

CONTRACT

This contract is entered into by and between the CITY OF LAREDO, TEXAS, a municipal corporation, acting by and through its City Manager (hereinafter referred to as "City"), and **LAREDO CHAMBER OF COMMERCE – COLA BLANCA**, (hereinafter referred to as "Organization"), pursuant to the city's authority to provide for the public health and welfare of its residents, as approved by the City Council on October 6, 2025.

Section 1: SCOPE OF SERVICE

The Organization shall provide those services under the sporting event category as authorized by state law. Organization shall utilize funds to complement the promotion, staff salary and advertising of the event and alleviate costs of events as described and set out in the scope of services (Marketing Plan) which is attached hereto as **Exhibit 1** and made a part of this contract as if incorporated herein. It is also understood that the funded project shall promote tourism and the city's hotel and motel industry.

Section 2: PERFORMANCE STANDARDS

The Organization shall meet those performance standards described and set out in the "Goals and Objectives," attached hereto as **Exhibit 2** and made a part of this contract as if incorporated herein, that are activities or events intended to promote tourism, hotel and convention activity. Event must be an in-person event (virtual events are not applicable), event must materialize within the contract period specified in section 3, event must follow all health guidelines as required by the City of Laredo. Organization agrees to make any necessary changes deemed by City to be necessary and in the best interest of public health.

Section 3: TERM

This contract is for a term of one year beginning on October 1, 2025, and ending on September 30, 2026.

Section 4: CONSIDERATION

Subject to compliance with the terms of this contract, the City agrees to pay not more than **\$35,000.00** for services provided by the Organization during the term of this contract as follows: For services rendered, the City shall pay the Organization the amount of **\$8,750.00** per quarter, or that amount actually billed the City by the Organization for the quarter in question not to exceed **\$35,000.00**. If the Organization should bill less than **\$8,750.00** for any one quarter, the difference in amounts may accumulate. The Organization may bill the City for services rendered for that quarter, and additional accumulated amounts in order for the full contract amount to be realized so long as such billings are for services rendered. The organization shall receive payments after event(s) materializes in person as virtual events are not valid.

Section 5: METHOD OF PAYMENT

The City shall pay the Organization for the services provided on the basis of a written request for payment submitted to the Nonprofit Management and Volunteer Center. Such written requests for payment shall include (1) a statement describing the services rendered, (2) the amount being

requested, and (3) shall have attached thereto any supporting documents, such as invoices, receipts, cancelled checks, and so forth. (4) Active Liability Insurance, **Exhibit 3** (Request for Reimbursement and Detailed Quarterly Expense Report) shall be used for this purpose, and only eligible expenses will be paid by the City. Failure to utilize the money in such manner shall require immediate reimbursement and potential disqualification from future awards. All request for reimbursement have a final deadline of **October 15, 2026**; failure to submit complete request will result in denial of reimbursement.

Section 6: CONFLICT OF INTEREST

No officer or employee of the City and no member of the City governing body and no employee of the Organization and no member of the Organization's governing board and no person who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this contract shall participate in any decision relating to this contract which affects his personal pecuniary interest. Organization covenants that it presently has no interest and shall not acquire any interest, either direct or indirect, which would conflict in any manner or degree with the provisions of this contract.

Section 7: INDEMNIFICATION

CONTRACTOR SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY AND ITS OFFICIALS, EMPLOYEES AND AGENTS (COLLECTIVELY REFERRED TO AS "INDEMNITEES") FROM AND AGAINST ALL LOST, COSTS, PENALTIES, FINES, DAMAGES, CLAIMS, EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES) OR LIABILITIES (COLLECTIVELY REFERRED TO AS "LIABILITIES") BY REASON OF ANY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE O OR DESTRUCTION OR LOSS OF ANY PROPERTY ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH: (1) THE PERFORMANCE OR NON-PERFORMANCE OF SERVICES CONTEMPLATED BY THIS CONTRACT BUT ONLY TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS, ERRORS, OMISSIONS, INTENTIONAL FORTS, OR A FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY CONTRACTOR OR CONTRACTORS' AGENT, CONSULTANT UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH CONTRACTOR EXERCISES CONTROL, OR ITS EMPLOYEES, AGENTS, OR SUBCONTRACTORS (COLLECTIVELY REFERRED TO AS "CONTRACTORS") AND/OR (2) THE FAILURE OF CONTRACTOR TO COMPLY WITH ANY OF THE PARAGRAPHS OR PROVISIONS OF THIS CONTRACT OR CONTRACT DOCUMENTS, OR THE FAILURE OF CONTRACTOR TO CONFORM SERVICES OR WORK TO STATUTES, ORDINANCES, OR OTHER REGULATIONS OR REQUIREMENTS OF ANY GOVERNMENTAL AUTHORITY, FEDERAL, STATE, OR LOCAL, IN CONNECTION WITH THE PERFORMANCE OF THIS CONTRACT. CONTRACTOR EXPRESSLY AGREES TO INDEMNIFY AND HOLD HARMLESS HE INDEMNITEES, OR ANY OF THEM, FROM AND AGAINST ALL LIABILITIES WHICH MAY BE ASSERTED BY AN EMPLOYEE OR FORMER EMPLOYEE OF CONTRACTOR, OR ANY OF ITS SUBCONTRACTORS, AS PROVIDED ABOVE, FOR WHICH CONTRACTORS' LIABILITY TO SUCH EMPLOYEE OR FORMER EMPLOYEE WOULD OTHERWISE BE LIMITED TO PAYMENTS UNDER STATE WORKERS' COMPENSATION OR SIMILAR LAWS. NOTHING HEREIN SHALL REQUIRE CONTRACTOR TO INDEMNIFY, DEFEND, OR HOLD HARMLESS ANY INDEMNITEE FOR THE INDEMNITEE'S OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. ANY AND ALL DISCHARGE OF ALL OTHER OBLIGATIONS OWED BY THE PARTIES TO EACH OTHER HEREUNDER AND SHALL APPLY PROSPECTIVELY NOT ONLY DURING THE TERM OF THIS CONTRACT BUT THEREAFTER SO LONG AS ANY LIABILITY COULD BE ASSERTED IN REGARD TO ANY ACTS OR OMISSIONS OF CONTRACT IN PERFORMING SERVICES UNDER THIS CONTRACT.

