

Beef Promotion and Research Council of Texas

COUNCIL MEETING

AUGUST 2025



Improve Texas producer profitability
by strengthening and expanding demand.

**BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
(BPRCT)**

Council Meeting

**Austin, Texas
Thursday, August 21, 2025
9:00 AM**

AGENDA

1. Call to Order and Establish Quorum

2. Approval of Minutes

3. Public Comment

4. Discussion and Possible Action Items:

- A. Approve Reimbursements to Texas Beef Council (TBC)
- B. Approve FY25 Budget Amendment
- C. Approve Assessment Rate for FY26
Audit & Budget Committee Report
- D. Accept Financial Statements
- E. Approve FY26 Budget
Nominating Committee Report
- F. Elect Officers and Executive Committee
Additional Action
- G. Review and Approve FY26 Audit & Budget Committee
- H. Approve Memorandum of Agreement with TBC for FY26

5. Other Reports and Updates

- A. Collections/Refund Report
- B. Quarterly Update on Investments

6. Discussion of Other Business

Acknowledgment and Placement on the Agenda for the Next Meeting

7. Discussion and Possible Action on Future Meeting Dates

Next Meeting Dates – FY26

- i. November 20, 2025 (November 19 – New Director Orientation)
- ii. February 12, 2026 (Virtual)
- iii. June 4, 2026
- iv. August 20, 2026

8. Adjourn

MINUTES

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

Council Meeting Meeting Report

Chairman's Name: Pat Shields
Meeting Time/Date: 9:00 AM, Thursday, June 5, 2025
Meeting Place: Texas Beef Council, Austin, Texas

Roll Call

Directors:

Amy Kirkland, Brandi Richards, Brian Malaer, Dane Elliott, Fred Scheutze, George Harrison, James Uhl, John Connaway, Kara Dudley, Kerry Wiggins, Klazina de Boer, Leslie Callahan, Marsha Shoemaker, Pat Shields, Richard Winter, Sarah McKenzie, Shannon Treichel

Guests:

Patrick Dudley, Tim Neidecken, Debbie Gill, Selwyn Jones, Linda Thorman

Staff:

Adriana Mora, Amy Foster, Brooke Kaiser, Cheryl Clark, Cheyenne Pierce, Elise Stovall, Jennifer Matison, Kaleb McLaurin, Kathleen Pickett, Kaylee Greiner, Kelley Wirtz, Maggie Davis, Michael Loeffler, Molly McAdams, Nancy Allender, Rachel Chou

Decisions Made

Chairman called the meeting to order and established a quorum.

Approved the minutes of the February 13, 2025, Council meeting

Motion by George Harrison Second by Fred Schuetze Motion Passed

Approved Action Item A – Approve Reimbursements to Texas Beef Council

Motion by Brandi Richards Second by Brian Malaer Motion Passed

Approved Action Item B – Amend FY25 Budget

Motion by Kerry Wiggins Second by Fred Schuetze Motion Passed

Approved Action Item C – Accept Financial Statements

Motion by Brandi Richards Second by George Harrison Motion Passed

Approved Action Item D – Approve Nominating Committee

Motion by John Connaway Second by Dane Elliott Motion Passed

Approved Action Item E – Approve Check Signers

Motion by Fred Schuetze Second by George Harrison Motion Passed

Other Reports and Updates

Collection / Refund Report

Pat Shields called on Nancy Allender to review the collections report contained in the Council book. Allender noted that year-to-date Checkoff collections through April

2025 were \$58,283 or 1.10% higher than the year-to-date budget. Year-to-date refunds were 5.42% of collections.

Quarterly Update on Investments

Pat Shields requested Council members to note the quarterly investment report in the Council book.

Future Meeting Dates

The Council meeting dates for FY25 will be on:
August 21, 2025 (Austin)

Future Agenda:

None

Adjourn

Meeting Adjourned at 9:23 AM

Report Submitted by:

Pat Shields

Date Submitted: August 22, 2025
Distribution: Council Members

BPRCT ACTION ITEM: A

Approve Reimbursements to TBC

Action Item:

Formally approve actions taken by the Treasurer to reimburse expenses incurred by TBC for programs conducted in accordance with the BPRCT-TBC Memorandum of Agreement.

Background:

In accordance with the terms of the BPRCT-TBC Memorandum of Agreement, TBC provides administrative and collection services and conducts programs for BPRCT in compliance with the BPRCT FY25 Marketing Plan and Budget. The TBC presents monthly invoices to the Treasurer reflecting BPRCT's share of the cost of providing these services. Upon determining if the amounts presented in the invoice are in accordance with the Marketing Plan and Budget, the Treasurer will approve the payment of the invoice. At its next regular meeting, BPRCT shall consider and act upon any TBC invoices paid by the action of the Treasurer.

Rationale:

Excerpts from Texas Agriculture Code:

Sec. 41.060. Depository Bank; Expenditure Of Funds

(a) The secretary-treasurer shall deposit all money received by the board under this chapter, including assessments, donations from persons, and grants from governmental agencies, in a bank selected by the board.

(b) Money received by the board may be expended for any purpose under this chapter.

(c) Funds assessed and collected under this chapter may not be expended for use directly or indirectly to promote or oppose the election of any candidate for public office or to influence legislation.

Financial Impact:

\$1,228,467.89 in reimbursements were invoiced for May through June 2025.

TBC INVOICE SUMMARY

Summary of Charges Through June 2025

	Staff Time (Hours)	Implementation Cost Allocation	Direct Cost	TOTAL
Consumer Marketing	6,184.0	\$ 539,297.13	\$ 1,845,760.00	\$ 2,385,057.13
Nutrition & Health	1,850.3	158,785.76	890,435.50	1,049,221.26
Channel Marketing	2,054.5	171,240.57	112,431.29	283,671.86
Issues & Reputation Management	1,387.2	129,299.88	74,358.77	203,658.65
Producer Communications	2,706.0	222,698.26	241,678.08	464,376.34
Beef Quality & Beef Safety	447.5	43,810.02	265.99	44,076.01
Export Market Development	311.6	29,212.23	42,974.01	72,186.24
Collections & Compliance	1,214.9	87,041.64	19,476.01	106,517.65
Administration & Accounting	2,916.7	354,132.23	-	354,132.23
	<u>19,072.8</u>	<u>1,735,517.72</u>	<u>3,227,379.65</u>	<u>4,962,897.37</u>

Year to Date Invoice Summary

	Amount Invoiced				FY25 Budget	Budget Remaining
	May	June	Prior Months	Total		
Consumer Marketing	\$ 286,992.67	\$ 313,785.09	\$ 1,784,279.37	\$ 2,385,057.13	\$ 4,603,900.00	\$ 2,218,842.87
Nutrition & Health	100,590.68	141,008.12	807,622.46	1,049,221.26	1,851,500.00	802,278.74
Channel Marketing	26,947.86	22,301.07	234,422.93	283,671.86	738,300.00	454,628.14
Issues & Reputation Management	34,656.81	32,831.64	136,170.20	203,658.65	278,600.00	74,941.35
Producer Communications	42,547.70	82,652.60	339,176.04	464,376.34	775,000.00	310,623.66
Beef Quality & Beef Safety	7,090.89	7,734.89	29,250.23	44,076.01	167,600.00	123,523.99
Export Market Development	15,345.12	8,359.42	48,481.70	72,186.24	383,300.00	311,113.76
Collections & Compliance	13,088.90	11,795.65	81,633.10	106,517.65	207,600.00	101,082.35
Administration & Accounting	42,975.43	37,763.35	273,393.45	354,132.23	500,200.00	146,067.77
	<u>570,236.06</u>	<u>658,231.83</u>	<u>3,734,429.48</u>	<u>4,962,897.37</u>	<u>9,506,000.00</u>	<u>4,543,102.63</u>

