

# City of Las Cruces®

PEOPLE HELPING PEOPLE

## Council Action and Executive Summary

Item # 5 Ordinance/Resolution# 11-004 Council District: All

For Meeting of July 6, 2010  
(Adoption Date)

**A Resolution repealing Resolution 95-184, approving an Agreement between the Las Cruces Sister Cities, Inc. (Corporation) and the City of Las Cruces, and establishing a new Memorandum of Agreement between the two bodies.**

**PURPOSE(S) OF ACTION:** The City Council entered into an Agreement with the Las Cruces Sister Cities, Inc. (Corporation) in 1995 for the governance of the relationship between the two organizations and for the furtherance of the mission of Sister Cities: "Promote peace through mutual respect, understanding, & cooperation — one individual, one community at a time." This agreement relied on the input of the Sister Cities Advisory Board, appointed by the City Council to provide support and guidance to the Corporation. That Board was eliminated by Council in November of 2009. The new Agreement, Attached as Exhibit "A" will redefine the relationship and responsibilities between the two groups.

<b>Name of Drafter:</b> Lori Grumet		<b>Department:</b> Public Services		<b>Phone:</b> 528-3477	
<b>Department</b>	<b>Signature</b>	<b>Phone</b>	<b>Department</b>	<b>Signature</b>	<b>Phone</b>
Originating Department		528-3477	Budget		2300
			Assistant City Manager		2271
Legal		2128	City Manager		2076

### **BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

Information was presented to the City Council on July 20<sup>th</sup>, 2009 at which time consensus and direction to pursue a new Memorandum of Agreement was given. In November 2009 the Council voted to dissolve the Sister Cities Advisory Board. Staff was directed to revise the proposed Memorandum. The Corporation continued to pursue activities such as: fundraising through an annual yard sale, golf tournament, and Renaissance Faire booth; official exchange trips to Lerdo, Mexico; visits from Lerdo and Nienburg officials, etc.

Local delegates will represent Las Cruces at the annual International Sister Cities Conference in Albuquerque this summer and will promote tourism to Las Cruces as part of their participation through the distribution of promotional materials and sample itineraries.

Accountability between the two parties lapsed significantly since the final meeting of the City Board (1995) and needs to be re-established in the best interests of the mission of the Corporation and the City of Las Cruces. Additionally the original agreement was open-

Ended and the new agreement will have an expiration date to encourage periodic examination of the relationship between the two groups.

The new Agreement between the Corporation and the City will facilitate future growth, transparency and appropriate accountability for the Sister City programs while providing opportunities to revitalize and promote the Sister City mission through activities with Lerdo, Mexico and Nienburg, Germany.

The City Manager designated the Public Services Director/ or designee as the liaison to the Corporation. Support for the program will be pursued per direction from Mayor and Council within financial limits of each fiscal year budget.

**SUPPORT INFORMATION:**

Fund Name / Account Number	Amount of Expenditure	Budget Amount
N/A	N/A	Each year the Corporation applies to the Convention and Visitor's Bureau for funding to support promotion of the Sister Cities relationships. The request for FY2011 was \$10,000. CVB has indicated in correspondence that the maximum that will be available in already budgeted funds is \$9,000. Other funding for Sister Cities is made of dues, donations and fund-raising efforts of the members.

1. Resolution.
2. Exhibit "A" – Memorandum of Agreement with attachments as stated in the Agreement
  - A. Reimbursement policy.
  - B. Insurance Riders.
3. Attachment "A" - Las Cruces Sister Cities Corporation, Inc. By-Laws (1992)
4. Attachment "B" - Resolution 95-184.

**OPTIONS / ALTERNATIVES:**

1. A "Yes" Vote will implement the Memorandum of Agreement between the Las Cruces Sister Cities Corporation, Inc. and the City of Las Cruces.
2. A "No" Vote will result in the existing Memorandum of Agreement (95-184) continuing without the revisions relative to the elimination of the City Advisory Board and will continue on indefinitely.
3. Council may modify the Ordinance and provide staff with alternate direction.

RESOLUTION NO. 11-004**A RESOLUTION REPEALING RESOLUTION 95-184, APPROVING AN AGREEMENT BETWEEN THE LAS CRUCES SISTER CITIES, INC. (CORPORATION) AND THE CITY OF LAS CRUCES, AND ESTABLISHING A NEW MEMORANDUM OF AGREEMENT BETWEEN THE TWO BODIES.**

The City Council is informed that:

**WHEREAS**, the Sister Cities Corporation entered into a Memorandum of Agreement in 1995 for the governance of the relationship between the City and the Corporation; and

**WHEREAS**, the agreement was predicated upon the input of the Sister Cities Advisory Board (CLC), that has not met since that time, rendering the agreement ineffective; and

**WHEREAS**, the City Council dissolved the Sister Cities Advisory Board in November of 2009; and

**WHEREAS**, the Corporation and the City are desirous to continue with and promote the ideals and mission of Sister Cities International and wish to enter into a new agreement; and

**WHEREAS**, the new Agreement between the Corporation, and the City will facilitate future growth, transparency and appropriate accountability for the Sister City programs while providing opportunities to revitalize and promote the Sister City mission through activities with Lerdo, Mexico and Nienburg, Germany; and

**WHEREAS**, the City Manager has designated the Public Services Director/ or designee to act as the staff liaison to the Corporation; and

**WHEREAS**, support for the program will be pursued per direction within budgetary limits.

**NOW, THEREFORE**, Be it resolved by the governing body of the City of Las Cruces:

**(I)**

**THAT** Resolution 95-184 establishing a Memorandum of Agreement with the Sister Cities Corporation, Inc. is repealed and a new agreement as reflected in Exhibit "A" attached hereto is enacted.

**(II)**

**THAT** City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

**DONE AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

APPROVED:

(SEAL)

\_\_\_\_\_  
Mayor

ATTEST:

VOTE:

\_\_\_\_\_  
City Clerk

Mayor Miyagishima: \_\_\_\_\_

Councillor Silva: \_\_\_\_\_

Councillor Connor: \_\_\_\_\_

Councillor Pedroza: \_\_\_\_\_

Councillor Small: \_\_\_\_\_

Councillor Sorg: \_\_\_\_\_

Councillor Thomas: \_\_\_\_\_

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Agreement Between the City of Las Cruces and Sister Cities of Las Cruces, Inc.

The City of Las Cruces ("City"), a New Mexico municipal corporation, and the Las Cruces Sister Cities, Inc ("Corporation"), enter into this Memorandum of Agreement ("Agreement") on this \_\_\_\_\_ day of \_\_\_\_\_, 2010 as follows:

RECITALS

- A. The City and the Corporation have been working together since 1982 to develop relationships with international counterparts who are designated through a formal Council action as "Sister Cities" of Las Cruces. The present designations belong to Lerdo, Mexico and Nienburg, Germany.
- B. The Corporation has been granted exemption from federal income tax by the United States Commissioner of Internal Revenue as an organization described in Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended or renumbered.
- C. The Corporation is a New Mexico non-profit corporation having been incorporated as such March 21, 1989. The Articles of Incorporation are on file with the New Mexico Public Regulation Commission and provide that the purpose of the Corporation is to join together Las Cruces and its Sister Cities as caring communities where the points of common culture and of diversity both can be honored and celebrated. The Corporation is to promote and encourage private and public programs which will further greater friendship and understanding between the people of Las Cruces and the peoples of other nations. To achieve this purpose the Corporation may directly and indirectly sponsor through affiliation committees, cultural, economic, educational and social activities which further international community friendships and stimulate and sustain participation in, and community support of the Corporation programs.

D. NMSA 1978, § 6-5A-1 (1992) sets forth specific requirements for governmental entities such as the City that receive funds or property from certain organizations such as the Corporation. The statute specifically defines a qualifying organization as a Section 501(c) organization "whose principal and authorized purpose is to complement, contribute to and support, aid the function of or forward the purposes of a single agency through financial support, the contribution of services, goods, data or information that help or aid the agency in carrying out its statutory purpose and goals". The City is a municipality and qualifies as an "agency" under the statute, and the Corporation qualifies as an "organization" under the statute.

E. According to NMSA 1978, § 6-5A-1(B), before the City can accept property or funds from the Corporation for the support of relationships between the City and its designated Sister Cities, the City and the Corporation shall enter into a written agreement that sets forth the relationship between the parties.

F. The Corporation has provided and desires to continue to provide support, through fund-raising efforts, participation in events, exchanges and activities, hosting visitors, etc., for the Sister City program activities and relationships and the City desires to continue to receive support for the same from the Corporation.

G. The parties desire to clarify their respective obligations under NMSA 1978, § 6-5A-1 and to provide for fiscal accountability.

### Agreement

1. Term: The Agreement will continue in full force and effect until the expiration date given below, or until terminated by either party with or without cause on ninety (90) days written notice to the other party.
2. Corporate and Tax Status: The Corporation will remain both a New Mexico non-profit corporation in good standing and an Internal Revenue Code Section 501(c) federal tax exempt organization during the term of this Agreement. The Corporation will promptly provide proof of such status upon written request of the City.
3. Requirements of NMSA 1978, § 6-5A-1(B): The following provisions are specific requirements of state law:

A. Purpose: Section 6-5A-1(B)(1) requires a concise statement of the Corporation's purpose and how that purpose supports the City's responsibilities and authority for the Sister Cities program. That statement of purpose is set forth in the Corporation's Articles of Incorporation as recited in Background paragraph C and is incorporated herein by reference.

B. Relationship: Section 6-5A-1(B)(2) requires provisions explicitly describing the relationship of the City's relationships to the Corporation in connection with such issues as authority, autonomy and information sharing and reporting. The Corporation is a separate 501 (c)(3) corporation and shall operate independently of the City of Las Cruces. It has no authority to bind the City or to operate on behalf of the City.

C. Support: The Corporation shall act as a liaison between the foreign Sister Cities and the City of Las Cruces helping to organize and fund relations between representative of the City of Las Cruces, citizens of the City of Las Cruces, representatives of the foreign Sister Cities and citizens of the foreign Sister Cities. The Corporation shall also act as a liaison between the City of Las Cruces and Sister Cities International. The Corporation shall also provide funding for events pertaining to the Sister Cities program which the City of Las Cruces has financial limitations in conducting directly.

D. Financial Reporting Requirements: Section 6-5A-1(B)(4) requires the following:

- i. So long as the gross annual income of the Corporation is less than \$100,000.00, the Corporation will file with the City on an annual basis, a balance sheet showing the assets, liabilities, income and expenses of the Corporation classified by general source and classified by object.
- ii. In the event that the gross income of the Corporation exceeds in any year \$100,000.00, then in such event, the Corporation shall maintain a financial accounting system adequate under customary and currently accepted accounting standards and secure an annual audit in accordance with generally accepted governmental auditing standards by an independent professional auditor, who will be required to furnish to the City, copies of this audit, which audit shall be public record. Provided however, that no list of donors or donations shall be of public record. The Corporation shall also make the associated work papers

available to the City for review upon its written request for a period of three years after the audit.