Section 8: INSURANCE

The Organization shall maintain such insurance as will protect it from any and all claims under the Worker's Compensation Laws of the State of Texas. The Organization shall maintain such insurance as will protect the Organization from claims for damages to because of bodily injury including death and from claims for damage to property which may arise out of and during the conduct of the Organization's business, services, and activities. To this end, the Organization shall have and keep in effect during the term of this contract, public liability and property damage insurance in the amount of not less than **\$1,000,000.00**. Copies of such certificates of insurance as reflect the above required coverage shall be made a part of this contract as **Exhibit 4**. Any failure of the Organization to maintain the specified insurance coverage's during the term of this contract shall mean automatic termination of the contract. Failure to utilize the money in such manner shall require immediate reimbursement and potential disqualification form future awards.

Section 9: PURCHASING POLICIES

The Organization agrees to purchase needed goods and services in a competitive manner by using procedures for purchases that are equal to or better than the purchasing procedures used by the City. A copy of the Organization's purchasing policies and procedures in attached as **EXHIBIT 5**.

Section 10: EQUAL OPPORTUNITY

- A. Non-Discrimination. The Organization agrees that no person shall be excluded from or denied the benefits or be subjected to discrimination under any program or activity of the Organization, on the grounds of race, religion, national origin, color, sex, physical handicap, political affiliation, age, or familial status.
- B. Nonsegregated Facilities. The Organization certifies that all employee facilities under its control are provided in a manner that segregation, whether by habit, local custom, or otherwise, and whether on the basis of race, religion, color, handicap, age, sex, national origin, political affiliation, or familial status, cannot occur. Further, the Organization certifies that it will not assign or permit employees to perform series at any location under its control facilities are segregated.
- C. Employment. The Organization will not discriminate against any employee or applicant for employment because of race, religion, color, handicap, age, sex, national origin, political affiliation, or familial status, and will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to any of the same factors, moreover, the Organization will state in all solicitations or advertisements for employees that all qualified applicants will receive consideration for employment without regard to the factors listed above.

Section 11: COMPLIANCE WITH LAW

The Organization shall comply with all applicable State and Federal Laws, the ordinances of the City of Laredo, and will obtain and pay for all necessary permits, licenses, and any copyright fees.

Section 12: FUNDS ACCOUNTABILITY

The Organization will account for expenditures under this contract in such a way that Organization income and expenses can be readily identified and audited and can be easily separated from other financial activities of the Organization. Any expenditures of the Organization which are allocated to this contract shall be distributed based on the requirements and activities of the Organization will carry out the scope of services in **EXHIBIT 1** in accordance with the detailed estimated budget per line item attached hereto as **EXHIBIT 6**. Any adjustments to the annual budget as submitted shall be approved by the Organization's Executive Board. Copies of such adjustments, as approved, shall be submitted to the City in writing within (15) calendar days of such approval. Any such adjustments in excess of 25% of the total budget will be subject to City approval within (30) calendar days of notice of such change to the City Manager.

Section 13: REPORTING REQUIREMENTS

The Organization shall provide a written report within 15 calendar days after the end of the second quarter or after the event is materialized, whichever date is sooner, being due no later than **April 15, 2026**. Such reports will include accomplishments during the previous nine months, and a financial report showing in reasonable detail how the funds have been expended, for what purposes, and the beneficial results thereof. Such reports shall be submitted along with the status report required by section 5, above. The organization shall also provide a Post Event Report to verify event information and results.

The Organization shall submit the following to the City as soon as possible following the completion of the Organization's fiscal year: (1) an annual report which shall set out clearly the kinds of services provided and the goals and objectives met during the term of this contract, and (2) annual audited financial statements which meet generally accepted accounting principles (GAAP). The financial statements must be audited in accordance with the City of Laredo's established policy. Such reports will be submitted with original and one (1) copy of each and every document required by this section to the City of Laredo.

Section 14: RIGHT OF TERMINATION

The City Council may terminate this contract at any time, upon thirty (30) calendar days written notice to the Organization. Upon termination of rental agreement and unused budget amount will be unobligated from this contract.

Section 15: CONTRACT NOT ASSIGNABLE

The Organization shall not assign this contract or any part of it nor shall it delegate the performance of any of the duties required by this contract.

Section 16: AUDIT AND INSPECTION OF RECORDS

The Organization agrees to provide access to an authorized representative(s) of the City to the files and records of the Organization. All financial records shall be maintained in accordance with generally accepted accounting principles (GAAP). All files and records shall be clearly identified and readily accessible during reasonable working hours. The Organization further agrees to retain

the records for three (3) years and (90) calendar days after the conclusion of this contract or after final payment under this contract, whichever is later.

Section 17: LIMITATION ON FUNDING

The City Council reserves the right to reduce the consideration under this contract at any time. Any additional request for City support is subject to adhere to a fee schedule cost to the organization.

Section 18: STATUTORY COMPLIANCE

The work program and the budget have been determined utilizing the provisions of the governing state law authorizing the appropriate use of City monies. It is these statutory guidelines and limitations which govern the work program under this contract. The Organization shall be responsible for ensuring that any and all expenditures are in compliance with this contract.

Section 19: CONTRACT AMENDMENT

Any amendment to this contract must be in writing and, be signed by both parties. Any increase or decrease to the estimated approved line items will not require an amendment while the budget amount stays the same but the agency must inform the department via e-mail, or letter of the proposed change. A change in the approved scope of services, or an increase to the approved budget will require a contract amendment and approval by City Council. No amendments will be approved after **July 15, 2026**.

