Affiliation Agreement
between
Prairie View A&M University
and
Prairie View A&M Foundation
an Independent Fundraising Organization

This Affiliation Agreement is between Prairie View A&M University (the "University"), and Prairie View A&M Foundation (the "Foundation") and is effective on the 17th day of April, 2025 (the "Effective Date"). Both the Foundation and University may be referred to individually as "party" and collectively as "parties."

The University is an institution of higher education, a member of The Texas A&M University System (the "A&M System"), an agency of the State of Texas. The Foundation is organized for the primary purpose of financially supporting the University to further the purposes, duties, and mission of the University. The parties intend that the Foundation serve as an independent affiliated fundraising organization, as described in A&M System Regulation 60.01.01, *Association with Affiliated Organizations*.

The parties agree as follows:

1. **The Foundation's Role and Responsibilities**

1.1 The Foundation shall exercise its best efforts to secure gifts, grants, conveyances, devises, and bequests of funds and property for the benefit of the University. The Foundation shall design and implement programs and procedures approved by the University to solicit and receive such funds and property to further the purposes of the Foundation which benefit the University. The Foundation shall plan, direct, coordinate, and conduct fundraising from private sources.

1.2 The Foundation will communicate and coordinate activities with the University. The Foundation will conduct its activities for the benefit of the University consistent with the University's academic plans, strategic initiatives, and student financial needs. Among other activities, the Foundation may:

(a) Solicit or accept gifts, grants, conveyances, devises, bequests, or otherwise from any acceptable source for a use specified by the donor, provided they are not inconsistent with the University's mission and vision;

(b) Provide expertise and assistance to university administration, faculty, staff, and University constituents on development and fundraising projects;

(c) Conduct publicity and publication programs in support of its development efforts and fundraising;

(d) Engage in solicitation activities which include mailings, events, programs, and activities for the University; and

(e) Process, acknowledge, and accept all gifts and charitable sponsorships from private sources.

1.3 The Foundation will comply with all applicable federal and state laws. For this purpose, the Foundation will establish rules and procedures for managing its business and affairs in accordance with the requirements for tax-exempt organizations under the Internal Revenue Code and the laws of the State of Texas, including:

(a) An ethics and conflicts of interest policy applicable to the Foundation's directors, employees, and trustees;

(b) Investment policies consistent with the Uniform Prudent Management of Institutional Funds Act, Chapter 163, Texas Property Code.; and

(c) Rules and procedures that confirm and reflect that the Foundation board has and shall have responsibility for the operation of the Foundation, and the authorization of the expenditure of its funds.

1.4 The Foundation shall accept, hold, administer, invest, and disburse funds and property as may be given to it according to the terms of each gift, provided, however, the Foundation may not accept any restricted or conditional gift which obligates the University without the prior written consent of the University.

1.5 The Foundation shall make contributions, grants, gifts, and transfers of property to or for the benefit of the University.

1.6 The Foundation will use all assets and earnings of the Foundation for the benefit of the University and for the payment of necessary and reasonable administrative expenses of the Foundation as determined by its Board of Trustees.

1.7 The Foundation may only charge fees to the University that are consistent with A&M System Policy 60.03, *Approval of Fees for Affiliated Fundraising Organizations* and are authorized in Exhibit 1 to this Agreement, incorporated herein by Reference, or a written amendment to this Agreement signed by both parties.

1.8 The Foundation will provide an annual report regarding the Foundation's activities, investment and fundraising results, and finances to the University, including, upon request, a presentation to the A&M System Board of Regents.

1.9 Financial statements and audits

(a) The Foundation will engage a reputable independent accounting firm to annually audit its financial statements.

(b) The Foundation shall provide its annual financial statements, including the management letter if any material weaknesses and/or significant deficiencies are cited by the auditor in the letter, to the University's chief financial officer within 30 days following completion of the audit.

(c) The Foundation's financial statements will include the following performance ratios:

1. Administrative ratio: General and administrative costs/total expenses;
2. Funding cost ratio: Fundraising expenses/contributions;
3. Support ratio: Funds back to the University/total expenses; and
4. Other performance measures reasonably requested by the University and acceptable to the Foundation.
5. For any fees authorized by Exhibit 1, the Foundation's financial statements will include reports of the amount collected, use, and any reserve balances.
6. The A&M System chief financial officer may grant an exception to the requirements of Section 1.9(a) if the Foundation's assets total less than $100,000 and the cost of the audit would create a hardship for the Foundation. In such case, the Foundation

shall annually certify as to the segregation of duties and appropriate controls over cash receipts, disbursements, and security of information systems.

