

# Texas Beef Council

## BOARD OF DIRECTORS MEETING

AUGUST 2025



Strengthen demand for beef as the world's most  
preferred and trusted protein.

**TEXAS BEEF COUNCIL  
(TBC)  
Board of Directors Meeting**

**Austin, Texas  
Thursday, August 21, 2025  
10:00 AM**

**AGENDA**

**1. Call to Order and Establish Quorum**

**2. Approval of Minutes**

**3. Officer and Advisory Committee Reports**

- A. Marketing Committee Report
- B. Beef Resources Committee Report
- C. Executive Vice President's Report

**4. Action Items**

Executive Committee Report

- A. Ratify Executive Committee Action

Audit & Budget Committee Report

- B. Accept Financial Statements
- C. Approve FY26 Plan & Budget

FY26 Directors

- D. Election of Directors
- E. Elect At-Large Directors

Nominating Committee Report

- F. Elect Officers and Executive Committee

Additional Action

- G. Approve FY26 Audit & Budget Committee
- H. Nominate Directors to Beef Promotion and Research Council of Texas (BPRCT)
- I. Approve Memorandum of Agreement with BPRCT for FY26

**5. Discussion Items Not Requiring Action**

- A. Federation of State Beef Councils (Federation) Director Report
- B. Litigation Update
- C. Next Board 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
- D. Recognition of Retiring Directors

**6. Adjourn**

# MINUTES

# **TEXAS BEEF COUNCIL**

## **Board of Directors**

### **Meeting Report**

**Chairman's Name:** Pat Shields  
**Meeting Time/Date:** 9:36 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, Kinley Hartman, Dan Hale, Tracy Tomascik, Jordan Manning

##### **Staff:**

Adriana Mora, Amy Foster, Brooke Kaiser, Cheyenne Pierce, Elise Stovall, Jason Bagley, Jennifer Matison, Jerry McPherson, Kathleen Pickett, Kaleb McLaurin, 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, Board meeting**

Motion by George Harrison Second by Brandi Richards Motion Passed

##### **Approved Action Item A – Ratification of Executive Committee Action**

Motion by Kara Dudley Second by Sarah McKenzie Motion Passed

##### **Approved Action Item B – Accept Financial Reports**

Motion by Brandi Richards Second by Fred Schuetze Motion Passed

##### **Approved Action Item C – Approve Nominating Committee**

Motion by Kerry Wiggins Second by John Connaway Motion Passed

##### **Approved Action Item D – Approve Check Signers**

Motion by George Harrison Second by Brandi Richards Motion Passed

#### **Officer and Committee Reports**

##### ***Advisory Committee Report***

Amy Kirkland reported on the May 28, 2025, Joint Advisory Committee meeting. Kirkland highlighted that TBC Staff shared trends and current events impacting the cattle industry and beef supply, as well as consumer trends in retail, foodservice and nutrition.

### ***Executive Committee Report***

The Executive Committee met on May 13, 2025, to review the FY25 mid-year budget redirections as presented by Michael Loeffler. Following their review and discussion, the Committee unanimously agreed to accept the proposed redirections. The Committee also reviewed proposed national investments for FY26. The FY26 budget guidelines, which have been prepared in accordance with the long-range post-drought budget plan, contain a 0.5% reduction in National Investment for FY26. In connection with the review of National Investments, the Committee considered a \$225,000 reduction in the in-state export marketing budget for FY26. Following their discussions, the Committee approved FY26 National Investments as presented and the \$225,000 reduction in in-state export marketing.

### ***Audit & Budget Committee Report***

Brandi Richards reported on the May 5, 2025, Audit & Budget Committee meeting. The Committee reviewed the FY26 Checkoff revenue estimates provided by CattleFax and Dr. David Anderson and approved the revenue budget and overall budget guidelines for FY26. Richards also reported on the June 2, 2025, Audit & Budget Committee meeting, during which the Committee reviewed the April 2025 financial statements. The Committee accepted the April 2025 financial statements as presented and recommended their acceptance by the Board.

### ***Executive Vice President's Report***

Molly McAdams welcomed new TBC staff and provided personnel updates. McAdams reported on the New World Screwworm crisis communications plan. Kaylee Greiner reviewed TBC's partnership with H-E-B involving nutritional attribution for over 2500 products and an all-new in-store promotional branding package emphasizing trust in beef and beef's protein content.

### **Discussion Items**

#### ***USMEF Director Report***

Kara Dudley reported on her recent travel to the USMEF Spring Conference in Fort Worth, TX.

#### ***Federation Director Report***

Pat Shields and Brandi Richards reported on recent NCBA Executive Committee Meetings. The Committee approved a draft budget. Shields reported that the Committee discussed the upcoming Summer Business Meeting and Regional Meetings and Federation Services offered by NBCA.

#### ***Litigation Update***

The U.S. District Court for the District of Columbia has disposed of in its entirety the case involving R-CALF v. Purdue.

#### ***Electronic Board Book Demo***

Cheyenne Pierce demonstrated the process for accessing electronic versions of the Board Books via the Director Portal. Directors were polled to determine those who still want to receive printed copies of the Board Books prior to meetings.

**Future Meeting Dates**

The next Board meeting will be on August 21, 2025.

**Adjourn**

Meeting Adjourned at 11:12 AM

Report Submitted by:

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Pat Shields

Date Submitted: August 22, 2025

Distribution: Board of Directors

# ACTION ITEMS





## **TBC ACTION ITEM: A**

### **Ratification of Executive Committee Actions**

**Action Item:**

**Ratify the actions taken by the Executive Committee as presented.**

**Background:**

The Executive Committee met on July 29, 2025, regarding the following:

- Review and approve proposed FY25 budget redirections,
- Review revised Audit and Budget Committee budget guidelines for FY26 and approve FY26 National Investment.

The Executive Committee reviewed changes to TBC Employment Policies & Practices via email.

The Executive Committee also met on August 20, 2025, regarding the following:

- Review the TBC Form 990 for the year ended September 30, 2024,
- Conduct the annual evaluation of the Executive Vice President.

