



Indian River State College

INDIAN RIVER STATE COLLEGE REAL ESTATE, INC. ORGANIZATIONAL MEETING

**Indian River State College - Massey Campus
Ben L. Bryan Administration Building, A302
3209 Virginia Avenue, Fort Pierce, FL 34981**

September 19, 2025 – 9:00 AM

AGENDA

1. Call to Order and Pledge of Allegiance – *Caroline Valentin, General Counsel, presiding*
2. Open to Public Comment - *General Counsel Valentin*
3. Appointment of the Board Members – *General Counsel Valentin*
4. Election of Officers – *General Counsel Valentin*
5. Appointment of Executive Director – *General Counsel Valentin*
6. New Business – *General Counsel Valentin*
 - a. Approval of Operating Agreement
 - b. Adoption of Bylaws
 - c. Approval of the Engagement Agreement with James Moore & Co.
 - d. Approval of Letter of Intent
7. Adjourn – *General Counsel Valentin*

**DIRECT SUPPORT ORGANIZATION OPERATING AGREEMENT
BETWEEN THE DISTRICT BOARD OF TRUSTEES OF INDIAN RIVER
STATE COLLEGE AND INDIAN RIVER STATE COLLEGE REAL ESTATE, INC.**

THIS DIRECT SUPPORT ORGANIZATION OPERATING AGREEMENT ("Agreement") is entered into and made effective on this _____ day of _____ 2025, by and between **THE DISTRICT BOARD OF TRUSTEES OF INDIAN RIVER STATE COLLEGE, FLORIDA** ("DBOT") a political subdivision of the State of Florida with its mailing address at 3209 Virginia Avenue, Fort Pierce, Florida 34981 and **INDIAN RIVER STATE COLLEGE REAL ESTATE, INC.** ("Real Estate DSO"), a Florida corporation not-for-profit with its mailing address at 3209 Virginia Avenue, Administration Building, Fort Pierce, Florida 34981.

I. Preliminary Statement

Section 1004.70 of the Florida Statutes provides for the creation of a direct support organization where an entity is to be organized and operated exclusively to receive, hold, invest and administer property and to make expenditures to, or for the benefit of a Florida College System institution. In addition, this statute allows a college's Board of Trustees to permit the use of college property, facilities, and personal services to assist the Direct Support Organization in its mission of supporting the college. In order to establish the working relationship between the DBOT and the Real Estate DSO, and to delineate the functions of each, the parties have entered into this Agreement.

II. Organization of the Real Estate Direct Support Organization

The DBOT has oversight responsibility for the Real Estate DSO because it is a direct support organization of Indian River State College ("College") and was created to operate in a manner consistent with the purposes, goals, and objectives of the DBOT and College, at all times. In order to fulfill this responsibility, the DBOT requires the Real Estate DSO to be properly organized and to meet the minimum standards and requirements set forth in the applicable Florida Statutes, College policies and procedures, and this Agreement.

- A. Purpose.** The Real Estate DSO is hereby recognized and certified by the DBOT as an Indian River State College DSO because it uses the property, facilities, personal services and name of the College for the purpose of receiving, holding, investing and administering assets and property, and making expenditures for the benefit of the College. The Real Estate DSO was created and is operated pursuant to Section 1004.70, Florida Statutes.
- B. Incorporation.** The Real Estate DSO is, and at all times shall remain, a Florida not-for-profit corporation organized under the provisions of Chapter 617 of the Florida Statutes.
- C. Tax-Exempt Status.** The Real Estate DSO is, and at all times shall remain, exempt from federal and state taxes. Exemption from federal taxation is not automatic, as such, the Real Estate DSO has been qualified as a tax-exempt organization (typically referred to as a "501(c)(3) organization") by the Internal Revenue Service and will maintain such tax-exempt status at all times. The Real Estate DSO

has submitted its federal Internal Revenue Service Application for Recognition of Exemption form and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form to the DBOT.