Section 20: AGENCY AND GRANT MANAGEMENT

The Organization shall make available a member of its management staff or board to attend (1) training on the expectations and requirements to be held after council approval of execution of contracts. Additional training seminars will be made announced through the City of Laredo Nonprofit Management and Volunteer Center.

Section 21: CONTRACT DEFAULT

If the Organization shall default in the performance of any of the terms or conditions of this agreement, it shall have thirty (30) calendar days after receiving written notice to cure such default. If the Organization fails to cure its default within such period of time, then City shall have the right to terminate this agreement. If this agreement is terminated, then City will not be responsible for obligations incurred by the Organization after the Organization receives written notice of termination or unless there was an eligible encumbrance or other legally binding obligation which existed prior to receipt of a written notice of termination. Should the Organization not adhere to any of the requirements in the signed contract the monies allocated to the Organization shall be reduced for the following year by 10%.

Section 22: DISPARAGEMENT

Each of the Parties covenants and agrees that during the term of this Agreement, and or for one year after the termination hereof, none of its respective officers, employees or directors shall in

any way defame, slander, or publicly criticize, disparage, or make any negative statement, whether orally or in writing, about the other Party or such other Parties' officers, employees, directors or business practices.

Section 23: EVENT PASSES

The Organization/Corporation shall provide the City at no charge and upon request with a minimum of twenty-four (24) VIP tickets/admission passes to any event hosted or co-hosted by the Organization for officials hosts (members of city council, management, or city staff) and their spouse/guest that have confirmed their attendance at least three (3) days before the event. These tickets/admissions passes will be provided in order to allow the official hosts for the City of Laredo and their spouse/guest the opportunity to be represented at the events. The Organization further acknowledges and agrees to provide additional tickets/admission passes for any City staff, speaker, presenter, or special guest that has been identified by the City of Laredo as being pertinent to the event and that has confirmed their attendance at least three (3) days before the event.

Section 24: CONTRACT NOTICES

All notices required to be given under this contract shall be mailed or personally delivered, as follows:

CITY OF LAREDO

Joseph W. Neeb
City Manager
City of Laredo
1110 Houston St.
Laredo, TX 78040

ORGANIZATION

Laredo Chamber of Commerce
Chairman or Executive Director
5702 McPherson Rd. Ste 8B
Laredo, TX 78041

SIGNED by the parties, in triplicate originals on the 17th day of December 2025.

CITY OF LAREDO

By: Joseph W. Neeb
Joseph W. Neeb
City Manager

ORGANIZATION

By: [Signature]
Board Chair or Executive
Director

APPROVED AS TO FORM

By: Rocloepo Morales
for Doanh "Zone" T. Nguyen
City Attorney

CERTIFIED



By: [Signature]
Mario I. Maldonado Jr.
City Secretary

EXHIBIT

1

2025 City of Laredo- Hotel Motel Funding Application

List of activities or events related to the funding request (15 points)

Please list ONLY services or programs that are the subject of the funding request.

Event/Activity	Date	Description
Registration of Contest Participants	August - January	2024-2025 Hunting season starts in October 2024, but registration for the contest starts in the summer and continues throughout the duration of the contest
Service Visitors and Inquiries	Year Round	Calls and inquiries come into the Chamber information center throughout the year (they intensify during hunting season).
Maintain Website and Social Media	Year Round	Website must be constantly updated. Promotional activities through Chamber's social media is ongoing year round.
Service Hunters	October- January	Contest applicants are registered and information is uploaded onto contest data bank. Deer entries are scored and information is uploaded into contest leader board.
Finalize Leaderboard	January- March	Contestants scores are finalized. Winners are declared and entered into the leader board. Winners are notified.
Awards Ceremony	March- August	The award ceremony is planned. Promotion for the ceremony is conducted. The award ceremony and dinner is organized and conducted.
Marketing and Promotion of Contest	Year Round	Marketing campaign is implemented. This includes: > Ads in industry publications and media > Website and social media promotion > Direct mail to registrants and other interested parties

EXHIBIT

2

Goals, Objectives and Measures (30 points)

For each of your programs (only for services or programs that are the subject of the funding request), please list the goals that your agency has set for the funding period and how it plans to achieve them. The objectives must be specific and measurable. Please describe the workload measures, (how well your program met it's projections) Are they verified and reliable?

PROGRAM	GOAL	OBJECTIVE	PERFORMANCE MEASURES
Name of current or new program.	<p><i>Definition: These describe generalized outcomes that you envision your organization will achieve.</i></p>	<p><i>Definition: These are specific tasks and activities that are set out to meet your goals.</i></p>	<p><i>Definition: The indicator that will be used to measure success. It could be a set rate (percentage) or an increase/decrease level from one period to another.</i></p> <p>_____% or ____#</p>
Cola Blanca Hunting Contest	<p>Increase the number of hunters, (residents of other communities) into the LaredoWebb area Oct- Jan. generate heads in beds for local hotels.</p>	<p>>Initiate promotion of the contest in the late part of the summer 2023 > Launch campaign to register hunters for the 23-24 season</p>	<p>>Increase the number of registrations by 5% as compared to 23 season (measured by number of registrants)</p>
Marketing/ Advertising Campaign	<p>Increase awareness of the Cola Blanca contest in markets across the United States and internationally via the use of web and social media. Increase awareness of the contest via traditional media within a 150 miles radius</p>	<p>>Implement Digital Marketing Campaign that targets ads through the web on various platforms. >Purchase promotional ads in area/state publications/media</p>	<p>>Track the number of exposures and responses on web, measurable analytics. Increase number of views, engagement by 10%. >Measure response of traditional media via survey registrations</p>
Awards Ceremony & Dinner	<p>Increase the number of visitors (hunters and their families) to the Laredo area by hosting the annual Cola Blanca Awards Banquet</p>	<p>Plan and organize campaign aimed at reaching hunting enthusiasts, non hunters (family members), and outdoor enthusiasts via mail outs and with support or promo materials at hotels, etc</p>	<p>Increase participation at annual Awards Banquet and Ceremony by 10%. Number of out of town attendees by minimum 5%. To be measured by actual count and through sign in sheets by entrance (door prize list).</p>