Total - May 2025 through June 2025

1,228,467.89

TBC/BPRCT EXPENSE ALLOCATIONS

YEAR-TO-DATE THROUGH JUNE 30, 2025

Dept	Tactic	Tactic Description	Allocation Percentage		Direct Program Expenses			Program Implementation			Total		
			TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT
2100	2197	TBC Administration	100.000%	0.000%	-	-	-	23,396.43	23,396.43	-	23,396.43	23,396.43	-
2100	2198	BPRCT Administration	0.000%	100.000%	-	-	-	8,101.70	-	8,101.70	8,101.70	-	8,101.70
2100	2199	Combined Administration	50.000%	50.000%	-	-	-	375,932.37	187,966.18	187,966.19	375,932.37	187,966.18	187,966.19
		Administration			-	-	-	407,430.50	211,362.61	196,067.89	407,430.50	211,362.61	196,067.89
2200	2297	TBC Accounting	100.000%	0.000%	-	-	-	5,067.88	5,067.88	-	5,067.88	5,067.88	-
2200	2298	BPRCT Accounting	0.000%	100.000%	-	-	-	2,933.85	-	2,933.85	2,933.85	-	2,933.85
2200	2299	Combined Accounting	50.000%	50.000%	-	-	-	310,260.97	155,130.48	155,130.49	310,260.97	155,130.48	155,130.49
		Accounting			-	-	-	318,262.70	160,198.36	158,064.34	318,262.70	160,198.36	158,064.34
2300	2311	Collection Activities	50.000%	50.000%	25,491.66	12,745.83	12,745.83	35,355.55	17,677.77	17,677.78	60,847.21	30,423.60	30,423.61
2300	2312	Compliance Activities	50.000%	50.000%	103.51	51.76	51.75	10,338.94	5,169.47	5,169.47	10,442.45	5,221.23	5,221.22
2300	2313	Field Staff Activities	50.000%	50.000%	11,780.36	5,890.18	5,890.18	46,318.27	23,159.13	23,159.14	58,098.63	29,049.31	29,049.32
2300	2314	Texas Checkoff Refunds	0.000%	100.000%	788.25	-	788.25	16,725.29	-	16,725.29	17,513.54	-	17,513.54
2300	2397	TBC Program Implementation	100.000%	0.000%	-	-	-	-	-	-	-	-	-
2300	2398	BPRCT Program Implementation	0.000%	100.000%	-	-	-	-	-	-	-	-	-
2300	2399	Combined Program Implementation	37.500%	62.500%	-	-	-	38,895.93	14,585.97	24,309.96	38,895.93	14,585.97	24,309.96
		Collections & Compliance			38,163.78	18,687.77	19,476.01	147,633.98	60,592.34	87,041.64	185,797.76	79,280.11	106,517.65
3100	3111	Retail Engagement	13.755%	86.245%	76,615.92	10,538.65	66,077.27	79,585.82	10,947.17	68,638.65	156,201.74	21,485.82	134,715.92
3100	3112	Industry Meetings & Planning	13.755%	86.245%	7,076.53	973.39	6,103.14	6,077.33	835.95	5,241.38	13,153.86	1,809.34	11,344.52
3100	3199	Combined Program Implementation	14.070%	85.930%	-	-	-	22,608.06	3,450.94	19,157.12	22,608.06	3,450.94	19,157.12
		Retail			83,692.45	11,512.04	72,180.41	108,271.21	15,234.06	93,037.15	191,963.66	26,746.10	165,217.56
3200	3211	Foodservice Education	13.755%	86.245%	46,670.49	6,419.61	40,250.88	82,687.57	11,373.82	71,313.75	129,358.06	17,793.43	111,564.63
3200	3299	Combined Program Implementation	14.070%	85.930%	-	-	-	8,321.01	1,431.34	6,889.67	8,321.01	1,431.34	6,889.67
		Foodservice			46,670.49	6,419.61	40,250.88	91,008.58	12,805.16	78,203.42	137,679.07	19,224.77	118,454.30
4100	4111	Beef Loving Texans Store	100.000%	0.000%	1,731.16	1,731.16	-	18,002.51	18,002.51	-	19,733.67	19,733.67	-
4100	4112	BLT Branding & Promotions	13.755%	86.245%	476,048.93	65,481.35	410,567.58	135,725.32	18,669.25	117,056.07	611,774.25	84,150.60	527,623.65
4100	4113	BLT Paid Advertising	13.755%	86.245%	875,950.71	120,488.53	755,462.18	4,325.89	595.03	3,730.86	880,276.60	121,083.56	759,193.04
4100	4116	Industry Meetings & Planning	13.755%	86.245%	9,524.84	1,310.16	8,214.68	12,493.49	1,718.50	10,774.99	22,018.33	3,028.66	18,989.67
4100	4121	BLT Earned Media	13.755%	86.245%	96,248.85	13,239.19	83,009.66	5,321.09	731.93	4,589.16	101,569.94	13,971.12	87,598.82
4100	4126	BLT Content	13.755%	86.245%	31,281.35	4,302.80	26,978.55	63,942.78	8,795.44	55,147.34	95,224.13	13,098.24	82,125.89
4100	4131	BLT Brand Activation	13.755%	86.245%	550,050.82	75,660.44	474,390.38	153,609.44	21,129.24	132,480.20	703,660.26	96,789.68	606,870.58
4100	4132	Brand Partnerships	13.755%	86.245%	10,977.66	1,510.00	9,467.66	2,881.51	396.36	2,485.15	13,859.17	1,906.36	11,952.81
4100	4133	Information Dissemination	13.755%	86.245%	90,056.78	12,387.47	77,669.31	16,146.30	2,220.95	13,925.35	106,203.08	14,608.42	91,594.66
4100	4199	Combined Program Implementation	14.070%	85.930%	-	-	-	233,156.69	34,048.68	199,108.01	233,156.69	34,048.68	199,108.01
		Consumer Marketing			2,141,871.10	296,111.10	1,845,760.00	645,605.02	106,307.89	539,297.13	2,787,476.12	402,418.99	2,385,057.13
4200	4216	Industry Meetings & Planning	13.755%	86.245%	3,911.31	538.01	3,373.30	-	-	-	3,911.31	538.01	3,373.30
4200	4222	Health Professional Outreach	13.755%	86.245%	71,934.98	9,894.78	62,040.20	15,169.27	2,086.56	13,082.71	87,104.25	11,981.34	75,122.91
4200	4224	Medical Office Outreach	13.755%	86.245%	897,771.49	123,490.01	774,281.48	13,642.81	1,876.59	11,766.22	911,414.30	125,366.60	786,047.70
4200	4225	Nutrition Content	13.755%	86.245%	6,772.96	931.63	5,841.33	14,057.28	1,933.60	12,123.68	20,830.24	2,865.23	17,965.01
4200	4234	Consumer Nutrition Education	13.755%	86.245%	52,060.15	7,160.96	44,899.19	37,407.63	5,145.48	32,262.15	89,467.78	12,306.44	77,161.34
4200	4299	Combined Program Implementation	14.070%	85.930%	-	-	-	104,508.62	14,957.62	89,551.00	104,508.62	14,957.62	89,551.00
		Nutrition & Health			1,032,450.89	142,015.39	890,435.50	184,785.61	25,999.85	158,785.76	1,217,236.50	168,015.24	1,049,221.26
5100	5111	Crisis Communications	100.000%	0.000%	-	-	-	-	-	-	-	-	-
5100	5112	Industry Advocacy	13.755%	86.245%	25,738.06	3,540.31	22,197.75	37,546.57	5,164.60	32,381.97	63,284.63	8,704.91	54,579.72
5100	5113	Issues & Reputation Management	13.755%	86.245%	1,894.03	260.53	1,633.50	27,551.36	3,789.74	23,761.62	29,445.39	4,050.27	25,395.12
5100	5115	Production Content	13.755%	86.245%	58,400.78	8,033.13	50,367.65	13,174.88	1,812.23	11,362.65	71,575.66	9,845.36	61,730.30
5100	5116	AgriLife Extension Engagement	13.755%	86.245%	185.37	25.50	159.87	5,918.78	814.14	5,104.64	6,104.15	839.64	5,264.51