- D. **Articles of Incorporation.** The Real Estate DSO must have on file with the Florida Secretary of State such Articles of Incorporation as are required by the provisions of Chapter 617, Florida Statutes. The Real Estate DSO's stated mission and purpose for which it is organized shall be to support and benefit the College.
- E. **Bylaws.** The day-to-day governance of the Real Estate DSO's corporate affairs shall be provided in its bylaws. The bylaws must contain provisions dealing with the membership of its governing board, meeting requirements, including any applicable open meeting requirements, amendments to its governing documents, and duties of its board members.

III. **Management of the Real Estate DSO**

- A. The DBOT shall maintain oversight and approval authority over the Real Estate DSO in order to ensure that the Real Estate DSO is operating in a manner consistent with the goals, missions, and priorities of the DBOT and College and in the best interest of the same. The DBOT shall oversee the Real Estate DSO to ensure that it is at all times operating and functioning consistently with applicable Florida laws and policies and procedures of the College, including but not limited to Section 1004.70, Florida Statutes and Indian River State College District Board of Trustees Policies.
- B. The College will provide the Real Estate DSO such staff as the DBOT deems appropriate for the Real Estate DSO's operations, suitable offices, facilities for staff and activities, such equipment, materials, and supplies as reasonably required for the operation of the Real Estate DSO.
- C. The Real Estate DSO's Board of Directors ("Real Estate DSO Board") shall be responsible for the management of the Real Estate DSO's assets, consistent with this Agreement, Florida law, its Articles of Incorporation, and its Bylaws, and subject to the DBOT's oversight authority. The Real Estate DSO Board shall also be responsible for the prudent management of all gifts consistent with donor intent, provided that such intent is consistent with the goals of the DBOT and College and in the best interest of the State.
- D. The Real Estate DSO Board shall be responsible for the performance and oversight of its operations, based on its Bylaws that clearly address the Real Estate DSO Board's responsibilities and expectations, subject to the DBOT's oversight authority.

- E. The Real Estate DSO shall employ an Executive Director. The Executive Director shall be a College employee, reporting to the President, is responsible for all activities related to soliciting private support, establishing productive relationships with external groups, reporting of gifts and Real Estate DSO developments, and serve as a liaison to the Real Estate DSO Board . The Executive Director shall hold an *ex-officio* (non-voting) seat on the Real Estate DSO Board.
- F. The Chair of the DBOT is entitled to appoint a representative to serve as a member of the Real Estate DSO's Board and Real Estate DSO's Executive Committee. Furthermore, the President of the College or his designee also serves as a member of the Real Estate DSO Board and Real Estate DSO's Executive Committee.
- G. The DBOT recognizes that the Real Estate DSO plays a large role in assisting with and coordinating the management and oversight of real estate assets and tangible personal property.
- H. Any transaction or agreement between the Real Estate DSO and any other DSO or entity must be approved by the DBOT, except as provided for in this Agreement. The DBOT delegates to the Real Estate DSO Board authorization for approval of short term loans and lease-purchase agreements for a term of not more than 5 years, including renewals, extensions, and refunding, for goods, materials, equipment, and services, on the condition that the President, in his or her judgment, determines that the activities fall within the mission of the College and believes such usage to be for the good of the College, its students and its faculty.

IV. Employees of Real Estate DSO

All full-time employees of the Real Estate DSO may be regular employees of the College and entitled to participate in all benefits available to College employees allowed by law and approved by the DBOT. As College employees, Real Estate DSO employees will be subject to the same evaluation and compensation structure as College employees and subject to all of the College's policies and procedures and requirements of Florida law for public employees.