EXHIBIT

3

EXHIBIT

4

NDO1567241G

Renewal of Number

***** RENEWAL CERTIFICATE *****

United States Liability Insurance Company

1190 Devon Park Drive, Wayne, Pennsylvania 19087

A Member Company of United States Liability Insurance Group

POLICY DECLARATIONS

No. NDO1567241H

NAMED INSURED AND ADDRESS:

LAREDO CHAMBER OF COMMERCE

5702 MCPHERSON RD STE 8B

LAREDO, TX 78041

POLICY PERIOD: (MO. DAY YR.) From: 08/08/2025 To: 08/08/2026

12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

BUSINESS DESCRIPTION: Non-Profit Directors and Officers

NO FLAT CANCELLATION

IN CONSIDERATION OF THE RENEWAL PREMIUM STATED BELOW, EXPIRING POLICY NUMBER NDO1567241G IS RENEWED FOR THE POLICY PERIOD STATED ABOVE. PLEASE ATTACH THIS RENEWAL CERTIFICATE TO YOUR EXPIRING POLICY. THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.

	PREMIUM
Non Profit Management Liability Coverage Parts	\$988.00
Wholesaler Broker Fee	\$250.00
TOTAL:	\$1,238.00

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: **BURNS & WILCOX, LTD. (ARLINGTON, TX) (1415)**
2301 E. Lamar Blvd., 5th Floor, Brook Hollow One Bldg
Arlington, TX 76006

Issued: 07/30/2025 9:01 AM

Broker: **IBC Insurance Agency, LTD**
5800 San Dario Avenue 2nd Floor
PO Drawer 1350
Laredo, TX 78040

By: 
Authorized Representative

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

EXHIBIT

5



Laredo Chamber of Commerce

Budgetary & Financial Policy & Procedures

The Laredo Chamber of Commerce is committed to responsible financial management. The entire organization, including the Board of Directors, administrators and staff, will work together to make certain that all financial matters of the organization are addressed with care, integrity and in the best interest of the Chamber.

The policy and procedural guidelines here contained are intended to:

- Protect the assets of the Chamber;
- Ensure the maintenance of accurate records of the Chamber's financial activities;
- Provide a framework of operating standards and behavioral expectations; and
- Ensure compliance with federal, state and local legal and reporting requirements.

The President/CEO of the Laredo Chamber of Commerce has the responsibility for administering these policies and ensuring compliance with procedures that have been approved by the Board of Directors. Exceptions to written policies may only be made with the prior approval of the Executive Committee/Board of Directors. Changes or amendments to these policies may be approved by the Board of Directors at any time. A complete review of the policies shall be conducted every three years.

Every Director and every Administrator with financial-related responsibility is expected to be familiar with and adhere to the policies and guidelines outlined herein.

Scope of Authority

Board of Directors or Board of Trustees

Has the authority to execute any policies it deems to be in the best interest of the organization within the parameters of the organization's articles of incorporation, bylaws, and applicable federal, state, or local laws.

Executive Committee

Has the authority to exercise all powers of the Board of Directors in managing the organization when the Board is not in session, except for the authority to amend the bylaws, adopt a plan of merger or

consolidation, or make significant property and asset-related decisions. Additionally, assists the Treasurer in conducting thorough periodic reviews of the organization's financial activity.

Treasurer

Is vested with authority designated by the Board of Directors, including recommending the selection of auditors, conducting regular in-depth reviews of the organization's financial activity, overseeing the development of the annual budget, and determining the allocation of investment deposits.

Executive Director

Is vested with authority as designated by the Board of Directors, including the authority to make spending decisions within the parameters of the approved budget, the power to hire and terminate personnel, establish salary levels, create and modify operating procedures and controls, determine personnel duties and responsibilities, delegate decision-making authority, and enter into contractual agreements within parameters set by the board.

Payroll/Accounts Manager

Is vested with authority as designated by the Executive Director, typically including the responsibility to design the organization's accounting system, allocate expenses, make decisions regarding purchases and payments based on previously authorized transactions, and prepare the organization's deposits.

Indemnity Policy

To the fullest extent allowed by applicable law and in the manner prescribed or permitted, the Laredo Chamber of Commerce may indemnify any past, present, or future Directors, Officers, Employees, or Agents against all costs, expenses, and liabilities, including attorneys' fees, incurred or imposed upon them due to their involvement with the Laredo Chamber.

No such reimbursement or indemnity shall relate to any expense incurred or settlement made in connection with any matter arising out of their negligence or misconduct as determined either by a court of competent jurisdiction or, in the absence of such a determination, by the Laredo Chamber of Commerce acting on the advice of counsel.

The Laredo Chamber of Commerce shall purchase and maintain insurance on behalf of any person who is or was serving at the request of the Chamber, as a Director, Officer, Employee, Agent, Staff Volunteer or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such.

Investment Policy and Objectives

The investment objectives of the Laredo Chamber of Commerce, in order of importance, shall be the safety of principal, liquidity, and a competitive rate of return.

At the discretion of the Board and upon recommendation from the Executive Director, monies may be put into an investment account (e.g., money market, high-yield checking account) or a Certificate of Deposit may be purchased exhibiting sound financial action (favorable rate and terms). All investment accounts shall be placed only with FDIC insured commercial banks that are members of the Chamber and support its activities. If a Certificate of Deposit is purchased, then upon maturity, the finance department will contact member FDIC insured institutions to determine the most favorable rate of interest and then, only with the approval of the President and Treasurer, shall these funds be transferred or rolled over for a period of time typically not exceeding 12 months.