**Rationale:**

Article VI, Section 1. Executive Committee of the TBC Bylaws states that the Executive Committee *“may act for and on behalf of the Board between meetings of the Board; provided that a report of any actions taken shall be reported at the next Board meeting for ratification.”*

Article V, Officers and Administration, Section 2. Chairman of the TBC Bylaws states that the Chairman *“shall... (c) conduct or cause to be conducted an annual review of the Executive Vice President.”*

**Financial Impact:**

Unknown.

**Staff Impact:**

None.

# TEXAS BEEF COUNCIL

## BUDGET STATUS REPORT

### JUNE 30, 2025

With the Executive Meeting approaching, we've taken the initiative to reassess all tactics and categories expected to be significantly over or under budget by the end of the year. Our analysis shows we need to redirect funds within some tactics to better support key program objectives.

#### **DIRECT PROGRAM EXPENSES**

Our projections show that direct program expenses for FY25 are expected to be \$14,442 under budget. The attached Direct Program Expense Projections and Direct Program Expense Budget Redirections schedules provide a comprehensive view of all tactical results and proposed budget adjustments, including those for program enhancements, other redirections, and prior year invoices. In the subsequent discussion, we will elaborate on program enhancements, highlight tactics with unspent budget variances of \$40,000 or more, and provide commentary on the status of prior year invoices.

#### **Program Enhancements**

**Tactic 4112 BLT Branding & Promotions** – Projected total expense for FY25, including enhancement, \$955,000; budget increase for program enhancement, \$44,000.

**Tactic 4116 Industry Meetings and Planning** – Projected total expense for FY25, including enhancement, \$13,925; budget increase for program enhancement, \$9,000.

At the beginning of FY25, staff determined that numerous programs could benefit from launching a new CRM marketing automation platform and related marketing personalization initiatives. An additional \$53,000 is deemed necessary to maximize the automation tool's full potential and increase staff knowledge and utilization of it.

**Tactic 4121 BLT Earned Media** – Projected total expense for FY25, including enhancement, \$149,000; budget increase for program enhancement, \$6,000. This increase allows us to capitalize on an opportunity to conduct additional cooking segments for this year.

**Tactic 4225 Nutrition Content** – Projected total expense for FY25, including enhancement, \$6,773; budget increase for program enhancement, \$1,800. This increase will enable us to enhance ads for the Sports Nutrition Game Plan program.

**Tactic 4234 Consumer Nutrition Education** – Projected total expense for FY25, including enhancement, \$206,638; budget increase for program enhancement, \$102,000. This increase will allow for more "MyPlate" school posters to be placed in schools, highlighting beef on the plate rather than chicken, which is generally on the poster. Through this program outreach, educators are empowered to highlight beef's role in a healthy lifestyle by using TBC's age-appropriate and visually appealing materials and activities.

**Tactic 8112 International Industry Meetings** – Projected total expense for FY25, including enhancement, \$13,993; budget increase for program enhancement, \$9,100.

An increase is necessary to fund TBC director travel to South Korea on behalf of the USMEF's Heartland team.

### **Tactics That Are Over Budget**

**Tactic 3112 Industry Meetings and Planning** – Projected total expense for FY25, \$10,074; projected over-budget, \$1,574 – 18.52%. The departure of key staff shifted responsibilities to other staff, requiring additional travel to industry meetings.

**Tactic 4126 BLT Content** – Projected total expense for FY25, \$106,532; projected over-budget, \$22,532 – 26.82%. This tactic was significantly under budget when redirections were presented in May due to the departure of a staff person and the revision of plans for the remainder of the year. However, we engaged an external party due to video production needs, resulting in overspending the budget.

**Tactic 4131 – BLT Brand Activation** - Projected total expense for FY25, \$779,887; projected over-budget, \$41,387 – 5.60%. Building on the overwhelming success of our Smoke Lab events, the staff decided to launch an influencer campaign to boost awareness and increase interest. They also determined that writing off obsolete Beef Team attire was necessary due to the items' age and lack of sales.

**Tactic 5115 – Production Content** – Projected total expense for FY25, \$58,401; projected over-budget, \$3,401 – 6.18%. Changes made to the Raw Truth About Beef platform, as well as moving the site to a new hosting server, resulted in the tactic going over budget.

**Tactic 6117 – Producer Paid Media** – Projected total expense for FY25, \$141,369; projected over-budget, \$3,369 – 2.44%. Staff determined the need to obtain more granular reporting and analysis from our external agency, resulting in a small overage of the budget.

### **Tactics That Are Significantly Under Budget (\$40,000 or more)**

**Tactic 3211 Foodservice Education** – Projected total expense for FY25, \$110,884; projected under-budget, \$46,616 – 29.60%. After the departure of a key staff member in January, staff reevaluated all activities originally planned for this tactic. The decision was made not to replace the staff person and pivot to a different form of educational activities using existing staff. This budget was reduced with prior redirections, and it has been determined that further reductions are warranted. The unused funds will be used towards the balance due on prior year invoices, which are discussed below.

**Tactic 4133 Information Dissemination** – Projected total expense for FY25, \$174,071; projected under-budget, \$125,929 – 41.98%. In addition to fewer resource material requests this year, staff have increased efforts in managing resources, inquiring about the use of materials, and reducing requested volumes as deemed to be an appropriate fit for events, which have resulted in significant savings in this area. The unused funds will be used towards the balance due on prior year invoices, discussed below.

**Tactic 4222 Health Professional Outreach** – Projected total expense for FY25, \$147,776; projected under-budget, \$157,224 – 51.55%. Several factors led to lower-than-anticipated spending, including canceling a planned educational event and

delaying a digital ad campaign. The ad campaign was postponed because new messaging development and testing took longer than expected. A large portion of the unused funds was used to fund the MyPlate poster initiative in Tactic 4234 Consumer Nutrition Education. The remaining balance will be used toward the outstanding prior year invoices.

### **Prior Year Invoices**

**Tactic 4113– BLT Paid Advertising:** Total prior year invoices, \$260,000; budget increase of \$170,000. We've received four outstanding invoices from iHeart Media, totaling roughly \$260,000, for BBQQuest's 2023 advertising campaign. After a thorough review, we confirmed these invoices are unpaid and now due. To fund this, we've re-evaluated our current advertising budget, scaling back some planned spend. We also assessed remaining tactics, identifying those with surplus funds to cover the invoices.

