

Memorandum of Understanding
Between the University of Science and Arts of Oklahoma Alumni Association,
Inc. and the University of Science and Arts of Oklahoma Foundation, Inc.

THIS AGREEMENT, entered into as of this 26th day of January, 2008, by and between the University of Science and Arts of Oklahoma Alumni Association, Inc. (Association) and the University of Science and Arts of Oklahoma Foundation, Inc. (Foundation).

THIS AGREEMENT recognizes and affirms the following:

THAT the Association and the Foundation are separately incorporated 501(c)(3) non-profit organizations with independent governing boards and distinct governing documents

THAT the Association and the Foundation share a common purpose as defined in their respective Bylaws.

“...to perpetuate and promote the interests of the University of Science and Arts of Oklahoma...”
Alumni Association Bylaws, Article II.1

“...to promote and support the educational, research, academic, and other programs of the University of Science and Arts of Oklahoma...”

Foundation Bylaws, Article 1.3

THAT each organization is directed by its bylaws to pursue this purpose using a specific strategy.

Bylaws of the Alumni Association directs its Board

“...to provide leadership for the alumni to unite in the efforts to support and to strengthen the University; to disseminate information that will keep the alumni well informed about the University and the Association; to encourage students to apply for admission to the University; and to take other action as may be deemed beneficial for the advancement of the University and the Association.”

Bylaws of the Foundation direct its Board to engage in strategies such as:

“...creating endowments...; creating scholarships for students...; accepting gifts and contributions of any kind and nature...from individuals, corporations or other organizations and Associations; buying selling, exchanging and otherwise dealing in stocks, bonds, real estate and any other forms of property; investing and reinvesting funds and assets...; retaining and compensating banks, trust companies, investment firms, or financial institutions to guide the Foundation in the investment and management of its assets.”

THAT from time to time it may be desirable on the part of the Association and/or the Foundation to delegate the investment and management of certain funds to the other.

IN SUCH CIRCUMSTANCES, the following affirmations and procedures shall apply:

1. Only funds that are restricted to a specific University project or purpose are eligible for such a transfer.
2. Funds transferred shall remain the property and asset of the initiating organization and are transferred for management and investment purposes only.
3. Transferred funds shall be designated as an account of the initiating organization on the list of accounts managed by the receiving organization and shall be categorized and named in compliance with the intent of the original donor. Documentation of donor intent shall accompany all funds transferred.
4. Each fund transferred shall be segregated for accounting purposes and pooled with funds of similar liquidity and earnings criteria for investment purposes.
5. Each fund shall be accounted for with regard to its original deposit and/or corpus, its ongoing fund balance and adjusted by its annual total return or loss and by all distributions and applicable fees.

6. Distributions from transferred funds shall only be authorized under the authority of the initiating organization's executive director using the receiving organization's purchase order form.
7. All transferred funds shall be maintained in accordance with the rules and guidelines established by the Uniform Prudent Management of Institutional Funds Act, the Financial Accounting Standards Board, and Generally Accepted Accounting Procedures.
8. The affirmations and procedures thus outlined assume that all transfers are made and received consistent with the internal policies and procedures of both the Association and the Foundation. Further, it is assumed that a transfer of funds in no way alters or nullifies the internal policies of either organization.

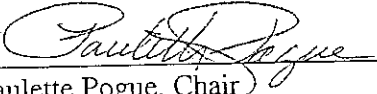
This Memorandum of Understanding by and between the Board of Directors of the University of Science and Arts of Oklahoma Alumni Association, Inc. and the Board of Directors of the University of Science and Arts of Oklahoma Foundation, Inc is intended to set forth policies and procedures that will contribute to the coordination of their mutual activities. To ensure effective achievement of the items of the agreement, the Association and the Foundation executive directors and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities.

Either party may, upon 90 days prior written notice to the other, terminate this agreement. Notwithstanding the forgoing, 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 either party choose to terminate this agreement each party may require the other within 180 days of written notice to pay all debt incurred by the one on behalf of the other including but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives.

Should either organization cease to exist as a 501(c)(3) organization, funds held by the other shall be either returned or distributed according to the terms specified in the bylaws of the dissolving organization. Should the University of Science and Arts of Oklahoma cease to exist all funds shall revert to the originating organization.

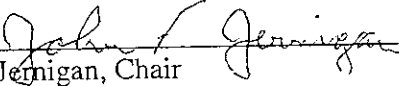
IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.



Paulette Pogue, Chair
Board of Directors
University of Science and Arts of Oklahoma Alumni Association, Inc.

1-26-2008

Date



John Jernigan, Chair
Board of Directors
University of Science and Arts of Oklahoma Foundation, Inc

1-26-2008

Date