Operating Reserve Fund

The Laredo Chamber shall maintain a Reserve Account following the investment objective listed above. The Operational Accounts represents funds collected and used within a single fiscal year to carry out the Chamber plan of work. The Reserve Account represents funds to be available to sustain operations in the event of a disaster, meet long-term objectives, and provide for replacement or repair of capital intensive items or allow for participation in unanticipated opportunities.

It shall be the goal of the Laredo Chamber to maintain a contingency reserve, which at a minimum will be equivalent to six months of the budgeted annual operating expenses for that given year. The Executive Committee shall review these goals and funds annually to determine the fiscal responsibility of funds. The only expenditures to be paid out from the Reserve Fund will be those that arise out of unusual circumstances caused by economic hardship (market driven), competitive pressures (market infringement or deterioration), or natural or manmade disasters (fire, flood, etc.) Use of these funds must receive the approval of the Executive Committee upon recommendation from the Executive Director and the Treasurer.

Safeguarding Assets

- The Executive Director shall have primary responsibility for ensuring that proper Financial Management procedures are maintained and that the policies of the Board are carried out.
- The Treasurer and the Executive Committee shall provide fiscal oversight in the safeguarding of the Assets of the Organization and shall have primary responsibilities for ensuring that all internal and external financial reports fairly present its financial condition.
- A proper filing system will be maintained for all financial records.
- Actual income and expenditures will be compared to the budget on a quarterly basis.
- All excess cash will be kept in an interest bearing account.
- Bank statements are promptly reconciled on a monthly basis.
- Documents on all securities and fixed assets will be kept in a locked fireproof file. Inventory records will contain description, serial numbers, date of purchase or receipt, valuation, and date of valuation.

- Appropriate insurance for all assets will be maintained.

Signatories & Disbursements

It is the policy of the Chamber to give check signing authority to the members of the Executive Committee.

The Chamber payroll and accounts manager must update depositors agreements on a yearly basis to update all Chamber accounts with the appropriate signatories.

The check signing and disbursement policy is as follows:

- All regular checks require two signatures. Additionally, individuals involved with check preparation and bank reconciliations are prohibited from having check signing authority.
- Checks issued in the name of the Executive Director (e.g., payroll, travel advance, etc.) must not be signed by the Executive Director but must rather carry signatures of two authorized Board officers.
- All voided checks must be defaced and retained numerically, either in a file or with canceled checks.
- No checks may be written to "cash" or "petty cash."
- Vouchers must accompany all petty cash disbursements. The petty cash fund is reconciled by deducting voucher amounts from the beginning balance before replenishment. Checks are issued only after receiving an approved check request.
- The event name or purpose must be specified in the payee field with full documentation of purpose attached.
- Blank checks shall be stored in a secure drawer.
- Blank checks may never be signed in advance.
- All checks are pre-numbered and shall be accounted for monthly.
- The checks are to be printed in duplicate:
 - The original is sent out for payment.
 - One copy is filed numerically with supporting documentation.
- The Payroll/Accounts Manager is responsible for invoices and check requests being filed in the appropriate vendor file once they have been paid.
- The Executive Director has expenditure approval up to the parameters set by the annual operating budget as approved by the Board.
- Expenditure requests will be initiated in writing (Purchase Order) by Committee Chairs and approved within specified authority by the Executive Director.
- Pre-numbered check requests should be used, and sequences accounted for monthly.
- The Executive Director approves check requests after comparing them to supporting documentation. The Payroll/Accounts Manager prints the pre-numbered checks only with approved requests. The unsigned check, support and request are presented to the Executive Director for his/her signature and then forwarded to authorized Board officers for second signature (information on checks is compared to support for accuracy).

- All disbursements, except petty cash, are made by check and are accompanied by substantiating documentation.
- The Payroll/Accounts Manager is responsible for invoices and check requests being marked "PAID" once they have been.

Operating Procedures

The Payroll & Accounts Manager will also function as the accountant with primary responsibility for designing and maintaining the accounting system. Bookkeeping support may be provided by other staff as designated. Monthly reports shall be made to the Executive Director covering, at a minimum, receipts, disbursements, receivables, and payables.

The Executive Director will be required to include budget comparisons in periodic financial reports to the Treasurer and the Board. Standard Journal Entries should be reviewed by the Executive Director for reasonableness and approved for posting to the general ledger. (Non-standard journal entries are to be reviewed by the auditor). Journal entries are pre-numbered and are accounted for monthly.

The Treasurer will be responsible for providing semi-annual budget reviews and annual reviews of the adequacy of insurance coverage.

The Board of Directors will be required to ensure an independent audit annually.

Contract Signing Authority

It is the policy of the Chamber to grant authority to sign contracts to the Executive Director as long as the financial implications of the contract are included in the Chamber's Board approved budget. If the financial implication of signing a contract is not included in the Chamber's budget, BOD approval is required before the authority to sign the contract is granted.

Credit Cards

The Chamber maintains a corporate credit card account at the discretion of the Executive Director and the Board of Directors. Credit cards are issued only to senior management personnel for use in business directly related to the Chamber. Expenses must be valid, approved by the Executive Director and following budgetary guidelines. All charges must be documented with supporting documentation (Purchase Orders must accompany all purchases) and reports submitted at the end of the month matching credit card invoice. Charges not approved by the Executive Director will be charged back to the employee. A receipt must be provided for each charge and shall be submitted as soon as possible but no later than five (5) days from the date of charge.

Refunds & Reimbursements

It is the policy of the Chamber not to grant refunds for member dues. Directors and committee members must submit expenses for approval prior to events/expenditures being made. No reimbursements will be made. Exceptions to this policy must be approved by the Executive Committee.

