



Board of Regents

Ted Strickland Governor
Eric D. Fingerhut Chancellor

University System of Ohio

DIRECTIVE 2010-014

March 18, 2010

RE: JOINT USE AGREEMENT BETWEEN TERRA COMMUNITY COLLEGE AND MEMORIAL HOSPITAL

H.B. 562 includes a specific capital appropriation of \$375,000 to Terra Community College for a Memorial Hospital project. The Hospital owns the facility to be improved with state capital funds.

The Ohio Board of Regents' Rule 3333-1-03 requires that a joint use agreement between the institution for which funds are appropriated and the organization which will own or lease and operate facilities to be constructed or improved with such funds must be approved by the Chancellor. Terra Community College and Memorial Hospital presented a joint use agreement for approval.

The agreement conforms to Ohio Administrative Code as follows –

- The format of the agreement is appropriate
- The commitment extends no less than fifteen years
- The value of use to Ohio higher education institutions is reasonably related to the amount of the appropriation

Agency staff reviewed the agreement and posted its recommendations to the Regents' web site for purposes of providing a period of public comment before final approval by the Chancellor. The materials posted for comment and the joint use agreement are attached to this document.

Based on my review of staff recommendations, I hereby approve the Joint Use Agreement between Terra Community College and Memorial Hospital.

This directive will take effect immediately.

Eric D. Fingerhut
Chancellor, Ohio Board of Regents

MTC

Joint Use Agreement between Terra Community College and Memorial Hospital

BACKGROUND

H.B. 562 includes a specific capital appropriation of \$375,000 to Terra Community College for a Memorial Hospital project. The Hospital owns the facility to be improved with state capital funds. As required by Ohio Administrative Code section 3333-1-03, Terra Community College submitted a Joint Use Agreement for consideration and approval by the Chancellor.

State funds will support improvements to the Memorial Hospital facility, located at 715 South Taft Avenue, Fremont, Ohio.

REVIEW

Throughout the entire term of the agreement, the Hospital will provide the following to the College –

- 1) Use of the planned facility to the faculty and students of the College's Nursing and Allied Health programs as a site for clinical instruction and faculty/student conferences.

The agreement conforms to Ohio Administrative Code as follows –

- The format of the agreement is appropriate
- The commitment extends no less than fifteen years
- The value of use to Ohio higher education institutions is reasonably related to the amount of the appropriation

RECOMMENDATION

Staff recommends Chancellor approval of the Joint Use Agreement between Terra Community College and Memorial Hospital.

Terra Community College currently has 73,155 square feet assigned to classroom and laboratory space on its current campus. The College will spend \$1,500,000 for Plant Operations to maintain and this space or approximately \$20 per square foot.

The Herbert Perna Center will provide 300 square feet of conference room space for instructional meetings between allied health students and clinical instructors. The value of the conference space each year would be \$20 per square foot multiplied by 300 square feet for \$6,000.

In addition the Herbert Perna Center will provide over 1200 square feet of clinical space for patient therapy that will be used for clinical instruction activities. The value of the clinical instruction space each year would be \$20 per square foot multiplied by 1200 square feet for \$24,000.

JOINT USE AGREEMENT ANALYSIS

Institutions Involved Terra Community College/Memorial Hospital

Project Title Addition to Herbert Perna Center

Capital Bill HB 562 Item C36408 Herbert Perna Center for Physical Health Studies

- Yes 1. Is the facility to be built/improved identified specifically by address or location?
- Yes 2. Does the non-profit organization now own the property or have a long term lease? If not, when will it control the property?
- Yes 3. Does the agreement provide for use of the facility for at least 15 years from the time that it is ready for occupancy?
- Yes 4. If the agreement is terminated, is there a pro rata reimbursement clause? Is the reimbursement formula correct?
- Yes 5. Will funds be used only for capital improvements and not operating costs?
- Yes 6. Will the non-profit hold the institution harmless for all operation/maintenance costs?
- Yes 7. Will the non-profit comply with federal, state and local laws and rules?
- Yes 8. Is the non-profit required to competitively bid as outlined generally in ORC Chapter 153 (published ads, sealed bids, public opening, award to lowest responsive and responsible bidder, etc.)?
- Waived 9. Does the contract provide for a 1.5% administrative fee for the institution?
- Yes 10. Does the agreement require that amendments be approved by the Chancellor of the Board of Regents?
- Yes 11. Is a drawdown schedule or payment procedure included?
- Yes 12. Are the extent and nature of spaces and uses adequately described?
- Yes 13. Are the terms and conditions of use of the facility described?
- Yes 14. ***Has the institution demonstrated that the value of the use of the facility is reasonably related to the amount of the appropriation? (See attached worksheet)***
- Yes 15. Is the facility insured?