E. Disbursement Standards: Section 6-5A-1(B)(5) requires that any funds or property transferred to the City by the Corporation will be considered to be subject to all state laws and regulations governing the disbursement and administration of public funds and property. Only those transfers between the Corporation and the City will go through the City's financial reporting system for audit purposes. This statute deems that any funds or property transferred by the Corporation to the City are to be considered public funds or public property as the case may be.

Further, in alignment with Corporation By-laws, officers and members of the Corporation and its sub-committees (Lerdo and Nienburg, and any future sub-committees) will incur all expenses according to the Reimbursement Policy approved by the Corporation Board. (Attachment "A" - Reimbursement Policy). Any funds or property transferred to the City of Las Cruces by the Corporation shall be subject to all state laws and regulations governing the disbursement and administration of public funds and public property.

F. Review of Corporation's Bylaws: The City has reviewed the existing by-laws of the organization and found them to be acceptable. In the event that there are any amendments to the bylaws of the Corporation, the Corporation shall furnish such amendments to the City, within thirty days after adoption.

G. Consideration: The City shall not be required to provide anything of value to the Corporation, including, but not limited to staff services, facilities base, or use of equipment to the Corporation. In the event the City Manager or the designee of the City Manager determines to make

such a contribution, same shall only be provided to the Corporation upon the City receiving fair market financial or other compensation, and in no event, shall anything be provided to the Corporation that would in any manner violate the New Mexico Anti-Donation Clause or any other provision of State law.

H. Investment Evaluation Standard: The Corporation as to the investment of any funds, shall invest such funds under the Prudent Investor Rule set forth in the Uniform Prudent Investor Act, NMSA 1978, Sec 45-7-601, et seq., (as amended).

I. Accounting Requirements. In addition to the financial accounting requirements of the Corporation set forth in Section 4(D) hereof, the Corporation will do the following:

- i. Maintain a financial accounting system that meets currently generally accepted accounting standards for non-profit organizations as published by the American Institute of Certified Public Accountants;
- ii. Coordinate the management of said financial accounting system with the City's Internal Audit staff;
- iii. Adopt internal control procedures and guidelines for the collection, distribution and expenditure of funds, property, items, services or programs to assure that such funds, property or services are being used or conducted for the benefit of and in support of the Sister Cities program, and that such expenditures, programs or activities are not in violation of any applicable state or federal law or regulation; and
- iv. Submit to the City upon an agreed date its annual budget showing planned program support.

v. In order to comply with the above provisions pertaining to balance sheets, and in order to properly account for any monies provided by the Las Cruces Convention and Visitors Bureau, the Corporation shall maintain a financial accounting system that meets currently generally accepted accounting standards for non-profit organizations as published by the American Institute of Certified Public Accountants. The Corporation shall coordinate with the City's internal audit staff on said accounting system. The Corporation shall adopt Internal Control Procedures and Guidelines for the collection, distribution, expenditure of funds, property, items, service or programs to ensure that such property services or programs are being used or conducted for the benefit of and in support of the Articles of Incorporation and by-laws of the Corporation, and that such funds, programs or activities are no in violation of any applicable, state or federal law or regulation. The Corporation, each year, shall submit to the City upon an agreed date, an annual budget of the Corporation.

4. City Liaison: The City Manager or his/her designee will designate a liaison between the City and the Corporation. The duties of the liaison will include but shall not be limited to the following:

- A. Attend Corporation Board meetings.
- B. Coordinate requests for reimbursements between the Corporation and the City's accounting section; and
- C. Should the City Manager and the Corporation agree that a single liaison is insufficient for the needs of the Corporation and the City, the parties will in good faith attempt to arrange for either two

liaisons to service the program or another alternative that is agreeable to both parties.

- D. The Corporation officers and the City Liaison will meet at least quarterly, to discuss program progress, community delegations, community student exchanges, and other related business.
- E. The Corporation will review its by-laws relative to the City Liaison and amend as appropriate to include recognition of this Agreement and make other amendments as necessary to incorporate the requirements of the Agreement, e.g. budget plans, financial status, and other reporting as necessary, and to include the City Liaison in meetings.

5. Corporation Employees and Volunteers:

- A. The Corporation will provide its own employees and volunteers for its programs and events and will be solely responsible for compensating its employees including providing worker's compensation insurance if required.
- B. City of Las Cruces employees, other than the designated liaison and members of City Council will not work directly or indirectly for Corporation programs or events on City time. Said employees shall not be required either directly or indirectly to volunteer to staff Corporation programs or events on their own time, unless such activity is approved by the City Manager or his/her designee as provided for in a separate detailed agreement as referenced in Section 10(A) of this Agreement.
- C. The Corporation will have access to an area designated by the City Manager or his/her designee for once a month meetings by the Corporation and its board. The designation of the meeting location will be based on the availability of the designated area. No access

to City Facilities will be allowed without the liaison or his/her designee present. No keys will be issued to City Facilities.

- D. By entering into this Agreement, neither party nor their respective "public employees," as defined in the New Mexico Tort Claims Act, waive sovereign immunity or any defense, or limitations of liability pursuant to law.

6. Corporation Programs and Events:

- A. The Corporation shall assist the City to maintain the City's membership in good standing with the International Sister Cities Organization, and will conform to all the requirements of member organizations as outlined in the by-laws and regulations of Sister Cities International.
- B. This Agreement does not require that the City present any specific program or event, but any event or program that is proposed by either party in the form of a joint or collaborative program between the City and the Corporation will be separately approved by the City Manager or his/her designee in accordance with a written agreement that will delineate the scope of the joint or collaborative effort.
- C. In the event the Mayor travels outside the City of Las Cruces, the Corporation will be entitled to either pay directly or reimburse the City for expenses incurred by the Mayor or his designee traveling on official events of the Sister Cities according to agreement of the Corporation Board prior to the expenses being incurred. The source of the funds from the Corporation shall be funds raised privately and no funds provided to the Corporation by the Las Cruces Convention and Visitors Bureau will be used for any travel expenses of the Mayor, City Officials, or employees.

- D. The City will maintain links to the Corporation web page from appropriate City web pages to refer citizens to the organization and to assist in promotion of Sister Cities program activities and special events.
- E. The Corporation will advise the City Public Information Office of the meetings and activities of the Sister Cities program. The City will distribute public service announcements on behalf of these same meetings and activities to encourage citizen participation in building relationships between cities and their citizens. The Corporation may utilize other publicity venues as the opportunities arise, and as the Corporation desires.
- F. The Corporation will maintain and update the Sister Cities Website with links to the City web pages.

7. Corporation Fund Raising:

- A. The Corporation will design and implement fund raising programs in support of the goals of the sister cities concept.
- B. The Corporation will be solely responsible for its fund raising programs and events and for all costs related thereto. All advertising for its programs and events will clearly state that the program or event is being provided solely by the Corporation, unless it is a collaborative effort (grant or fiscal agency) as referenced in Section 10(A) of this Agreement.
- C. The Corporation will solicit, receive and accept for the benefit of the Corporation and for the ultimate benefit of the City, Sister Cities program and relationship restricted and unrestricted gifts of money, and real or personal property.

D. The Corporation may contract with persons or entities such as fund raising consultants, accountants and investment managers as it deems necessary to carry out its functions to support the Sister Cities program.

8. Donations to the Corporation From Third Parties:

A. Cash Donations:

- i. Cash donations from third parties to the Corporation for the benefit of the Sister Cities program will be documented so that they may be properly tracked as required by Section 3.1.H.a of this Agreement. The City will comply with any conditions attached to donations received by the City on behalf of the Sister Cities program, such as a requirement that a specific item be purchased. The City will decline to accept cash donations on behalf of the Sister Cities program if it is unable or unwilling to comply with any conditions attached to the donation. In the event that restrictions or conditions of donation do not comply with State law, same will be refused by the City.
- ii. Cash donations from third parties solely to the Corporation will be administered by the Corporation in compliance with appropriate financial accounting requirements and documentation.

B. Donations of Individual Items of Personal Property or Collections:

- i. Individual items of personal property such as a painting or collections donated to the Corporation for the specific purpose of promoting the relationships entailed within the Sister Cities Program will be tendered to the City (example:

objects of art from a Sister City intended for display by the City in a public venue whose purpose is to educate citizens of Las Cruces about the Sister City). If the City accepts the donation from the Corporation, then the City is obligated to ensure that the donation is properly inventoried and preserved, that any conditions attached to the donation are complied with, and that the donation is properly recorded in the City's financial accounting system. If the City declines to accept the donation, the donation will be returned by the Corporation to the donor.

- ii. Individual items of personal property such as a painting or collections donated solely to the Corporation will be properly inventoried, preserved and stored by the Corporation at its sole expense. The Corporation will comply with any conditions attached to the donation at its sole expense. The City will assume no responsibility or cost for inventorying, preserving or storing said items unless and until ownership of the items are transferred to the City. The Corporation may loan said items to the City pursuant to a written loan agreement.

9. Designation of Sister Cities:

- A. Neither party will be allowed to independently designate or discontinue any Sister City affiliation without the written consent of the other and formal action by the City Council of the City. Any affiliation activity must comply with the policy of Sister Cities International as follows:

- B. Only dues-paying members in good standing with Sister Cities International will have their sister city partnerships formally recognized.
- C. New partnerships will be considered official only when Sister Cities International has received signed copies of the sister city agreement(s). The documents must be signed by the top elected official of both communities.
- D. Sister Cities International will recognize a new Sister Cities partnership between a U.S. and an international community, even though another partnership may exist between that international community and a different U.S. community, only if a cooperative agreement among all involved communities is filed with Sister Cities International.
- E. Sister Cities International will consider a relationship to be active unless notified otherwise. Sister Cities International will provide guidance in periodically evaluating a relationship. Sister Cities International will also assist in revitalizing a relationship or in terminating a relationship, if the partners agree it is not working out. Inactive partnerships may be designated as a "Sister City Emeritus." Under this category, relationships which are no longer active will still be honored, but the international city will be available for another Sister Cities partnership.
- F. Sister Cities International will recognize sister cities partnerships in countries where formal U.S. diplomatic relations have not been established, provided that the U.S. government has at least an "Interest Section" operating in that country and provided that no federal funds are used by Sister Cities International to support the

partnership. The only country immediately affected by this policy change is Cuba. Sister Cities International will now officially recognize United States-Cuba Sister Cities partnerships, upon receipt of a copy of the signed sister cities agreement.