V. Liability

The DBOT and the Real Estate DSO are separate and distinct legal entities, and nothing in this Agreement is intended to create or constitute a joint venture, partnership, agency, or irrevocable or revocable trust between the parties or persons referred to herein. Except as otherwise provided herein, no party shall have any right, power, or authority to create any obligation, express or implied, on behalf of any other party; provided however, that the Chair of the Real Estate DSO or other designees may bind the Real Estate DSO when acting within the scope of his or her authority as delegated by the Real Estate DSO's Board of Directors or the Real Estate DSO Chair. In all matters relating to this Agreement, each party hereto shall have sole liability for its own acts. The Real Estate DSO shall be responsible for the acts of its Board of Directors, and the DBOT shall be responsible for the tortious acts of the College's employees assigned to work for the Real Estate DSO when acting within the scope of their duties as an employee. The maximum limit of the DBOT's and Real Estate DSO's liability shall be those limits set forth in Section

768.28, Florida Statutes, and nothing in this agreement shall be construed as a waiver of sovereign immunity beyond the limits in that statute.

VI. Indemnification

Subject to the limitations set in Section 768.28, Florida Statutes, the DBOT and Real Estate DSO agree to indemnify, defend, save and hold harmless the other party from and against any claim, liability, debt, judgment, expense or other costs related to or arising out of the indemnifying party's acts, omissions, or negligence. Nothing contained herein shall be deemed a waiver of any applicable sovereign immunity pursuant to Florida Statute 768.28

VII. Real Estate DSO Responsibilities

- A. Property Asset Management.** The Real Estate DSO is authorized to oversee, manage, operate, and undertake related funds thereto, for real property or tangible personal property, consistent with applicable laws and College's policies.
- B. Audits.** The Real Estate DSO will engage an independent accounting firm annually to conduct an audit of its financial and operational records, in accordance with rules adopted by Florida's Auditor General. The Real Estate DSO will submit the annual audit report within six months of the end of the fiscal year which it covers to the College for review and approval by the DBOT. The DBOT will submit the annual audit report to the State Board of Education and the Auditor General within nine months after the end of the fiscal year which it covers in accordance with Section 1004.70, Florida Statutes.
- C. Transfer of Funds.** The Real Estate DSO is authorized to transfer funds to the College in compliance with applicable laws and College policies.

The Real Estate DSO's disbursements to and or on behalf of the College must be for the benefit of the College, and consistent with applicable law and College policies established by the DBOT.

- D. Access to and Sharing of Data and Information.** The Real Estate DSO will provide access to information, data and records to the DBOT, as required by law. The Real Estate DSO shall make available upon request all public records as required by Chapter 119, Florida Statutes, to the extent that they are not made exempt from disclosure or confidential by other provisions of the law. The Executive Director of the Real Estate DSO shall report to the President, or designee, and shall provide full, complete and timely information regarding the operation of the Real Estate DSO upon request by the President or DBOT. The Real Estate DSO shall be provided reports of activity regarding authorized disbursements.

VIII. Decertification

Pursuant to Florida law, if, at the President's request or at its own initiative, the DBOT determines that the Real Estate DSO is no longer operating for the benefit of the College, the tax- exempt status of the Real Estate DSO has been revoked by the Internal Revenue Service, or the Real Estate DSO has persistently failed to materially comply with applicable laws or this Agreement, the DBOT may decertify the Real Estate DSO as its DSO.

In the event the Real Estate DSO is decertified by the DBOT, ceases to do business, or repeatedly and materially fails to comply with this Agreement, applicable Florida laws or applicable IRSC policies, and said failure is not corrected within thirty (30) days of written notice, the Real Estate DSO agrees that any and all assets held by the Real Estate DSO at such time shall be transferred to the College or as the DBOT may direct, to any other IRS Section 501(c)(3) organization operating for the benefit of the College and, to the extent possible, operating in a manner consistent with the initial goals and objectives of the Real Estate DSO.

IX. Intellectual Property Rights

Consistent with its mission to operate for the benefit of the College, the Real Estate DSO is granted permission to incorporate the name Indian River State College into its name. The Real Estate DSO has the authority to use the College's name, logo, and other identifying marks in furthering its role as a direct support organization of the College, for as long as it operates in a manner consistent with the goals, purpose, and mission of the College, and in the best interest of the State of Florida.