**JOINT USE AGREEMENT
BETWEEN
MEMORIAL HOSPITAL
AND
TERRA COMMUNITY COLLEGE**

THIS JOINT USE AGREEMENT ("Agreement") is between MEMORIAL HOSPITAL, ("HOSPITAL") an Ohio non-profit health care facility and TERRA COMMUNITY COLLEGE, an instrumentality of the State of Ohio created and existing under Chapter 3544 of the Ohio Revised Code ("COLLEGE").

RECITALS

WHEREAS, the COLLEGE's mission is to provide an education of high quality to students in our communities, as well as serve as a leader and partner to enhance the quality of life and economic viability of our communities; and further, WHEREAS the HOSPITAL's mission is to continually improve the health and quality of life of the communities we serve, it is the intention of this Agreement to develop an educational relationship that will be mutually beneficial to both parties; and WHEREAS, the Ohio General Assembly passed House Bill Number 562, which appropriated a total sum of Three Hundred Seventy Five Thousand Dollars (\$375,000.00), to the COLLEGE to be used by the HOSPITAL for capital construction (the "Capital Improvement"); and WHEREAS, the State of Ohio capital appropriations released through the Chancellor of the Ohio Board of Regents "Chancellor" require compliance with Ohio Administrative Rule 3333-1-03(E), Which specifically calls for the execution of a joint use agreement; and WHEREAS, the COLLEGE has concluded that the value of the use of HOSPITAL's facilities and resources by the COLLEGE as provided in this Agreement is reasonably related to the amount of the appropriation, and WHEREAS, COLLEGE and HOSPITAL have previously entered into a Nursing Clinical

Agreement (the "Clinical Agreement") pursuant to which HOSPITAL is providing COLLEGE clinical agency experience; and WHEREAS, HOSPITAL is the owner of the real property that is subject to this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits hereunder, it is hereby agreed between the parties as follows:

1. Use of the HOSPITAL's Facilities and Resources by the COLLEGE.

The HOSPITAL agrees to provide use of its planned facility, the ground level floor of the Herbert Perna Center for Physical Health (the "Project"), to the faculty and students of the COLLEGE's Nursing and Allied Health programs for educational opportunities as a site for clinical instruction and faculty/student conferences.

Moreover, the HOSPITAL agrees to provide the COLLEGE's Nursing and Allied Health students and faculty access to the HOSPITAL's educationally appropriate activities and operations for students to have clinical educational experiences.

Examples of student learning experiences include:

1. Collaborate with other health professionals in the provision of care,
2. Demonstrate responsibility and accountability for nursing actions,
3. Apply evidence-based knowledge gained from the nursing process and related sciences to develop and implement the nursing care plan,
4. Apply critical thinking skills in nursing practice,
5. Use effective collaboration techniques with the health care team,
6. Foster strategies for health promotion, risk reduction and disease prevention,
7. Provide culturally sensitive, holistic care that addresses the needs of diverse populations across the health care continuum in a variety of settings.

8. Use principles of teaching and learning in providing client instruction.

The COLLEGE's Allied Health faculty and students agree to abide by all applicable laws, regulations, the Hospital's Compliance Plan, HOSPITAL policies and procedures, and agree to work in cooperation with HOSPITAL employees and volunteers.

2. The HOSPITAL's representatives and the COLLEGE's Director of Nursing will develop the details and guidelines for implementation of programs referenced in item (1) above. The COLLEGE's expectation would be to have 4-5 clinical course sections per academic year (September – June) at the HOSPITAL consisting of approximately 3-4 credit hours per course with up to 8 students per class. In addition, COLLEGE expects HOSPITAL to support 2-3 preceptor sections with up to 2 students per section each academic year, as set forth more fully in the Clinical Agreement. The parties shall meet at least semi-annually to review and monitor implementation of the facility for instructional uses. Notwithstanding the foregoing, COLLEGE shall not increase the courses or programs offered absent mutual agreement of COLLEGE and HOSPITAL. Meeting reports will be available upon request.
3. Term: Termination for Cause Prior to Expiration of Term. The term of this Agreement shall commence as of the date of execution set forth below (the "Commencement Date") and shall end twenty (20) years thereafter. If any of the material terms or conditions contained in this Agreement are breached by either party, then the other party shall have the right to terminate this Agreement upon forty-five

(45) days' written notice to the breaching party, provided that the breaching party does not cure the breach within such 45-day period.