- G. The Corporation will develop written procedures to determine the appropriate parameters under which to propose a change in Sister City designations. These procedures will be presented to the Office of the City Manager for review and concurrence.

10. Grant Writing/Fiscal Agent Status:

- A. The Corporation may solicit and accept grants for the benefit of the Sister Cities program in consultation with the City. The Corporation will be the fiscal agent for its grants and will administer its grants in accordance with the grant terms. The City Manager on behalf of the City reserves the right to decline to accept the benefits of any grants obtained by the Corporation if the City was not consulted in advance.
- B. The City will provide no technical assistance for Corporation grant writing, will not act as fiscal agent for grants obtained by the Corporation, and will not directly or indirectly provide any funds for grants obtained by the Corporation unless pre-approved by the City Council depending on the circumstances.

11. Property and Liability Insurance:

- A. The City maintains a comprehensive property insurance policy for all of its buildings and contents. All property of the City proposed to be used in connection with the Agreement is covered by such insurance policy and, so long as this Agreement is in effect, the City will maintain such insurance on such property.

- B. The City provides coverage for its liability exposure through a public liability fund. So long as this Agreement is in effect, the City will maintain an adequate level of funding in that fund to cover its liabilities under the New Mexico Tort Claims Act.
- C. The Corporation will procure and maintain a general liability insurance policy covering its operations under this Agreement. Such insurance will be written by an insurance company licensed to do business in the State of New Mexico, will have limits of liability no less than the limits of liability set forth in the New Mexico Tort Claims Act, which limits are presently one million dollars, and will name the City as an additional insured with the same coverage as the Corporation with respect to any claims arising from the activities carried out by either party under this Agreement.
- D. The Corporation will provide the City with a certificate or certificates of insurance identifying the insurance required by subsection C hereof. (Attachment "B" - Insurance Riders)

12. Public Records:

- A. This Agreement does not subject the Corporation to the provisions of the New Mexico Open Meetings Act or make Corporation records, other than the annual audit or other documents required to be provided herein to the City, public records under the New Mexico Inspection of Public Records Act.
- B. The City will maintain Sister City displays for the education and enjoyment of the general public in City owned public facilities. The displays will be at the discretion of the City, whose judgment on placement and maintenance will be final.

13. Extensions, Changes, and Amendment:

A. This Agreement may be amended by mutual written agreement of the parties. Both parties agree to cooperate with one another in furtherance with the mission of Sister Cities International within the constraints of the City budget and the Corporation budget.

B. All correspondence relating to this Agreement shall be sent jointly to:

City Manager  
City of Las Cruces  
P.O. Box 20000  
Las Cruces, NM 88004

President  
Las Cruces Sister Cities  
PO BOX 2066  
Las Cruces, NM 88004

14. Miscellaneous: This Agreement is not intended by any of the provisions herein to create on behalf of the public or any member thereof the status of third party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit based upon this Agreement.

Neither party shall assign any interest in this Agreement nor transfer or assign any claims for money due or to become due under this Agreement, without the prior written consent of the other party.

This Agreement shall be construed in agreement with the laws of the State of New Mexico. Both parties shall comply with all applicable federal, state and local laws, and specifically the City's Procurement Code if applicable and any time limitations imposed by the State.

If a dispute arises concerning the provisions contained in this Agreement, written notice outlining the complaint shall be provided by the aggrieved party. If the matter has not been informally resolved within ten business

days, the services of a mediator shall be mutually enlisted within the next five business days. If a mediator is not agreed upon within this five day period, the contract is to be deemed terminated.

This document shall be executed in no less than two (2) counterparts, each of which shall be deemed an original.

If any section, paragraph, sentence, clause, word, or phrase of this Agreement is for any reason held to be illegal, unconstitutional, invalid, or unenforceable by a court or agency of competent jurisdiction, said provision shall be considered to be automatically excluded from this Agreement and shall not affect the validity of the remaining provisions of this Agreement.

The City reserves the right for their Internal Audit Office to audit the Corporation books at the direction of Council or the Office of the City Manager.

15. Severability:

- A. Either Party may terminate this Agreement, which shall remain in force for the period of five (5) years, commencing on 1 July, 2010 and ending June 30 2014, upon ninety (90) days advance written notice. In the event that a new agreement is not in place on the expiration date, the Agreement will continue on a month to month basis until formal replacement agreement documents are completed or until it is terminated by the parties.
- B. This Agreement is contingent upon sufficient appropriation and authorization being made by the City and the Corporation for the applicable fiscal year for the performances under this Agreement.

The City's determination whether sufficient appropriations are available shall be accepted by the Corporation and shall be final.

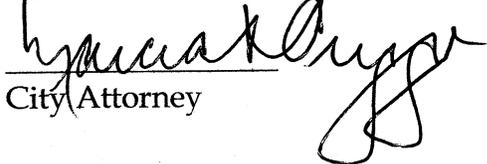
This Agreement cancels and replaces all prior agreements and understandings between the Parties relating to the Sister Cities program activities. No prior condition, agreement or understanding, verbal or otherwise, shall be valid or enforceable unless embodied in this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

\_\_\_\_\_  
City Manager  
City of Las Cruces

\_\_\_\_\_  
President  
Las Cruces Sister Cities

Approved as to form:

AST:   
\_\_\_\_\_  
City Attorney

Attachments as stated.

# Las Cruces Sister Cities Foundation, Inc.

## Policy Statement #1

Approved 7/12/1999

### DISBURSEMENTS FOR TRAVEL/REIMBURSEMENT:

The Las Cruces Sister Cities Foundation, Inc., a not for profit organization, shall reimburse individual who travel on official, pre-approved business with estimated expenses. Milage shall be the approved IRS standard for charitable donations. Expenses for public transportation will be reimbursed for the actual expense, where the most reasonable rate is obtained. Other reimbursable expenses will be for lodging where the most economical rates are obtained and rooms are shared where appropriate.

Food will not be reimbursed.

#### *Clarification of intent:*

#### Acceptable Activities:

- Official Sister Cities meetings where expenses are pre-approved.
- Activities/events sponsored by the LCSCF or its Affiliation Committees where expenses were pre-approved.

#### Unacceptable Activities:

- Travel to and from the airport and airport parking, unless it is pre-approved.
- Food purchased while attending official events will normally not be a reimbursable expense. Exceptions may be pre-approved where deemed important to the organization.

**POLICY OF EXPENDITURE OF FOUNDATION FUNDS FOR  
OFFICIAL DELEGATION VISITS BY NIENBURG AND LERDO  
DELEGATIONS TO THE CITY OF LAS CRUCES AND BY LAS CRUCES  
DELEGATIONS TO NIENBURG AND CIUDAD LERDO**

WHEREAS, Las Cruces Sister Cities Foundation has traditionally received a grant from the Las Cruces Convention & Visitors Bureau for its efforts in Sister Cities as the committees for Nienburg and Lerdo have raised funds privately in connection with the visits.

WHEREAS, Las Cruces Sister Cities, Inc., desires to formalize a policy as to the types of expenses in connection with delegation visits that will be reimbursed by the Foundation to the committees and a procedure for authorization of such expenses and reimbursement.

THEREFORE, the Board of Directors of Las Cruces Sister Cities, Inc., hereby institutes the following policy:

1. If a committee of Las Cruces Sister Cities desires to seek reimbursement from the Las Cruces Sister Cities Inc., or for funds from the grant of the Las Cruces Convention & Visitors Bureau. The following procedure will be followed and pre-authorization of such expenses.

(A) A written budget will be prepared itemizing what items are to be paid by the Committee out of private funds, what expenses are to be requested for reimbursement by the Convention & Visitors Bureau and Las Cruces Sister Cities, Inc. Same will be presented to the Foundation for approval by the Board, prior to the incurring of any such expenses.

(B) In no case shall reimbursement be requested for any expenses involving the purchase of alcoholic beverages or for any expenses in connection with official travel by officials of the City of Las Cruces.

(C) Reimbursement shall not be requested for any expenses in connection with any home stays, or for any travel of any member of the official delegation. Exceptions must be specifically

approved by the Foundation for payment of delegation members such as media representatives on a case by case basis.

2. The Foundation Board of Directors reserves the right to review the expenses and make an independent determination as to whether any expenses are inappropriate to be reimbursed out of the grant of the Las Cruces Convention & Visitors Bureau.

3. The expenses which have not been pre-approved as provided for herein, will not be reimbursed by the Foundation.



114  
CERTIFICATE OF LIABILITY INSURANCE

OP ID YR  
LCSCI-1

DATE (MM/DD/YYYY)  
11/12/08

<b>PRODUCER</b> PAT CAMPBELL INSURANCE 141 Roadrunner Pkwy, Suite 109 Las Cruces NM 88011 Phone: 575-524-8642 Fax: 575-526-9709	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
<b>INSURED</b> THE LAS CRUCES SISTER CITIES FOUNDATION PO Box 2066 LAS CRUCES NM 88004	INSURER A Union Standard Insurance Co	38911
	INSURER B	
	INSURER C	
	INSURER D	
	INSURER E	

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY VARY FROM THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGREEMENT LIMITS SHOWN MAY HAVE BEEN IN FULL BY PAID CLAIMS.

PROD LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS		
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR (GEN. AGGREGATE LIMIT APPLIES PER POLICY) <input type="checkbox"/> PROP. <input type="checkbox"/> MCT <input type="checkbox"/> LOC	CLA1284125-30	02/01/09	02/01/10	EACH OCCURRENCE EXCESS / UNRESERVED PREMISES (EA OCCURRENCE)	\$ 1000000 \$ 100000	
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA OCCURRENCE)	\$	
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY	EA ACC ACC	\$
		EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> IDENTIFIED \$				EACH OCCURRENCE AGGREGATE	\$	
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY EMPLOYER (NON-EMPLOYER) (Mandatory in NM) If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	\$	
		OTHER				CL LADN ACCIDENT FL DISEASE - EA EMPLOYER FL DISEASE - POLICY LIMIT	\$	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate holder is to be named additional insured in regard to general liability.