X. Review of Agreement

This Agreement will be reviewed on a biannual basis, at a minimum, or more frequently, if necessary. Any amendments or modifications must comply with Paragraph XI of this Agreement.

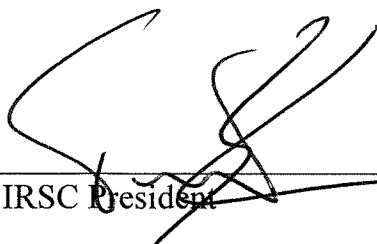
XI. Amendments

This Agreement may be amended or modified by a writing signed by authorized officers from both parties, which recites that it is an amendment to this Agreement.

XII. Term

This Agreement shall become effective upon signature by the authorized officers from parties and will remain in effect until June 30, 2125, unless terminated by agreement or by the DBOT.

IN WITNESS WHEREOF, the parties have cause this Agreement to be executed by their duly authorized officers.

Attest: 

IRSC President

**THE DISTRICT BOARD OF TRUSTEES OF
INDIAN RIVER STATE COLLEGE,
FLORIDA**

By: 

Chair, IRSC District Board of Trustees

**INDIAN RIVER STATE COLLEGE
REAL ESTATE, INC.**

Attest: _____
Executive Director
Indian River State College Real
Estate, Inc.

By: _____
Chair, Indian River State College Real
Estate, Inc. Board of Directors

BYLAWS
The Indian River State College Real Estate, Inc.
(A Not-For-Profit Corporation)

ARTICLE I
Board of Directors

Section 1. Membership. The Indian River State College Real Estate, Inc. ("Corporation") shall have a Board of Directors ("Board"). The Board shall consist of five voting members and include the President of The Indian River State College ("IRSC") or his/her designee, and a member appointed by the Chair of the IRSC. The President of IRSC and the Chair of the IRSC shall each designate a member to serve on the Corporation's Executive Committee. The remaining members of the Board shall be appointed by the President of IRSC. The Board of Trustees of IRSC shall, at least annually, be furnished with names of the Corporation Board and the names of board members who may serve on subsidiary corporate boards of the Corporation. Board members may be appointed without regard to residency.

Section 2. Term of Office. Board members appointed by the President of IRSC or the Chair of the IRSC Board of Trustees, other than the designee of the President of IRSC, shall serve a four-year term and appointments will be staggered so that all Board member terms will not end at the same time. No Board member shall serve more than three full terms. However, the President of IRSC is not subject to term limits so long as serving as President of IRSC.

Section 3. Powers and Duties of the Board of Directors. The property, affairs, activities, and concerns of the Corporation shall be vested in the Board of Directors. All management functions shall be exercised by the Board, subject to delegation by the Board to the officers and the Executive Committee. The Board may enter into an operating agreement with the IRSC Board of Trustees. The Board shall approve operating budgets on an annual basis. These budgets shall be approved by the President of IRSC. A proposed budget shall be submitted no later than ninety (90) days after the first day of the fiscal year to which the proposed budget pertains. Each proposed budget shall include, but not be limited therein to: (a) expenditures for the construction and maintenance of physical facilities; (b) property management; (c) real property interest held; (d) salary supplements, compensation and benefits provided to employees or contractors of the Corporation; (e) salary or other funds paid to IRSC senior management, faculty and staff with assets of the Corporation; and (f) other budgetary matters as warranted and appropriate. The President of IRSC shall have authority and responsibility to monitor and control the use of the Corporation's resources and name, monitor compliance of the Corporation with federal and state laws, and approve contributions of funds or supplements to support activities of the Corporation. The President of IRSC shall review and approve quarterly expenditure plans that separately delineate planned actions which would cause or represent a material commitment of IRSC resources, or which represent a significant commitment of the resources of IRSC, including:

- (a) Major fund-raising events and campaigns and their purpose.
- (b) Compensation and benefits to IRSC employees and employees of the Corporation.
- (c) Capital projects, including land acquisition, improvements, construction, renovation, repair, or activities on property managed by the Corporation.
- (d) Other major commitments of the resources or activities of the Corporation.

