

NOTE: This document and supporting schedules was remitted to the University on August 31, 2009 at their direction. No response or comment has EVER been received from the University with respect to this document.



**ANRS & Rodeo Exes Association  
of Sul Ross State University  
P.O. Box 539  
Fort Stockton, Texas 79735  
[www.SRSU.org](http://www.SRSU.org)  
[ANRS@SRSU.org](mailto:ANRS@SRSU.org)**

August 31, 2009

Dr. Ricardo Maestas, President  
Sul Ross State University  
Box C-114  
Alpine, Texas 79832

Dear Dr. Maestas:

On March 7, 2008, we were notified by Saul Garza, Director of Alumni Affairs for Sul Ross State University, that when our Association obtained a 501(c)(3) designation from the Internal Revenue Service on April 26, 2007 we officially separated as a recognized Chapter of the Sul Ross Alumni Association (SRAA). There was certainly no malice on our part in obtaining our non-profit tax exempt status, our board felt that having this designation would increase our donation solicitation efforts (and thus far it has). Mr. Garza did provide us with information concerning Private Support Organizations (PSO) and after discussion among our Board and our members - we are hereby requesting approval as a PSO by the TSUS Board and Sul Ross State University.

Please find information as outlined in the March 7, 2008 memorandum from Mr. Garza and to the best of our ability from Chapter IX of the *TSUS Regents Rules and Regulations* first provided to us at the time of the above referenced memorandum terminating our relationship with Sul Ross State University.

1. The Board of the ANRS & Rodeo Exes Association (hereafter referred to as Association) is aware of TSUS Policies and Procedures, relative to Chapter IX **regarding PSO's and their affiliation with SRSU.**
  - a. The Association is submitting a contract for consideration of approval from the Board of Regents as a Private Support Organization.
  - b. **The Association's Constitution and By Laws which specify the selection procedures for the Association's officer's and director's are submitted for consideration and approval from the Board of Regents.**
  - c. As a part of our initial approval process, we are submitting an annual report for 2009 through August 25, 2009. We understand that after obtaining a PSO designation that an annual report shall be submitted to the Board of Regents through the Sul Ross State University President.

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If you have any questions, please contact either myself at (432) 634-5492, or Bill McAnally, Treasurer at (432) 336-6943. Thank you again for your consideration.

Sincerely,

Rush Carter  
President  
ANRS & Rodeo Exes Association

Enclosures.

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MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE ANRS & RODEO EXES ASSOCIATION  
AND  
SUL ROSS STATE UNIVERSITY AND THE TEXAS STATE UNIVERSITY SYSTEM

This agreement, entered into as of August 31, 2009, by and between Sul Ross State University (the University) and the ANRS & Rodeo Exes Association (the Association).

The Association is an independent Association, recognized by the Internal Revenue Service as a 501(c)(3) public charity. Membership in the Association is open to any person with an interest in the University. The Association was formed in 1976, and became a Chapter of the Sul Ross Alumni Association (SRAA) in 2002 at the request of the, then, Director of the SRAA. At that time, there was no requirement to change the organization or management of the Association.

The Association Executive Board consists of four Officers and an eight person Board of Directors. The Executive Board is elected by the general membership of the Association at the annual Reunion. Each member is elected for a two-year term. No Executive Board member, nor any Association member, receives any compensation for their work in promoting the activities of the Association.

The mission of the Association is to:

- Promote the School of Agriculture and Natural Resource Sciences and Rodeo Program of the University.
- Establish and maintain contact with Sul Ross State University ANRS and Rodeo Ex-students and other interested persons. To encourage prospective college students to enroll in the University as participants in the various ANRS and Rodeo activities.
- Periodically honor and entertain the membership with a Reunion, Roping, and Golf Tournament.
- Maintain charitable and educational purposes under section 501(c)(3) in providing scholarships to the ANRS Department and Rodeo Program.