TBC/BPRCT EXPENSE ALLOCATIONS

YEAR-TO-DATE THROUGH JUNE 30, 2025

Dept	Tactic	Tactic Description	Allocation Percentage		Direct Program Expenses			Program Implementation			Total		
			TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT	Total	TBC	BPRCT
5100	5199	Combined Program Implementation	14.070%	85.930%	-	-	-	66,280.05	9,591.05	56,689.00	66,280.05	9,591.05	56,689.00
		Issues & Reputation Management			86,218.24	11,859.47	74,358.77	150,471.64	21,171.76	129,299.88	236,689.88	33,031.23	203,658.65
6100	6111	Producer Direct Communications	13.755%	86.245%	56,271.13	7,740.19	48,530.94	164,526.59	22,630.92	141,895.67	220,797.72	30,371.11	190,426.61
6100	6112	Producer Assets	13.755%	86.245%	11,424.33	1,571.44	9,852.89	7,985.84	1,098.47	6,887.37	19,410.17	2,669.91	16,740.26
6100	6113	Producer Influencer Communications	13.755%	86.245%	21,351.73	2,936.97	18,414.76	9,684.36	1,332.10	8,352.26	31,036.09	4,269.07	26,767.02
6100	6115	Industry Meetings & Planning	13.755%	86.245%	2,209.09	303.86	1,905.23	18,866.03	2,595.05	16,270.98	21,075.12	2,898.91	18,176.21
6100	6116	Producer Earned Media	13.755%	86.245%	16,313.94	2,244.01	14,069.93	1,360.09	187.08	1,173.01	17,674.03	2,431.09	15,242.94
6100	6117	Producer Paid Media	13.755%	86.245%	118,254.58	16,266.12	101,988.46	-	-	-	118,254.58	16,266.12	101,988.46
6100	6118	Producer Strategy	13.755%	86.245%	54,398.47	7,482.60	46,915.87	9,401.61	1,293.21	8,108.40	63,800.08	8,775.81	55,024.27
6100	6199	Combined Program Implementation	14.070%	85.930%	-	-	-	47,338.72	7,328.15	40,010.57	47,338.72	7,328.15	40,010.57
		Producer Communications			280,223.27	38,545.19	241,678.08	259,163.24	36,464.98	222,698.26	539,386.51	75,010.17	464,376.34
7100	7111	Beef Quality Assurance	13.755%	86.245%	(14,554.17)	(2,001.95)	(12,552.22)	29,714.87	4,087.33	25,627.54	15,160.70	2,085.38	13,075.32
7100	7112	AgriLife BQA Travel	0.000%	100.000%	9,676.33	-	9,676.33	-	-	-	9,676.33	-	9,676.33
7100	7113	Industry Meetings & Planning	13.755%	86.245%	1,271.07	174.84	1,096.23	2,576.04	354.34	2,221.70	3,847.11	529.18	3,317.93
7100	7131	Beef Quality & Safety Research	13.755%	86.245%	2,371.91	326.26	2,045.65	8,485.95	1,167.26	7,318.69	10,857.86	1,493.52	9,364.34
7100	7199	Combined Program Implementation	10.553%	89.447%	-	-	-	9,805.30	1,163.21	8,642.09	9,805.30	1,163.21	8,642.09
		Beef Quality & Beef Safety			(1,234.86)	(1,500.85)	265.99	50,582.16	6,772.14	43,810.02	49,347.30	5,271.29	44,076.01
8100	8111	USMEF Programs	13.755%	86.245%	49,827.93	6,853.92	42,974.01	29,948.39	4,119.45	25,828.94	79,776.32	10,973.37	68,802.95
8100	8112	International Industry Meetings	100.000%	0.000%	6,382.71	6,382.71	-	10,768.81	10,768.81	-	17,151.52	17,151.52	-
8100	8199	Combined Program Implementation	57.035%	42.965%	-	-	-	8,094.19	4,710.90	3,383.29	8,094.19	4,710.90	3,383.29
		Export Market Development			56,210.64	13,236.63	42,974.01	48,811.39	19,599.16	29,212.23	105,022.03	32,835.79	72,186.24
Grand Total					3,764,266.00	536,886.35	3,227,379.65	2,412,026.03	676,508.31	1,735,517.72	6,176,292.03	1,213,394.66	4,962,897.37

BPRCT ACTION ITEM: B

Amend FY25 Budget

Action Item:

Approval of an amendment to the FY25 budget.

Background:

In July 2025, the TBC Executive Committee approved budget redirections to move budgeted funds from program areas projected to be under budget by year-end to program areas projected to be over budget. These budget redirections do not change budgeted total revenue or total expenses. Because TBC and BPRCT share the costs of programs contained in the plan and budget, TBC requests that BPRCT amend its budget for FY25 to accommodate the proposed program changes.

Rationale:

The BPRCT approved a budget for FY25 based on a plan presented by TBC, which conducts programs for BPRCT in accordance with the terms of the BPRCT-TBC Memorandum of Agreement. If TBC proposes changes to the plan that would impact the BPRCT budget and the sharing of program costs, BPRCT must consider whether or not it will approve an amendment to its budget. The BPRCT budget and any amendments to it must be approved by the Texas Department of Agriculture Commissioner.

Financial Impact:

None

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
FY25 Budget

	<u>Amended Budget</u>	<u>Proposed Amendment</u>	<u>Proposed Amended Budget</u>
REVENUES			
Checkoff Assessments	\$ 9,205,000	\$ -	\$ 9,205,000
Less: Refunds	<u>(552,300)</u>	<u>-</u>	<u>(552,300)</u>
Checkoff Assessments, Net	8,652,700	-	8,652,700
Investment Revenues	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>8,902,700</u>	<u>-</u>	<u>8,902,700</u>
EXPENSES			
Promotion	3,850,900	195,400	4,046,300
Research	18,000	(900)	17,100
Education	4,862,800	(194,800)	4,668,000
Administration	<u>793,300</u>	<u>300</u>	<u>793,600</u>
	<u>9,525,000</u>	<u>-</u>	<u>9,525,000</u>
EXPENSES IN EXCESS OF REVENUE	<u>(622,300)</u>	<u>-</u>	<u>(622,300)</u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

FY25 Budget Summary

	<u>Original Budget</u>	<u>Proposed Amendment</u>	<u>Amended Budget</u>
REVENUES			
Checkoff Assessments	\$ 9,205,000		\$ 9,205,000
Less: Refunds	<u>(552,300)</u>	-	<u>(552,300)</u>
Checkoff Assessments, Net	8,652,700	-	8,652,700
Investment Revenues	<u>250,000</u>	-	<u>250,000</u>
	<u>8,902,700</u>	-	<u>8,902,700</u>
EXPENSES			
In-state TBC Contract Expenses			
Direct Program Expenses			
Marketing			
Consumer Marketing	3,991,700	147,800	4,139,500
Nutrition & Health	1,508,400	(68,100)	1,440,300
Beef Resources			
Channel Marketing	236,200	(42,900)	193,300
Issues & Reputation Management	106,500	2,200	108,700
Producer Communications	434,600	(26,000)	408,600
Beef Quality & Beef Safety	65,200	(8,600)	56,600
Export Market Development	366,500	300	366,800
Collections & Compliance	<u>69,500</u>	<u>(4,600)</u>	<u>64,900</u>
	6,778,600	100	6,778,700
Program Implementation	<u>2,727,400</u>	<u>(100)</u>	<u>2,727,300</u>
	<u>9,506,000</u>	-	<u>9,506,000</u>
Other			
Administration	<u>19,000</u>	-	<u>19,000</u>
	<u>9,525,000</u>	-	<u>9,525,000</u>
REVENUE IN EXCESS OF EXPENSES	<u>(622,300)</u>	-	<u>(622,300)</u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
TDA Expense Classifications

	FY25 BUDGET			EXPENSE CLASSIFICATIONS				
	Direct	Implementation	Total	Promotion	Research	Education	Administration	Total
REVENUES								
Checkoff Assessments			9,205,000					
Less: Remittances to the Beef Board								
Less: Refunds			(552,300)					
Checkoff Assessments, Net of Refunds			8,652,700					
Interest Revenue			250,000					
			8,902,700					
EXPENSES								
Direct Program Expenses								
Marketing								
Consumer Marketing	4,139,500	860,000	4,999,500	3,527,200	-	1,472,300	-	4,999,500
Nutrition & Health	1,440,300	271,600	1,711,900	-	-	1,711,900	-	1,711,900
	5,579,800	1,131,600	6,711,400					
Beef Resources								
Channel Marketing	193,300	272,100	465,400	-	-	465,400	-	465,400
Issues & Reputation Management	108,700	198,700	307,400	-	-	307,400	-	307,400
Producer Communications	408,600	317,500	726,100	122,700	-	603,400	-	726,100
Beef Quality & Beef Safety	56,600	68,100	124,700	-	17,100	107,600	-	124,700
Export Market Development	366,800	29,600	396,400	396,400	-	-	-	396,400
	1,134,000	886,000	2,020,000					
Collections & Compliance	64,900	144,100	209,000	-	-	-	209,000	209,000
Administration		565,600	565,600	-	-	-	565,600	565,600
	6,778,700	2,727,300	9,506,000					
Other								
Administration	19,000	-	19,000	-	-	-	19,000	19,000
	6,797,700	2,727,300	9,525,000	4,046,300	17,100	4,668,000	793,600	9,525,000
EXPENSES IN EXCESS OF REVENUE			(622,300)					

BPRCT ACTION ITEM: C

Approve Assessment Rate for FY26

Action Item:

Set the assessment rate for FY26 at the maximum rate of \$1.00 per head, as approved by referendum vote in June 2014.