<b>CERTIFICATE HOLDER</b> CITY OF FL City of Las Cruces P.O. Box 20000 Las Cruces NM 88004	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Kerry D. Nixon
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ACORD 25 (2009/01)

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### IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



116  
**CERTIFICATE OF LIABILITY INSURANCE**

OP ID YR  
LCSCI-1

DATE (MM/DD/YYYY)  
01/28/10

**PRODUCER**  
PAT CAMPBELL INSURANCE  
141 Roadrunner Pkwy, Suite 109  
Las Cruces NM 88011  
Phone: 575-524-8642 Fax: 575-526-9709

**INSURED**  
THE LAS CRUCES SISTER CITIES  
FOUNDATION  
PO Box 2066  
LAS CRUCES NM 88004

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.**

<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
INSURER A: Union Standard Insurance Co	38911
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURED AND OTHERS TO WHOM THIS CERTIFICATE IS EXTENDED HEREBY ARE SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN EXCEEDED BY PAST CLAIMS.

INSR LTR	ADDL INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CLA1284125-31	02/01/10	02/01/11	EACH OCCURRENCE \$1,000,000 PRODUCTS-TREATED PREMISES (Ea occurrence) \$100,000 MED EXP (Per person) \$500 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS COMPAG AGG \$2,000,000
		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				(MINIMUM) SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO-ONLY - EA ACCIDENT \$ OTHER THAN AUTO-ONLY CA AC \$ AUTO-ONLY \$
		<b>EXCESS / UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIVE MINIMUM \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PERSONAL LIABILITY INCLUDING COMPENSATION AND BENEFITS (Mandatory in NM) If yes, describe under SPECIAL PROVISIONS below				WC STAT TOPT LIMITS \$ OTHER \$ EL DISEASE - EA EMPLOY \$ EL DISEASE - POLICY LIMIT \$
		OTHER				

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 Certificate holder is named additional insured in regard to general liability.

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
CITYOFL	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
City of Las Cruces P. O. Box 20000 Las Cruces NM 88004	AUTHORIZED REPRESENTATIVE <i>Jerry P. Hill</i>

ACORD 25 (2009/01)

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**IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### ARTICLE I. NAME AND LOCATION OF OFFICE

#### Section 1. NAMES.

A. The name of this corporation is: **LAS CRUCES SISTER CITIES, INC.** hereinafter referred to as the "**Foundation.**"

B. By-names of the Foundation are:

1. **Las Cruces Sister Cities Foundation, Inc.**

2. all other variations of **Las Cruces-**(plus, name of an affiliated city from another nation) **Sister City Committee** (e.g., **Las Cruces-Nienburg Sister City Committee**); hereinafter referred to as **Affiliation Committee.**

**Section 2. LOCATION.** The principle office of the **Foundation** shall be located in the City of Las Cruces, (County of Dona Ana) New Mexico. The **Foundation** may establish such other offices, either within or outside the State of New Mexico, from time to time, as business of the **Foundation** may require.

### ARTICLE II. PURPOSE

**Section 1. MISSION STATEMENT.** The Foundation has been established to join together Las Cruces and its sister cities as caring communities where the points of common culture and of diversity both can be honored and celebrated. Together we shall promote and encourage private and public programs which will further greater friendship and understanding between the people of Las Cruces and the people of other nations. To achieve these purposes, the Foundation shall:

A. sponsor directly and, indirectly through the Affiliation Committees, cultural, educational, economic and social activities which further international community friendships.

B. stimulate and sustain participation in, and community support of, sanctioned Foundation programs.

**Section 2. GOALS & OBJECTIVES.** The Foundation shall promote, encourage and recommend the establishment of additional Affiliation Committees. To achieve these goals and objectives, the Foundation shall:

A. create opportunities for people to experience and explore other cultures.

B. stimulate creative opportunities between partnerships.

C. expand dialogue possibilities and address concerns about issues ranging from technical to human, from environmental to cultural, and beyond.

D. Create opportunities through which partnerships can learn, work create and live together.

# LAS CRUCES SISTER CITIES, INC.

## BY-LAWS

### ARTICLE III. MEMBERSHIP AND DUES

**Section 1. MEMBERSHIP.** Membership in this Foundation shall be open to any individual or organization whose dues are current which supports the Foundations purposes. Categories of membership are:

**A. Individual membership.**

1. Adult (over 18 years of age).
2. Youth.
3. Family (up to 2 adults and youths).
4. other categories determined by the Foundation's Board of Directors.

**B. Organization membership.**

1. Small business (15 or fewer employees, two adult members).
2. Large business (more than 15 employees, four adult members).
3. Non-profit: reciprocal agreement between Boards.

**C. Honorary membership.** By action of the Foundation's Board of Directors.

### Section 2. DUES.

**A.** Initially, the dues shall be determined by the Board. Thereafter, membership dues changes shall be proposed by the Board of Directors of the Foundation and approved at the Annual Meeting of the Foundation.

**B.** Dues shall be current to serve on Foundation committees, to be an officer or director of the Foundation, or to otherwise participate in membership rites or benefits of the Foundation.

### Section 3. VOTING.

**A. Adult members** - Each **Adult** member (whose dues are current) shall be entitled to one vote, to hold office and to serve on Foundation committees.

**B. Youth members** - Each **Youth** member shall be entitled to vote and hold office in Foundation **Youth** Groups and to serve as non-voting members on Foundation committees.

**C.** Proxy voting is not permitted.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### ARTICLE IV. BOARD OF DIRECTORS

#### Section 1. MEMBERSHIP.

A. The **Board of Directors** (hereinafter referred to as the **Board**) shall consist of the elected **Officers** (see Article V, Sections 1 - 7), **Directors** (see Article V, Section 8) and one or more **Board Members at Large** (see Article IV, Section 4D and Article V, Section 9).

B. No **Board** member shall hold more than one elective office concurrently.

#### Section 2. VACANCIES.

A. A **Director** or **Officer** may resign at any time by giving written notice to the **Board's Secretary**. Unless otherwise specified, the resignation shall take effect on receipt thereof.

B. A **Board** member may be removed by a three-fourths vote of the **Board** for violations of these **By-Laws** or the **Standing Rules for the Board**.

C. With the exception of the **President**, vacancies occurring among the **Officers** shall be filled until the next **Annual Meeting** by a vote of the remainder of the **Board** selecting the new officer from the **Board** or **Membership** at large. A vacancy in the office of **President** shall be automatically filled by the **First Vice-President** without installation.

#### Section 3. ELECTIONS AND TERMS OF OFFICE.

A. The **Board's officers and at-large members** shall be elected by the **members** present at the **Annual Meeting**; except the **Immediate Past-President**. Should the **Immediate Past-President** not be available, the **Board** shall select a **Board Member At-Large** to assume the duties of the **Immediate Past President**; the **Board Member At-Large** shall serve until the next **Annual Meeting**.

B. The term of office is two years with terms staggered as follows: **President, Second Vice-President, Treasurer** and one **Board Member At-Large** in even numbered years; **First Vice-President, Third Vice-President** and **Secretary** in odd numbered years.

C. The term of office shall begin at the close of the **Annual Meeting**.

D. No **Board** member shall serve more than two consecutive terms for the same elective office.

E. Initially the first elected **President, Second Vice-President, Treasurer** and one **Board Member At-Large** shall serve for two years, and the first elected **First Vice-President, Third Vice-President** and **Secretary** shall serve for one year. Staggered terms shall follow, as described in Article IV, Section 3B above.

#### Section 4. DUTIES OF THE BOARD. The **Board** shall:

A. provide general management and control of the activities and affairs of the **Foundation**, and shall have all powers normally permitted by the laws of the State of **New Mexico** and the **United States**, and provided by these **By-laws** and the **Articles of Incorporation**.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

**B.** provide policy and guidance for the sponsorship of cultural, social, educational and economic activities which further community friendship.

**C.** establish and maintain the Foundation's **Standing Rules for the Board**.

**D.** provide policy, guidance and recommendations for the establishment and recognition of new sister city affiliations (i.e., new **Affiliation Committees**) to the **Foundation's** membership and to **Las Cruces's** Sister Cities Board.

**E.** approve committee composition, purpose, duties, rules of order, etc. for each ad hoc committee at the time of the committee formation.

**F.** remove, for cause, committee chairs or members.

**G.** establish a funds disbursement policy.

**H.** specify the number of **Board Members At-Large** to be elected at the next **Annual Meeting**.

**I.** determine the conditions committees may declare their meetings closed.

**J.** determine the duties and expectations of Board Members.

**Section 5. Standing Rules for the Board.** The Standing Rules for the Board shall:

**A.** document current Board policy; i.e. as a minimum **Article IV, Section 4E-J** and **Article IX**.

**B.** include additional appropriate matters.

**C.** be reviewed at the second scheduled **Board meeting** after the Annual Meeting.

## **ARTICLE V. OFFICERS**

**Section 1. PRESIDENT.** The President shall:

**A.** convene and preside over all **Membership** and **Board** meetings of the Foundation.

**B.** subject to **Board** approval, appoint and recommend removal (for due cause) any committee chair or member. Committee member appointments and removals should be coordinated with the chair of the committee.

**C.** be an ex-officio member of all committees except the **Nominating Committee**. The **President** may not serve in any capacity on the **Nominating Committee**.

**D.** sign all contracts and other instruments as the **Foundation's President**.

**E.** serve on, and Chair, the **Finance Committee**.

# LAS CRUCES SISTER CITIES, INC.

## 122 BY-LAWS

**Section 2. FIRST VICE-PRESIDENT.** The First Vice-President shall:

- A. preside at **Membership** and **Board** meetings in the absence of the **President**.
- B. upon a vacancy in the office of **President**, assume the position and duties of **President**.
- C. serve on, and Chair the **Membership Committee**.
- D. serve on **Finance Committee**.
- E. serve on the **Committee on Sister City Affiliations**.
- F. be responsible for the Foundation's fund raising activities.

**Section 3. SECOND VICE-PRESIDENT.** The Second Vice-President shall:

- A. preside at **Membership** and **Board** meetings in the absence of the **President** and **First Vice-President**.
- B. serve on and Chair the **Program and Publicity Committee**.

**Section 4. THIRD VICE-PRESIDENT.** The Third Vice-President shall:

- A. preside at **Membership** and **Board** meetings in the absence of the **President**, and the **First** and **Second Vice-Presidents**.
- B. serve on, and Chair the **Education Liaison Committee**.
- C. serve on the **Membership Committee**.

**Section 5. SECRETARY.** The Secretary shall:

- A. keep and maintain accurate records of all **Membership** and **Board** meetings of the **Foundation**; and, prepare and announce all meeting calls for the same.
- B. prepare and file all required reports for the New Mexico State Corporation Commission, Federal Internal Revenue Service, and any other applicable agencies requiring reporting.
- C. be the principle correspondent of the **Foundation**.
- D. maintain current and accurate records of the **Foundation's** membership.
- E. maintain custody of the official corporate records.
- F. perform such other duties as normally assigned to the **Secretary**.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### **Section 6. TREASURER.** The Treasurer shall:

- A. be the custodian all moneys of the **Foundation**.
- B. keep all funds deposited in the name of the **Foundation**.
- C. pay out or disburse funds only by **Foundation** check with the authorization of the **President**.
- D. receive all monies due to the **Foundation**.
- E. maintain suitable accounting records of all cash receipts and disbursements, providing financial reports of the **Foundation** funds as requested by the **Board**.
- F. make a full report of the preceding fiscal year.
- G. provide timely and accurate information to the **Secretary** for filing the annual corporate tax returns of the **Foundation**.
- H. serve on, but not Chair the **Foundation's Finance Committee**.