### **PROGRAM IMPLEMENTATION EXPENSES**

FY25 program implementation is expected to be \$364,976 under budget, primarily driven by cost savings in personnel. This reflects staffing changes that occurred after the budget was prepared, including the hiring of less tenured individuals and periods where positions remained unfilled due to turnover.

# TEXAS BEEF COUNCIL

## Direct Program Expense Projections

Tactic/Description		FY 25 Expenses			FY 25 Annual Budget	Budget Variance	Percent of Budget Spent
		Actual Oct-Jun	Projected Jul-Sep	Total Expenses			
<b>DIRECT PROGRAM EXPENSES</b>							
3111	Retail Engagement	76,616	25,036	101,652	108,000	6,348	94.12%
3112	Industry Meetings & Planning	7,076	2,998	10,074	8,500	(1,574)	118.52%
	Retail - 3100	83,692	28,034	111,726	116,500	4,774	95.90%
3211	Foodservice Education	46,671	64,213	110,884	157,500	46,616	70.40%
	Foodservice - 3200	46,671	64,213	110,884	157,500	46,616	70.40%
4111	Beef Loving Texans Store	1,731	10,269	12,000	12,000	-	100.00%
4112	BLT Branding & Promotions	476,049	478,951	955,000	911,000	(44,000)	104.83%
4113	BLT Paid Advertising	875,951	1,714,049	2,590,000	2,420,000	(170,000)	107.02%
4116	Industry Meetings & Planning	9,524	4,401	13,925	5,000	(8,925)	278.50%
4121	BLT Earned Media	96,249	52,751	149,000	143,000	(6,000)	104.20%
4126	BLT Content	31,282	75,250	106,532	84,000	(22,532)	126.82%
4131	BLT Brand Activation	550,050	229,837	779,887	738,500	(41,387)	105.60%
4132	Brand Partnerships	10,978	16,022	27,000	27,000	-	100.00%
4133	Information Dissemination	90,057	84,014	174,071	300,000	125,929	58.02%
	Consumer Marketing - 4100	2,141,871	2,665,544	4,807,415	4,640,500	(166,915)	103.60%
4216	Industry Meetings & Planning	3,911	1,089	5,000	5,000	-	100.00%
4222	Health Professional Outreach	71,935	75,841	147,776	305,000	157,224	48.45%
4224	Medical Office Outreach	897,772	403,456	1,301,228	1,329,000	27,772	97.91%
4225	Nutrition Content	6,773	-	6,773	5,000	(1,773)	135.46%
4234	Consumer Nutrition Education	52,060	154,578	206,638	105,000	(101,638)	196.80%
	Nutrition & Health - 4200	1,032,451	634,964	1,667,415	1,749,000	81,585	95.34%
5111	Crisis Communications	-	1,000	1,000	1,000	-	100.00%
5112	Industry Advocacy	25,738	11,960	37,698	38,500	802	97.92%
5113	Issues & Reputation Management	1,894	1,106	3,000	5,000	2,000	60.00%
5115	Production Content	58,401	-	58,401	55,000	(3,401)	106.18%
5116	AgriLife Extension Engagement	185	24,501	24,686	25,000	314	98.74%
	Issues & Reputation Mgmt - 5100	86,218	38,567	124,785	124,500	(285)	100.23%
6111	Producer Direct Communications	56,271	39,356	95,627	99,000	3,373	96.59%
6112	Producer Assets	11,424	57,400	68,824	90,000	21,176	76.47%
6113	Producer Influencer Communications	21,352	2,029	23,381	34,000	10,619	68.77%
6115	Industry Meetings & Planning	2,209	450	2,659	4,000	1,341	66.48%
6116	Producer Earned Media	16,314	11,597	27,911	28,500	589	97.93%
6117	Producer Paid Media	118,255	23,114	141,369	138,000	(3,369)	102.44%
6118	Producer Strategy	54,398	56,102	110,500	110,500	-	100.00%
	Producer Communications - 6100	280,223	190,048	470,271	504,000	33,729	93.31%
7111	Beef Quality Assurance	(14,554)	62,587	48,033	58,000	9,967	82.82%
7112	AgriLife BQA Travel	9,676	1	9,677	10,000	323	96.77%
7113	Industry Meetings & Planning	1,271	1,700	2,971	3,000	29	99.03%
7131	Beef Quality & Safety Research	2,372	(1,319)	1,053	3,000	1,947	0.00%
	Beef Quality/Safety - 7100	(1,235)	62,969	61,734	74,000	12,266	83.42%
8111	USMEF Programs	49,828	374,470	424,298	425,000	702	99.83%
8112	International Industry Meetings	6,383	7,610	13,993	5,000	(8,993)	279.86%
	Export Mkt Development - 8100	56,211	382,080	438,291	430,000	(8,291)	101.93%
2311	Collection Activities	25,492	39,393	64,885	66,000	1,115	98.31%
2312	Compliance Activities	103	12,801	12,904	13,000	96	99.26%
2313	Field Staff Activities	11,781	34,967	46,748	56,000	9,252	83.48%
2314	Texas Checkoff Refunds	788	712	1,500	2,000	500	75.00%
	Total Collections - 2300	38,164	87,873	126,037	137,000	10,963	92.00%
		<b>3,764,266</b>	<b>4,154,292</b>	<b>7,918,558</b>	<b>7,933,000</b>	<b>14,442</b>	<b>99.82%</b>

