be spent before June 30, 2016.

OPERATING PARTNER'S Authorized Representative (Name and Title):

Signature _____ Date _____

DEPARTMENT'S Authorized Representative (Name and Title):

Signature _____ Date _____

Department's Match Pending Form

This form is used for the purpose of establishing the AGREEMENT (or amendment). It lists what the DEPARTMENT will provide if the OPERATING PARTNER delivers what is listed on the "OPERATING Partner's Financial Contribution Commitment Form".

Purpose: Description of the FUNCTIONS or DEFERRED MAINTENANCE that the DEPARTMENT will fund through the MATCH.	MATCH Amount
	\$
	\$
	\$
	\$
	Grand Total:
	\$

Name of PARK subject to this AGREEMENT:

I certify that the DEPARTMENT and OPERATING PARTNER understand and agree with the above offer and agree with all of the following: The DEPARTMENT'S MATCH authority is limited to \$10 million for all statewide FINANCIAL CONTRIBUTION DELIVERIES. All FINANCIAL CONTRIBUTION DELIVERIES must occur before June 30, 2014 because the DEPARTMENT must allocate MATCH before June 30, 2014. Therefore, the DEPARTMENT will allocate MATCH in the same order that FINANCIAL CONTRIBUTIONS are received. The DEPARTMENT cannot allocate MATCH after receiving \$10 million of FINANCIAL CONTRIBUTIONS pursuant to all statewide AGREEMENTS, or after June 30, 2014, whichever is earlier. The allocated MATCH funds must be spent before June 30, 2016.

OPERATING PARTNER'S Authorized Representative (Name and Title):

Signature _____

Date _____

DEPARTMENT'S Authorized Representative (Name and Title):

Signature _____

Date _____

OPERATING Partner's Financial Contribution Delivery Form

This form is used for the purpose of reporting the actual achieved FINANCIAL CONTRIBUTION DELIVERY to enable the DEPARTMENT to allocate MATCH. FINANCIAL CONTRIBUTION DELIVERY reported to the DEPARTMENT should be grouped on a QUARTERLY basis when possible.

Purpose: Description of the achieved FINANCIAL CONTRIBUTION DELIVERY.	Month/year of FINANCIAL CONTRIBUTION DELIVERY	Amount of the FINANCIAL CONTRIBUTION
		\$
		\$
		\$
		\$
	QUARTERLY total through this report:	\$
	QUARTERLY total through previous reports:	\$
	Grand total to date:	\$

Name of PARK subject to this AGREEMENT: _____

I certify that the OPERATING PARTNER provided the FINANCIAL CONTRIBUTION DELIVERY listed on this form. The OPERATING PARTNER understands that all FINANCIAL CONTRIBUTION DELIVERY records must be kept by the OPERATING PARTNER through July 1, 2017 and will be made available for purpose of a possible audit.

OPERATING PARTNER'S Authorized Representative (Name and Title):

Signature _____

Date _____

DEPARTMENT'S Authorized Representative (Name and Title):

Signature _____

Date _____

Department's Match Allocation Form

This form is used to identify the DEPARTMENT'S MATCH allocation based on the actual FINANCIAL CONTRIBUTION DELIVERY listed on the "OPERATING Partner's Financial Contribution Delivery Form".

Purpose: Description of the FUNCTIONS or DEFERRED MAINTENANCE that the DEPARTMENT will fund through the MATCH.	MATCH Amount
	\$
	\$
	\$
Total MATCH through this allocation:	\$
Previous MATCH amount allocated to this PARK:	\$
Grand Total of MATCH allocated to this PARK to date:	\$

Name of PARK subject to this AGREEMENT:

I certify that the DEPARTMENT and OPERATING PARTNER understand and agree with the following: The DEPARTMENT'S MATCH authority is limited to \$10 million for all statewide FINANCIAL CONTRIBUTION DELIVERIES. The OPERATING PARTNER'S Financial Contribution Delivery Form shows the FINANCIAL CONTRIBUTION DELIVERY occurred before June 30, 2014. The DEPARTMENT is allocating MATCH for the amount and purpose shown on this form due to the requirement that the DEPARTMENT must allocate MATCH before June 30, 2014, and the DEPARTMENT will allocate MATCH in the same order that FINANCIAL CONTRIBUTIONS are received, and there is still a sufficient balance under the \$10 million pursuant to all statewide AGREEMENTS. These allocated MATCH funds must be spent before June 30, 2016.