### **Section 7. IMMEDIATE PAST PRESIDENT.** The Immediate Past President shall:

- A. be a member of the **Board**.
- B. serve on, and chair the **Committee on Sister City Affiliation**.
- C. be a member of the **Finance Committee**.

### **Section 8. AFFILIATION COMMITTEE REPRESENTATIVES.** Affiliation Committee Representatives shall:

- A. serve as **Board** members.
- B. be elected by their respective **Affiliation Committee** members. Each **Affiliation Committee** shall have two representatives; one of which shall be the **Affiliation Committee Chair**.
- C. provide the coordination required between their **Affiliation Committee** and the **Board**.
- D. serve on the **Committee on Sister City Affiliations**. One representative from each **Affiliation Sister City Committee** shall serve on the **Committee on Sister Cities Affiliations**.

### **Section 9. BOARD MEMBERS AT LARGE.** Board Members at Large shall serve as voting members of the **Board** and shall be charged with oversight and overall well-being of the **Foundation**.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### ARTICLE VI. COMMITTEES

**Section 1. FOUNDATION COMMITTEES.** Unless otherwise provided for in these By-Laws, all committee members shall be appointed by the **President**, except for the **Affiliation Committees**.

**Section 2. STANDING COMMITTEES.** Standing Committees, and their members and duties are:

#### A. Committee on Sister City Affiliations.

This committee shall consist of the **Immediate Past President** as Chair, the **First Vice-President**, the **Chairs** of the **Affiliation Committees** and at least three additional members selected from the membership, and shall:

1. develop and recommend conditions or prerequisites for new affiliations.
2. review and recommend new committee affiliation to the **Board**.
3. should circumstance arise, review and recommend disaffiliation of an affiliation and its **Affiliation Committee**.

#### B. Finance Committee.

This committee shall consist of the **President** as Chair, the **First Vice-President**, the **Immediate Past President**, the **Treasurer**, and at least two additional members selected from the membership and shall:

1. recommend an annual budget to the **Board**.
2. insure the accurate processing and accounting of all **Foundation** moneys.
3. insure that the **Foundation's** financial obligations, including corporate taxes, are processed timely and appropriately, and that all funds are spent within non-profit guidelines.

#### C. Membership Committee.

1. conduct new membership recruitment and orientation.
2. conduct membership retention programs.
3. keep the **Board** informed of membership concerns.
4. conduct recognition programs.
5. assist in staffing other committees.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### **D. Program and Publicity Committee.**

This committee shall consist of the **Second Vice-President** as chair and at least three more members selected from the membership and shall:

1. design and recommend a publicity program to the **Board**.
2. carry out the **Board** approved publicity program.
3. publish a periodical newsletter from the **Foundation** to its members, provide **Foundation** press releases, brochures, and pamphlets.
4. provide protocol advice to the **Foundation's** Board and **Las Cruces's Sister Cities Board** on matters relating to Sister Cities programs, as requested.
5. support other committees and delegations as needed and requested.

### **E. The Education Liaison Committee.**

This committee shall consist of the **Third Vice-President** as chair and at least three more members, and shall work with educational organizations and institutions in the Las Cruces area to further the **Foundation's** purposes.

**Section 3. SPECIAL COMMITTEES.** The following committees shall be established, perform their specified duties and then be disbanded. Committee members and duties shall be as follows:

#### **A. Audit Committee.**

This committee shall consist of three members appointed by the **President**, subject to the approval of the Board; they shall be appointed at least three (3) months prior to the **Foundation's Annual Meeting**. The **Secretary, Treasurer and Immediate Past President** may not be members of this committee. The **Audit Committee** shall audit the **Secretary's** record of receipts and the **Treasurer's** accounts at the close of the fiscal year; the **Audit Committee's** report shall be presented to membership at the **Annual Meeting**.

#### **B. Nominating Committee.**

This committee shall consist of not less than three members appointed at least three (3) months prior to the **Foundation's Annual Meeting**. A written slate of nominees shall be presented to the membership one (1) month prior to the **Annual Meeting**.

#### **C. Ad hoc Committees.**

Additional special committees may be appointed by the **President**, as necessary, to carry out the work of the **Foundation**. Each committee's purpose, term, duties, rules of order and members shall be subject to **Board** approval.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### ARTICLE VII. MEETINGS

#### Section 1. MEMBERSHIP MEETINGS.

**A. Annual Meetings.** Each year the Board shall call an **Annual meeting** in the month of October.

#### **B. Special Meetings.**

**Special meetings** may be called by the Board as necessary to conduct the business of the **Foundation**. Except for trivial matters, business transacted at **Special meetings** shall be limited to that contained in the meeting call.

#### **C. Non-Business Meetings.**

**Non-Business meetings** may be called for recognition, fund raising, publicity, etc.

#### **D. Meeting Announcements.**

**Meeting Announcements** must declare the purpose, time, and location of the meeting.

1. **Annual meetings** shall be announced to the full membership at least thirty (30) days and not more than ninety (90) days prior to the meeting.

2. **Special meetings** shall be announced to the full membership at least two (2) weeks prior to the meeting.

#### Section 2. BOARD MEETINGS.

#### **A. Regular Meetings.**

The **Board** shall conduct no less than four (4) **Regular meetings** during each fiscal year. **Regular meeting** scheduled plans should be announced at the close of **Annual meeting**; changes in the meeting schedule should be announced at the earliest opportunity. **Regular meetings** are open to the membership.

#### **B. Special Meetings.**

1. The Board may hold **Special meetings**, as required, to conduct the business of the **Foundation**. **Special meetings** must be called at least three days prior to the meeting. The call must declare the purpose, time, and location of the **Special meeting**. Except for trivial matters, business transacted at **Special meetings** shall be limited to that mentioned in the call. Depending upon the nature of meeting's purpose, these meetings may be closed.

2. The President or one-third (1/3) of the **Board Members** may call a **Special meeting**.

3. Depending on the nature of the **Special meeting's** purpose the meeting may be closed in accordance with the **Standing Rules for the Board**.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### **Section 3. QUORUM.**

A. For any **regular or special** meeting of the **Foundation's** membership, a quorum shall be twenty-five (25) percent of the total membership.

B. For any **Regular or Special** meeting of the **Board**, a quorum shall be majority of the **Board** members.

## **ARTICLE VIII. DISSOLUTION**

Upon the dissolution of this corporation, the **Board** shall after paying or adequately providing for the debts and obligations of the corporation, distribute the remaining assets to one or more non-profit funds, foundations, or organizations which have established their tax-exempt status under Section 501(c)(3) of the Internal Revenue Code or corresponding provisions of subsequent federal laws. Any assets not so disposed of shall be disposed of by the court of competent jurisdiction as said court shall determine.

## **ARTICLE IX. GENERAL**

### **Section 1. AUTHORITY TO COMMIT.**

A. Persons authorized to sign, endorse or otherwise execute contracts, checks, drafts, notes, orders or any other instruments for the **Foundation** shall be designated by the **Board**.

B. The **Board** shall establish an endorsement and funds disbursement policy and document (see **Article IV, Section 4 - Duties of Board**) same in the **Standing Rules for the Board**.

### **Section 2. FINANCIAL RECORDS.**

A. A completed audit report of the **Foundation's** financial records shall be presented to all members at the **Annual** meeting.

B. The **Foundation's** fiscal year shall be from July 1 through June 30.

### **Section 3. PERSONAL BENEFIT.**

No part of the net earnings of the **Foundation** shall inure to the benefit of, or be distributed to its members, officers, other private persons, except that the **Foundation** shall be authorized and empowered to pay reasonable compensation for service rendered and to make payments and distributions in furtherance of the purposes set forth in Article I.

### **Section 4. DISSOLUTION OF SISTER CITY COMMITTEES.**

Upon the dissolution of any **Affiliation Committee**, that committee's moneys shall become the property of the **Foundation**.

# LAS CRUCES SISTER CITIES, INC.

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## BY-LAWS

### ARTICLE X. AMENDMENTS

**Section 1.** These **By-Laws** may be altered, amended, or repealed and new by-laws adopted by a two-thirds (2/3) majority of the members present at the **Annual meeting** or at a **Special meeting**, provided at least two (2) weeks notice is given to the membership of the intention to alter, amend, repeal, or adopt new by-laws at such meeting.

**Section 2.** The consent of three-quarters of those members present and voting shall be required to suspend the **By-Laws** if notice has not been given. The **By-Laws** may only be suspended for a good cause and with a specific purpose, and then, only once per meeting.

### ARTICLE XI. PARLIAMENTARY AUTHORITY

**Robert's Rule of Order, Revised Edition** (or later edition), when not in conflict with these by-laws, shall govern the proceedings of the Foundation.

These **By-Laws** approved, as revised, October 27, 1994.

Compilation of Approved By-Laws  
Submitted by:

Original Signed by: \_\_\_\_\_  
OSCAR SYFERT  
Chair,  
By-Laws Revision Committee

Approved for Publication by:

Original Signed by: \_\_\_\_\_  
BEN LUCHINI  
President,  
Las Cruces Sister Cities Foundation

Attested to by:

Original Signed by: \_\_\_\_\_  
SARA SHANNON  
Secretary,  
Las Cruces Sister Cities Foundation

NOTES: Reprinted November 17, 1997

# Las Cruces Sister City Foundation

## Statement of Duties and Expectations for Members of the Board 2/11/95

Each Board Member of the Las Cruces Sister City Foundation will:

1. Be morally responsible for the health and well-being of the organization, and will be fully committed and dedicated to its mission.
2. Be informed of and participate in the approval of policies and programs, and will oversee the implementation of policies and programs.
3. Be fiscally responsible, with the other board members, for the organization. Board Members will take an active part in planning the budget and, to meet the budgetary goals, in fundraising.
4. Actively engage in fundraising for the organization as well as Board sanctioned activities, in whatever ways are best suited to that particular person.
5. Attend Board Meeting and be available for phone consultation. Board Members who have missed two meetings will be requested in writing to affirm their intention to remain on the Board.
6. Trust each other to fulfill the above expectations to the best of our ability, each in our own way, with knowledge, approval, and support of all.

