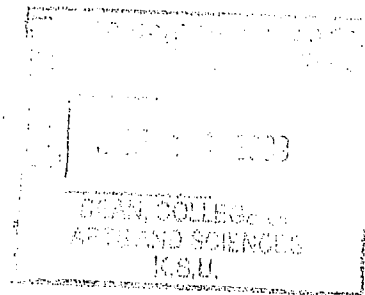




MEMORANDUM



DATE: September 4, 2009

TO: Brian Spooner, Chair, Transition Audit Advisory Committee

FROM: Amy Button Renz, President and CEO
K-State Alumni Association *Amy*

Brad Sidener, Senior Vice President and CFO
K-State Alumni Association

CC: Jerry Boettcher, Chair, 2009-10 Alumni Assn. Board of Directors
Audrey Mross, Chair, 2010-11 Alumni Assn. Board of Directors
Jackie Hartman, Chair, 2008-09 Alumni Assn. Board of Directors
Randy Rathbun, Chair, 2007-08 Alumni Assn. Board of Directors

On behalf of the Alumni Association board of directors and staff, we are pleased President Schulz has formed this committee to evaluate current university practices and to prepare a report for the Kansas Board of Regents.

While the audit completed by Grant Thornton LLP included no material findings or recommendations for the Alumni Association, we want to share a few points of clarification for the committee's information.

- The statement that the "Alumni Association reports to the President through the Office of the Vice President for Institutional Advancement" is inaccurate. The Alumni Association is a self-governed 501(c)(3) nonprofit organization with the President and CEO reporting directly to its board of directors.
- The audit indicated that "no cash disbursement testing was performed at the Alumni Association at the request of the Foundation." We want to be clear that our staff was not consulted on this decision, nor requested to provide information. We would have readily allowed testing for any financial information requested.
- The audit included information regarding the Foundation and Athletics Department each receiving a \$2,000 annual allotment towards use of the Alumni Center, with usage above that amount billed at the appropriate rate. That is accurate, and the decision was approved by the Alumni Association's board of directors as each university entity was a major donor in completion of the Alumni Center. As also indicated, the "Alumni Association may waive usage fees for specific events at its

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discretion.” These are typically student events and other events when the Association serves as a partner or active sponsor.

- Though accurate, the Alumni Association’s scope of programming is much broader than “30 Athletics events and watch parties” as indicated in the audit. The Alumni Association jointly sponsors and shares the cost of Catbacker events with Athletics. Other current Alumni Association programming includes, but is not limited to, coordination of nationwide club activities, reunions, legislative advocacy, awards, communications and career services; a wide range of programming for K-State students including a student alumni association, coordination of Homecoming, scholarships and student ambassadors program; multicultural and international activities and events for alumni and students; and programming for future K-Staters that ranges from welcoming new babies to the Wildcat family to recruitment programs for high school students.

Thank you for your time, and please let me know if we can be of assistance. Our staff will gladly provide any additional information that may be beneficial to the committee.