1.10 The Foundation will provide access upon reasonable and timely request to the Foundation's records, property, or personnel by the University, the A&M System, or the designee of either as necessary to ensure compliance with the law, A&M System policy, and this Agreement.

2. The University's Role and Responsibilities

2.1 The University will work closely with the Foundation and assume a prominent role in fundraising activities.

2.2 The University will advise the Foundation, at least on an annual basis, of plans for use of unrestricted funds made available to the University by the Foundation.

2.3 The University will communicate the University's priorities, long-term plans, and strategic initiatives to the Foundation.

2.4 The University will use any funds or property received from the Foundation in accordance with any conditions imposed by the donors, within the limits of the laws and consistent with the terms of this Agreement and the policies of the A&M System.

2.5 The University President will designate an employee(s) as a representative(s) to serve as liaison(s) with the Foundation.

2.6 The University will make available to the Foundation appropriate personnel, facilities, or other support provided that the Foundation reimburses the University as provided under Sections 3 & 4.

2.7 The University may not accept any restricted or conditional gift which obligates the Foundation without prior written consent of the Foundation.

3. Use of University Services

3.1 At a date to be mutually agreed upon between the Foundation and the University, the Foundation will transfer as many as three staff positions (Executive Director, Director of Financial Services, and Director of Advancement Services) to the University's restructured University Advancement department. These employees will provide services to both the University and the Foundation; the Parties shall agree in writing on the amount and payment schedule for services, on an annual basis. Exhibit 2, incorporated by reference herein, outlines the payment for years one and two of this agreement. Other than these employees, the Foundation may not use the services of university employees unless the terms of such services and provisions for reimbursement are provided in a separate written agreement between the parties. The Foundation will reimburse the University for any such board authorized services and may not directly pay University employees except as provided under Section 6.3.

3.2 Throughout the term of this Agreement, the parties shall agree upon a specific financial commitment which will cover a portion of the expenses incurred by the University to adequately and appropriately fund the position of VPUA/COO (as defined in Section 6.1). The parties must agree on the dollar amount of this financial commitment annually, and memorialize this agreement in writing with a copy sent to the University President, said financial commitment from the Foundation will be due to the University, in full, no later than June 30th of each fiscal year (Reference Exhibit 2). In no event shall this financial commitment exceed 47.5% of the VPUA/COO's total annual compensation (defined as base salary plus benefits).

4. Use of University Property

4.1 The University will provide the Foundation with a dedicated office space with appropriate furniture, equipment, and communications/IT access within the Development Office. The University will make best efforts to provide periodic use of an additional office space and meeting rooms as needed for special occasions.

4.2 If costs are incurred, the Foundation will reimburse the University for use of University property by June 30 of each fiscal year.

4.3 The Foundation will ensure that its personnel comply with the University's information security and acceptable use rules and procedures as required by Title 1, Chapter 202, of the Texas Administrative Code.

4.4 The Foundation will ensure that its personnel comply with university rules while on university premises.

4.5 The Foundation may not otherwise use University property unless the terms of such use and reimbursement are provided in a separate written agreement between the parties.

5. Relationship and Limitations

5.1 This Agreement does not create a partnership or joint venture between the University and the Foundation. Neither party may bind the other or otherwise act in any way as the representative of the other, unless otherwise expressly agreed to in a writing signed by authorized representatives of both parties before any such act or representation. The Foundation may not represent itself as the University's agent for any purpose to any party or allow any Foundation employee to do so unless specifically authorized, in advance and in writing, by the University, and then only for the limited purpose stated in such authorization.

5.2 Any provisions of this Agreement that conflicts with a law or regulation of the United States or the State of Texas or A&M System policies or regulations is null and void to the extent of the conflict.