Background:

Excerpts from Texas Agriculture Code:

Sec. 41.058. Powers and Duties.

(d) The Board shall set the rate of the assessment. The rate may not exceed the maximum established in the election authorizing the assessment or a subsequent election establishing a maximum rate.

Rationale:

Excerpt from referendum ballot:

If approved, a refundable maximum assessment of \$1.00 per head will be collected by the Beef Promotion and Research Council of Texas (BPRCT). The BPRCT will set the assessment rate each year. The assessment will be used for promotion, marketing, research and educational efforts regarding beef and beef products.

"A non-producer is not subject to this assessment and not eligible to vote in this referendum. A non-producer is defined as (a) the person's only share in the proceeds of a sale of cattle or beef is a sales commission, handling fee, or other service fee; or (b) the person: (i) acquired ownership of cattle to facilitate the transfer of ownership of such cattle from the seller to a third party; (ii) resold such cattle no later than ten days from the date on which the person acquired ownership."

Financial Impact:

\$8.245 million annually, before refunds.

BPRCT ACTION ITEM: D

Accept Financial Statements

Action Item:

Review and accept the year-to-date financial statements presented through June 2025 using the modified cash basis of accounting.

Background:

The attached financial reports present year-to-date revenues and expenses compared to the budget.

Rationale:

Council members routinely review, understand, and approve the financial reports of BPRCT.

Financial Impact:

None.

Staff Impact:

Approximately 4 hours to prepare the monthly financial statements.



To: Council Members

From: Nancy Allender

Re: June 2025 Financial Statements

Included in this booklet are the BPRCT financial statements and related schedules prepared on the modified cash basis for June 2025. Items to note are as follows:

Statement of Activities – Comparative

- June 2025 Checkoff revenues were lower than in previous years, specifically by about \$34,600 compared to June 2024 and \$96,500 compared to June 2023.
- Year-to-date FY25 Checkoff revenues show a more substantial decline, approximately \$368,900 less than FY24 and \$717,100 less than FY23.
- June 2025 refunds decreased by roughly \$1K from June 2024 and \$3,600 from June 2023.
- Year-to-date FY25 refunds are also down, approximately \$33,800 less than FY24 and \$56,800 less than FY23.

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statements of Financial Position
(Modified Cash Basis)

	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/23</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,781,915	\$ 537,796	\$ 1,447,002
Investments	5,396,667	5,489,836	4,026,899
Receivable from Texas Beef Council	<u>874,804</u>	<u>909,410</u>	<u>971,337</u>
	<u><u>\$ 8,053,386</u></u>	<u><u>\$ 6,937,042</u></u>	<u><u>\$ 6,445,238</u></u>
 LIABILITIES & NET ASSETS			
Current Liabilities			
Payable to Texas Beef Council	\$ 658,760	\$ 504,304	\$ 816,134
Accounts Payable	<u>-</u>	<u>(2)</u>	<u>-</u>
	658,760	504,302	816,134
 Net Assets			
Unrestricted Net Assets	<u>7,394,626</u>	<u>6,432,740</u>	<u>5,629,104</u>
	<u><u>\$ 8,053,386</u></u>	<u><u>\$ 6,937,042</u></u>	<u><u>\$ 6,445,238</u></u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statement of Activities - Comparative
(Modified Cash Basis)

	One Month Period Ended			Year-to-Date Through		
	6/30/25	6/30/24	6/30/23	6/30/25	6/30/24	6/30/23
REVENUES						
Checkoff Revenues						
Texas Checkoff Revenues	\$ 874,096	\$ 909,366	\$ 971,278	\$ 6,952,990	\$ 7,321,284	\$ 7,669,582
Late Fees	708	44	59	7,647	8,295	8,151
	<u>874,804</u>	<u>909,410</u>	<u>971,337</u>	<u>6,960,637</u>	<u>7,329,579</u>	<u>7,677,733</u>
Less: Refunds	(34,010)	(34,864)	(37,614)	(323,790)	(357,577)	(380,555)
	<u>840,794</u>	<u>874,546</u>	<u>933,723</u>	<u>6,636,847</u>	<u>6,972,002</u>	<u>7,297,178</u>
Interest	23,893	24,645	19,700	215,221	221,460	137,260
	<u>864,687</u>	<u>899,191</u>	<u>953,423</u>	<u>6,852,068</u>	<u>7,193,462</u>	<u>7,434,438</u>
EXPENSES						
In-State Programs						
Marketing						
Consumer Marketing	313,785	195,762	522,800	2,385,057	3,053,662	3,297,735
Nutrition & Health	141,008	118,994	119,365	1,049,221	1,200,893	1,149,484
	<u>454,793</u>	<u>314,756</u>	<u>642,165</u>	<u>3,434,278</u>	<u>4,254,555</u>	<u>4,447,219</u>
Beef Resources						
Channel Marketing	22,301	35,134	28,260	283,672	438,743	534,730
Issues & Reputation Mgmt	32,832	20,426	15,622	203,659	159,558	77,158
Producer Communications	82,653	54,374	45,547	464,376	468,896	552,617
Beef Quality & Beef Safety	7,734	11,594	14,122	44,076	77,428	122,541
Export Market Development	8,360	12,914	20,767	72,186	128,816	57,749
	<u>153,880</u>	<u>134,442</u>	<u>124,318</u>	<u>1,067,969</u>	<u>1,273,441</u>	<u>1,344,795</u>
Collections & Compliance	11,795	14,332	15,390	106,518	135,425	150,025
Administration	38,098	41,098	34,646	371,827	385,774	323,385
	<u>658,566</u>	<u>504,628</u>	<u>816,519</u>	<u>4,980,592</u>	<u>6,049,195</u>	<u>6,265,424</u>
TOTAL INCREASE IN NET ASSETS	<u><u>\$ 206,121</u></u>	<u><u>\$ 394,563</u></u>	<u><u>\$ 136,904</u></u>	<u><u>\$ 1,871,476</u></u>	<u><u>\$ 1,144,267</u></u>	<u><u>\$ 1,169,014</u></u>

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
Statement of Activities - Actual vs Budget
(Modified Cash Basis)

	Year-to-Date Through 6/30/25	Annual Budget
REVENUES		
Checkoff Revenues		
Texas Checkoff Revenues	\$ 6,952,990	\$ 9,205,000
Late Fees	7,647	-
	<u>6,960,637</u>	<u>9,205,000</u>
Less: Refunds	(323,790)	(552,300)
	<u>6,636,847</u>	<u>8,652,700</u>
Interest	215,221	250,000
	<u>6,852,068</u>	<u>8,902,700</u>
 EXPENSES		
In-State Programs		
Marketing		
Consumer Marketing	2,385,057	4,603,900
Nutrition & Health	1,049,221	1,851,500
	<u>3,434,278</u>	<u>6,455,400</u>
Beef Resources		
Channel Marketing	283,672	738,300
Issues & Reputation Management	203,659	278,600
Producer Communications	464,376	775,000
Beef Quality & Beef Safety	44,076	167,600
Export Market Development	72,186	383,300
	<u>1,067,969</u>	<u>2,342,800</u>
Collections & Compliance	106,518	207,600
Administration	371,827	519,200
	<u>4,980,592</u>	<u>9,525,000</u>
 TOTAL INCREASE IN NET ASSETS	 <u><u>\$ 1,871,476</u></u>	 <u><u>\$ (622,300)</u></u>

BPRCT ACTION ITEM: E

Approve FY26 Plan & Budget

Action Item:

The Audit & Budget Committee recommends approval of the FY26 Plan and Budget for BPRCT. (See budget book for details.)

REVENUE

Checkoff Assessments	\$8,245,000
Allowance for Refunds (6.0%)	(494,700)
Investment Income	233,000
Total Revenue	<u>7,983,300</u>

EXPENSES

Direct Program	6,803,039
Program Implementation	2,388,961
Administration & Accounting	19,500
Total Expenses	<u>9,211,500</u>

EXPENSES IN EXCESS OF REVENUES	<u>(1,228,200)</u>
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Background:

The Committee met on May 5, 2025, to establish a revenue budget and set preliminary budget guidelines. The Committee met again on July 29, 2025, to review the proposed budget for FY26 and the related marketing plan proposed by TBC. The BPRCT is projected to end FY26 with net assets well in excess of the minimum required amount as approved and directed by the Council. Accordingly, the proposed budget for FY26 reflects expenses in excess of revenues in order to maintain programs at a high level while retaining net assets for future years when revenues are expected to be lower.

