

MEMORANDUM OF UNDERSTANDING

“MOU”

PARTIES

The Trustees of The Stevens Institute of Technology, a non-profit corporation organized and existing under the laws of the state of New Jersey (“the Trustees”), and

The Stevens Alumni Association (“the SAA”), a non-profit corporation organized and existing under the laws of the state of New Jersey

BACKGROUND

The Trustees are responsible for the entire management of the affairs and concerns of The Stevens Institute of Technology (“the Institute”) and for setting overall policies and procedures for the operation of the Institute.

The SAA’s mission is to establish, maintain, and cultivate among its members a sentiment of regard for one another and of attachment to the Institute, and to promote in every way the interests of the Institute.

The Institute supports SAA’s activities through the Institute’s Alumni Office.

The Trustees and the SAA wish to replace a September 1987 “Memorandum of Understanding” (“1987 Agreement”) between the parties to better define and clarify the roles and relationship between the two organizations and further enhance communications so as to facilitate working together as “one”.

UNDERSTANDING

1. SAA Work Plan

The SAA Officers and its Executive Committee (as defined in the Constitution of the SAA) a) establish a Strategic Plan that is aligned with and in support of the Institute’s Strategic Plan and the SAA’s mission (“SAA’s Strategic Plan”), b) prepare the SAA’s annual goals and objectives that also are consistent with both the SAA’s and the Institute’s Strategic Plans, and c) communicate such goals and objectives to the Director of the Alumni Office, who also serves as the Executive Secretary of the SAA (referred to in this MOU as the “Executive Director”).

The President of the Institute (“Institute President”) designates a Vice President of the Institute to interface with the Executive Director and the SAA President, and so informs the SAA President. Presently, the Institute’s Vice President for the Division of Development has been so designated (“Vice President”) by the Institute President. With input from the Vice President and the SAA President, the Executive Director develops an annual SAA plan of work for the Institute’s next fiscal year that is consistent with the SAA’s and the Institute’s Strategic Plans and their annual goals and objectives (the “Work Plan”).

The SAA’s Work Plan includes a) specific and measurable goals, b) the responsible parties for achieving the goals, c) a timeline for attaining the goals, and d) specific deliverables associated with the goals. Once agreed upon by the Vice President, the SAA President, and the Executive Director, then the SAA implements the SAA Work Plan under the direction of the Executive Director.

2. Alumni Office Budget

By the end of November each year, the Executive Director prepares a proposed Alumni Office budget for the Institute’s next fiscal year (beginning July 1st) to implement the SAA’s annual Work Plan and submits the proposed budget to the Vice President and the SAA President for their review and comments. Once approved by the Vice President and SAA President, the Executive Director transmits the budget directly to the Institute President with copies to the Vice President and the SAA President.

Based upon feedback from the Institute President, then the Vice President, the SAA President, and the Executive Director will further review, modify if necessary and appropriate, and approve the SAA’s annual budget for the next fiscal year. Once approved, any subsequent material change to the SAA’s annual budget (including increases or reductions in the amounts allocated in total or as line items) must originate with the Institute President and can be implemented only after the Vice President, the SAA President, and the Executive Director have reviewed, discussed, and agreed how best to implement the change with minimal impact on the SAA’s Work Plan.

3. Alumni Office Staffing

SAA acknowledges that the entire Alumni Office staff is employed by the Institute. As Institute employees, the Executive Director and all other personnel assigned to the Alumni Office are subject to the same benefits, policies, and procedures afforded other Institute employees.

After receiving input from the Vice President and the SAA President, the Executive Director prepares a proposed staffing plan, as needed, to provide the Alumni Office with sufficient personnel and resources for supporting the SAA's Work Plan. The Vice President and the SAA President will modify if necessary and appropriate, and then approve the staffing plan. Once approved, any subsequent material change to the staffing plan can be implemented only after the Vice President, the SAA President, and the Executive Director have reviewed, discussed, and agreed how best to implement the change with minimal impact on the SAA's Work Plan.

4. SAA Executive Secretary / Director of the Alumni Office

The Executive Director serves as both the Executive Secretary of the SAA and as the Director of the Alumni Office. The Executive Director is responsible for the day-to-day management of the SAA's affairs as the SAA Executive Secretary. The Executive Director also is responsible for the Alumni Office staff who report to the Executive Director for personnel and administrative purposes.

The Executive Director reports jointly to a) the SAA President in the capacity of Executive Secretary of the SAA, and b) to the Vice President in the capacity of Director of the Alumni Office. Both the SAA President and the Vice President have input to a) select and retain the Executive Director, b) establish and review the Executive Director's annual goals and objectives, and c) review accomplishments and performance.