**The Association's** primary activity and outreach is an annual reunion held in Alpine, Texas to raise scholarship funds for deserving students in the Agriculture and Natural Resource Science and Rodeo programs. The annual reunion is held each year on the last full weekend in July.

Over the weekend we have various activities and fund raising campaigns, notably a roping and golf tournament. All of the proceeds raised by the Association are utilized for scholarship purposes, and the only funds held over from the Reunion is seed money for the next Reunion.

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Between 2001 and 2009, we have provided over \$64,000.00 in scholarships to the University. In addition, we established a scholarship fund for the continued growth and support of the programs administered by the ANRS and in support of the Rodeo Program. The account currently has a principal balance of approximately \$19,900.00.

Following the summer Reunion, the Executive Board determines the amounts of funds to be distributed as scholarships and to the Permanent Scholarship Fund held by the Association, Scholarship funds are then remitted to the University in the established scholarship accounts. Once these monies have been remitted to the University, final allocation of these funds are at the sole discretion of the Dean of ANRS and the Rodeo Coach. The Association does not determine to whom the scholarships are awarded.

### Association Name and Logo

Consistent with the mission of the Association in benefitting SRSU, the Association is permitted to use the logos of the University ("**Bar SR Bar**" and the logo with the bucking horse in an offset Bar-SR-Bar (the Rodeo logo)), however, the Association shall not use the **University's** seal in the promotion of its activities.

### University Governance

- The University is responsible for overseeing its mission, leadership, and operations.
- The University is responsible for setting priorities and long-term plans for the university.
- The University is legally responsible for the performance and oversight of all aspects of university operations.
- The University is responsible for the employment, compensation, and evaluation of all university employees. The Texas State University System is responsible for the employment, compensation, and evaluation of the University President.

### **The Association's Relationship to the University**

- The Association is a separate 501(c)(3) non-profit organization created to raise, manage, and distribute private resources to support selected missions of the University.
- **The Association's Executive Board is responsible for the control and management of all assets of the Association consistent with donor intent.**
- The Association is responsible for the performance and oversight of all aspects of its operation based on its constitution and bylaws, as approved by the **United States Internal Revenue Service, which address the board's fiduciary responsibilities**, including expectations of individual board members based upon ethical guidelines and policies.
- The Association does not provide any financial compensation for the work performed on behalf of the Association by any member of the Association.

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## **The University's Relationship to the Association**

- The University president is responsible for communicating Sul Ross State University priorities and long term plans as they relate to the Association.
- The University recognizes that the association is a private entity with the authority to keep all records and data confidential consistent with the law.
- The University shall include the Association as an active and prominent participant in the strategic planning for the University.
- The University shall comply with agreements made in the scholarship agreements between the University and the Association.
- The Texas State University System chancellor along with the president, vice president for advancement and director of alumni affairs of the University shall serve as non-voting, ex-officio members of the Association Board.
- *TSUS Regents Rules and Regulations*, Chapter IX, govern the relationship between the Association and University.
- The University shall establish and enforce policies that support the Associations ability to respect the privacy and confidentiality of donor records.

## **University Responsibilities**

- The University shall provide a web page presence for the Association, at no charge, **on the University's internet site, including the periodic update of the web page with updated news and information.**
- The University shall publish the dates of Association Events, at no charge, in the **appropriate areas of it's internet site.**
- The University shall periodically (at least annually) publish information regarding the Association, at no charge, **in it's regular mailings to all alumni.**
- **The University shall make every attempt to assist in increasing the Association's membership and attendance at the annual reunion, within reason.**

## **Association Responsibilities**

### **1. Fund Raising**

- The Association shall create an environment conducive to increasing levels of membership and private support for the mission as outlined in the **Association's Constitution.**
- **The Association shall continue it's fundraising activities to promote the University and programs of the ANRS department.** The **University's input in fund raising campaigns is encouraged and welcome.**
- The Association has established and adheres to its gift management and acceptance policies. Further, the Association periodically re-evaluates these policies. The Association promptly acknowledges and issues receipts with a cash value of \$250 or greater, and always acknowledges all donors, regardless of value of gift.
- The Association shall not accept grants from state or Federal agencies.
- The Association has established and enforces policies to protect donors, and members, confidentiality and rights.

