MASTER CONTRACT

THIS AGREEMENT, entered into this 1st day of May, 1987, by and between the BOARD OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY, a body politic and corporate of the State of Illinois, for Southern Illinois University at Carbondale, hereinafter referred to as "University," and THE ASSOCIATION OF ALUMNI, FORMER STUDENTS, AND FRIENDS OF SOUTHERN ILLINOIS UNIVERSITY, an Illinois not-for-profit corporation, hereinafter referred to as "Association."

WHEREAS, the Association is a corporate entity and exists for the principal purpose of providing moral and material support to Southern Illinois University and its program of instruction, research and service, and to provide opportunities for individual student development, and to advance the spirit of fellowship and loyalty among the members of the Association; and

WHEREAS, the Association assists the University by providing alumni services and programs to graduates, former students and friends of the University and, further, has cooperated with the University in its efforts to meet its education, research and service goals; and

WHEREAS, the parties hereto desire to continue these cooperative efforts and further desire to cooperate in expanding alumni services and programs; and

WHEREAS, the Legislative Audit Commission (LAC) has established a set of guidelines, a copy of which is attached hereto, which requires the University to adhere to the same if it is to continue in a cooperative relationship with the Association; and

WHEREAS, the Guidelines refer to Alumni Associations as University Related Organizations and further establish that, in order to accept the aid, assistance, and cooperation of the Association, the University shall require the Association to
adhere to these guidelines, as they relate to University related organizations, unless they are in conflict with law; and

WHEREAS, the Association as a separate, not-for-profit corporation, after discussion and approval by its Board of Directors, agrees to adhere to the existing Guidelines unless otherwise prohibited by law.

NOW, THEREFORE, witness this agreement:

1. It is mutually agreed by and between the parties that:
   a. The University will continue to maintain an Alumni Services Office which is recognized by both parties as a University unit. The Alumni Services Office will serve as the University's office representing the University's involvement with the Alumni Association, graduates, former students and friends of Southern Illinois University. In order to maintain this function, the University agrees to:
      1) Provide adequate staffing to insure the capability of meeting the goals and objectives of both the University and Alumni Association.
      2) Provide the necessary facilities, equipment, supplies and services to allow staff members to accomplish the established goals and objectives.
   b. The Association will continue to function as a separate not-for-profit corporation in performing the functions and duties specified in its charter and bylaws, and further to perform services for the University as herein specified.
   c. Both will operate from one office located on the campus of Southern Illinois University at Carbondale and styled the SIU ALUMNI ASSOCIATION OFFICE.
   d. The Director of Alumni Services shall also be the Executive Director of the Alumni Association.
e. The Director of Alumni Services shall, in his/her role as a University employee, report to such officer as the University may designate. He/she shall, in his/her role as Executive Director of the Alumni Association, report to its Board of Directors and may confer directly with the President of the University, or his/her designee, when performing his/her duties.

f. The Association in return for salaries and use of the facilities provided to the Alumni Services Unit agrees to reimburse annually the University for the proportionate share of costs involved. The payback formula shall be as follows:

\[
\frac{\text{Total Number of Addressable Alumni Members}}{\text{Total Number of Addressable Alumni on File}} = \text{Percentage of Payback}
\]

Definitions:

Total Number of Addressable Alumni Members: This would be made up of living Association members who are graduates and former students of Southern Illinois University at Carbondale. This does not include Friends, Honorary or Complimentary members. It does not include members with bad addresses.

Total Number of Addressable Alumni on File: This is the total living addressable graduates and former students of Southern Illinois University at Carbondale as shown in the general records of the University.

(Based on December 31 report of each year)

This does not include Friends, Honorary or Complimentary individuals on the data base.

g. Records of Membership in the Association, including those of current and former members, are owned by the Association. General records of alumni, former students and friends maintained by the University are records belonging to Southern Illinois University and shall be managed by the Association in behalf of the University. Both parties grant to the other reasonable access to the Association membership and University alumni records.
h. The Association will utilize the University Risk Management Office for the preparation of insurance specifications, selection of brokers/agents, and acquisition of all Association insurance policies and bonds. The University Risk management Office will also provide risk management consulting services as needed. In return for these services, the Association shall pay the University Risk management Office a fee equal to ten percent (10%) of the total annual insurance and bond premiums paid by the Association.