Rationale:

Excerpt from BPRCT Bylaws:

Article VII, Section 2. Audit and Budget Committee

(c) recommend to the Council a budget for the fiscal year.

Excerpts from Texas Agriculture Code:

Sec. 41.161. Financial Oversight

(a) The commissioner shall annually review and approve the council's operating budget for the funds collected under this subchapter.

Financial Impact:

See budget booklet.

BPRCT ACTION ITEM: F

Elect Officers and Executive Committee

Action Item:

The Nominating Committee recommends the following individuals to serve as officers and members of the Executive Committee for FY26:

Chairman: Brandi Richards

Vice-Chairman: Shannon Treichel

Immediate Past Chairman: Pat Shields

Executive Committee: Brian Malaer

Executive Committee: Kara Dudley

Background:

The Nominating Committee, appointed by the Chairman and approved by the Council on June 5, 2025, consists of Immediate Past Chairman Fred Schuetze, Marsha Shoemaker, and Richard Winter. The Committee met on June 24, 2025, to consider candidates for Chairman, Vice Chairman / Secretary-Treasurer, and the Executive Committee.

Rationale:

Excerpt from BPRCT Bylaws:

Article VI, Officers and Administration

Sec 1. Qualification and Election

Officers shall assume office at the end of the meeting at which they are elected.

Sec 2. Chairman of the Council

The Chairman of the Council shall: (a) preside at meetings of the Council and the Executive Committee; (b) serve as an ex-officio member on all Council committees, except the Nominating Committee; and (c) perform other duties as are necessarily incident to the office of Chairman or as may be prescribed by the Council.

Sec 3. Vice-Chairman / Secretary-Treasurer

The Vice-Chairman shall also serve as Secretary-Treasurer and shall (a) preside at any meeting in the absence of the Chairman; (b) serve as Chairman of the Audit and Budget committee; (c) ensure a clear and accurate accounting of all financial accounts and records; (d) keep a record of the proceedings of the meetings of the Council, Executive Committee, and Audit and Budget Committee; and perform other duties assigned by the Chairman or the Council. The Vice-Chairman/Secretary-Treasurer, with approval of the Executive Committee, may delegate certain of these responsibilities to an agent of the council.

Article VII, Committees

Sec 1. Executive Committee

The Council shall elect an Executive Committee from nominations by the Nominating Committee. The Executive Committee may act for and on behalf of the Council, to the extent authorized during open meetings of the Council. The Executive Committee shall be composed of five members, including the Chairman, Vice-Chairman/Secretary-Treasurer, immediate Past Chairman of the Council and two additional Council members.

Excerpts from Texas Agriculture Code:

Sec. 41.054. Officers; Bond

(a) The board shall elect from its number a chairman, a secretary-treasurer, and other officers that it considers necessary.

Financial Impact:

None.

BPRCT ACTION ITEM: G

Review & Approve FY26 Audit & Budget Committee

Action Item:

The Chairman recommends approval of the appointment of the following directors to serve on the Audit & Budget Committee for FY26:

Shannon Treichel, Chairman
Kara Dudley
Pat Shields

Background:

The BPRCT Bylaws call for the Chairman to appoint an Audit & Budget Committee with the approval of the Council. The Committee is to consist of three Directors, including the Council Vice-Chairman, who shall serve as Chairman and sign major financial documents.

Rationale:

Excerpt from BPRCT Bylaws:

Article VII. Committees

Section 2. Audit and Budget Committee

The Council shall elect an Audit and Budget Committee from nominations by the Chairman. The Audit and Budget Committee shall: (a) cause and oversee an annual audit by an independent auditor; (b) assure accountability by reviewing and reporting to the Council on end-of-year activities, evaluations and finances; (c) recommend to the Council a budget for the fiscal year; and (d) recommend changes in independent auditors, as necessary. The Audit and Budget Committee shall consist of three Council members, including the Vice-Chairman / Secretary-Treasurer, who shall serve as chairman and sign major financial documents.

Financial Impact:

None.

BPRCT ACTION ITEM: H

Approve Memorandum of Agreement with TBC

Action Item:

Approve a Memorandum of Agreement between BPRCT and TBC for FY26.

Background:

Excerpt from Texas Agriculture Code:

Chapter 41 Commodity Producers Boards

Subchapter H. Texas Beef Marketing, Education, Research, and Promotion

Sec. 41.157. General Powers of Council.

The council may take action or exercise other authority as necessary to execute any act authorized by this chapter or the Texas Nonprofit Corporation Law as described by Section 1.008, Business Organizations Code. The council may contract or enter into agreements with the entity qualified to collect the proceeds of and administer the Beef Checkoff program established by federal law in this state.

Rationale:

This agreement contains the parameters for TBC in carrying out the administrative and collections responsibilities, as well as the marketing, education, research, and promotion efforts of the Texas State Beef Checkoff.

Financial Impact:

\$9,192,000

**MEMORANDUM OF AGREEMENT
BETWEEN
THE BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS
AND
THE TEXAS BEEF COUNCIL**

This is an agreement made as of October 1, 2025, between the Beef Promotion and Research Council of Texas (BPRCT), a Texas state board, and the Texas Beef Council (TBC), a Texas non-profit corporation.

Background

Pursuant to the federal Beef Promotion and Research Act of 1985 (the Act) (codified at 7 U.S.C. §§ 2901-2911), and the Beef Promotion and Research Order (the Order) (found at 7 C.F.R. Part 1260, § 1260.101 et seq.), a federal beef checkoff program was established to promote the marketing and consumption of beef and beef products in both domestic and international markets through research, education, marketing, and promotional activities. Section 1260.315 of the Order designates the Texas Beef Council as the qualified state beef council (QSBC) in the state of Texas. As the QSBC in Texas, TBC is responsible for collecting the federal beef checkoff funds authorized to be collected by the Act and the Order on cattle sold in Texas. The Act and the Order further authorize a QSBC, such as TBC, to conduct promotion, research, consumer information and industry information programs designed to maintain and expand domestic and foreign markets for beef and beef products.

In 2013, the Texas Beef Promotion and Research Council of Texas was authorized to establish a state beef checkoff program. Texas Agriculture Code, Chapter 41, Subchapter H, § 41.1571. Ag Code Section 41.152 designated BPRCT as the organization to collect the state beef checkoff funds and to administer a state beef checkoff program. Ag Code Section 41.157 further authorized BPRCT to contract or enter into agreements with the Texas Beef Council, the QSBC for the federal beef checkoff, wherein TBC would serve to execute, implement, and operate a state beef checkoff program.

The referendum authorizing the collection of the state beef checkoff was conducted June 2, 2014 through June 6, 2014. The Texas Department of Agriculture certified the results of the election July 2, 2014 as follows: 7060 valid votes cast, 4718 (67%) in favor of the state beef checkoff; 2362 (33%) against the proposition. The Department certified that the required number of votes to approve the checkoff was achieved in the referendum.

Therefore, because a statewide beef checkoff has been approved under Ag Code § 41.162, BPRCT desires to enter into this contract with TBC, the federal QSBC, setting forth the terms by which TBC shall assist in carrying out Texas beef checkoff programs relating to the marketing, education, research and promotion of beef and beef

products in Texas, the United States and international markets, including administrative costs.

I. General:

A. Definitions

The following terms are to be used throughout this Agreement, and shall be defined as follows.

1. *BPRCT Activities* “BPRCT Activities” means such individual projects relating to research, education, promotion, or marketing of beef or beef products that the BPRCT approves and directs TBC to implement and administer. BPRCT will provide TBC with guidelines regarding the amount of BPRCT resources to devote to particular BPRCT activities, as appropriate.
2. *Approved subcontractor* BPRCT acknowledges that for certain BPRCT Activities, TBC may need to hire third-party subcontractors to perform certain functions and to fully implement the BPRCT Activities.
3. *Research* “Research” means studies relative to the effectiveness of market development and promotion efforts, studies relating to the nutritional value of beef and beef products, other related food science research, and new product development.
4. *Education* “Education” means educational programs for beef consumers and beef producers including the following:
 - a. Consumer education means nutritional data and other information that will assist consumers and other persons in making evaluations and decisions regarding the purchase, preparation and use of beef and beef products.
 - b. Producer education means information and programs that will lead to the development of new markets, marketing strategies, increased efficiency, activities to enhance the image of the cattle industry, and educating and informing producers about the results of checkoff programs.
5. *Promotion* “Promotion” means any action, including paid advertising, to advance the image and desirability of beef and beef products with the express intent of improving the competitive position and stimulating sales of beef and beef products in the marketplace.
6. *Marketing* “Marketing” means all actions taken, including research, education and promotional activities, intended to increase the demand for and sales of beef and beef products.