The Corporation shall not give, directly or indirectly, any gift to a political committee or committee of continuous existence as defined in Section 106.011, F.S., for any purpose.

The Corporation shall comply with all rules or policies adopted by the IRSC Board of Trustees regarding the operation of direct-support organizations.

Section 4. Meetings. The Board shall meet regularly. An annual meeting of the Board shall be held once a year at a date and time set by the Board. Notice of the annual meeting, signed by the Secretary, shall be mailed, and otherwise provided to the last recorded address of each Director at least ten days before the time appointed for the meeting. Notice of any meeting referenced in these Bylaws, regular or special, may be sent by electronic communication. Special meetings of the Board may be called by the Chair or Secretary of this Corporation, two or more Directors, or the President of IRSC. Notice of any special meeting of the Board of Directors shall be given at least ten days prior thereto by personal delivery or sent by U.S. Mail to each Director at the address as shown by the records of the Corporation. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Business to be transacted at the meeting need not be specified in the notice or waiver, unless specifically required by law or by these Bylaws. Proxies, general or special, shall not be accepted for any purpose in the meetings of the Board of Directors. Any meeting of the Board may be conducted through teleconference, videoconference or other appropriate electronic means as permitted by law.

Section 5. Quorum. A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, a majority of those present may adjourn the meeting from time-to-time without further notice.

Section 6. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or by these Bylaws.

Section 7. Vacancies. Whenever any vacancy occurs on the Board by death, resignation or otherwise, it shall be filled without undue delay. In the case of a vacancy on the Board of the President of IRSC or the designee of the President of IRSC because the President of IRSC no longer holds that position, the person who is acting as the President of IRSC will fill the vacancy. In the case of a vacancy of the Director appointed by the Chair of the IRSC Board of Trustees, the Chair of the IRSC

Board shall make the appointment. Additional Presidential appointments shall be filled by the President as needed.

Section 8. Order of Business. The order of business shall be as follows at all meetings of the Board of Directors and Executive Committee:

- (a) Calling of the roll;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading and approval of the minutes;
- (d) Public Comment
- (e) Receiving communications;
- (f) Reports of officers;
- (g) Reports of committees;
- (h) Reports of executive director;
- (i) Unfinished business;
- (j) New business.

Any question as to the priority of business shall be decided by the Chair without debate. This order of business may be altered, modified, or suspended at any meeting by a majority vote of the members present.

ARTICLE II

Members

The Board of Directors shall have full discretionary power to provide for members of the Corporation and admit and expel members except for any Board member appointed by the President of IRSC. The Board shall have the power to set qualifications for members in addition to those set out in the Articles of Incorporation and establish the voting and other rights and privileges of members, consistent with the Articles of Incorporation and legal requirements.

ARTICLE III

Officers

Section 1. Number. The officers of this Corporation shall be a President, also referred to as the Chair, a Vice-President, a Secretary, and a Treasurer.

Section 2. Appointment. The officers shall be appointed by the President of IRSC, shall serve for a term of two years, and may be reappointed. The President of the Corporation shall report directly to the IRSC President or a designee reporting directly to the President and the Corporation Board.

Section 3. Duties of Officers. The duties and powers of the officers of the Corporation shall be as follows:

President. The President of this Corporation shall be a Board member with the right to vote on all committees. At the regular annual meeting of the Board of Directors and at such other times as he or she deems proper, the Corporation's President shall communicate to the Board of Directors such matters and make such suggestions as tend to promote the prosperity and usefulness of the Corporation. The President of this Corporation shall act as the Chief Executive Officer of this Corporation and shall do and perform such other duties as may be assigned to him by the Corporation's Board of Directors and the President of IRSC. The President of this Corporation is authorized to execute, in the name of The Indian River State College Real Estate, Inc., with the Secretary attesting, all certificates, contracts, deeds, notes and other documents or legal instruments as duly authorized to execute. In the absence or unavailability of the President of the Corporation to execute in the name of Indian River State College Real Estate, Inc. all certificates, contracts, deeds, notes and other documents or legal instruments authorized or issued by the Corporation's Board of Directors, any member of the Executive Committee may sign on behalf of the Corporation with the Secretary attesting to the authority of the officer/director and the authenticity of the signature. To facilitate the day-to-day operation of the Corporation, the President of the Corporation, or his or her designee, is authorized to make expenditures and/or obligations outside of the approved budget in amounts up to \$10,000 with such expenditures and/or obligations presented for informational purposes to the Indian River State College Real Estate, Inc. Board of Directors at its next meeting.