**TEXAS BEEF COUNCIL**  
**Direct Program Expense Budget Redirections**

Tactic/Description		FY25 Total Expenses	FY 25 Budget					Budget Variance
			Current Budget	Program Enhancements	Other Redirections	Prior Year Invoices	Amended Budget	
<b>DIRECT PROGRAM EXPENSES</b>								
3111	Retail Engagement	101,652	108,000		(2,000)	(4,000)	102,000	348
3112	Industry Meetings & Planning	10,074	8,500		2,000		10,500	426
	Retail - 3100	111,726	116,500	-	-	(4,000)	112,500	774
3211	Foodservice Education	110,884	157,500			(46,000)	111,500	616
	Foodservice - 3200	110,884	157,500	-	-	(46,000)	111,500	616
4111	Beef Loving Texans Store	12,000	12,000				12,000	-
4112	BLT Branding & Promotions	955,000	911,000	44,000			955,000	-
4113	BLT Paid Advertising	2,590,000	2,420,000			170,000	2,590,000	-
4116	Industry Meetings & Planning	13,925	5,000	9,000			14,000	75
4121	BLT Earned Media	149,000	143,000	6,000			149,000	-
4126	BLT Content	106,532	84,000		23,000		107,000	468
4131	BLT Brand Activation	779,887	738,500		41,500		780,000	113
4132	Brand Partnerships	27,000	27,000				27,000	-
4133	Information Dissemination	174,071	300,000	(59,000)	(64,500)	(2,000)	174,500	429
	Consumer Marketing - 4100	4,807,415	4,640,500	-	-	168,000	4,808,500	1,085
4216	Industry Meetings & Planning	5,000	5,000				5,000	-
4222	Health Professional Outreach	147,776	305,000	(103,800)		(53,000)	148,200	424
4224	Medical Office Outreach	1,301,228	1,329,000			(27,000)	1,302,000	772
4225	Nutrition Content	6,773	5,000	1,800			6,800	27
4234	Consumer Nutrition Education	206,638	105,000	102,000			207,000	362
	Nutrition & Health - 4200	1,667,415	1,749,000	-	-	(80,000)	1,669,000	1,585
5111	Crisis Communications	1,000	1,000				1,000	-
5112	Industry Advocacy	37,698	38,500				38,500	802
5113	Issues & Reputation Management	3,000	5,000			(1,500)	3,500	500
5115	Production Content	58,401	55,000		4,000		59,000	599
5116	AgriLife Extension Engagement	24,686	25,000				25,000	314
	Issues & Reputation Mgmt - 5100	124,785	124,500	-	4,000	(1,500)	127,000	2,215
6111	Producer Direct Communications	95,627	99,000			(3,000)	96,000	373
6112	Producer Assets	68,824	90,000		(8,000)	(12,500)	69,500	676
6113	Producer Influencer Communications	23,381	34,000			(10,000)	24,000	619
6115	Industry Meetings & Planning	2,659	4,000			(1,000)	3,000	341
6116	Producer Earned Media	27,911	28,500				28,500	589
6117	Producer Paid Media	141,369	138,000		4,000		142,000	631
6118	Producer Strategy	110,500	110,500				110,500	-
	Producer Communications - 6100	470,271	504,000	-	(4,000)	(26,500)	473,500	3,229
7111	Beef Quality Assurance	48,033	58,000			(9,000)	49,000	967

**TEXAS BEEF COUNCIL**  
**Direct Program Expense Budget Redirections**

Tactic/Description		FY25 Total Expenses	FY 25 Budget					Budget Variance
			Current Budget	Program Enhancements	Other Redirections	Prior Year Invoices	Amended Budget	
7112	AgriLife BQA Travel	9,677	10,000				10,000	323
7113	Industry Meetings & Planning	2,971	3,000				3,000	29
7131	Beef Quality & Safety Research	1,053	3,000			(1,000)	2,000	947
	Beef Quality/Safety - 7100	61,734	74,000	-	-	(10,000)	64,000	2,266
8111	USMEF Programs	424,298	425,000				425,000	702
8112	International Industry Meetings	13,993	5,000	9,100			14,100	107
	Export Mkt Development - 8100	438,291	430,000	9,100	-	-	439,100	809
2311	Collection Activities	64,885	66,000				66,000	1,115
2312	Compliance Activities	12,904	13,000				13,000	96
2313	Field Staff Activities	46,748	56,000	(9,100)			46,900	152
2314	Texas Checkoff Refunds	1,500	2,000				2,000	500
	Total Collections - 2300	126,037	137,000	(9,100)	-	-	127,900	1,863
		<b>7,918,558</b>	<b>7,933,000</b>	-	-	-	<b>7,933,000</b>	<b>14,442</b>





## **TBC ACTION ITEM: B**

### **Financial Reports**

**Action Item:**

**Accept the financial statements for June 2025 as presented by the Audit & Budget Committee.**

**Background:**

The unaudited monthly financial statements are presented using the modified cash basis of accounting. The financial reports present direct program and implementation expenses.

**Rationale:**

Directors must routinely review, understand, and accept the financial reports of TBC.

**Financial Impact:**

None.

**Staff Impact:**

Approximately 12 hours per month to prepare financial statements and management reports.



## TEXAS BEEF COUNCIL

**To: Board of Directors**

**From: Nancy Allender**

**Re: June 2025 Financial Statements**

The TBC financial statements and related schedules for June 2025 are included in this booklet.

### **Statements of Activities - Comparative**

- June 2025 Checkoff revenues fell short in comparison to June 2024 by \$4,000 and June 2023 by \$30,700, respectively.
- For the fiscal year to date, Checkoff revenues for FY25 are \$128,700 and \$302,100 behind FY24 and FY23, respectively.
- Overall expenses for June 2025 compared to June 2024 increased by \$191,100 as anticipated due to increased program activity in summer months. Consumer Marketing and Nutrition & Health are the primary drivers of the increase.

### **Statement of Activities – Actual vs Budget**

We've spent approximately \$3.76 million on programs, representing 47% of our total \$7.933 million budget. This aligns with our usual trend of increased spending during the summer months, and we anticipate these expenses will climb further as program activity intensifies throughout the summer.

### **Monthly Collection Summary**

Checkoff revenues for June 2025 surpassed the monthly budget by approximately \$33,180. This positive trend continues year-to-date, as our revenues stand at \$3,596,000, outperforming the year-to-date budget by \$112,000 or 3.2%.