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## 2. Asset Management

- The Association will establish asset-allocation, disbursement, and spending policies that adhere to applicable federal and state laws including the Uniform Prudent Investor Act (UPIA) and the Uniform Management of Institutional Funds Act (UMIFA).
- The Association will receive, hold, manage, invest and distribute contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.
- The Association will comply will all requirements of the U.S. Internal Revenue **Service with respect to fiduciary responsibilities of the Association's Executive Board.** The Association will provide the University with a copy of the annual financial statements.

## 3. University Flexibility

- When distributing gift funds to the University, the Association will disclose any terms, conditions, or limitations imposed by the donor on the gift. The University will abide by such restrictions and provide appropriate documentation.

## 4. Transfer of funds

- The Association is a depository of private gifts and will transfer funds to the designated entity within the university in compliance with applicable laws, University policies, and gift agreements.
- **The Association's disbursements on behalf of the University must be** reasonable business expenses that support the institution, are consistent with donor intent, and do not conflict with the law.

## Association Funding and Administration

- The Association establishes annually a financial plan to underwrite the cost of Association programs, operations and services.
- The Association has the right to use a reasonable percentage of the annual unrestricted funds, assess fees for services, or impose gift taxes to support its operations.
- If applicable, the Association will compensate the University for office space, telephone, copier use, computer services, student assistance, personnel, and other such services that may be necessary or required to fulfill its responsibilities and obligations (except as outlined in University Responsibilities, above). The Association may have access to campus services such as the supply center, print shop, and the campus post office, but at all times will be billed by the University for said services. At no time will University and Association funds be commingled nor may the Association have access to University accounts. The Association may have access to the donor database owned by the University to facilitate donor solicitation and will compensate the University for seats on the donor system

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for each Association member.

- The Association shall maintain, at its own expense, copies of the plans, budgets, and donor and alumni records developed in connection with the performance of its obligations.
- The Association will provide access to data and records to the University on a need-to-know basis in accordance with applicable laws, Association policies, and guidelines. The Association will provide copies of its annual report and other information that may be publicly released.
- If applicable, the Association and the University will sign a yearly compensation contract for any office space, telephone, copier use, computer services, student assistance and personnel employed by the Association that are compensated through the University.

#### Terms of the Memorandum of Understanding (MOU)

This Memorandum of Understanding, made this 31<sup>st</sup> day of August 2009, by and between Sul Ross State University and the ANRS & Rodeo Exes Association, is intended to set forth policies and procedures that will contribute to the coordination of their mutual activities.

This Memorandum of Understanding is in effect for three years from the date of execution unless either party requests changes. At the end of the three year period, both Sul Ross State University and the ANRS & Rodeo Exes Association will review and execute a new agreement.

Either party may, upon written notice to the other, terminate this agreement. Notwithstanding the foregoing, either party may terminate this MOU in the event the other party defaults in the performance of its obligations and fails to cure the default within a reasonable time after receiving written show cause notice.

Should the University choose to terminate this agreement, the Association may require the university to pay, within 180 days of written notice, all debt incurred by the Association on the universities behalf including, but not limited to, lease payments, advanced funds, and funds borrowed for special initiatives. Should the Association choose to terminate this agreement the university may require the Association to pay the debt it holds on behalf of the Association in like manner.

Consistent with provisions appearing in the Association's by-laws and constitution, should the Association cease to exist or cease to maintain IRS 501(c)(3) status, assets of the Association shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not such disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

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IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the date first above written.

\_\_\_\_\_  
President  
Sul Ross State University

\_\_\_\_\_  
President  
ANRS & Rodeo Exes Association

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

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