Vice President. The Vice President shall assist the President in carrying out the duties, responsibilities, and programs of the Corporation. In the event of the prolonged absence or disability of the President of the Corporation, the Board shall appoint the Vice President as acting President, and, as such, the acting President shall have all the authority and duties vested in the President.

Secretary. The Secretary shall keep full and accurate minutes of all meetings of the Board of Directors and Executive Committee in a book provided for that purpose and shall transmit all notices required by the Bylaws of this Corporation. The Secretary shall have custody of the corporate seal of this Corporation. The Secretary may sign documents with the President in the name of this Corporation and, when required, shall affix thereto the seal of the Corporation. The Secretary shall have charge of all official records of this Corporation which shall be at all reasonable times open to the inspection of any Director. The Secretary shall in general perform all duties incident to the management of the office of the Secretary for the Board of Directors. The Secretary shall exercise such authority to collect revenues and make routine expenditures delegated by the Board of Directors, the Executive Committee, or the President. In the absence or unavailability of the Secretary to attest to the execution of the documents referenced above, the Treasurer of the Corporation is designated to attest to the authority of the officer/director and, when required, to affix thereto the seal of the Corporation.

Treasurer. The Treasurer shall render to the Board of Directors an account and statement of all major financial transactions at the annual meeting of the Board and at other times as the Board may determine. The Treasurer will prepare an annual budget for the Corporation for approval by the Board of Directors. The treasurer shall provide the IRSC with quarterly reports of expenditures

based on a July 1 fiscal year and will submit the annual budget to IRSC for review and approval by the IRSC President, followed by final review and action of the IRSC Board of Trustees. The Treasurer shall work closely with the Corporation's executive director to ensure solvency and financial strength of the Corporation. The Treasurer shall coordinate with the executive director to establish and maintain written procedures to execute the following responsibilities of the Corporation's executive director:

- Receive and keep the funds of this Corporation;
- Pay out funds only in accordance with the guidelines established by the Board;
- Deposit all monies, checks, and other credits to the account of this Corporation in such bank or banks or other depositories as the Board may designate;
- Review all receipts and vouchers for payment made to this Corporation;
- Review all vouchers and checks made by this Corporation;
- Regularly maintain a full and accurate account of all monies received and paid out on accounts administered by this Corporation; and
- At all reasonable times exhibit the books and accounts to any Board member of this Corporation.

Section 4. Bond. The officers of this Corporation shall, if required by the Board of Directors, give the Corporation such security for the faithful discharge of their duties as the Board may direct.

Section 5. Checks. Checks or drafts on the funds of this Corporation shall be signed by any two of the officers or Directors authorized to do so by the Board of Directors. However, checks for \$10,000 or less, and checks for expenditures authorized within the Corporation approved budget, may be signed by the Corporation's executive director and any one of the officers or Directors authorized to do so by the Board of Directors. The payee shall not, in any instance, be a signatory on his/her check.

Section 6. Audit. The Audit Committee, as described in Article IV below, shall arrange for an audit, at least annually, of the books, records, and accounts of the Corporation by an independent certified public accountant. The annual audit and management letter shall be provided to the Corporation President and the Corporate Board for review and acceptance. The final annual audit will be forwarded to the President of IRSC and the IRSC Board of Trustees for review and oversight no later than the end of the fourth month following the close of the Corporation's fiscal year. The annual audit shall be conducted pursuant to Section 1004.70(6), F.S., and in accordance with rules adopted by the Auditor General pursuant to Section 11.45(8), F.S. and the IRSC regulations and policies. The President of the Corporation shall submit the annual audit report to the Auditor General, the State Board of Education, and the IRSC Board of Trustees no later than nine (9) months after the close of the organization's fiscal year.