In its turn, The Las Cruces Sister City Foundation is responsible to Board Members in a number of ways:

1. Board Members will be sent, without request, quarterly financial reports.
2. Board Members can call on the Officers and paid staff to discuss programs and policies, goals and objectives.
3. Other Board members, including Officers, and paid staff will respond in a straightforward and thorough fashion to any questions that are necessary to carry out the individual Board Member's fiscal, legal, and moral responsibilities to this organization.
4. Board Members shall be reimbursed for program related expenses as preauthorized by the Board.

# LAS CRUCES <sup>130</sup>SISTER CITIES, INC.

## Template for Affiliation Committees Rules of Procedure

### ARTICLE I. NAME and AFFILIATION

**Section 1. NAME.** Each sister city committee affiliated with Las Cruces Sister Cities, Inc. (hereinafter referred to as the Foundation) shall be identified as follows: "the Las Cruces-(plus name of affiliated sister city) Sister Cities Committee".

**Section 2. AFFILIATION.** All sister city committees affiliated with the Foundation (hereinafter referred to as Affiliation Committees) must be subordinate to the Foundation.

### ARTICLE II. PURPOSE

**Section 1. By-Laws.** Matters provided for in these Rules of Procedure may not conflict with the By-Laws of the Foundation.

**Section 2. Committee.** All Affiliation Committees shall encourage and assist people from Las Cruces, and people from communities in other nations in the development and the implementation of private and public initiatives which promote greater friendship and understanding between our respective communities and their people. To achieve this, Affiliation Committees shall:

A. sponsor cultural, educational, economic and social activities and exchanges designed to develop and reinforce international community friendships.

B. seek community involvement and support of all approved programs.

### ARTICLE III. MEMBERSHIP, DUES and VOTING

**Section 1. MEMBERSHIP.** Membership on these various Affiliation Committees shall be open to any individual or organization whose dues are current with the Foundation.

**Section 2. DUES.** Affiliation Committees may have additional dues (committee discretionary).

**Section 3. VOTING.**

A. An eligible voting member ... (committee discretionary, but must define, e.g. - whose dues are current and has attended at least three of the last four regular Affiliation Committee meetings) ... shall be entitled to one vote, to hold office and to serve on sub-committees of the Affiliation Committee.

B. Youth members shall be entitled to vote and hold office in Affiliation Committee Youth groups and to otherwise serve as non-voting members on Affiliation Committees.

C. Proxy voting is not permitted.

### ARTICLE IV. OFFICERS

**Section 1. Officers.**

A. The officers of each Affiliation Committee shall consist of the Chair and the Vice-Chair (who are the affiliation committee representatives), and a secretary, a treasurer and various other (committee discretionary) elective officers deemed necessary and appropriate by the committee.

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# LAS CRUCES SISTER CITIES, INC.

**Template  
for  
Affiliation Committees Rules of Procedure**

B. No member shall hold more than one elective office concurrently.

## **Section 2. ELECTIONS AND TERMS OF OFFICE.**

A. The officers shall be elected by the [eligible voting] members present at the Affiliation Committee's Annual Meeting.

B. The term of office shall [be] determined by the Affiliation Committee. The elections shall be held in the second quarter of the year - i.e., April through June - and the officer shall take office in July.

C. Vacancies. See Foundation By-Laws.

D. All members - of the committee? - must be notified at least thirty (30) days prior to the election.

## **Section 3. DUTIES OF THE OFFICERS. Not committee discretionary: must address duties of all offices provided for in Rules of Procedure.**

A. **SCOPE.** The Officers shall:

1. provide general management and control of the activities and affairs of the Affiliation Committee.
2. provide policy and guidance for the sponsorship of cultural, social, educational and economic activities which further community friendship.

B. **CHAIR.** The Chair (office not committee discretionary) shall:

1. convene and preside over all of the Affiliation Committee's membership meetings.
2. serve as a Affiliation Committee Representative to the Foundation Board.
3. be an ex-officio member of all sub-committees except the Nominating sub-committee. The Chair may not serve in any capacity on the Nominating sub-committee.
4. consistent with Section 1 of Article VI, sign all contracts and other instruments as the Affiliation Committee's Chair.
5. subject to Affiliation Committee approval - appoint and recommend the removal (for due cause) any sub-committee member. Sub-committee member appointments and removals should be coordinated with the chair of the sub-committee - committee discretionary, but must address.

C. **Vice-Chair.** The Vice-Chair (office not committee discretionary, must address duties) shall:

1. serve as a Affiliation Committee Representative to the Foundation.
2. upon the vacancy or absence of the Chair, assume the position and duties (committee discretionary, but must address).

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# LAS CRUCES SISTER CITIES, INC.

## Template for Affiliation Committees Rules of Procedure

**D. Secretary.** The Secretary shall (office committee discretionary, but duties must be included in a named office):

1. preside at membership meetings in the absence of the Chair and the Vice-Chair, if the office is included.
2. upon the vacancy or absence of the Chair and the Vice-Chair, assume the office and duties of the Chair.
3. serve as the Affiliation Committee's Secretary.
4. serve on and Chair the Program and Publicity sub-committee.
5. serve on, and Chair the Membership sub-committee.
6. etc.

**E. Treasurer.** The Treasurer shall (office committee discretionary, but duties must be included in a named office):

1. preside at membership meetings in the absence of the Chair, the Vice-Chair and the Secretary, if the office is included.
2. upon a vacancy or absence of the Chair, the Vice-Chair and the Secretary, assume the office and duties of the Chair.
4. receive, record and secure monies of the Affiliation Committee.
6. serve on the Finance sub-committee.
7. within one week of occurrence, report to the Foundation Treasurer any indebtedness greater than the Affiliation Committee assets.
8. etc.

### ARTICLE IV. MEETINGS

**Section 1. MEMBERSHIP MEETINGS.** (frequency, time, place, type, purpose, etc. - committee discretionary, but must address):

**A. Annual Meetings.** Each year the Affiliation Committee shall have an Annual meeting (not committee discretionary, "when and purpose" must be stated ... in addition to the election of officers).

**B. Regular Meetings.** Regular meetings may be called as necessary to conduct the business of the Affiliation Committee. Minimum number not committee discretionary - must have at least four per year.

**C. Non-Business Meetings.** Non-Business meetings of the Affiliation Committee may be called for recognition, fund raising, publicity, etc. - committee discretionary.

**D. Meeting Announcements.** All meeting announcements must declare the purpose, time, and location of the meeting and the required advance notice must be specified.

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## Template for Affiliation Committees Rules of Procedure

**Section 2. SUB-COMMITTEE MEETINGS.** Committee discretionary, but must address.

**Section 3. QUORUM.** For any Regular or Special Committee meeting, a quorum shall be - i.e., percentage committee discretionary, but must address.

### ARTICLE V. DISSOLUTION

Upon the dissolution of an Affiliation Committee, after paying or adequately providing for the debts and obligations of the Affiliation Committee, the remaining assets or indebtedness shall go to the Foundation.

### ARTICLE VI. GENERAL

#### Section 1. AUTHORITY TO COMMIT.

**A.** The Affiliation Committee Chair shall submit an endorsement and funds disbursement policy to be approved by the Foundation Board - not committee discretionary, must address. The Affiliation Committee's funds disbursement policy shall be reported, in writing, to Foundation's Board - not committee discretionary.

**B.** An Affiliation Committee shall never incur an indebtedness greater than its assets without prior approval of the Foundation Board.

#### Section 2. FINANCIAL RECORDS. Each Affiliation Committee shall:

- A.** prepare an annual budget for the next fiscal year 150 days prior to the end of the Fiscal Year.
- B.** report un-financed contingencies to the Foundation's Board within one week after being identified.
- C.** have a Fiscal Year from July 1 through June 30.
- D.** may retain funds raised through dues and fund-raisers.
- E.** may establish their own bank accounts.
- F.** prepare a Financial review of their financial records for presentation to members at the Affiliation Committee's Annual meeting.
- G.** have the Foundation's Treasurer as a co-signatory on all Affiliation Committee bank accounts.
- H.** being subordinate to the Foundation, prepare reports as required by the Board when required.

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# LAS CRUCES SISTER CITIES, INC.

**Template  
for  
Affiliation Committees Rules of Procedure**

**Section 3. PERSONAL BENEFIT.** No part of the net earnings of an Affiliation Committee shall inure to the benefit of, or be distributed to its members, officers, other private persons, except to pay reasonable compensation for service rendered and to make payments and distributions in furtherance of the purposes set forth in Article II.

Compilation of  
Approved Standing Rules  
Submitted by:

Approved for  
Publication by:

\_\_\_\_\_  
OSCAR SYFERT  
Member,  
Standing Rules Committee

\_\_\_\_\_  
BEN LUCHINI  
President,  
Las Cruces Sister Cities, Inc.

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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### Section I. Committee Rules (see Foundation By-Laws Article IV, Section 5 .B )

#### A. General.

1. Each committee shall be composed of a chair and at least two members, all being members of the Foundation.
2. The chair of each committee, excepting the Nominating and Audit Committees, shall inform the President and Secretary of the schedule of meetings.
3. The chair must report to the President those members of the respective committees who have missed two or more scheduled meetings.
4. Committee chairs must either report orally or provide a written summary report of not more than one page at the next scheduled Board meeting. The report shall include a summary of major actions taken and shall include a complete accounting of all funds spent, earned or in any way committed.

#### B. Standing Committees. No special rules.

#### C. Special Committees. No special rules.

#### D. Ad Hoc Committees. See Foundation By-Laws Article IV, Section 4, E.

1. The President has the authority, at any time, to create, with concurrent or subsequent Board approval, ad hoc committees to carry out the work of the Foundation.
2. Upon creation of each ad hoc committee the President shall provide to the Secretary and the committee chair a written statement including the: purpose, term (i.e. life span), duties, membership, funds(if any) available for the committees work, and any modifications to the General Rules (see Section I A, above), or any additional rules the President and Board may deem necessary

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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**E. Affiliation Committees.** See Foundation By-Laws Article IV, Section 5, B. and attached Rules of Procedure for Affiliation Committees - TEMPLATE.

1. Each affiliation committee shall have its customized Rules of Procedure. These rules of procedure shall take the place of any by-laws that the committee has had previously. The committee shall base its rules of procedure on the attached "Rules of Procedure for Affiliation Committees - Template.

a. Definitions of Terms used in Rules of Procedure for Affiliation Committees -- Template are:

(1) COMMITTEE DISCRETIONARY - OPTIONAL. Each committee may or may not, at its discretion, include its version of this clause in the committee's Rules of Procedure.

(2) NOT COMMITTEE DISCRETIONARY - MUST INCLUDE. Each committee must include its version of this clause in the committee's Rules of Procedure.