B. Term and Termination

1. This agreement shall become effective as of October 1, 2024, and shall remain in effect until September 30, 2025, unless terminated or renewed earlier pursuant to the terms set out below. This agreement may be renewed for additional one-year terms ("Renewal Term(s)"), upon the mutual written consent of both parties to this agreement. It is the intent of the parties that renewal of this agreement shall be considered at the parties' respective August board meetings.
2. This agreement may be terminated prior to the ending date of the then-current term as set forth below:
 - a. Upon a material breach by either party, the non-breaching party shall provide written notice of the breach to the breaching party, and shall provide the breaching party 30 days' notice to cure said breach. In the event the breaching party fails to cure the breach within the 30-day time period, this agreement will be terminated, and the non-breaching party may pursue all available legal remedies.
 - b. Either party may terminate this Agreement prior to the end of the current term for any reason, upon 90 days' written notice to the other party of its intent to terminate the Agreement early.
 - c. The parties acknowledge that BPRCT is an organization authorized by and created pursuant to state statute. In the event state law governing the structure, funding, existence, and authority of the BPRCT is altered and BPRCT is unable to continue to abide by the terms of this agreement, BPRCT's inability to act will not be considered a breach by BPRCT. In such event, TBC's sole remedy shall be to cancel this agreement. BPRCT will deliver notice of any such change in state law to TBC within (30) days following the final enactment of such change to state law.
3. Both parties shall continue their performance under this agreement during any notice period.
4. In the event this Agreement is terminated prior to the end of the current term:
 - a. BPRCT shall continue to pay TBC for all performance rendered or obligations incurred under this agreement up to the effective date of termination.
 - b. TBC shall execute all documentation necessary to give BPRCT the authority to cancel, to continue, or to assign any sub-contracts that TBC has entered into with any approved subcontractors under the terms of this Agreement.

C. Compensation/Reimbursement for Services

In consideration for providing the services discussed below, the BPRCT will reimburse the actual costs incurred by TBC as discussed below:

1. *Reimbursement of Staff Salaries and Benefits* In connection with staff salaries and benefits (compensation), the BPRCT will reimburse TBC for the actual cost of staff compensation based on the actual percentage of TBC staff time expended on BPRCT Activities. The percentage of TBC staff time expended will be based upon the actual time spent by the TBC staff, as supported by daily time records kept for all activities conducted by all TBC staff. TBC employees will keep time reports every day of the year. Such reports will be available for BPRCT inspection and review upon request.
2. *Out-of-Pocket Costs* The BPRCT will reimburse TBC for all actual out-of-pocket expenses incurred by TBC that are directly attributable to carrying out approved activities of the BPRCT. These out-of-pocket expenses include, but are not limited to, travel, postage, shipping, messengers, copies, telephone, and other reasonable and necessary expenses to perform the services under this Agreement. In addition, TBC will be reimbursed for the services of outside consultants and suppliers, which TBC deems necessary to assist in carrying out the activities of the BPRCT.
3. *Overhead Expenses* The BPRCT will reimburse TBC for its ratable share of eligible overhead costs that indirectly support BPRCT Activities (e.g., office supplies, office equipment, occupancy costs, etc.). Overhead costs will be allocated according to the percentage of time spent by all TBC staff working on BPRCT activities versus other assigned activities.
4. *Terms of Payment* TBC will bill the BPRCT on a monthly basis for costs incurred by TBC in performance of BPRCT Activities, as defined herein. Monthly invoices will include a summary of direct expenses incurred by program areas each month, TBC staff time summaries showing the actual percentage of staff time expended on all assigned activities to support staff compensation charges, and a summary of overhead costs allocated to BPRCT Activities during the month. Actual invoices paid and other supporting documentation shall be available for BPRCT inspection and review upon request.

TBC shall submit each monthly invoice and supporting schedules to the BPRCT Treasurer or the Chairman if the Treasurer is not available. The Treasurer or Chairman shall review and determine whether to approve payment of the TBC invoice. The Treasurer or Chairman may pay the invoice if such is for amounts and projects set out in the approved Marketing Plan & Budget. Upon BPRCT's decision to pay the TBC invoice in full or in part, the BPRCT agrees to pay TBC the approved amount within fifteen (15) days after the BPRCT Decision. At the next regular board meeting of the BPRCT, the board shall consider and act upon any TBC invoices paid by action of the Treasurer or Chairman since the previous BPRCT board meeting and either ratify or reject same, in whole or in part. A rejection of some or all of a TBC invoice previously paid by BPRCT shall result in a credit on the next regularly issued TBC invoice.

II. TBC Duties/Responsibilities: TBC agrees to perform the following tasks, as they relate to planning, implementing and operating the research, education, promotion, and marketing programs for the Texas beef checkoff, authorized by the Texas Ag Code, Chapter 41, Subchapter H.

A. Budgeting and Management of Program Activities

The TBC shall coordinate and implement an annual budget and planning process for the BPRCT. The Audit and Budget Committee will meet before May and establish budget guidelines for the upcoming fiscal year. The TBC staff will develop the Marketing Plan & Budget based on these guidelines and present it to the Audit and Budget Committee for its review and approval prior to the last board meeting of the fiscal year. The Marketing Plan & Budget will be considered by the BPRCT board at their last meeting of the fiscal year.

The Marketing Plan & Budget shall contain, at a minimum, an income projection and an expense budget, categorized by program area. The Marketing Plan & Budget may provide additional detail, but shall at a minimum contain budgeted expense limits for Research, Education, Promotion, and Marketing Activities (collectively the "Program Activities").

For all Program Activities, the Marketing Plan & Budget may provide that the allocated BPRCT funds be appropriated among research projects as selected and funded by TBC, so long as such appropriations are approved by the appropriate TBC board committee. Additionally, for some or all areas of Program Activities, the Marketing Plan & Budget may provide that BPRCT conduct and fund activities other than activities undertaken by the TBC.

TBC shall provide the staffing resources necessary to ensure the reasonable completion of all BPRCT Activities. In addition, TBC will provide the BPRCT with periodic program updates, as requested by the BPRCT.

In selecting contractors or other partners to conduct Program Activities, the BPRCT by this agreement expressly authorizes the TBC to cooperate with state, national, and international partners, so long as the individual projects have potential to increase the demand for beef and/or enhance the profitability of beef production.

B. Administrative Services

In addition to the Program Activities described above, TBC will also provide certain administrative services to BPRCT as listed below. The budget for these administrative services will be included in the Marketing Plan & Budget.

1. *Accounting Services* TBC shall maintain accounts payable, make deposits of BPRCT funds, assist with BPRCT budgeting, ensure sound internal controls over BPRCT financial records, prepare audit working papers, perform all day to day accounting functions, and prepare monthly financial reports.

TBC shall keep all supporting documentation relating to performance of its duties under this Agreement on file and available for inspection and audit by BPRCT at any time under this Agreement, and for a period of three years following termination of this Agreement.

2. *Collections* TBC shall conduct collection activities for the BPRCT in a manner that complies with the collection policies and procedures established by the Texas Agriculture Code, Title 3, Chapter 41 and the related rules (the "Code" and "Rules"), including, but not limited to, appropriately processing all collections, communicating with collection points, processing and fulfilling refund requests, monitoring collection points for compliance, and performing compliance audits.
3. *Meetings and travel administration* TBC shall be responsible for performing all meeting and travel planning, program development activities, on-site program inspections and additional support activities for BPRCT, as requested by BPRCT.
4. *Administration and general services* TBC shall be responsible for paying all of the BPRCT's administrative overhead expenses, contract obligations, and other expenses necessary to run the state beef checkoff program in a timely manner.