**TEXAS BEEF COUNCIL**  
**Statement of Financial Position**  
(Modified Cash Basis)

	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/23</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 1,673,126	\$ 1,414,516	\$ 1,132,436
Investments	3,001,064	2,597,727	1,961,386
Accounts Receivable			
Beef Promotion & Research Council of Texas	658,760	504,303	816,135
Other	8,214	5,917	6,137
Prepaid Expenses	349,534	140,961	104,849
Inventory	219,924	326,603	328,221
<b>Total Current Assets</b>	5,910,622	4,990,027	4,349,164
<b>Fixed Assets</b>			
Furniture & Fixtures	227,091	219,493	214,491
Equipment & Supplies	442,886	437,397	402,758
Automobiles	422,031	422,031	422,030
Website Development	645,620	546,237	482,986
Building, Land, & Improvements	2,088,495	2,059,882	2,044,884
	3,826,123	3,685,040	3,567,149
Less Accumulated Depreciation	(2,694,538)	(2,460,453)	(2,292,475)
	1,131,585	1,224,587	1,274,674
	<u>\$ 7,042,207</u>	<u>\$ 6,214,614</u>	<u>\$ 5,623,838</u>
<b>LIABILITIES &amp; NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable			
Trade	\$ 174,774	\$ 177,354	\$ 188,498
Beef Promotion & Research Council of Texas	874,804	909,410	971,337
Other States	88,729	61,514	80,885
Cattlemen's Beef Board	451,134	443,445	480,968
National Program Investments	-	-	-
Deferred Revenue	13,237	5,821	15,366
<b>Total Current Liabilities</b>	1,602,678	1,597,544	1,737,054
<b>Net Assets</b>			
Unrestricted net assets	5,439,529	4,617,070	3,886,784
	<u>\$ 7,042,207</u>	<u>\$ 6,214,614</u>	<u>\$ 5,623,838</u>

**TEXAS BEEF COUNCIL**  
**Statement of Activities – Comparative**  
**(Modified Cash Basis)**

	One Month Period Ended			Year-to-Date Through		
	6/30/2025	6/30/2024	6/30/2023	6/30/2025	6/30/2024	6/30/2023
<b>REVENUES</b>						
<b>Checkoff Revenues</b>						
Texas Checkoff Revenues	\$ 372,571	\$ 382,780	\$ 398,327	\$ 3,058,236	\$ 3,159,170	\$ 3,296,863
Out-of-State Checkoff Revenues	67,632	61,810	72,845	534,428	561,679	597,673
Late Fee Income	298	22	29	3,502	4,015	3,689
	440,501	444,612	471,201	3,596,166	3,724,864	3,898,225
<b>BPRCT Contract Revenues</b>						
BPRCT Contract Revenues	658,232	504,304	816,135	4,962,898	6,031,615	6,249,232
<b>Other Revenues</b>						
Interest Revenues	15,935	15,228	12,110	147,488	143,806	96,165
Other Revenues	2,766	-	-	12,036	1,649	5,150
	18,701	15,228	12,110	159,524	145,455	101,315
<b>BLT Store</b>						
Sales, Net of Discounts	1,211	172	878	31,508	28,277	31,293
Cost of Sales and Direct Expenses	(8,982)	(7,283)	(4,804)	(50,914)	(51,998)	(47,728)
	(7,771)	(7,111)	(3,926)	(19,406)	(23,721)	(16,435)
	1,109,663	957,033	1,295,520	8,699,182	9,878,213	10,232,337
<b>EXPENSES</b>						
<b>National &amp; State Program Investments</b>						
Federation of State Beef Councils	-	-	-	560,000	567,000	720,000
U.S. Meat Export Federation	-	-	-	628,500	648,000	800,000
Texas CattleWomen	-	-	-	1,090	1,133	595
	-	-	-	1,189,590	1,216,133	1,520,595
<b>Marketing</b>						
Consumer Marketing	316,490	158,896	536,026	2,141,871	2,814,068	3,191,722
Nutrition & Health	136,451	108,888	119,857	1,032,451	1,145,788	1,109,540
Program Implementation	77,003	85,538	85,309	830,390	823,142	837,526
	529,944	353,322	741,192	4,004,712	4,782,998	5,138,788
<b>Beef Resources</b>						
Channel Marketing						
Retail	4,407	6,690	888	83,693	47,742	71,023
Foodservice	8,687	5,104	13,974	46,670	190,488	260,086
Issues & Reputation Management	14,418	8,644	7,281	86,218	46,688	17,978
Producer Communications	58,719	40,184	29,833	280,224	317,248	377,677
Beef Quality & Beef Safety	3,731	404	7,242	(1,235)	23,131	34,988
Export Market Development	4,219	14,480	23,283	56,211	138,397	61,661
Program Implementation	85,327	79,772	63,169	708,308	681,660	737,688
	179,508	155,278	145,670	1,260,089	1,445,354	1,561,101
<b>Collections &amp; Compliance</b>						
Collection & Compliance Activities	2,995	4,562	6,718	38,164	54,948	59,598
Program Implementation	16,251	19,357	20,854	147,634	175,213	205,758
	19,246	23,919	27,572	185,798	230,161	265,356
<b>Administration</b>						
Administration	77,389	82,460	66,614	725,693	774,161	640,588
	806,087	614,979	981,048	7,365,882	8,448,807	9,126,428
<b>TOTAL INCREASE IN NET ASSETS</b>	<b>\$ 303,576</b>	<b>\$ 342,054</b>	<b>\$ 314,472</b>	<b>\$ 1,333,300</b>	<b>\$ 1,429,406</b>	<b>\$ 1,105,909</b>