OPERATING PARTNER'S Authorized Representative (Name and Title):

Signature _____

Date _____

DEPARTMENT'S Authorized Representative (Name and Title):

Signature _____

Date _____

Definitions

Words and terms used in SMALL CAPS are defined below.

AGREEMENT – a DONOR AGREEMENT, OPERATING AGREEMENT, or other covenant in writing which includes the conditions of the FINANCIAL CONTRIBUTION and MATCH. This includes amendment to previous agreements.

CALIFORNIA STATE PARKS – see DEPARTMENT.

CLOSURE LIST – the 70 PARKS identified for closure by the DEPARTMENT on May 13, 2011 based on the \$22 million cut to State Parks budget between fiscal years 2011/12 and 2012/13. The May 13, 2011 closure list is available at www.parks.ca.gov

DEFERRED MAINTENANCE – the substantial backlog of repair costs necessary to protect the integrity and safety of environmental, historical, and cultural resources found in the public's STATE PARKS. Some PARKS have significant deferred maintenance needs that may result in partial or complete closure if not repaired. In such cases, pursuant to an AGREEMENT, the DEPARTMENT'S MATCH may be spent on addressing deferred maintenance needs.

DEPARTMENT, STATE PARKS, also CALIFORNIA STATE PARKS – the State of California, Department of Parks and Recreation, including all of its subdivisions.

DISTRICT– a geographic subdivision of the state containing units of the State Park System.

DISTRICT SUPERINTENDENT – the person designated by the DEPARTMENT as having responsibility for a PARK DISTRICT, or their delegate.

DONOR – any individual, public agency, non-profit organization, community business or other entity that makes a FINANCIAL CONTRIBUTION to the DEPARTMENT. See the “AB 1478 Match Procedural Guide for Donor Agreements.”

DONOR AGREEMENT – a FINANCIAL CONTRIBUTION COMMITMENT made between the DEPARTMENT and a DONOR whereby the DEPARTMENT will MATCH funds received from the DONOR. See the “AB 1478 Match Procedural Guide for Donor Agreements.”

FINANCIAL CONTRIBUTION – for purpose of MATCH through OPERATING AGREEMENTS, a financial contribution is includes these three possibilities:

- 1) The OPERATING PARTNER funds a DEPARTMENT service(s): the DEPARTMENT will MATCH the amount dollar-for-dollar by providing FUNCTIONS or addressing DEFERRED MAINTENANCE needs to keep a specific PARK on the CLOSURE LIST open.
- 2) The OPERATING PARTNER uses FEE REVENUE collected at the PARK or through fund raising activities for a park improvement project: The DEPARTMENT will MATCH the OPERATING PARTNER'S amount spent on the project by allocating the MATCH to the

same project, or by providing different FUNCTIONS or addressing DEFERRED MAINTENANCE needs to keep the PARK open. The DEPARTMENT'S MATCH must be spent on FUNCTIONS or addressing DEFERRED MAINTENANCE necessary to keep the PARK open.

3) The OPERATING PARTNER'S OPERATING EXPENDITURES: the total QUARTERLY amount of an OPERATING PARTNER'S in-kind cost of services (cost of employee salaries and goods to operate the PARK), equal to or less than the PARK'S OPERATING COST THRESHOLD, subtracted by the FEE REVENUE generated at the PARK during the same QUARTER.

FINANCIAL CONTRIBUTION COMMITMENT – when an OPERATING PARTNER enters into an AGREEMENT (or amendment) with the DEPARTMENT to establish the intent of the FINANCIAL CONTRIBUTION and MATCH.