6. Representation on the Foundation Board

6.1 Vice President of University Advancement/Chief Operating Officer of the Foundation

(a) University President shall appoint, with the approval of the Foundation's governing board (the "Board"), a liaison between the Foundation and University who will hold the title of "Vice President of University Advancement/Chief Operating Officer" (the VPUA/COO"). The VPUA/COO will be a University employee, and shall be an ex-officio, non-voting member of the Board. The VPUA/COO shall assist the Foundation Board Chair in the oversight and supervision of the Foundation staff (if any) and the University Advancement staff, which provides services to the Foundation, delegating to staff those tasks directly relating to the Foundation. The VPUA/COO will not have the authority to legally bind the Foundation to contracts or otherwise but may have expense approval or check signing privileges, as determined and approved by the Board.

(b) The Foundation Board Chair or designated Board Trustee(s) shall serve on the VPUA/COO selection committee. The Foundation acknowledges that in such role, the Foundation Board Chair or designee may provide input on the selection of the VPUA/COO but acknowledges that the search and hiring process must comply with university requirements and that the decision-making authority resides solely with the University.

(c) The VPUA/COO shall promptly disclose to the University and avoid any actual or potential conflict of interest that may arise regarding the services provided to the Foundation under this Agreement and the VPUA/COO's obligations as a University employee.

6.2 In addition to the VPUA/COO, the University may appoint up to two additional ex-officio, non-voting members of the Foundation's governing board.

6.3 Other than as established in 6.1(d), the Foundation may not provide any salary, benefits, or other compensation or monetary enrichment to the VPUA/COO or any ex-officio appointee, but the Foundation may reimburse the VPUA/COO or any ex-officio appointee his or her actual expenses incurred in Board service to the extent consistent with the Foundation's policies and the University's rules. The Foundation shall report any such reimbursement to the University.

6.4 Except as provided in this Section 6, the Foundation may not permit any other University employee to serve on the governing board.

7. Use of the University Name

7.1 The Foundation acknowledges that the University owns the trademark and all other rights in the name "Prairie View A&M University" (the "University Name") and in the likeness of the University's logos (collectively, the "Licensed Marks").

7.2 The University grants the Foundation a nonexclusive, non-transferable license to use the University Name as part of its corporate name and to use the Licensed Marks- as shown in Exhibit 3, incorporated by reference herein- in connection with its fundraising activities, so long as all solicitation materials are reviewed and approved by the University prior to their use.

7.3 The University does not grant any rights or licenses to the Foundation as to any trademark, service mark, name, or logo of the University other than the Licensed Marks.

7.4 Unless provided in a separate license agreement between the parties, the University may extend or revoke this license at any time with or without cause, in its entirety or as to particular uses of the Licensed Marks by the Foundation.

7.5 The Foundation may not at any time:

(a) Use any colorable imitation or variant form of the Licensed Marks.

(b) Take any action that would bring the Licensed Marks into public disrepute;

(c) Take any action that would tend to destroy or diminish the University's goodwill in the Licensed Marks; or

(d) Challenge, contest, impair, invalidate, or take any action tending to impair or invalidate the University's rights in the Licensed Marks.

8. Term and Termination

8.1 This Agreement commences on the Effective Date and remains in effect for five years unless terminated as provided in Section 8.2. The Parties agree to engage in good faith discussions on a subsequent Affiliation Agreement between the parties; said discussions must begin no later than **April 18, 2029**.

8.2 Either party may terminate this Agreement effective upon written notice to the other if the other party materially breaches any of the terms of this Agreement and fails to cure the breach within 30 days after receiving written notice of the breach. If the material breach is incurable, the non-breaching party may terminate this Agreement effective immediately upon written notice to the breaching party.

8.3 Either party may terminate this Agreement for convenience upon 180 days written notice to the other.

8.4 Upon termination of this Agreement, the Foundation will:

(a) Cease to use the University Name to solicit donations or for any other purpose and may not represent to alumni, donors, or the general public that the Foundation is affiliated with the University;

(b) Provide an accounting to the University of all funds and assets held by the Foundation;

(c) Transfer to the University or to another entity designated by the University all funds and assets donated to the Foundation (or acquired with funds donated to the Foundation) donated to the Foundation because of its association with the University. The parties shall presume all funds and assets donated to the Foundation during the term of this Agreement and any predecessor agreement were donated to the Foundation because of its association with the University.

9. General Provisions

9.1 The substantive laws of the State of Texas (and not its conflicts of law principles) govern all matters arising out of or relating to this Agreement and all transactions it contemplates. Venue for any claim arising out of or relating to this Agreement and all transactions it contemplates is as provided under Texas law.