2. The Association agrees to provide for the University the following services:
   a. To maintain, nurture and advance the Association by its members, and through them assist the University in its service goals.
   b. To promote communications among the graduates, former students, faculty, staff and other friends of the University, and between members of the Association and the University through various means including but not limited to periodic publications.
   c. To promote and conduct meetings and activities of individuals whether by their: class of graduation, geographical location, profession, athletic or other special interests, all in an effort to establish and maintain ongoing relationships between those individuals or groups of individuals and the University.
   d. To assist the University, as mutually agreed upon, in maintaining, updating, and gathering records on former students.
   e. To recognize, by the way of awards, scholarships, and otherwise outstanding achievements accomplished by alumni, former students, present students, faculty/staff and friends of the University.
   f. To participate in various University committees, programs, functions, and graduations as invited by the University.
g. The Association, through its alumni publications, agrees to promote communications between the University, its alumni, former students, friends and the Southern Illinois University Foundation. At the request of the University and upon consent of the Association's Board of Directors, the Association agrees to allocate up to one-half (1/2) of the discretionary content of its major periodical publications to content which may be provided by the University for alumni interest. Such interest is to be determined by the Association. The Association agrees to maintain a high journalistic standard for its periodicals.

h. To support the Southern Illinois University Foundation in its objective as a University-related organization.

3. Publications of the Association, including the Alumnus, Alumnus Too, or its successor publications, are owned by the Association and shall exist for the primary purpose of communicating to alumni, former students and friends of Southern Illinois University. The Association shall exercise the authority for content and editorial policy of its publications, except that the University shall be granted rights of access as specified above.

4. The Association agrees that it shall be subject to the Legislative Audit Commission Guidelines adopted November 30, 1982, pertaining to "University-related organization" at all times during the performance of this contract unless otherwise prohibited by law.

5. The University agrees to pay the Association annually for the above services a sum which shall be in accordance with an annual budget approved by both parties for the specified services performed. In the event the Association is called upon by the University to perform other services not contemplated in such annual budget, the parties will mutually agree on an additional payment to be made to the Association for such additional services. The payment of
the University shall not include an allowance for risk or profit, and the University shall not pay any indirect costs to the Association.

6. For all services performed by the Association for the University hereunder, the Association shall maintain sufficient records, including cost allocation detail, time records, and records of supplies and materials consumed, to enable a post-audit review of the contract. At the request of the President of SIUC, or the Treasurer of the Board of Trustees, the Association agrees to make records available for inspection and otherwise cooperate in any inquiry into to the proper stewardship of funds or property held by the Association for the benefit of the University.

7. If the Association performs an auxiliary enterprise or activity function pursuant to contract with the University, the Association may retain non-gift monies to the extent permitted by the working capital and capital reserves provisions of the LAC Guidelines. Any monies received in excess of these amounts shall be returned to the University for deposit in the Income Fund of the State Treasury.

8. The University and Association agree that any direct or indirect subsidies of the Association from the University will be eliminated not later than the date specified by the LAC Guidelines. The term "subsidies" shall be used in the LAC Guidelines and shall not include consideration pursuant to contracts for services. The University shall not make any subsidies to the Association from University or appropriated funds so long as the Association has unrestricted money to support itself. Any subsidies from the University to the Association shall be accounted for and recorded and the University shall obtain reimbursement from the Association of subsidies on the accrual basis of accounting to the extent that the Association receives funds not restricted by an external party.
9. The Association, as an independent, not-for-profit corporation, shall not be financially liable for any activities or costs incurred solely by University activities regardless of whether or not said activities are directly or indirectly related to the Association.

10. In addition to the provisions of Section 1 above, the following provisions apply to the receipt, retention and use of donated assets or the proceeds of assets donated to the Association:
   a. Any University funds advanced to the Association or receivables from the Association shall be repaid to the source from which obtained within one year of the date of the transaction.
   b. The University shall in its budget and accounting process identify expressly all support provided the Association. Revenue accounts shall identify all payments received from the Association for repayment of funds advanced and reimbursement for the use of University assets, facilities or services. The Association will maintain separate financial records which will include companion entries.