5. SAA Fundraising Assistance and Revenue Generation

The SAA provides assistance to the Institute's Division of Development ("Development") in meeting the Institute's fundraising goals. This assistance includes a) promoting Development's fundraising endeavors including at alumni functions as appropriate, b) identifying and recruiting alumni to help promote the fundraising efforts of Development, and c) instilling a culture of philanthropy among present and future graduates of the Institute ("Alumni").

The SAA may initiate fundraising activities to support SAA's goals and objectives. For example, the SAA may receive financial contributions directly from Alumni and friends of the SAA, which contributions may be used for funding SAA legacy scholarships and other objectives aligned with the Institute's and SAA's Strategic Plans.

Initiatives carried out directly by the SAA, such as fundraising and event planning will a) reasonably address necessary and appropriate risk management issues, and b) be

coordinated with Development in a collaborative manner that does not adversely interfere or compete with Development's fundraising activities.

To the extent permitted by its Corporate Charter, the SAA may also seek out and initiate revenue generating opportunities from outside sources (e.g., affinity credit cards) to supplement its annual budget. In the event that the SAA wishes to engage in revenue generating or other similar activities, the parties will work in a collaborative manner to reasonably a) address any finance, tax, or other issues raised by such activities, and b) ensure that each party is protected from undue risk to its financial status and reputation.

6. Dispute Resolution

An open exchange of ideas is encouraged and expected among a) the Executive Director, b) the Vice President, their respective staffs, and c) the SAA President, to address issues of common interest and concern. By way of illustration, such issues may include the Alumni Office budget (e.g., establishing, approving, modifying, and administering same), the Alumni Office facilities (e.g., location and space allocation), and the Alumni Office staffing (e.g., selection, retention, and number of staff). Should differences of opinion arise regarding how best to resolve these issues in a professional, constructive, and amiable manner, then any unresolved issues are to be addressed through the following procedure:

- I. Once an issue is brought to the attention of the Institute President and the SAA President, they will meet promptly to try to resolve such issue.
- II. In the event that the two Presidents have difficulty in resolving the issue, either President, upon notice to the other President, may submit the issue to the chair of the Alumni and Development Committee ("A&D Committee") of the Institute's Board of Trustees. Promptly after submission, the chair of the A&D Committee convenes a panel consisting of a) two Alumni appointed by the SAA, b) two members of the A&D Committee appointed by the chair, and c) a fifth panel member being the chair of the A&D Committee who also serves as chair of the panel. The panel will meet promptly with the two Presidents to a) understand each party's concerns, and b) explore possible solutions to resolve the issue. After deliberating, the decision of the majority of the panel members will prevail.
- III. In the event that the panel does not render a decision on the issue, or should a decision be rendered but either President disagrees with the decision of the panel, that party, upon notice to the other party, may refer the matter to the full Board of Trustees of the Institute. The Board, after determining that a quorum is present, will meet to consider the issue and its challenges. The decision of the Board of Trustees regarding the issue is final.

This resolution procedure will be concluded within ninety (90) days beginning the day that the issue was first brought to the attention of the Institute President. Should the dispute require a longer period for resolution, the period can be extended by mutual agreement with the Institute President and the SAA President.

7. Miscellaneous

The SAA is represented on the Institute's Board of Trustees as described in and subject to the terms of the Amended and Restated By-Laws of The Trustees of The Stevens Institute of Technology, adopted on October 27, 2011. The following are sections of the Trustees By-Laws pertaining to the SAA's representation:

2.4.2. The president of the Institute's Alumni Association shall serve as an Alumni Trustee during his or her term of office as such president.

2.4.3. At least one Alumni Trustee (who is not the president of the Institute's Alumni Association) shall be elected each year pursuant to procedures prescribed by the Nominating and Corporate Governance Committee, to serve for a term of two (2) years, beginning with the annual meeting of the Board.

2.4.4. At least one Alumni Trustee shall be elected each year from three (3) nominations from the graduating (senior) class. Nominations for Alumni Trustees shall be requested annually two (2) weeks prior to Commencement from amongst the members of the graduating senior class. The Nominating and Corporate Governance Committee shall prescribe procedures soliciting nominations and electing Alumni Trustees under this Section 2.4.4.

Under the Trustees By-Laws, the SAA President is eligible to serve on the Executive Committee of the Institute's Board of Trustees.

This MOU replaces and supersedes the 1987 Agreement and constitutes the entire understanding between the parties on the matter. No subsequent modifications are binding upon either party, unless made in writing and signed by duly authorized officers or representatives of the parties.

Should a title of a department within the Institute that is mentioned in this MOU change, then the title as used in this MOU will also be modified to reflect the change to the department's title.

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Having obtained all required approval and authorization, the Trustees and the SAA have executed this Memorandum of Understanding, in duplicate, to be effective on the last date noted below.

**The Trustees of The Stevens
Institute of Technology**

By: _____

Title: _____

Date: _____

Stevens Alumni Association

By: _____

Title: _____

Date: _____