**TEXAS BEEF COUNCIL**  
**Statement of Activities – Actual vs Budget**  
**(Modified Cash Basis)**

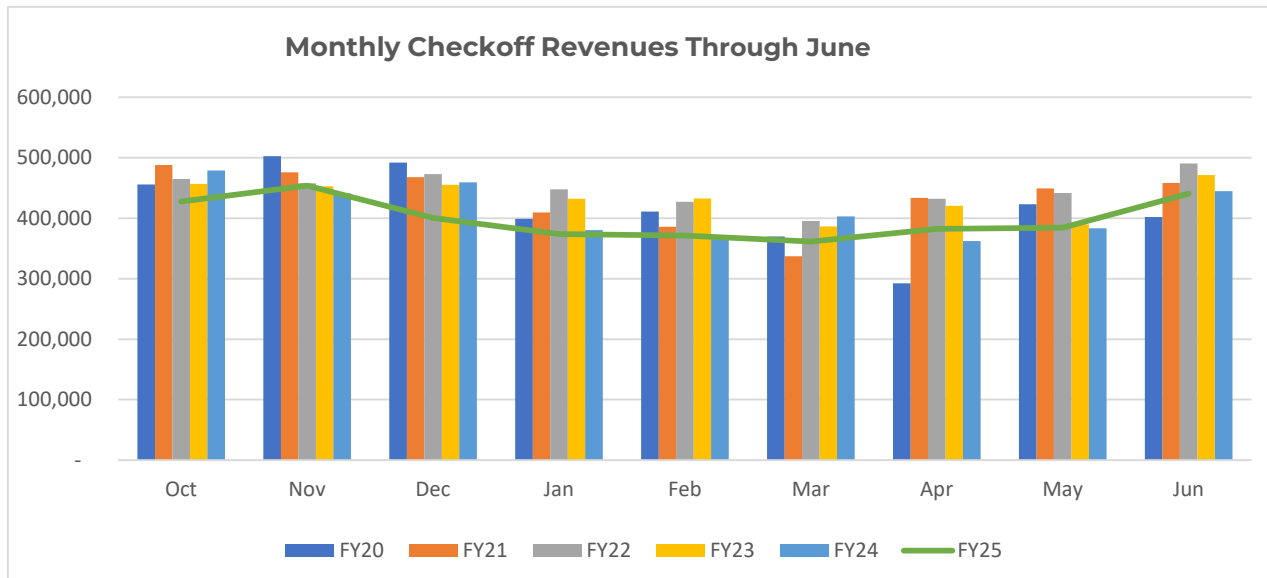
	<b>% Rev</b>	<b>Year-to-Date 6/30/25</b>	<b>Annual Budget</b>	<b>% Budget</b>
<i>Percent of year expired</i>				75%
<b>REVENUES</b>				
<b>Checkoff Revenues</b>				
Texas Checkoff Revenues	35.16%	\$ 3,058,236		
Out-of-State Checkoff Revenues	6.14%	534,428		
Late Fee Income	0.04%	3,502		
	41.34%	3,596,166	\$ 4,701,000	76.50%
<b>BPRCT Contract Revenues</b>				
BPRCT Contract Revenues	57.05%	4,962,898	9,506,000	52%
<b>Other Revenues</b>				
Interest Revenues	1.70%	147,488	135,000	109%
Other Revenues	0.14%	12,036	2,000	0%
	1.83%	159,524	137,000	116%
<b>BLT Store</b>				
Sales, Net of Discounts	0.36%	31,508		
Cost of Goods Sold & Direct Expense	-0.59%	(50,914)		
	-0.22%	(19,406)	(22,000)	88%
	100.00%	8,699,182	14,322,000	61%
<b>EXPENSES</b>				
<b>National &amp; State Program Investments</b>				
Federation of State Beef Councils	6.44%	560,000	1,110,000	50%
U.S. Meat Export Federation	7.22%	628,500	1,257,000	50%
Texas CattleWomen	0.01%	1,090	20,000	5%
	13.67%	1,189,590	2,387,000	50%
<b>Direct Program Expenses</b>				
Marketing				
Consumer Marketing	24.62%	2,141,871	4,640,500	46%
Nutrition & Health	11.87%	1,032,451	1,749,000	59%
	36.49%	3,174,322	6,389,500	50%
Beef Resources				
Channel Marketing				
Retail	0.96%	83,693	116,500	72%
Foodservice	0.54%	46,670	157,500	30%
Issues & Reputation Management	0.99%	86,218	124,500	69%
Producer Communications	3.22%	280,224	504,000	56%
Beef Quality & Beef Safety	-0.01%	(1,235)	74,000	-2%
Export Market Development	0.65%	56,211	430,000	13%
	6.34%	551,781	1,406,500	39%
Collection & Compliance Activities	0.44%	38,164	137,000	28%
	43.27%	3,764,267	7,933,000	47%
<b>Program Implementation</b>	27.73%	2,412,025	3,808,000	63%
	84.67%	7,365,882	14,128,000	52%
<b>TOTAL INCREASE IN NET ASSETS</b>	<b>15.33%</b>	<b>\$ 1,333,300</b>	<b>\$ 194,000</b>	<b>687%</b>

# TEXAS BEEF COUNCIL

## Monthly Federal Checkoff Summary by Producer Type

(Modified Cash Basis)

Item Description	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY25 Total	Pct.
Dealers	62,682	60,816	46,885	36,589	43,727	32,604	66,789	48,944	104,052	503,088	7.0%
Feedyards	43,601	45,519	35,980	32,182	38,017	30,308	39,885	36,830	46,228	348,550	4.8%
Individuals	4,155	7,153	3,833	6,417	5,424	6,620	12,706	8,448	3,282	58,038	0.8%
Markets	303,837	403,160	289,714	179,250	264,564	208,451	251,708	239,943	276,554	2,417,181	33.6%
Packers	309,029	315,685	327,524	285,860	289,340	320,531	289,211	318,503	336,293	2,791,976	38.8%
	723,304	832,333	703,936	540,298	641,072	598,514	660,299	652,668	766,409	6,118,833	85.0%
Late Fees	468	622	224	1,340	854	168	2,579	153	596	7,004	0.1%
State of Origin In	123,164	117,115	139,916	122,216	112,746	117,842	87,453	113,141	135,264	1,068,857	14.9%
<b>Collections for Texas</b>	<b>846,936</b>	<b>950,070</b>	<b>844,076</b>	<b>663,854</b>	<b>754,672</b>	<b>716,524</b>	<b>750,331</b>	<b>765,962</b>	<b>902,269</b>	<b>7,194,694</b>	<b>100%</b>
Less Payable to CBB	(423,468)	(475,035)	(422,038)	(331,927)	(377,336)	(358,262)	(375,166)	(382,981)	(451,134)	(3,597,347)	50.0%
<b>TBC Collections</b>	<b>423,468</b>	<b>475,035</b>	<b>422,038</b>	<b>331,927</b>	<b>377,336</b>	<b>358,262</b>	<b>375,165</b>	<b>382,981</b>	<b>451,135</b>	<b>3,597,347</b>	
Deferred Revenue Adjustment	4,117	(21,141)	(21,470)	42,046	(5,789)	3,169	7,307	1,214	(10,634)	(1,181)	
<b>Revenue Recognized</b>	<b>427,585</b>	<b>453,894</b>	<b>400,568</b>	<b>373,973</b>	<b>371,547</b>	<b>361,431</b>	<b>382,472</b>	<b>384,195</b>	<b>440,501</b>	<b>3,596,166</b>	
<b>Budget</b>	<b>421,221</b>	<b>418,656</b>	<b>421,822</b>	<b>371,767</b>	<b>369,559</b>	<b>344,885</b>	<b>353,817</b>	<b>375,090</b>	<b>407,317</b>	<b>3,484,134</b>	
<b>Budget Variance</b>	<b>6,364</b>	<b>35,238</b>	<b>(21,254)</b>	<b>2,206</b>	<b>1,988</b>	<b>16,546</b>	<b>28,655</b>	<b>9,105</b>	<b>33,184</b>	<b>112,032</b>	<b>3.2%</b>
State of Origin Out	70,950	68,139	80,976	72,892	71,803	71,898	77,129	60,922	88,729	663,438	9%