FINANCIAL CONTRIBUTION DELIVERY – when the FINANCIAL CONTRIBUTION is achieved between July 1, 2012 and June 30, 2014 and reported to the DEPARTMENT through the Financial Contribution Delivery Form.

FUNCTIONS – tasks identified by the DEPARTMENT as essential to the OPERATING of PARKS, including but are not limited to:

1. Administration and Management
2. Cultural and Natural Resources Management
3. Interpretation and Education
4. Maintenance and Facilities Management
5. Public Safety and Law Enforcement
6. Recreation
7. Planning, Environmental and Regulatory Compliance
8. Public Works and Capital Development
9. Real Property
10. Marketing and Revenue Generation

MATCH – funds allocated by the DEPARTMENT pursuant to Public Resources Code §541.5(b)(1) as a dollar-for-dollar equivalency of a FINANCIAL CONTRIBUTION DELIVERY.

- MATCH is not money given to DONORS or OPERATING PARTNERS because Statute and the State Constitution prohibit the DEPARTMENT from giving cash payments to DONORS or OPERATING PARTNERS.
- The FINANCIAL CONTRIBUTION DELIVERY from DONORS or OPERATING PARTNERS enables the DEPARTMENT to MATCH those received funds for FUNCTIONS or DEFERRED MAINTENANCE needs at the same PARK.
- If specified in the AGREEMENT, the MATCH and FINANCIAL CONTRIBUTION can be spent on different FUNCTIONS or DEFERRED MAINTENANCE needs within the same PARK.

OPERATING AGREEMENT – a written agreement between the DEPARTMENT and a public agency or non-profit organization specifying that the OPERATING PARTNER will perform one or more FUNCTIONS at a particular PARK. For purposes of MATCH, the original operating agreement must be amended to specify the conditions for a FINANCIAL CONTRIBUTION and MATCH.

OPERATING EXPENDITURES – For purpose of calculating an eligible MATCH amount: the total QUARTERLY amount of an OPERATING PARTNER'S in-kind cost of services (cost of employee salaries and goods to operate the PARK), equal to or less than the PARK'S OPERATING COST THRESHOLD, subtracted by the FEE REVENUE collected at the PARK during the same QUARTER.

- An OPERATING PARTNER'S expenditures paid for through FEE REVENUE collected at the PARK are not considered a FINANCIAL CONTRIBUTION because the PARK'S FEE REVENUE is covering the cost.
- OPERATING expenditures that exceed the PARK'S OPERATING COST THRESHOLD are not considered for MATCH because the PARK can be kept open for the public at the threshold's funding level.
- See the definition of FINANCIAL CONTRIBUTION and the Worksheet with examples found in the guide.

OPERATING PARTNER – a public agency or non-profit organization with an AGREEMENT to perform one or more FUNCTIONS at a particular PARK.

PARK, STATE PARK – any unit of the State Park System.

PARK'S OPERATING COST THRESHOLD – the PARK specific baseline funding amount for basic temporary operation to keep the PARK open as identified by the DEPARTMENT in fiscal year 2009/10. This threshold amount does not include DEFERRED MAINTENANCE.

PARTNERSHIP – refers to FINANCIAL CONTRIBUTIONS and MATCH through an AGREEMENT.

QUARTERLY – A three-month period on the DEPARTMENT'S financial calendar that acts as a basis for the reporting of FINANCIAL CONTRIBUTION DELIVERY and MATCH allocation. The first quarter starts July 1, and the fourth quarter ends June 30 as follows:

(Q 1) July, August, September, (Q 2) October, November, December, (Q 3) January, February, March, (Q 4) April, May, June.

FEE REVENUE – the routine public day-use fees and overnight camping fees collected at the PARK.

RULES – all laws, regulations, DEPARTMENTAL policies, and guidelines established by any planning documents which govern activities in State Parks.

STATE PARKS – see DEPARTMENT.