4. Termination Without Cause: Either party shall have the right to terminate this Agreement without cause upon at least thirty (30) days notice, subject to the provisions of the Clinical Agreement.
5. Reimbursement of State upon Termination. In the event of termination under Section 3 by COLLEGE or Section 4 by HOSPITAL prior to twenty (20) years from the Commencement Date, the HOSPITAL shall remit to the State of Ohio a prorated portion of the Funds, which shall be calculated by dividing the funds contributed by the State of Ohio by twenty (20) and multiplying that sum by twenty (20) less the number of full years that the HOSPITAL's obligations under this Agreement were fulfilled.
6. Compliance with Laws. The HOSPITAL shall comply in all material respects with all pertinent federal, state and local laws as well as state administrative regulations, applicable to the use of funds hereunder and to the operation of the Capital Improvement.
7. Funds Used Only for Capital Improvements. The Funds provided under this Agreement shall be used by the HOSPITAL only for capital improvements, including, but not limited to the Project, construction of a new, 2,000 square-foot floor of the Herbert Perna Center for Physical Health which is located at 715 S. Taft Ave., Fremont, Ohio.
8. Ownership of the HOSPITAL. The Project will be owned by the HOSPITAL, and will be fully insured.

9. Competitive Bidding. The HOSPITAL, in connection with the expenditure of Funds for the Project, shall, to the extent required by Ohio law, follow the competitive bidding procedures for educational facilities construction, including, but not limited to, publishing advertisements to seek bids, and awarding contracts to the lowest responsive and responsible bidder.
10. Hold Harmless. The HOSPITAL shall hold the State of Ohio and the COLLEGE, its officers, trustees and employees harmless from any and all obligations, expenses, liabilities or claims of any kind and/or the COLLEGE, its officers, trustees or employees being named as a defendant or party to any lawsuit or adjudicatory proceedings, if such lawsuit or adjudicatory proceeding arising out of (1) the construction, renovation, operation, or maintenance of the Center, (2) an alleged action or omission of the HOSPITAL, its officers, trustees or employees, including, but not limited to HOSPITAL's failure or alleged failure to comply with applicable public bidding requirements or any other federal, state or local law, ordinance, rule, order, directive or regulation.
11. Indemnification. Each party agrees to be responsible for any personal injury or property damage caused by the negligent acts or negligent omissions by or through itself or its agents, employees and contracted servants and each party further agrees to defend itself and themselves and pay any judgments and costs arising out of such negligent acts or negligent omissions, and nothings in the agreement shall impute or transfer any such responsibility from one to the other.
12. Amendments. Any amendments to this Agreement shall be in writing, signed by the HOSPITAL and the COLLEGE, and shall require approval by the Chancellor.

13. Records of the COLLEGE's Use. Upon request by the Chancellor and/or the COLLEGE, the HOSPITAL shall supply the Chancellor and/or the COLLEGE with all pertinent records, including financial records, which measure the nature and extent of use of HOSPITAL's facilities by the COLLEGE, the terms and conditions governing such use and the specific benefits derived by the COLLEGE under this Agreement.
14. Distribution of Funds; Administrative Costs. Upon execution of this Agreement, the COLLEGE shall submit to the Chancellor a formal request for permission to release the Funds. Following the competitive bidding selection, funds will be encumbered per State of Ohio requirements for construction and renovation projects. After the encumbrance of the Funds, the HOSPITAL shall submit to the COLLEGE requests for payment of amounts along with documentation of contractor invoices or purchase orders related to obligations incurred by the HOSPITAL for permitted uses of the Funds. The COLLEGE will review the documentation and determine that it meets Ohio Office of Budget and Management (OBM) requirements. The COLLEGE will submit payment requests to OBM for project costs so that the HOSPITAL's contractors are paid for services rendered and materials purchased. The COLLEGE has elected not to charge any administrative costs.
15. Certification. The parties represent and certify that the value to be derived by the COLLEGE pursuant to this Agreement is reasonably related to the appropriation to be granted pursuant to this Agreement.

16. Notices. All notices to the parties shall be sent by registered or certified mail, postage prepaid and addressed to the parties at the addresses set forth below, or to such other address as either party shall have designated by prior notice.

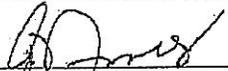
Memorial Hospital
715 S. Taft Ave.
Fremont, OH 43420
Attn: Development Director

Terra Community College
2830 Napoleon Rd.
Fremont, OH 43420
Attn: Executive Director of Business Services

17. Binding Nature. This Agreement shall be binding upon and inure to the benefit of the HOSPITAL and the COLLEGE and their respective successors and assigns.
18. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto relating to the subject matter of this Agreement.
19. Heading. The headings used in this Agreement are inserted only as a matter of convenience and for reference and should not be given effect in the interpretation of this Agreement.
20. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

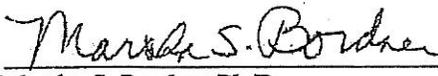
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the
month, day and year signed.

MEMORIAL HOSPITAL

By: 
John Yanés
Chief Executive Officer

Date: 12/24/09

TERRA COMMUNITY COLLEGE

By: 
Marsha S. Bordner Ph.D.
President

Date: 12/21/09