Section 7. Vacancies. Vacancies in any corporate office (not to fill a director vacancy) shall be filled by the President of IRSC.

Section 8. Compensation of Officers. The officers of the Corporation shall receive no special salary or compensation for being officers of this Corporation other than their usual salaries as employees of IRSC, if so employed.

ARTICLE IV

Committees

Section 1. Executive Committee. The Corporation's Board of Directors shall elect at its annual meeting a three member Executive Committee consisting of the President of IRSC, or his or her designee, the director appointed by the Chair of the IRSC Board of Trustees, and one other director. The Executive Committee shall have such powers as may be delegated to it by the Corporation's Board of Directors. A majority of the Executive Committee shall be sufficient to exercise all its powers. Proxies, general or special, shall not be accepted for any purpose in the meetings of the Executive Committee.

Section 2. Audit Committee.

(a) The President of the Corporation shall, subject to the approval of the Board of Directors, appoint an Audit Committee consisting of at least three members to assist the Board in fulfilling its fiduciary responsibilities relating to accounting and reporting practices. All Audit Committee members shall be financially literate and at least one member shall have strong professional working experience in accounting, business, finance, audit and internal controls. No member of the Audit Committee may be a member of the Corporation's management. The Audit Committee may, at the Board's discretion, have an audit charter that shall be approved by the Corporation's Board.

(b) The Audit Committee shall be responsible for selecting the audit firm to perform the Corporation's financial statement audit. The Audit Committee shall forward its selection to the Corporation's Board of Directors for review and approval. The Board of Directors shall then forward the name of the selected audit firm to the President of IRSC and the IRSC Board of Trustees for final review and approval. Once approved by the President of IRSC and the IRSC Board of Trustees, the Audit Committee shall engage the independent auditor.

(c) All new audit firm contracts may be for a period of up to five years. At the end of the five-year period, or earlier, the Corporation, with the consent of the President of IRSC and the IRSC Board of Trustees, may elect to extend the first contract for an additional five-year period, or at its option, issue another Request for Proposal (RFP) for up to an additional five-years. If IRSC chooses to issue an RFP for the second five-year period, the current audit firm may respond to the RFP for consideration for the additional five-year period. An audit firm entering into a second five-year contract must designate a new lead audit partner for the second five-year term. Unless approved by both the

Corporation Board, the IRSC President, and the IRSC Board of Trustees, no audit firm may have an audit contract for more than five continuous years.

(d) The RFP issued shall identify criteria for evaluation of the audit firm proposals to include, for example, areas such as experience and ability; understanding of applicable laws, rules, and regulations; familiarity with auditing similar organizations; project requirements; approach and method; and a fee proposal.

(e) The Audit Committee shall first consider the quality of the audit proposal in terms of work to be performed and after such deliberation the Audit Committee shall take into consideration the proposed fee. Weights and scoring processes shall be based on the priorities and needs of the Corporation. The Audit Committee shall negotiate with the first ranked audit firm to agree on a contract to include the audit fee and related expenses. If a contract cannot be agreed upon, negotiations will formally end and negotiations shall begin with the second ranked audit firm, and so forth, until a contract is agreed upon.

Section 3. Standing Committees. At the first meeting of the Board of Directors or as soon thereafter as is practical, the President of the Corporation shall, subject to the approval of the Board of Directors, appoint such committees as may be deemed necessary and advisable to assist in the conduct of this Corporation's affairs.

Section 4. Special Committees. The President of the Corporation may, at any time, appoint other committees on any subject for which there are no standing committees.

Section 5. Committee Quorum. A majority of any committee of this Corporation shall constitute a quorum for the transaction of business, unless any committee shall by majority of its entire membership decide otherwise.