C. Reporting

1. *Annual Report* Within 30 days of the fiscal year end, TBC will provide BPRCT with a cash basis annual report itemizing all income and expenditures during the preceding year.
2. *Program Evaluations* Within 30 days of the fiscal year end, TBC shall prepare and submit to BPRCT evaluations of programs conducted during the preceding year.
3. *Additional Reports* In addition to the reports outlined above, TBC shall report to the BPRCT significant developments and publications resulting from Program Activities. Additionally, TBC staff shall provide monthly financial reports to the BPRCT Audit and Budget Committee.

Upon BPRCT request, TBC shall also provide BPRCT with other information regarding the implementation of projects approved by the BPRCT. Such information includes, but is not limited to, reports, agendas and related information requested by BPRCT for mailings, notebooks, office records or other purposes. TBC shall be given at least 15 days notification of the due date of such information.

4. *Annual Financial Statements* It is understood that BPRCT's financial activities shall undergo an annual audit by an outside, third party, independent certified public accountant. TBC shall prepare the BPRCT's financial statements for the preceding year in accordance with generally

accepted accounting principles and shall make all records available to the CPA for the conduct of the BPRCT's annual audit.

D. General

1. *Direction* TBC agrees to direct and conduct the services described above within policies established by the BPRCT, to assign the necessary personnel and to furnish essential equipment, facilities and supplies.
2. *Acknowledgement of Funding* TBC agrees to acknowledge Texas beef checkoff funding on all materials produced that are funded in whole or in part with Texas beef checkoff funds, in accordance with the guidelines established by BPRCT.

III. BPRCT Duties/Responsibilities:

- A. Engagement By way of this Agreement, BPRCT requests TBC to perform BPRCT Activities and related services for BPRCT in accordance with Texas law establishing a Texas beef checkoff program.
- B. Program Development BPRCT may provide regular input into TBC's development of the research, education, promotion, marketing, and administrative activities, including program planning, creative strategy and implementation, and media strategy and implementation.
- C. Evaluations BPRCT may evaluate the effectiveness of the programs implemented by TBC and propose future performance improvements.

IV. Miscellaneous:

- A. Relationship of Parties The parties hereto agree that TBC and any agents or employees of TBC in the performance of this Agreement shall act as independent contractors and not as officers or employees or agents of BPRCT. Further, all liabilities, obligations and duties imposed upon TBC pursuant to this Agreement are imposed upon TBC as agent for a disclosed principal and not as principal.
- B. Ownership, Copyrights/Trademarks of Others, Sponsorship, Indemnity, Term and Termination, Conflicts of Interest, Confidentiality, Certain Insurance
 1. *Ownership* Ownership of property (other than property previously owned by TBC) created or acquired in whole or part with funds from the BPRCT under this agreement shall be in proportion to the share of production costs (i.e. costs to develop, create and produce property in finished form) paid by each contributor. Ownership resulting from funds from the BPRCT shall be in the BPRCT, and any revenue, royalties, or other income derived from such ownership shall enure to the BPRCT; TBC shall take reasonable steps to protect said ownership. The BPRCT and TBC shall have the right and authority to utilize jointly-owned property within their respective programs, without cost to the other, provided that neither shall jeopardize the rights

of the other to use jointly owned property. Neither party shall license use of jointly-owned property outside its respective programs without the prior consent of the other.

2. *Copyrights/Trademarks of Others* TBC shall obtain all permissions required for use of copyrights or trademarks of others in projects performed under this agreement.
3. *Sponsorship* TBC shall include appropriate sponsor signature, copyright and trade or service mark on all materials produced with funds from the BPRCT under this agreement.

C. Indemnification and Insurance

1. TBC shall indemnify and hold harmless the BPRCT, its members, officers, directors, agents and employees against all losses, damages, liabilities, costs or expenses, including reasonable attorneys' fees (collectively, Losses), resulting from all claims, proceedings, investigations or actions (collectively, Claims) arising out of or in connection with (i) TBC's or its subcontractor's services under this Agreement to the extent that TBC or its subcontractor are negligent or engage in willful misconduct, (ii) any promotion materials created pursuant to this agreement by TBC or its subcontractor (except to the extent that BPRCT's acts or omissions caused the Losses) and (iii) any breach of TBC's obligations, warranties or representations under this Agreement.
2. The BPRCT shall indemnify and hold harmless TBC and its members, officers, directors, managers, agents and employees from and against any and all Losses incurred by TBC resulting from Claims arising out of or in connection with (i) BPRCT supplied products or materials, or representations concerning those products or materials, the BPRCT, to the extent furnished or prepared by or at the BPRCT's request for use by TBC (except to the extent TBC alters such products, materials or representations without BPRCT's knowledge) and (ii) any breach of BPRCT's obligations, warranties or representations under this Agreement.
3. Each party shall promptly notify the other party and provide a copy of any Claim for which indemnity may be due under this Agreement. The indemnifying party shall defend, compromise or otherwise dispose of the claim at its expense and, pending such disposition, the indemnified party shall refrain from paying the claim. The indemnified party shall cooperate with the indemnifying party in disposing of claims but shall not be obligated to participate in a disposition (other than by way of payment of money) that would affect business activities that are different from the products or services involved in the claim.
4. TBC, and its approved subcontractors, shall maintain a commercial general liability insurance policy having minimum liability coverage limits of \$500,000 per occurrence and \$1,000,000 in the aggregate and shall furnish a copy of a certificate of coverage or other evidence of coverage to BPRCT

upon request. Should this policy be terminated or reduced below such amounts, TBC shall provide BPRCT 10 days' prior notice of such action.

- D. Confidentiality TBC, its officers, directors, employees and agents, shall maintain the confidentiality of confidential information the BPRCT has disclosed to them in those capacities, and TBC shall indemnify the BPRCT from damages to BPRCT resulting from their misuse of such information.
- E. Related Party and Gift Policy TBC shall implement procedures relating to disclosure of relationships between TBC employees and approved subcontractors or potential subcontractors of TBC and the disclosure and acceptance of gifts and other items of value.
- F. Projects Approved in Previous Years To the extent this Agreement is extended for additional Renewal Terms, TBC agrees, as directed by BPRCT, to continue administering projects which were approved by BPRCT in previous fiscal years but which have not yet been completed.
- G. Restrictions on Use of Funds No Texas checkoff funds advanced or paid by the BPRCT to the TBC shall be used in any manner for the purposes of influencing governmental policy or action.
- H. Entire Agreement This Agreement contains the entire understanding of the parties and supersedes all prior understandings with respect to its subject matter, but shall not affect obligations of the parties arising from other contracts between them.
- I. Assignability This Agreement is not assignable by TBC, either in whole or in part.
- J. Headings The headings contained in this Agreement have been inserted for the convenience of reference only and shall not be deemed to be a part of this Agreement and shall in no way affect the interpretation of this Agreement.
- K. Governing Law This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Approved: BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

By _____

Approved: TEXAS BEEF COUNCIL

By _____

OTHER REPORTS OR UPDATES

BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

Collections Report

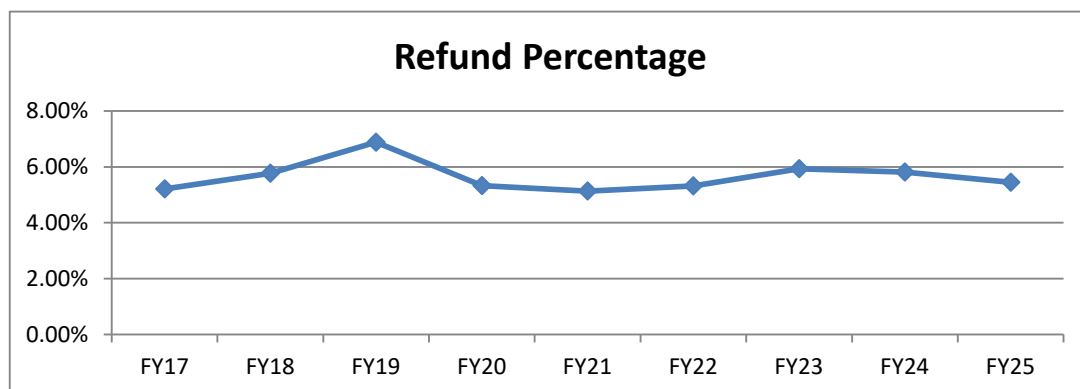
June 30, 2025

	<u>Actual</u>		<u>Budget</u>	<u>Budget Variance</u>	<u>Actual as a % of Budget</u>
Texas Checkoff Collections, Net of Exemptions					
October	\$ 813,702		\$ 839,377	\$ (25,675)	96.94%
November	928,348		824,947	103,401	112.53%
December	809,521		871,814	(62,293)	92.85%
January	626,291		656,338	(30,047)	95.42%
February	726,606		723,481	3,125	100.43%
March	675,751		684,883	(9,132)	98.67%
April	763,084		684,180	78,904	111.53%
May	742,530		733,526	9,004	101.23%
June	874,804		804,207	70,597	108.78%
	<u>6,960,637</u>	100.0%	<u>6,822,753</u>	<u>137,884</u>	<u>102.02%</u>
Refunds Processed					
Refund requests received in October	34,647				
Refund requests received in November	39,709				
Refund requests received in December	30,243				
Refund requests received in January	57,876				
Refund requests received in February	57,806				
Refund requests received in March	37,818				
Refund requests received in April	31,682				
Refund requests received in May	34,010				
Refund requests received in June	55,454				
	<u>379,245</u>	5.4%			
Collections, Net of Refunds	<u>6,581,392</u>	94.6%			