2. Each affiliation committee shall review their "Rules of Procedure" annually. Such review shall precede submission for consideration at the regularly scheduled March Foundation Board meeting.

### Section II. Removal, for Cause, Committee Chairs or Members (see Foundation By-Laws Article IV, Section 4 .F )

**A. Performance.** If it is decided by a two-thirds vote of the Board, that a committee chair or member is not fulfilling their respective duties or is behaving in a way detrimental to the Foundation, and that, their performance or behavior is still unacceptable one month after the Board or its designee(s), having met with that individual, then upon a second two-thirds vote the individual will be removed of their duties.

**B. Wrong-doing.** In the case of serious wrong-doings, as determined by a two-thirds vote of the Board, the individual shall be immediately removed from the committee.

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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### Section III. Funds Disbursement Policy (see Foundation By-Laws Article IV, Section 4 .G )

#### A. Foundation Funds

##### 1. General.

- (a) The Treasurer of the Foundation Board is responsible for compiling financial information from the Board accounts and the accounts of each of the affiliation committees.
- (b) The Treasurer of the Board will report to the Board at each declared meeting.
- (c) The fiscal year for Board reporting will be July 1 through June 30 to coincide with the fiscal year of the City of Las Cruces. The IRS reporting is maintained on a calendar year.

##### 2. Disbursement of Funds.

- (a) Vouchers are prepared for each disbursement made giving details on the total amount distributed, the purpose, and to who distributed.
- (b) Each voucher must have receipts attached documenting the expenditure. If receipts are not available, appropriate documentation must be attached, e.g. minutes of the meeting authorizing the expenditure.
- (c) Vouchers should be maintained in numeric order and presented to the Board Treasurer and Auditor(s) in July of each year for the previous fiscal year.

##### 3. In Kind Reporting.

- (a) Each Treasurer of the Board and of the affiliation committees shall request a report monthly from their membership for all in-kind donations.

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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- (b) Each Treasurer of the affiliation committees will report this to the Board Treasurer monthly. The Board Treasurer will compile the information for the Foundation Board.

### 4. Establishment and Use of Accounts.

- (a) The Treasurer of the Board and the Treasurer of each affiliation committee is responsible for accounting and reporting all money collected and spent on behalf of Sister Cities activities in their respective group.
- (b) Special accounts may be established for specific activities. They must comply with the requirements for establishing an account, for disbursements and reporting as stated in Las Cruces Sister Cities, Inc. Standing Rules for the Board, Section III. Funds Policy. Each Treasurer must include these accounts in their monthly and annual reporting.

### B. Foundation Board Funds.

#### 1. General.

- (a) Authorization. No person shall commit funds of the Foundation without prior authorization of the Board or President or Treasurer.
- (b) The Treasurer, President and First Vice-President shall be signatories on Foundation bank accounts.

#### 2. Budget.

- (a) The Finance Committee will receive budget requests for the coming fiscal year by January 15 of each year. The budget will be prepared for presentation to the Board at the February meeting.
- (b) The budget shall include: income from the Las Cruces Convention and Visitors Bureau

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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and expenditures to the support of programs of the affiliate committees and a line item for Official Visits and Gifts.

- (c) Mid-year unfinanced contingencies will be submitted to the Board for consideration. The Board will prioritize the requests to determined which will be funded.
- (d) The Board can authorize additional funding in special cases. In principle, the affiliate allotted funds from the Foundation should not exceed their prorata percentage of the budget. However a maximum of 10% additional over the budgeted line item may be authorized. Approval, between scheduled Board meetings, may be made telephonically if a majority of Board members agree. Such Interim authorization must be reviewed at the next scheduled Board meeting. (See Section VIII, below.)
- (e) The Board will meet at mid-year to review the budget.
- (f) Actual income and expenses shall be categorized and reported using the line items of the budget for that year.

### 3. Income.

- (a) Administrative. The Finance Committee shall devise a regular process for the endorsement and deposit of checks.
- (b) Membership Dues. The President, Secretary, Treasurer and Membership Chair shall setup a process for handling incoming membership dues and member information Cards.

### 4. Expenses.

- (a) The Finance Committee shall devise a regular process for the deposit of Foundation funds.

## Las Cruces Sister Cities, Inc. Standing Rules for the Board

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- (b) Expenditures of less than \$200 may be authorized by the President or, in the absence of the President, the First Vice-President. Such expenses must be reported to the next scheduled Board meeting.
- (c) Expenditures of more than \$200 and less than \$500 May be authorized between Board meetings by polling the Board (See Section VIII, below).
- (d) Expenditures of more than \$500 must be authorized at a scheduled Board meeting. Such an item must appear on the agenda for the meeting.
- (e) The Treasurer will pay all Board approved, outstanding debts without additional authorization(s).
- (f) Dual signature<sup>are</sup> is required on all check<sup>s</sup> over \$100, or the combination of \$100 or more for the same purchase.

### C. Affiliation Committee Funds.

#### 1. Budget

- (a) The Board will approve each affiliation committee's annual Budget requests.
- (b) Each affiliation committee will prepare annual budgets for submission to the Board 150 days prior to the end of the fiscal year. The fiscal year begins July 1 and ends June 30.

#### 2. Accounts

- (a) Each affiliation committee will be allowed to retain the funds that they raise through their separately imposed dues and their fund-raising activities. Each affiliate committee may establish their own bank account.

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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(b) The President of the Foundation Board, the Treasurer of the affiliation committee, and the Chairman of the affiliation committee shall be signatory on any affiliation committee bank accounts.

(c) Dual <sup>signature</sup> is required on all check over \$100, or the combination of \$100 or more for the same purchase.

### 3. Account Reconciliation and Reporting.

(a) Each affiliation committee will prepare and submit a financial activity and affiliation committee report on a ~~monthly~~ quarterly basis to the Board.

(b) Each account must be reconciled by the Treasurer of each respective group upon receipt of the statement from the financial institution. A copy of the reconciliation must be given to the Board Treasurer by the 7<sup>th</sup> of each month.

(c) Treasurers will maintain the original statements from the financial institution in date order and present them to the Board Treasurer and auditor(s) in July of each year for the previous fiscal year.

(d) Each affiliation committee's financial records including bank account statements, income and expense statements or any other pertinent records shall be made available for financial review at any time. The Foundation Audit Committee will conduct a financial review of each affiliate's financial records prior to the Foundations Annual Meeting.

### Section IV. Number of Board Members at Large to be Elected at 1995 Annual Meeting

(see Foundation By-Laws Article IV, Section 4 .H )

A. Two Board Members At-Large positions will be presented by the Nominating Committee to

# Las Cruces Sister Cities, Inc.

## Standing Rules for the Board

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the 1995 Annual Membership Business Meeting for consideration and election.

- B.** One of the Board Members At-Large will fill the position of Immediate Past President, and will Chair of the Committee on Sister City Affiliations.

### Section V. Rules for Closure of Meetings (see Foundation By-Laws Article IV, Section 4.I)

**A. General.**

1. Summary minutes of all meetings shall be kept for the record
2. The need for confidentiality regarding potentially sensitive topics shall be considered on an item by item basis. Information may be temporarily embargoed, as necessary, in the judgment of the President or committee chair.

**B. Closed Meetings.**

1. The Nominating Committee shall meet in closed session, without exception.
2. Audit Committee proceedings shall be closed, without exception.
3. Meetings in which there is discussion of agreements or contracts shall be ordinarily be closed. The President or committee chair shall determine if an exception is warranted.
4. Discussions regarding legal action by or against the Foundation shall be closed. This includes action involving the Board vs. individual members or affiliation committees.
5. Personnel matters, including those regarding Board members or affiliates, shall be considered in closed meeting.

# **Las Cruces Sister Cities, Inc.**

## **Standing Rules for the Board**

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6. Affiliation committee meetings may be closed. The chair shall determine permissible scope of attendance.

### **Section VI. Duties and Expectations of Board Members** (see Foundation By-Laws Article IV, Section 4 .J, and attached Statement of Duties and Expectations for Members of the Board)

### **Section VII. Authority to Commit** (see Foundation By-Laws Article IX, Section 1.)

**Authorization to Sign Legal Instruments.** The President, or in the absence of the President the First Vice-President or the Treasurer, shall, in the name of the Foundation, sign or otherwise authorize contracts or any other legal instruments approved by the Board.

### **Section VIII. Interim Board Consultations** **and Decisions to Act Between Scheduled Board Meetings** (see Foundation By-Laws Article IV, Section 5 .B, and Section III, Para. A .4 .c, above)

Situations periodically arise where action must be taken between scheduled Board meetings. Depending upon the specific situation, decisions may be major, requiring the decision of the Board, or be relatively minor, requiring the President to respond. Whether decided by polling the Board or by the President alone, all such decision must be placed on the Agenda of the next scheduled Board meeting for review.

1. The President, or in the absence of the President the First Vice-President, shall determine whether any specific decision can be made alone or whether the decision need be brought before the Board by telephone or other communication or whether a special Board meeting need be called.

# **Las Cruces Sister Cities, Inc.**

## **Standing Rules for the Board**

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2. In the case where the Board is to be polled, the President and/or other members of the Board shall attempt to telephone all members of the Board. A written record will be kept on which Board members were contacted and their agreement or non-agreement to the decision. A quorum of Board members must respond to the telephonic poll.

### **Section IX. Establishment of New Sister City Affiliations**

**(see Foundation By-Laws Article IV, Section 5 .B**

**and Article VI, Section 2 .A .1 & .2 , and**

**attached City of Las Cruces Ordinance on Sister Cities, Subdivision 12, 2-443, C.)**

**The Committee on Sister City Affiliation can propose at any time, for consideration by the Foundation Board additional requirements for the establishment of a new Sister City Affiliation.**

### **Section X. Termination of an Existing Sister City Affiliation**

**(see Foundation By-Laws Article IV, Section 5 .B and**

**Article VI, Section 2 A .1 & .2 , and**

**attached City of Las Cruces Ordinance on Sister Cities, Subdivision 12, 2-443, D.)**

**The Committee on Sister City Affiliation can propose, at any time, for consideration by the Foundation Board additional provisions for the termination of an existing Sister City Affiliation.**

# **Las Cruces Sister Cities, Inc. Standing Rules for the Board**

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## **XI. Liaison. The Las Cruces Mayor, the City Council, the Sister City Board**

### **and the Convention and Visitors Bureau (Foundation By-Laws Article IV, Section 5 .B )**

- A.** An executive summary shall be prepared by the President and sent to the Las Cruces Convention and Visitors Bureau.
- B.** The President shall take care that periodic briefings are given to all the above named agencies.
- C.** Any Board Member, who is asked to provide briefings or wish to provide briefings to the above named agencies, shall give prior notice to the President or in the absence of the President to the First Vice-President. An account of such briefings shall be made at the next scheduled Board meeting.