11. The Association shall report to the University at the earliest practical time the planned purchase or other acquisition by the Association of any real estate. The University, in accordance with the LAC Guidelines, shall within 90 days from the day of closing report to the leadership of the General Assembly, the Board of Higher Education and the Legislative Audit Commission the purchase by the Association of any real estate in excess of $100,000. The University shall make a similar report of the Association's acceptance of any gifts of real estate estimated to have a fair market value in excess of $250,000.

12. Nothing in this Agreement shall limit the Association, as a not-for-profit corporation, in performing functions under its charter. The Board of
Directors of the Association shall be solely responsible for establishing its programs, deciding policy, concluding more detailed agreements, and interpreting the propriety of its actions within the law and the charter of the Association.

13. The parties further mutually agree:

a. The term of this contract shall begin on **JULY 1, 1987** and extend through **JUNE 30, 1988**, and shall continue thereafter from year to year unless either party shall give notice of termination to the other party in writing at least ninety (90) days prior to the expiration of the original term, or any extended term of this agreement. In the event this agreement, or any extension thereof, is terminated by either party, the Association shall continue to administer any contracts in effect at the time of termination, or in the alternative, provide for the orderly transfer of such responsibilities to the University.

b. This Agreement may not be assigned without prior written consent of both parties.

c. That specific projects or activities may be agreed upon between the parties in writing, and such agreement shall be identified as addenda to this Agreement and when executed by the parties shall constitute a portion of this agreement as though originally contained herein.
d. This contract shall inure to the benefit of and be binding upon the successors of the parties.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives as of the day and year first above written.

ATTEST:

Sharon Holmes
Executive Secretary
SIU Board of Trustees

BOARD OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY
By: Lawrence K. Pettit, Chancellor
Southern Illinois University

SOUTHERN ILLINOIS UNIVERSITY AT CARBONDALE
By: John C. Guyon
Acting President

ATTEST:

Nadine Lucas
Corporate Secretary
Board of Directors
SIU Alumni Association

THE ASSOCIATION OF ALUMNI, FORMER STUDENTS, AND FRIENDS OF SOUTHERN ILLINOIS UNIVERSITY
By: Paul L. Conti, President
SIU Alumni Association
ADDENDUM TO MASTER CONTRACT

This Addendum is added to and shall constitute a part of the Master Contract by and between the SIU Alumni Association ("CONTRACTOR") and the Board of Trustees of Southern Illinois University, a body politic and corporate of the State of Illinois ("UNIVERSITY"). The parties further agree:

Family Educational Right to Privacy: The UNIVERSITY agrees that in order for CONTRACTOR to perform its functions as outlined in the Contract, CONTRACTOR needs access to student records which are protected from disclosure by the Family Educational Right to Privacy Act ("FERPA"). UNIVERSITY agrees to provide access to such records in UNIVERSITY'S possession to the extent CONTRACTOR advises is necessary to carry out its functions as outlined in the Master Contract. In the event a dispute arises between UNIVERSITY and CONTRACTOR regarding whether specific information should be disclosed, the Chancellor of Southern Illinois University Carbondale shall be authorized to make the decision on disclosure of the information at issue.

CONTRACTOR hereby agrees to comply with FERPA in the handling of educational records of students currently or previously enrolled at UNIVERSITY. CONTRACTOR shall thoroughly orient its employees, agents and subcontractors of its obligations under FERPA and shall maintain its practices in strict accordance with the requirements of the Act. CONTRACTOR shall not be permitted to authorize any further disclosure of educational records of students of the UNIVERSITY to persons or entities not a party to this agreement without first having received permission of the UNIVERSITY and student. CONTRACTOR hereby agrees to indemnify and hold harmless the UNIVERSITY from any claims, complaints and/or causes of action arising from an alleged violation of FERPA by CONTRACTOR and/or any of CONTRACTOR'S subcontractors or their employees, agents, or assigns.

SIU ALUMNI ASSOCIATION

By: [Signature]
Randy A. Ragan, President
Date: June 10, 2010

BOARDS OF TRUSTEES OF SOUTHERN ILLINOIS UNIVERSITY

By: [Signature]
Glen W. Poshard, President
Date: 6-15-10

SOUTHERN ILLINOIS UNIVERSITY
CARBONDALE
By: [Signature]
Rita Cheng, Chancellor
Date: 6-17-10

APPROVED AS TO LEGAL FORM
[Signature]