Note: In the schedule above, the amount of refund requests received in a particular month is not comparable to the amount of Checkoff collected in that same month because of the 60-day period to request a refund. As a result, the percentage of refunds shown above is not a true indicator of refunds as a percent of collections.

Refunds by Sector

Cow Calf	17,505	4.6%
Stocker	25,506	6.7%
Dairies	12,822	3.4%
Feedyards	297,550	78.5%
Out of State	25,862	6.8%
	<u>379,245</u>	<u>100.0%</u>



BEEF PROMOTION AND RESEARCH COUNCIL OF TEXAS

Quarterly Report of Public Funds Investments

For the Quarter Ended June 30, 2025

CERTIFICATES OF DEPOSIT

Issuing Institution	CUSIP	Interest Rate/Yield	Maturity Date	Days to Maturity	Fair Value				Cost Basis			Interest Receivable			
					Beginning Balance	Purchases (Maturities)	Change in Fair Value	Ending Balance	Beginning Balance	Purchases (Maturities)	Ending Balance	Beginning Balance	Interest Earned	Interest Received	Ending Balance
Valley National Bank	919853MY4	5.000%	16-Jul-25	16	\$ 238,390	\$ -	\$ (341)	\$ 238,049	\$ 238,000	\$ -	\$ 238,000	\$ 8,412	\$ 2,967	\$ -	\$ 11,379
BMO Bank	05610LQD9	4.300%	7-Aug-25	38	241,948	-	(9)	241,939	242,000	-	242,000	4,106	2,594	-	6,700
PNC Bank	69355NHF5	4.250%	20-Feb-26	235	239,199	-	(422)	238,777	239,000	-	239,000	1,085	2,533	-	3,618
Morgan Stanley Bank	61690DU71	4.150%	12-Mar-26	255	240,057	-	(446)	239,611	240,000	-	240,000	518	2,484	-	3,002
Meridian Bank	58958PPZ1	4.200%	13-Mar-26	256	239,172	-	(478)	238,694	239,000	-	239,000	495	2,503	-	2,998
Key Bank NA	49306SS80	4.000%	2-Apr-26	276	-	240,000	(636)	239,364	-	240,000	240,000	-	2,288	-	2,288
Wells Fargo	949764QY3	4.100%	20-May-26	324	-	240,000	(295)	239,706	-	240,000	240,000	-	1,105	-	1,105
Bank of America	06051XXM9	4.350%	18-Jun-26	353	-	239,000	292	239,292	-	239,000	239,000	-	342	-	342
Southstate Bank	84476JBP1	4.300%	21-Aug-25	52	244,006	-	(68)	243,938	244,000	-	244,000	1,092	2,616	-	3,708
Bank of Hope	062683MA2	4.250%	10-Sep-25	72	243,978	-	(95)	243,883	244,000	-	244,000	597	2,585	-	3,182
Old National Bank	680061LW6	4.250%	8-Dec-25	161	242,052	-	(224)	241,828	242,000	-	242,000	676	2,564	-	3,240
Cross River Bank	227563ME0	4.200%	7-Oct-25	99	-	244,000	(188)	243,812	-	244,000	244,000	-	2,358	-	2,358
Sofi Bank NA	83407DCC8	4.350%	15-Dec-25	168	-	244,000	1	244,001	-	244,000	244,000	-	494	-	494
State Bank of India	856288BW4	4.350%	13-Mar-26	256	-	242,000	21	242,021	-	242,000	242,000	-	490	-	490
					<u>1,928,802</u>	<u>1,449,000</u>	<u>(2,887)</u>	<u>3,374,915</u>	<u>1,928,000</u>	<u>1,449,000</u>	<u>3,377,000</u>	<u>16,981</u>	<u>27,923</u>	<u>-</u>	<u>44,904</u>

DEBT SECURITIES

Issuing Institution	CUSIP	Interest Rate/Yield	Maturity Date	Days to Maturity	Fair Value				Face Value			Discount			
					Beginning Balance	Purchases (Maturities)	Change in Fair Value	Ending Balance	Beginning Balance	Purchases (Maturities)	Ending Balance	Beginning Balance	Purchases	Accretion	Ending Balance
U.S. Treasury Bills	912797KS5	5.000%	17-Apr-25		299,398	(300,000)	602	-	300,000	(300,000)	-	(674)	-	674	-
U.S. Treasury Bills	912797LB1	5.000%	15-May-25		298,446	(300,000)	1,554	-	300,000	(300,000)	-	(1,782)	-	1,782	-
U.S. Treasury Bills	912797LN5	4.900%	12-Jun-25		297,449	(300,000)	2,551	-	300,000	(300,000)	-	(2,836)	-	2,836	-
U.S. Treasury Bills	912797MV6	4.200%	3-Apr-25		299,894	(300,000)	106	-	300,000	(300,000)	-	(101)	-	101	-
U.S. Treasury Bills	912797MS3	4.000%	2-Oct-25	94	293,757	-	2,957	296,714	300,000	-	300,000	(5,912)	-	2,908	(3,004)
U.S. Treasury Bills	912797NA1	4.150%	30-Oct-25	122	390,458	-	3,883	394,341	400,000	-	400,000	(9,395)	-	4,014	(5,381)
U.S. Treasury Bills	912797MH7	4.150%	4-Sep-25	66	294,683	-	3,011	297,694	300,000	-	300,000	(5,219)	-	3,025	(2,194)
U.S. Treasury Bills	912797NL7	4.250%	28-Nov-25	151	292,078	-	2,731	294,809	300,000	-	300,000	(8,192)	-	3,081	(5,111)
U.S. Treasury Bills	912797LN5	4.150%	12-Jun-25		297,449	(300,000)	2,551	-	300,000	(300,000)	-	(2,449)	-	2,449	-
U.S. Treasury Bills	912797PE1	4.150%	17-Jul-25	17	296,226	-	3,190	299,416	300,000	-	300,000	(3,609)	-	3,041	(568)
U.S. Treasury Bills	912797PD3	4.100%	22-Jan-26	206	<u>387,078</u>	<u>-</u>	<u>3,801</u>	<u>390,879</u>	<u>400,000</u>	<u>-</u>	<u>400,000</u>	<u>(12,946)</u>	<u>-</u>	<u>3,967</u>	<u>(8,979)</u>
					<u>3,446,916</u>	<u>(1,500,000)</u>	<u>26,935</u>	<u>1,973,851</u>	<u>3,500,000</u>	<u>(1,500,000)</u>	<u>2,000,000</u>	<u>(53,115)</u>	<u>-</u>	<u>27,878</u>	<u>(25,237)</u>

TOTAL INVESTMENT					5,375,718	(51,000)	24,048	5,348,766	5,428,000	(51,000)	5,377,000	(36,134)	27,923	27,878	19,667
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As of 6/30/2025

Average CD Portfolio Yield	4.289%
Average Debt Security Portfolio Yield	4.132%
1 year U.S. Treasury Yield	3.960%

MONEY MARKET FUNDS

Fund	Symbol	Fair Value			
		Beginning Balance	Purchases (Redemptions)	Change in Fair Value	Ending Balance
Invesco - Treasury Portfolio	TPFXX	938,571	404,000	10,942	1,353,513
Goldman Sachs - Government Fund	GCGXX	371,546	51,000	4,976	427,522
		<u>1,310,117</u>	<u>455,000</u>	<u>15,918</u>	<u>1,781,035</u>