**A RESOLUTION APPROVING AN AGREEMENT BETWEEN  
THE LAS CRUCES SISTER CITIES, INC.  
(FOUNDATION) AND THE CITY OF LAS CRUCES.**

The City Council is informed:

**WHEREAS**, Section 6-5A-1 NMSA 1978 requires that any non-profit foundation organized for the sole purpose of aiding a municipal agency must enter into an agreement meeting the requirements of that Section; and

**WHEREAS**, the foundation will be an aid to the City's Sister Cities efforts.

**NOW, THEREFORE, BE IT RESOLVED** by the City of Las Cruces as follows:

(I)

**THAT** the attached agreement is hereby approved and the Mayor of the City of Las Cruces is authorized to execute the same.

(II)

**THAT** staff be authorized to do all acts necessary to accomplish the purposes of this Resolution and the Agreement.

**DONE AND APPROVED** this 3rd day of JANUARY, 1995.



\_\_\_\_\_  
Mayor

ATTEST:

  
City Clerk

(SEAL)

VOTE:

Mayor Smith	<u>Aye</u>
Councillor Ferralez	<u>Aye</u>
Councillor Kennon	<u>Aye</u>
Councillor Valencia	<u>Aye</u>
Councillor Benavidez	<u>Aye</u>
Councillor Tomlin	<u>Aye</u>
Councillor Haltom	<u>Aye</u>

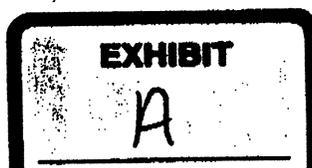
Moved by: Valencia

AGREEMENT

THIS AGREEMENT is entered into by and between the City Council of the City of Las Cruces ("City") and the Las Cruces Sister Cities, Inc. ("Foundation") for the purpose of meeting the requirements of Section 6-5A-1 NMSA 1978.

The parties specifically agree as follows:

1. The Foundation is a not for profit corporation duly organized and incorporated in the State of New Mexico and is in good corporate standing.
2. The Foundation has been granted an exemption from federal income tax as an organization described in Section 501(c) of the Internal Revenue Code of 1986.
3. The City has determined that it is in its best interests to adopt Sister Cities and to do all acts necessary and has, in the accomplishment of the same, adopted Ordinance No. 1386 establishing a Sister Cities Board.
4. The purpose of the Foundation is, among other things to (1) join together Las Cruces and its Sister Cities, and (2) promote private and public programs which further friendship and understanding.
5. The purpose of the Foundation is supportive of the "duties and powers" of the Sister Cities Board as set forth in Ordinance No. 1386. The purpose of the Foundation may include direct financial aid by the Foundation to the Sister City.



6. The Foundation is an autonomous organization and its only direct legal connection with the City is that the Sister Cities Board may act in an advisory capacity to the Foundation. The City and the Foundation agree, to the maximum extent possible, to share information concerning Sister Cities and Sister Cities' programs.

7. The Foundation agrees that if its gross annual income exceeds \$100,000.00 it will have a financial accounting system considered adequate under customarily and currently accepted accounting standards and that the financial affairs of the organization will be audited annually in accordance with general accepted governmental auditing standards by an independent professional auditor who will be required to furnish to the City, copies of its annual audit, which, exclusive of any lists of donors and its donations, shall be public record, and to make the associated working papers available to the City for its review upon written request for a period of three (3) years after the audit report date. If, however, the gross annual income of the Foundation is less than \$100,000.00 the Foundation agrees to annually file a statement with the City (Director of Finance) in the form of a balance sheet showing the assets of the organization, its liabilities, its income (classified by general source), and its expenditures (classified by objects).

8. Any property or funds transferred by the Foundation to the City shall be subject to all state laws and regulations governing disbursement and administration of public funds and

public property, except to the extent any specific conditions of the transfer are acceptable to the City and do not require actions that are punishable as crimes under state law.

9. The City agrees and states that it has received the Bylaws of the Foundation and has found them acceptable and the Foundation agrees to furnish to the City any amendments or changes to those Bylaws.

10. In the event that the City provides any services in support of the Foundation the City and the Foundation will file a written disclosure of such services and specify the consideration that the City received for said services. The City agrees that for any money that it obtains for the Foundation's purpose stated hereinabove shall be invested with that degree of judgment and care, under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.

11. This Agreement contains the entire Agreement of the parties and there is no other understandings or agreements other than as specifically set forth herein.

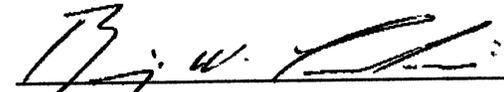
12. This Agreement may be modified by the parties in writing and signed by both parties.

DATED this 3rd day of January, 1995.

CITY OF LAS CRUCES

By   
Mayor

LAS CRUCES SISTER CITIES, INC.  
(Foundation)

By   
Benjamin W. Luchini  
President, 12/13/94

## ARTICLE 5A

### Requirements for Receiving Funds from Certain Organizations

Sec.  
6-5A-1. Definitions; requirements for governmental

entities that receive funds or property  
from certain organizations.

#### 6-5A-1. Definitions; requirements for governmental entities that receive funds or property from certain organizations.

A. As used in this section:

(1) "agency" means any state agency, department or board, any public institution of higher education or public post-secondary educational institution and any county, municipality or public school district;

(2) "organization" means an organization that has been granted exemption from the federal income tax by the United States commissioner of internal revenue as an organization described in Section 501(c) of the Internal Revenue Code of 1986, as amended or renumbered, and whose principal and authorized purpose is to complement, contribute to and support, aid the function of or forward the purposes of a single agency through financial support, the contribution of services, goods, data or information that help or aid the agency in carrying out its statutory purpose and goals, including, but not limited to, the provision of scholarships to students of educational institutions and the provision of grants to supplement ongoing research or to provide funds for research and programs being carried out by an agency;

(3) "post-secondary educational institution" means an educational institution designated in Article 12, Section 11 of the constitution of New Mexico, and any post-secondary educational institution, which term includes, but is not limited to, an academic, vocational, technical, business, professional or other school, college or university or other organization or person offering or purporting to offer courses, instruction, training or education through correspondence or in person, to any individual within this state over the compulsory school attendance age, if that post-secondary educational institution is directly supported in whole or in part by state or local taxation; and

(4) "transferred" means given or otherwise transferred, with or without consideration.

B. Prior to an agency accepting property or funds that have been transferred to an agency by an organization, the agency and the organization shall enter into a written agreement that includes at least the following:

(1) a concise statement of the organization's purpose and of how that purpose is supportive of the agency's statutory responsibilities and authority;

(2) provisions explicitly describing the relationship of the agency to the organization in connection with such issues as authority, autonomy and information sharing and reporting;

(3) provisions defining the extent to which the organization may complement and support functions that are the statutory responsibility of the agency;

(4) requirements that the organization:

(a) if its gross annual income exceeds one hundred thousand dollars (\$100,000), have a financial accounting system considered adequate under customarily and currently accepted accounting standards and that the financial affairs of the organization be audited annually in accordance with generally accepted governmental auditing standards by an independent professional auditor who would be required to furnish to the agency copies of his annual audit, which, exclusive of any lists of donors or donations, shall be a public record, and to make the associated working papers available to the agency for review upon its written request for a period of three years after the audit report date; or

(b) if its gross annual income is one hundred thousand dollars (\$100,000) or less, file a statement with the agency in the form of a balance sheet showing the assets of the organization, its liabilities, its income, classified by general source, and its expenditures, classified by object;

(5) a provision requiring that any funds or property transferred to an agency by an organization be considered subject to all state laws and regulations governing the disbursement and administration of public funds and public property, except to the extent of any specific conditions of the transfer that are acceptable to the agency and do not require actions that are punishable as crimes under state law;

(6) a provision stating that the agency has reviewed the bylaws of the organization and found them acceptable and a provision requiring that the organization furnish copies of the bylaws to the agency;

(7) a provision requiring specification of the consideration that the agency received from the organization for any agency services provided in support of the organization; and

(8) a provision requiring the application by the organization of the standard described in Section 6-8-10 NMSA 1978 as the standard for evaluating investments of the organization.

C. The written agreement required by Subsection B of this section is not required for each transfer but is a pre-condition of an agency's acceptance of any transfers. The agreement may be amended by mutual written agreement of the agency and the organization.

D. Nothing in this section subjects an organization to the provisions of the Open Meetings Act [Chapter 10, Article 15 NMSA 1978] or makes its records, other than the annual audit required under this section, public records within the purview of Sections 14-2-1 through 14-2-3 NMSA 1978.

**History:** Laws 1992, ch. 27, § 1.

**Effective dates.** — Laws 1992, ch. 27 contains no effective date provision, but, pursuant to N.M. Const., art. IV, § 23, is effective on May 20, 1992.

**Internal Revenue Code of 1986.** — Section 501(c) of the Internal Revenue Code of 1986, referred to in Subsection A(2), appears as 26 U.S.C. § 501(c).

## ARTICLE 6

### Local Government Finances

Sec.	Sec.
6-6-1. Definitions.	6-6-10. Violation of expense limit; penalty.
6-6-2. Local government division; powers and duties.	6-6-11. Yearly expenditures limited to income; Bateman Act.
6-6-3. Local public bodies; duties.	6-6-12. Exemptions from Bateman Act.
6-6-4. Local government division; research and survey; report to governor and legislature.	6-6-13. Salaries to be prorated.
6-6-5. Record of approved budget.	6-6-14. Insufficient funds; prorating salaries and claims; preference for expense of boarding prisoners.
6-6-6. Approved budgets; claims or warrants in excess of budget; liability.	6-6-15. Void indebtedness; payment from later collections; disposition of surplus.
6-6-7. Limitation on county expenditures during year official's term expires; exceptions.	6-6-16. Appealed claims; payment.
6-6-8. Repealed.	6-6-17. Current year same as fiscal year.
6-6-9. Limitation on municipal expenditures during year officials' terms expire.	6-6-18. Current year; disposition of funds.
	6-6-19. Local government permanent fund.

#### 6-6-1. Definitions.

"Local public body" means every political subdivision of the state which expends public money from whatever source derived, including but not limited to counties, county institutions, boards, bureaus or commissions; incorporated cities, towns or villages; drainage, conservancy, irrigation or their [other] districts; charitable institutions for which an appropriation is made by the legislature and every office or officer of any of the above. "Local public body" does not include county, municipal, consolidated, union or rural school