

AGREEMENT

between

Tennessee Technological University

and

The Tennessee Technological University Foundation

Pursuant to State Board of Regents Policy No. 4:01:07:02, the provisions of the relationship between the Tennessee Technological University Foundation and the Institution have been formulated as described below and pursuant to Provision 5(1) of the above mentioned policy.

This agreement is made this 5th day of October, 2004, by and between Tennessee Technological University and the Tennessee Technological University Foundation.

WHEREAS, the Foundation is a non-profit corporation chartered to support the Institution; and

WHEREAS, the Foundation and the Institution share identical objectives; and

WHEREAS, the Tennessee Board of Regents has determined that a formal agreement should exist between the Institution and any external Foundations;

NOW THEREFORE;

WITNESSETH

In consideration of the mutual promises herein contained, the parties have agreed and do hereby enter into this agreement according to the provisions set out herein.

The services provided by the University to the Foundation include the services of University Advancement and the Business Office. All funds contributed to the Foundation are processed through University Advancement through the use of computerized receipting and are invested by the University in a pooled investment program. The Foundation is treated as an agency account, and the investment is under the jurisdiction of the Vice President for Business & Fiscal Affairs of the University.

The Institution acknowledges the receipt of all contributions to the Foundation and provides copies of all receipts to the Foundation for its own records. All records and accounts are maintained by the Institution,

but they are maintained separately from the institutional records and accounts. The Business Office of the University provides the Foundation with monthly financial reports of all income and expenditures.

Although the governance structure is determined by the Foundation itself, the charter and bylaws of the Foundation provide that the President or the President's designee(s) hold membership on the Foundation's Executive Board.

An annual budget is adopted by the Foundation and presented to the Institution.

The Foundation receives approval from the Institution before a gift to the Foundation can be accepted, which requires institutional support, and all gifts-in-kind are approved by the Vice President of University Advancement and, if applicable, by the Chancellor in accordance with Board policy.

An annual report by the Foundation is submitted each year to the President of the Institution. A comprehensive annual financial report is prepared in accordance with generally accepted accounting procedures. These reports are prepared by the Vice President for Business and Fiscal Affairs of the University.

Records and financial reports are audited by the comptroller or treasurer along with the University's institutional audit.

All departments, units, or individuals who intend to make fund appeals on behalf of the Foundation must submit to the Vice President of University Advancement a proposal as it will be presented to the prospective donor, corporation, or foundation (with the exception of government grants) for simulation, correction, additions. This policy is in no way intended to discourage informal discussions concerning possible solicitation of funds, ideas, etc., with prospective donors or with the Deans of the Colleges, the Department Chairmen, or the Vice President of University Advancement.

All gifts (with the exception of government grants) including cash donations, gifts-in-kind, and pledges made to the Foundation or any organization or person affiliated with the Foundation must be reported to University Advancement within a reasonable period of time. All checks and cash must be delivered to the Gifts, Records, and Stewardship Center (GRSC) as soon as possible, no more than two working days (or the same day if \$500 or more) from receipt. These gifts will be properly recorded, receipted, and placed in the computer bank by Advancement Services. It will be the responsibility of Advancement Services to formally accept/record/acknowledge such gifts or to ensure that the proper

acknowledgement is made by other members of the faculty or university as is appropriate under each circumstance.

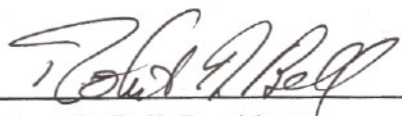
Investments by the Foundation are made through the auspices of the Vice President for Business & Fiscal Affairs of the University and are governed by T.C.A. 35-10-101 et seq.

The Foundation will request approval of the President of the Institution prior to the employment of personnel, administrative or otherwise, who are employed by the Foundation or in joint employment by the Foundation and the University. The Director of Human Resources of the University, the Vice President of University Advancement, and the President, in that order, must review all proposals of this type. Written approval must be secured prior to any Foundation expenditures of compensation of personnel for salaries, supplements, and perquisites, and approval in advance must be secured by the University President and the Chancellor of the Board of Regents.

All amendments to the Foundation charter and bylaws shall be submitted by the President to the Chancellor of the Board of Regents for review prior to being filed with the Secretary of State.

IN WITNESS WHEREOF, the parties, through their authorized representatives, have affixed their signatures below.

INSTITUTION:

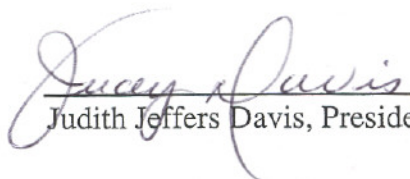


Robert R. Bell, President

10/20/04

Date

FOUNDATION:



Judith Jeffers Davis, President

10/20/04

Date