Section 6. Committee Vacancies. The President of the Corporation shall have the power to fill vacancies in the membership of the various committees.

ARTICLE V

Seal

The Corporation may use a corporate seal as warranted. Its design shall be subject to review and approval of the IRSC President and Board of Directors.

ARTICLE VI

Amendments

The Bylaws of this Corporation may be amended by a majority vote of the current Directors of this Corporation at any duly organized meeting, subject to final approval by the President of IRSC and the IRSC Board of Trustees. Upon statutory enactments, amendments to existing laws or promulgation of rules affecting Florida college system institution direct support organizations by the IRSC Board of Trustees, the Corporation's Board of Directors shall meet and amend its Bylaws to remain in conformity with such changes. A special meeting may be held for such purposes.

ARTICLE VII

Fiscal Year

The fiscal year of this Corporation shall commence on July 1 of each year and end on June 30 of the following year.

ARTICLE VIII

Employment

Any person employed by the Corporation shall not be considered to be an employee of IRSC by virtue of such employment, unless the IRSC Board of Trustees approves such person's employment at both the Corporation and IRSC. The Corporation shall provide equal employment opportunities to all persons, consistent with state and federal law.

ARTICLE IX

Indemnification

Section 1. Indemnification. Pursuant to Sections 607.0850 and 617.0831, Florida Statutes, any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative (other than an action by, or in the right of, the Corporation), by reason of the fact that he is or was a Director or Officer of the Corporation shall be indemnified against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, including any appeal thereof, but only if he or she acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interest of the Corporation. Nothing contained in these Bylaws shall be deemed a waiver of any applicable sovereign immunity pursuant to Florida Statute 768.28

Section 2. Authorization of Indemnification. Any indemnification hereunder shall be made by the Corporation only upon a determination that indemnification of the Director or Officer is proper in a specific case because such person has met the standard of conduct set forth in Section 1 above. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting

of Directors who were not parties to such action, suit, or proceeding. If such quorum is not obtainable, an indemnity determination may be made by a majority vote of a committee duly designated by the Board of Directors (in which Directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the action, suit, or proceeding or by a committee comprised of individuals who were not parties to such action, suit, or proceeding where such committee is selected by a majority vote of the full Board of Directors (in which Directors who are parties may participate).

ARTICLE X

Confidentiality of Corporation's Documents

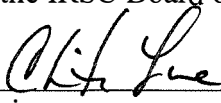
The successful relationship between IRSC, the President of IRSC, and the Indian River State College Real Estate, Inc. is based on effective service, trust, and accountability. The Indian River State College Real Estate, Inc., as a statutorily authorized direct support organization of IRSC, is sensitive to public scrutiny of its financial affairs. However, the Indian River State College Real Estate, Inc. must be able to assure IRSC and its employees that it will protect the confidentiality of IRSC's work as authorized by s. 1004.70(6), Fla. Stat., which provides that, other than auditor's report, any information necessary for the auditor's report, any information related to the expenditure of funds, and any supplemental data requested by the IRSC Board of Trustees, the Auditor General, the State Board of Education, and the Office of Program Policy Analysis and Government Accountability, all records of the Corporation direct support organization, the Indian River State College Real Estate, Inc. shall be confidential and exempt from the state's public records law, s. 119.07(1). Fla. Stat.

ARTICLE XI

Decertification of Corporation

The President of IRSC may recommend to the IRSC Board of Trustees that the Corporation be decertified as a direct support organization if the President determines that the organization is no longer serving the best interest of IRSC. The recommendation for decertification shall include a plan for disposition of the organization's assets and liabilities.

The foregoing Initial Bylaws of the Indian River State College Real Estate, Inc. were adopted by the IRSC Board on the 26th day of August, 2025.



Chair

8/26/25

Date

The foregoing Initial Bylaws of the Indian River State College Real Estate, Inc. were adopted by the Corporation Board on the ____ day of _____, 2025.

Chair

Date