**TEXAS BEEF COUNCIL**  
**Monthly Federal Checkoff Collection Comparison by Producer Type**  
**(Modified Cash Basis)**

**Year-to-date collections through June**

**FY25 vs FY24**

Item Description	Amount			Percentage			Percent Increase (Decrease)
	FY25	FY24	Difference	FY25	FY24	Difference	
Dealers	503,088	499,264	3,824	6.99%	6.70%	0.3%	0.77%
Feedyards	348,550	491,569	(143,019)	4.84%	6.60%	-1.8%	-29.09%
Individuals	58,038	49,488	8,550	0.81%	0.66%	0.1%	17.28%
Markets	2,417,181	2,520,523	(103,342)	33.60%	33.83%	-0.2%	-4.10%
Packers	2,791,976	2,758,336	33,640	38.81%	37.02%	1.8%	1.22%
	6,118,833	6,319,180	(200,347)	85.05%	84.81%	0.2%	-3.17%
Late Payment Fees	7,004	8,030	(1,026)	0.10%	0.11%	0.0%	-12.78%
State of Origin In	1,068,857	1,123,359	(54,502)	14.86%	15.08%	-0.2%	-4.85%
<b>Collections for Texas</b>	7,194,694	7,450,569	(255,875)	100.00%	100.00%	0.0%	-3.43%
Less Payable to CBB	(3,597,347)	(3,725,284)	127,938				
<b>TBC Collections</b>	3,597,347	3,725,285	(127,938)				
Deferred Revenue							
Adjustment	(1,181)	(420)					
<b>Revenue Recognized</b>	<b>3,596,166</b>	<b>3,724,865</b>					
<b>Budgeted Amount</b>	<b>3,484,134</b>	<b>3,758,280</b>					
<b>Budget Variance</b>	<b>112,032</b>	<b>(33,415)</b>					
State of Origin Out	663,438	564,474					

**FY25 vs 5 Year Average**

Item Description	Amount			Percentage			Percent Increase (Decrease)
	FY25	5 Yr Avg	Difference	FY25	5 Yr Avg	Difference	
Dealers	503,088	558,938	(55,850)	6.99%	7.24%	-0.2%	-11.10%
Feedyards	348,550	472,494	(123,944)	4.84%	6.12%	-1.3%	-35.56%
Individuals	58,038	54,245	3,793	0.81%	0.70%	0.1%	6.54%
Markets	2,417,181	2,603,634	(186,453)	33.60%	33.71%	-0.1%	-7.71%
Packers	2,791,976	2,945,053	(153,077)	38.81%	38.13%	0.7%	-5.48%
	6,118,833	6,634,364	(515,531)	85.05%	85.90%	-0.9%	-8.43%
Late Payment Fees	7,004	12,305	(5,301)	0.10%	0.16%	-0.1%	-75.69%
State of Origin In	1,068,857	1,076,704	(7,847)	14.86%	13.94%	0.9%	-0.73%
<b>Collections for Texas</b>	7,194,694	7,723,373	(528,679)	100.00%	100.00%	0.0%	-7.35%
Less Payable to CBB	(3,597,347)	(3,861,688)	264,340				
<b>TBC Collections</b>	3,597,347	3,861,685	(264,339)				
Deferred Revenue							
Adjustment	(1,181)	(584)					
<b>Revenue Recognized</b>	<b>3,596,166</b>	<b>3,861,101</b>					
<b>Budgeted Amount</b>	<b>3,484,134</b>	<b>3,812,323</b>					
<b>Budget Variance</b>	<b>112,032</b>	<b>48,778</b>					
State of Origin Out	663,438	663,575					

## 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
<b>Grand Total</b>					<b>3,764,266.00</b>	<b>536,886.35</b>	<b>3,227,379.65</b>	<b>2,412,026.03</b>	<b>676,508.31</b>	<b>1,735,517.72</b>	<b>6,176,292.03</b>	<b>1,213,394.66</b>	<b>4,962,897.37</b>

## **TBC ACTION ITEM: C**

### **FY26 Plan and Budget**

**Action Item:**

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

**REVENUE**

Checkoff Assessments	\$4,235,000
BPRCT Contract Revenue	9,192,000
Interest Revenue	153,000
BLT Store	(22,000)
Other Revenue	2,000
Total Revenue	<u>13,560,000</u>

**EXPENSES**

Federation Investment	1,095,000
U.S. Meat Export Federation	1,251,000
Texas CattleWomen	20,000
Direct Program	8,120,000
Program Implementation	3,349,000
Total Expenses	<u>13,835,000</u>

<b>EXPENSES IN EXCESS OF REVENUES</b>	<u>(275,000)</u>
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<b>CAPITAL EXPENDITURES</b>	<u>68,500</u>
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**Background:**

The Marketing Plan and Budget for FY26 were developed to meet the stated goals and objectives of the TBC Long Range Plan and the strategic initiatives. Advisory committees have reviewed and approved the Marketing Plan.

The Audit & Budget Committee met on August 18, 2025, to review the proposed plan and budget for FY26. The budget includes a \$1,095,000 national investment with the Federation and a \$1,251,000 national investment with the U.S. Meat Export Federation.

**Rationale:**

In accordance with the requirements for a Qualified State Beef Council and the TBC Bylaws, the Board of Directors must approve the annual plan and budget.

