

THE UNIVERSITY OF SOUTH DAKOTA FOUNDATION



MEMORANDUM OF AGREEMENT

Black Hills Playhouse Alumni Association Endowment

- 1. Donor & Endowment** The Black Hills Playhouse Alumni Association Board of Directors (BHPAA) has established an endowment through the University of South Dakota Foundation. The initial funding is \$25,000. The BHPAA wishes to participate in the growth and excellence of the Black Hills Playhouse by providing funding for capital or operational needs of the Playhouse
- 2. Selection Criteria:** This endowment will be used to provide funds for use to accomplish necessary maintenance, repair, capital and operational needs for the Black Hills Playhouse (BHP).
- 3. Selection Procedure:** The BHPAA Board, by a two-thirds vote, will submit one or more funding choices to the BHP Board and to the Dean of the College of Fine Arts of USD. The BHP Board of Directors may also bring forward funding choices. The combined funding choices list will be presented to a committee comprised of a representative of the BHPAA, the BHP Executive Director, and the Dean of the College of Fine Art at USD. This representative committee will then, by unanimous vote, decide which project or projects will be funded using the endowment fund payout for that year. USD shall observe all applicable laws and regulations, including the South Dakota Board of Regents' policy on Equal Opportunity, Non-discrimination and Affirmative Action, as revised from time to time.
- 4. Payout Policy:** The amount awarded from the Endowment will be determined annually by the USD Foundation. The Foundation will release the funds to USD's Dean of Fine Arts to be used for the project selected.
- 5. Donor Recognition and Stewardship:** Payout amounts shall be awarded in the name of the Black Hills Playhouse Alumni Association. The Foundation will provide an annual

financial report on the Endowment to the BHPAA Board of Directors. The report will include the value of the Endowment and the funds paid out from the Endowment.

- 6. Endowment Management:** The principal of this Endowment, including contributions and retained investment earnings, shall be managed and invested permanently in accordance with the investment policies of the Foundation. The amount paid out for the purpose of the Endowment and the annual administrative fee will be determined each year by the Foundation. The Donor acknowledges that under adverse investment market circumstances, the market value of the Endowment may fall below the contributed value. In such event, the Foundation may elect to utilize Endowment principal to fulfill the Endowment's purpose as deemed prudent by the Foundation Board of Directors. Among criteria for such determination will be preservation of principal, protection from the long-term effects of inflation, current and future funding necessary to fulfill the designated purpose of the fund, continuity in funding the designated purpose, expected total return on investments over the long-term, and other relevant general economic conditions. No funds will be available for awarding from this Endowment until its value (including additional contributions and retained investment earnings) reaches twenty-five thousand dollars (\$25,000). If the value of this Endowment has not reached twenty-five thousand dollars (\$25,000) by the close of the fiscal year ending five years after the date of this MOA, the Endowment may be closed and its funds combined with other Foundation Endowments in a manner consistent with the intent and purpose of the Donors).
- 7. Additional Contributions:** Additional contributions may be made by the BHPAA and others may contribute to this fund, but all such gifts shall be subject to the terms and conditions outlined in this agreement.
- 8. Publicity/Gift Announcement:** Announcement of the Endowment (including gift amount as appropriate) shall be made in the usual USD, BHPAA, and/or Foundation manner, which may include but is not limited to publications, press release, donor honor roll, etc. Expenses incurred at the specific request of the BHPAA Board of Directors for recognition or related purposes will be paid from the Endowment's earnings.
- 9. Agreement Modification:** Except as otherwise provided herein, this agreement may be amended with the written approval of all parties to this agreement. If changes in circumstances no longer allow for the effective administration of the Endowment as specified above, the Foundation will first consult the BHPAA or its designated representative to determine the best use of the Endowment under the changed circumstances. If no such person is available, the Foundation's Board of Directors may, in its discretion, modify the terms of this agreement in order to carry out, as nearly as circumstances permit, the original intent and purpose of the BHPAA

10. Acceptance of Agreement: The undersigned Donor/Donor representative agrees and consents to the foregoing terms and conditions.

Ann McKay Thompson, President Date
Black Hills Playhouse Alumni Association

Accepted for The University of South Dakota Foundation:

Steve Brown Date
President and CEO

Accepted for The University of South Dakota College of Fine Arts:

Dr. Larry Schou Date
Dean, College of Fine Arts