Financial Reporting

- The Laredo Chamber of Commerce operates on a Fiscal Year that begins on October 1 and ends on September 30 of the following calendar year.
- Annual budgets are prepared by the Executive Director with advice of the Treasurer and the Executive Committee. The budget shall contain all items of expense anticipated in carrying out the Program of Work adopted by the Board. In addition, a capital budget shall be prepared and contain proposed capital expenditures. The Executive Director must present the annual budget to the Board of Directors a minimum of 30 days prior to the end of the fiscal year. The budget must be approved by the Board.
- Budgets are reviewed mid-year (March) and are adjusted as necessary to reflect changing conditions.
- A Chart of Accounts is available and used to code receipts and disbursements to the proper accounts.
- Non-standard journal entries are discussed with the CPA to ensure proper accounting treatment.
- Monthly Financial Reports are provided to the Treasurer and the Executive Committee within 30 days of the close of the period.
- Detailed Financial Reports are provided to the Board of Directors quarterly at a regular Board meeting.
- Reference explanations for any and all budget variances of 10% or more are contained for the above referenced reports.
- Annual audits will be conducted by an independent CPA at the close of each fiscal year. The CPA will present a detailed report of the audit to the Board of Directors at their regular meeting 90 days after the end of the fiscal year, or earlier. Copies of the report will be available for viewing by the membership.
- The CPA will monitor financial operations of the Chamber and conduct quarterly reviews of the monthly financial statements.

Policies on Receipts

- Two copies of all receipts are made; one for deposit file documentation and one for source file documentation (i.e., loan files or grantor files)
- All checks are stamped with "Deposit only" stamp by the Receptionist, who sorts all mail, immediately upon receipt.
- All cash receipts are recorded on pre-numbered duplicate receipts.
- The Payroll/Accounts Manager will be responsible for preparing the documentation on receipts for deposits and the Receptionist will be responsible for making daily deposits.
- Copies of all receipts are given to the Payroll/Accounts Manager, who prepares the detailed cash listing to be posted to the general ledger (amount, date received, account number, etc.).

- This listing is compared to the Receptionist's Daily Cash Receipt log to ensure all postings equal amounts deposited.
- A copy of the deposit slip from the Bank is compared and attached to the corresponding receipt copies and cash listing.

Travel

- Authorized personnel traveling on Chamber-related business will receive compensation for all travel expenses, subject to approval by the Executive Director.
- Reasonable cash advances for authorized travel will be provided. Staff members must submit travel advance requests to the Executive Director for approval at least one week before the scheduled departure date.
- When traveling commercially, airline (or other mode of travel) must be purchased at the lowest possible coach fare unless prior approval is given by the Executive Director.
- If traveling on personal vehicle, reimbursement for fuel will be made based on mileage of round trip to destination. Reimbursement will be made at a rate of \$0.66 per mile or current IRS mileage reimbursement.
- Meals and incidentals when traveling will be covered at full cost if and when within reason as long as all receipts are submitted within one week. Excessive costs may be deemed unauthorized at the discretion of the Executive Director and charged back to the employee.
- Expenses for entertainment must be accompanied by supportive documentation listing names of people involved in activity and a detailed report as to the reason for expense.
- Only expenses directly related to the employee will be authorized. Travel for spouses and /or family members is not authorized unless previously approved by the Executive Director and/or Board of Directors.
- Expenditures for alcohol are not authorized unless for entertainment purposes and accompanied by supportive documentation.
- Detailed reports of all travel expenses, accompanied by receipts, must be prepared and submitted within one week of completion of travel.

Payroll Controls

- Personnel files are to be maintained at organizations' site for all employees. Changes in payroll data (i.e., pay changes) for Non Exempt (hourly-wage) and Exempt (other than the Executive Director) employees are approved by the Executive Director before files are updated. Changes/Adjustments to payroll for the Executive Committee require approval by the Executive Committee.
- Payroll processing will be processed internally by the Payroll/Accounts Manager. The Payroll/Accounts Manager generates the payroll register, payroll checks and/or documentation necessary for direct deposit by financial institution, and tax deposit checks.

- Payroll checks (when issued on paper) will be turned over to Executive Director, who is responsible for comparing the checks to the payroll register before manually signing the checks. The checks are then presented to an authorized Board member for the required second signature.

Inventory (Property & Equipment)

It is the policy of the Chamber to maintain a complete inventory list of all Chamber property and equipment valued over \$100. Additionally, a review of the physical location of the property will be done annually.

Member Access to Records

It is the policy of the Chamber to allow members to inspect the following records of the Chamber:

- Audited Financial Statements
- IRS Form 990 (Return of Organization Exempt from Income Tax)
- IRS Form 1023 (Application for Recognition of Exemption)
- Letter of Exemption from Texas Franchise Tax
- Exemption from Texas Sales Tax Exemption Form

Public Access to Records

It is the policy of the Chamber to allow public access to Form 990 and Form 1023. If anyone requests a copy of the organization's Form 990 Federal Information Return, the Executive Director and treasurer shall be notified. All such requests should be in writing and accompanied by a \$30 reproduction and handling charge.

The IRS requires that the last three years of federal tax returns, the IRS letter of determination, and the IRS application for tax-exempt status be made available to any person making the request. Members of the board receiving an inquiry must advise staff of the request on the same day the inquiry is received. The original Form 990 and Form 1023 will remain at the Chamber's offices without exception.

Form 990

It is the policy of the Chamber to allow public access to IRS Form 990. This access will be provided at the Chamber's offices at a time mutually agreeable between the Chamber and the individual requesting the inspection.

Form 990-T

It is the policy of the Chamber that public requests to access IRS Form 990-T must be made in writing and shall specify the purpose. The Chamber's IRS Form 990-T shall be available for public inspection at

the Chamber's office at a mutually agreed time between the Chamber and the individual requesting the inspection. Sensitive information will be redacted to protect private information.

Form 1099

It is the policy of the Chamber to complete IRS Form 1099 for all individuals and vendors receiving \$600 or more from the organization. A Log of Vendor Federal Identification Numbers will be maintained.