**Financial Impact:**

See budget booklet.

**Staff Impact:**

19 Full-Time Employees.

## TBC ACTION ITEM: D

### Election of Directors

**Action Item:**

**Cattle producer organizations and allied organizations nominate the following individuals to represent their respective groups on the TBC Board of Directors for FY26.**

Organization	Director Nominee	Term
Texas Cattle Feeders Association	Amy Kirkland	5
	Brandi Richards	4
	David Baumann	1
Texas Farm Bureau	Sarah McKenzie	5
	Dane Elliott	4
	John Connaway	2
Texas & Southwestern Cattle Raisers Association	Kara Dudley	3
	George Harrison	2
	James Uhl	1
Purebred Cattle Associations (Texas Purebred Cattle Alliance)	Brandon Cutrer	4
	Lauren Lyssy	1
Independent Cattlemen's Association of Texas	Brian Malaer	5
	Kerry Wiggins	3
Dairy Associations (Texas Association of Dairymen)	Klazina de Boer	4
	John Van de Pol	2
Texas CattleWomen	Jan Elliott	1
Packer/Exporter Associations (Southwest Meat Association)	Karrie Menz	1
Livestock Markets (Livestock Marketing Association of Texas)	Leslie Callahan	2

**Background:**

TBC Directors are eligible to serve six consecutive one-year terms and are elected annually by the Board. An extension may be made if a Director is serving in the officer rotation during their sixth term. The nine qualified Texas cattle producers and allied beef industry organizations, as outlined in Article III, Section 6. Qualified Organizations of the TBC Bylaws submit their nominees in writing.

**Rationale:**

Article III, Section 5. Qualification of Directors of the TBC Bylaws states that *"A Director must be a bona fide producer of cattle in Texas, i.e. pay assessments through the checkoff program, and be nominated by a qualified organization. Proposed directors for the coming year shall be approved and elected by current directors at the last regular meeting of the fiscal year prior to assuming office. Newly elected directors shall assume office at the end of the meeting at which they are elected."*

**Financial Impact:**

None.

**Staff Impact:**

None.

## **TBC ACTION ITEM: E**

### **Elect At-Large Board Members**

**Action Item:**

**The Chairman nominates the following individuals to serve as At-Large members of the TBC Board of Directors for FY26:**

<b>Director Name</b>	<b>Term</b>
Pat Shields	6
Shannon Treichel	5

**Background:**

*Article III, Section 5.5. Qualified Organizations of the TBC Bylaws states that "In addition, the Board may elect two directors at large, without nomination by a qualified organization, to round out the Board with equitable geographic and sector representation."*

**Rationale:**

The TBC Board seeks to round out its representation by geographic area and industry sector by electing two Directors-at-large.

Pat Shields is a Manager at Capital Farm Credit and has a Cow-Calf operation in Bryan, Texas.

Shannon Treichel is an ag marketing expert with experience in animal health and agricultural business strategy.

**Financial Impact:**

None.

**Staff Impact:**

None.

## **TBC 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 Board 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, and the Executive Committee.

**Rationale:**

Article V, Officers and Administration, Section 3. Qualification and Election of the TBC Bylaws states that *"Officers shall be elected by the Directors, from the current Board, and shall assume office at the end of the meeting at which they are elected."*

The Nominating Committee shall offer a slate of officers at the last meeting of the fiscal year, typically in August; therefore, it is expedient that the Committee be appointed at the June meeting.

Article VI, Committees, Section 1. Executive Committee of the TBC Bylaws states that *"The Board of Directors shall elect an Executive Committee, which may act for and on behalf of the Board between meetings of the Board; provided that a report of any actions taken shall be reported at the next Board meeting for ratification. The Executive Committee shall employ and determine the remuneration of the Executive Vice President. The Executive Committee shall be composed of five directors, including the Chairman, Vice Chairman, immediate Past Chairman and two directors elected by the Board. The Executive Vice President shall attend all meetings of the Executive Committee, unless excused, in an advisory capacity."*

**Financial Impact:**

None.

**Staff Impact:**

None.

## **TBC ACTION ITEM: G**

### **Approve 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:**

Article VI, Committees, Section 2. Audit and Budget Committee of the TBC Bylaws *"calls the Chairman to appoint an Audit and Budget Committee, with approval of the Board. The Committee is to consist of three directors, including the Vice-Chairman, who shall serve as chairman of the Committee and sign major financial reports."*

**Rationale:**

Article VI, Committees, Section 2. Audit and Budget Committee of the TBC Bylaws charges the committee with the following responsibilities:

- (a) cause an audit by an independent CPA firm at least once a year;*
- (b) assure accountability by reviewing and reporting to the Board on end-of-year activities, evaluations, and finances; and*
- (c) recommend to the Board a budget for the new year.*

**Financial Impact:**

None.

**Staff Impact:**

None.

## **TBC ACTION ITEM: H**

### **Nominate TBC Directors to BPRCT**

**Action Item:**

**Petition Sid Miller, Commissioner, Texas Department of Agriculture, to appoint producers to BPRCT, submitting the names of the producers elected to the TBC Board of Directors for FY26.**

**Background:**

In accordance with Texas Agriculture Code, Subchapter H. Texas Beef Marketing, Education, Research, and Promotion, Section 41.156, Council Members:

*(a) A member of the council must be:*

- (1) nominated by the entity qualified to collect the proceeds of and administer the Beef Checkoff program established by federal law in this state or, in the entity's absence, the certified organizations that composed the entity; and*
- (2) appointed by the commissioner.*

**Rationale:**

Article IV. Council Powers, Authority and Duties, Section 3. Term of Office of the BPRCT Bylaws states that *"The term of each Council member shall be one year, or until his/her successor is qualified and appointed. Each member shall serve no more than six consecutive terms; provided that, if a member has been elected to serve as an officer during his/her final year, he/she may serve up to two additional years as Chairman and/or past Chairman."*

**Financial Impact:**

None.

**Staff Impact:**

None.



## **TBC ACTION ITEM: I**

### **Memorandum of Agreement with BPRCT**

**Action Item:**

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

**Background:**

Excerpt from the 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 Texas Beef Council 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

**Staff Impact:**

None.

**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 \_\_\_\_\_