9.2 Any notices required or permitted under this Agreement will be deemed given (a) three business days after it is sent by certified or registered mail, return receipt requested, (b) the next business day after it was sent by overnight carrier, (c) on the date sent by facsimile or email transmission with confirmation of transmission and receipt, if sent during the recipient's normal business hours and if not, on the next business day, or (d) on the date of delivery if delivered personally, an in each case, addressed to the intended recipient at the address below or such other address as the intended recipient may specify in writing:

(a) University: Contracts Office, PO Box 519, MS 1311, Prairie View, TX 77446
(b) Foundation: PO Box 2879, Prairie View, TX 77446
(c) Foundation Email: jshaw@pvamu.edu

9.3 This Agreement contains the entire understanding of the parties as to the matters addressed in this Agreement and supersedes all other written and oral agreements between the parties as to those matters, including the previous affiliation agreement between the parties dated April 16, 2020, which is hereby terminated. The parties may execute other contracts, but those will not alter this Agreement unless expressly stated in writing.

9.4 The University is an agency of the State of Texas and nothing in this Agreement waives or relinquishes the University's right to claim any exemptions, privileges, and immunities as may be provided by law.

9.5 The failure of either party at any time to require performance by the other party of any provision of this Agreement will in no way affect the right to require such performance at any time thereafter nor will the waiver by either party of a breach of any provision be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

9.6 Each provision of this Agreement is severable. If any provision is rendered invalid or unenforceable by statue or regulations or declared null and void by any court of competent jurisdiction, the remaining provisions will remain in full force and effect if the essential terms of this Agreement remain valid, legal, and enforceable.

9.7 If either party fails to fulfill its obligations under this Agreement, when such failure is due to an act of God, or other circumstance beyond its reasonable control, including but not limited to fire, flood, civil commotion, riot, war, revolution, acts of foreign or domestic terrorism, or embargos, then the other party will excuse the failure for the duration of the event and for such a time as is reasonable to enable the parties to resume performance under this Agreement, provided however, that in no event will such time extend for more than 60 consecutive calendar days.

9.8 The terms of this Agreement shall be binding on the parties and their successors to the extent allowed by applicable law.

[Signature Page to Follow]

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The parties have executed this Agreement on the dates indicated below:

Signed:	Donetta Goodall	**Signed:**	Tomikia P. LeGrande
Name:	Donetta Goodall	**Name:**	Tomikia P. LeGrande
Title:	PVAM Foundation Board Chair	**Title:**	PVAM University President
Date:	4/17/2025 | 10:54 AM PDT	**Date:**	4/26/2025 | 2:40 PM CDT

EXHIBT 1- Administration & Operational Funding

1. A key role of the Foundation is to exercise its best efforts to advocate on behalf of the University and secure funds through gifts to support its mission and goals. The University shall process all gifts through the Foundation as permitted by law and are not prohibited by donor restrictions.

2. To provide a sustainable and predictable source of revenue to cover administrative and operational costs associated with the Foundation and to support University fundraising efforts, the University agrees to the following:
   2.1 The Foundation will assess an 8% administrative fee on all corporate and foundation non-scholarship grants. The Foundation will report earnings of endowment funding quarterly to the University.
   2.2 The Funds will be used for Foundation operations, additional support to the University, and fundraising in support of university needs and priorities.
   2.3 The current gift fee will be eliminated upon the Effective Date of this Agreement.

3. To cover the operational and administrative costs associated with managing the Foundation operations and fundraising initiatives, the Foundation will receive an administrative fee of 10% of the System Endowment Fund (SEF) quarterly distributions. This fee will be reviewed on a biennial basis, initiated from the last effective signing date of this Agreement, to ensure it aligns with industry standards and adequately supports the Foundation's operations and fundraising initiatives.

4. The University shall provide comparative investment information to prospective donors regarding the Foundation and the University when a gifting option is available.

5. The University shall notify the Foundation in writing of any accounting discrepancies or excessive fee charges found by the University's chief financial officer or its agent within 30 days after receiving the financial statements or audit report.

6. The University acknowledges that the independent direction and management of the Foundation's affairs and the control and disposition of its assets are vested in the Foundation's governing board.