Independent Contractors

It is the policy of the Chamber to evaluate criteria established by the IRS when assigning an individual status as an employee or as an independent contractor. Individuals qualifying as independent contractors will sign an Independent Contractor Agreement and will be issued an IRS Form 1099 if compensation is \$600 or more.

Accounting Procedures

The Chamber receives revenue from different sources. These must be properly identified since the source determines tax consequences. Every Chamber event or program shall be entered into a separate ledger and coded accordingly.

Sources of Revenue include:

- o Membership Dues – Dues paid by members on an annual basis as per anniversary
- o Sponsorships/Donations – Revenue generated from benefactors
- o Sales – Income generated through sale of advertising, souvenirs, etc.
- o Services – Income generated through delivery of services, e.g., certificates of origin
- o Programs & Projects – Income generated through seminars, conferences, events, etc.
- o Grants & Contracts – Restricted income

Cash Receipts

- All checks and cash receipts received through the mail are recorded in the Daily Cash Receipts register, listing the date received, payor, check number, amount received, and corresponding invoice number.
- The receptionist will make two copies of each cash receipt, and deliver all cash received and copies to the Payroll and Accounts Manager.
- The receptionist delivers copies of the Daily Cash Receipts report to the Executive Director, the Payroll/Accounts Manager, the Vice President, Special Events Coordinator, and the Membership Coordinator.
- The Payroll/Accounts Manager prepares the bank deposit daily, attaching a copy of the deposit slip and deposit receipt to the cash receipts copies. The receptionist is then in charge of making daily deposits.

- The Payroll/Accounts Manager shall code all cash receipts according to the chart of accounts, and compare the cash deposit receipt with the receptionist's listing of cash receipts for that day, to ensure that all cash receipts are deposited in the bank account. The Payroll/Accounts Manager then prepares a deposit summary sheet, attaching one (1) copy of each cash receipt, the deposit slip copy, and the bank deposit confirmation slip. The second copy of the cash receipt is filed by type of revenue/support.
- The Receptionist maintains a cash receipts journal using the Daily Cash Receipts log.
- The Payroll/Accounts Manager posts the cash receipts journal to the general ledger on a timely basis.

Cash Disbursements

- All invoices received are stamped with the date received by the receptionist, and are directed to the Payroll/Accounts Manager.
- The Payroll/Accounts Manager matches invoices to outstanding Purchase Orders and obtains approval of all invoices and expenditures by authorized personnel.
- The Payroll/Accounts Manager prepares pre-numbered check requests for the approved expenditures.
- The Payroll/Accounts Manager prepares all checks for the approved expenditures, using pre-numbered checks.
- The checks, with support documentation (approved invoices, check requests), are forwarded to the Executive Director. Executive Director reviews all checks and supporting documentation prior to signing checks. The Payroll/Accounts Manager will be responsible for obtaining the second signature from an authorized board member.
- After the checks are signed, the Payroll/Accounts Manager stamps the check request and all supporting documentation "PAID", noting check number and date. The Payroll/Accounts Manager will then make two copies of each check and check request. The Payroll/Accounts Manager is responsible for mailing all checks.
- The Payroll/Accounts Manager will file one copy of the check, with supporting documentation attached, in numerical order.
- The Payroll/Accounts Manager prepares the cash disbursements journal on a timely basis, using the check file.
- The Payroll/Accounts Manager posts the cash disbursements journal to the general ledger on a timely basis, using the cash disbursements journal.

Payroll

- Personnel salaries/wage rates and employment changes require authorization from the Executive Director.
- The Payroll/Accounts Manager maintains all personnel records.
- The Payroll/Accounts Manager monitors the usage of vacation and sick time, and maintains attendance records.

- The Payroll/Accounts Manager reviews and approves all time and attendance records for hourly wage employees. Approved time records are presented to the Executive Director for review.
- The Payroll/Accounts Manager shall prepare the payroll, using the approved time records and salary/wage rates for each employee, using pre-numbered checks or preparing the necessary report for processing of payroll by direct deposit. All payroll checks/reports are recorded in the payroll register by the Payroll/Accounts Manager.
- NOTE: The Laredo Chamber of Commerce primarily utilizes direct deposit for processing payroll. The process for issuing paper checks is included here solely as an alternative option.
- When payroll checks are issued (rather than the direct deposit system) the checks and payroll register are submitted to the Executive Director. The Executive Director reviews the payroll register and compares the payroll checks to the register, prior to signing the checks. Once the payroll checks are signed, the checks are turned over to the Bookkeeping Clerk for second signatures by authorized Board members. The Payroll/Accounts Manager then distributes the payroll to all employees.
- All payroll tax checks are prepared at the time payroll is prepared. The payroll taxes are paid when due. Payroll forms are reviewed by CPA on a quarterly basis.

Bank Reconciliations

- The Payroll/Accounts Manager shall maintain a record of all bank transactions, listing all checks disbursed and all receipts deposited on a daily basis. This computerized system shall show the current bank balance for all bank accounts.
- On a monthly basis, the Payroll/Accounts Manager will reconcile the bank statements to the Bank Book, and notify the Executive Director of any discrepancies.
- The Executive Director will resolve all discrepancies with the assistance of the accountant, and the bank, if necessary. The Executive Director will report the resolution of the discrepancies to the Treasurer.
- The Payroll/Accounts Manager will adjust the system as needed.
- The Payroll/Accounts Manager will reconcile the system to the general ledger cash accounts on a monthly basis.

Billing and Receivables

- All billings for services or goods are approved in advance by authorized personnel.
- The Membership Services Coordinator prepares all billings and invoices on a timely basis. Prior to mailing the billing/invoices, the Membership Services Coordinator makes two copies of the billing/invoice. One copy is submitted to the Payroll/Accounts Manager, and the other copy is placed in the open invoice file/receivables records.
- The Membership Services Coordinator records the billing/invoice in the accounts receivable ledger on a timely basis.
- The Payroll/Accounts Manager posts the accounts receivable ledger to the general ledger on a timely basis, utilizing the billing/invoice copies.

- The Payroll/Accounts Manager reconciles the accounts receivable ledger to the general ledger on a monthly basis.
- The Payroll/Accounts Manager prepares a status report on all outstanding receivables, on a monthly basis, and submits the report to the Executive Director.
- Department heads supervising the activity where payment is outstanding are responsible for invoices older than 30 days. The Membership Services Coordinator, with support of the Receptionist, initiates procedures for collection on accounts past due 30 days or more.
- All receivables records are maintained in a locked file cabinet.

Accounts Payable

- All invoices are submitted to the Payroll/Accounts Manager. Payroll /Accounts Manager matches invoices with outstanding Purchase Orders for payment.
- The Payroll/Accounts Manager records all invoices in the accounts payable ledger immediately upon receipt, and places the invoices in the unpaid open invoice file.
- Invoices not having a matching Purchase Order on file, or issued from unfamiliar or unusual vendors, must be reviewed by the Executive Director for approval.
- All payments are immediately recorded in the accounts payable ledger by the Payroll/Accounts Manager.
- The accounts payable ledger is reconciled with the general ledger by the Payroll/Accounts Manager on a monthly basis.

Petty Cash Fund

- The Petty Cash Fund is maintained on an imprest system.
- The Payroll/Accounts Manager will act as the custodian of the petty cash fund.
- Before receiving petty cash, employees must sign a petty cash voucher. The petty cash voucher must list the amount received, the purpose for which the cash is needed, and the date of the purchase. In addition, receipts for goods/services purchased must be attached to the petty cash voucher.
- No petty cash advances to employees are authorized for personal reasons.
- Petty cash disbursements must be authorized by the Executive Director.
- Petty cash disbursements are limited to \$20 and are authorized in circumstances where processing of Purchase Order is not feasible.
- The Payroll/Accounts Manager must submit a check request for reimbursement of the petty cash fund to the Executive Director. All petty cash vouchers used must be attached to the check request as supporting documentation.
- Reimbursement checks for the petty cash fund must be issued to "Petty Cash" and may only be cashed by the Payroll/Accounts Manager.
- The Executive Director and/or the Treasurer will conduct surprise counts of the petty cash funds periodically.
- The petty cash fund will be kept in a fire-resistant box, located in a locked file cabinet.

Fund Transfers

The electronic exchange (transfer of money from one bank account to another), either within a single financial institution or across multiple institutions, shall only be submitted by the Accounts/Payroll Manager after receiving authorization from the Board of Directors.

Business Record Retention Schedule

ACCOUNTING AND FISCAL	YEARS	CORPORATE	YEARS
Accounts Payable Records	5	Annual Reports	P
Accounts Receivable	5	Bonds	P
Audit Reports	P	Budgets	5
Audit Reports (Internal)	5	Contracts (After Expiration)	5
Bank Statements	5	Copyrights	P
Canceled Checks	10	Correspondence	3
Check Registers	P	Correspondence (Legal)	P
Deposit Slip Duplicates	5	Insurance Policies (After Exp.)	5
Expense Analysis	7	Inventories	10
Financial Statements	P	Leases (After Expiration)	5
Fixed Assets Records	P	Legal Briefs	P
General Ledgers	P	Licenses	P
Invoices	10	Merger Acquisition	N/A
Journals/Cash Books	10	Minutes	P
Payroll Records	5	Office Eqpt.	5
		Patents	P
		Profit & Loss Statements	P
		Property Records	P
		Trademark Records	P
Contracts (After Termination)	5		
Earnings Records	N/A		
Employee Personnel Files	5	TAXATION	
Employee Applications	5		
Insurance Records	P	Annuity or Deferred Pmt. Plan	P
Retirement & Pension Plans	P	Depreciation Schedules	P
Time Cards	5	Employee Withholding	7
Training Manuals	P	Tax Bills & Statements	P
Travel Records	5	Tax Returns & Work Papers	P

KEY: (Numerals indicate number of years records should be stored, P = Permanently)

Computer Controls

- The Payroll/Accounts Manager is responsible for inputting the financial data into the computer for generating financial reports. Only the Payroll/Accounts Manager will have access to the password required to log onto the system.
- Batch totals are calculated prior to input and compared to batch totals calculated by the system. Any errors made during the inputting of information will be corrected.
- Detailed printouts of cash receipts and cash disbursements are to be obtained. The Payroll/Accounts Manager is responsible for comparing the detailed printouts to source documents for accuracy.
- All subsidiary account balances are reconciled to the control accounts monthly.
- A trial balance on the general ledger totals should be obtained and compared to detailed reports for accuracy of balances.

EXHIBIT

6

2025 City of Laredo- Hotel Motel Funding Application
Agency Budget Description (5 Points)

ALL Expenditures

Line-Item (Actual expenditures)	2024-2025 (Actual)	2025-2026 (Estimated)	To be funded by Third Party Funding
Advertisement	\$14,000	\$20,000	\$6,000
Promo Materials	\$19,000	\$20,000	\$3,000
Prizes/Awards	\$30,000	\$30,000	\$10,000
Materials & Supplies	\$3,500	\$3,500	
Staff	\$40,000	\$42,000	\$12,000
Printing	\$5,800	\$6,500	\$500
Contract Labor	\$3,000	\$3,000	
Website & Social Media	\$6,000	\$6,000	\$3,500
Equipment	\$10,000	\$10,000	
Postage	\$2,000	\$2,000	
Award Ceremony	\$18,000	\$20,000	
Space/ Utilities	\$32,000	\$34,000	
Other	\$1,300	\$1,500	
Total Expenditures:	\$184,600	\$198,500	\$35,000