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January 5, 2024

Dr. Matthew Neighbors
Superintendent
Galveston Independent School District
P. O. Drawer 660
Galveston, TX 77553

Dear Dr. Neighbors:

The Trustees of The Moody Foundation are pleased to advise you that a 2:1 matching grant award of up to \$189,124, as more particularly described in the attached grant contract, has been approved to assist in the growth and expansion of the Tor Store, as defined in your application.

This grant was approved subject to the conditions set forth in the attached Grant Contract. It is extremely important that you carefully review the terms and provisions of this grant award. If your organization is willing to comply with the conditions stated herein, please obtain the required signatures on the fourth page of the contract and return the entire original to The Moody Foundation within four (4) weeks. **We will forward you a complete copy of the fully executed contract.**

Under the Internal Revenue Code, The Moody Foundation is required to establish proper use of all funds disbursed by The Foundation. Therefore, it is particularly important that records be kept as outlined for a final report to The Foundation. Please understand that Moody Foundation grants are considered individually and no grant award should be construed as a precedent for subsequent gifts.

The Trustees are pleased to be able to assist with the Tor Store Projects.

Sincerely,

Elizabeth Moody

Elizabeth Moody
Senior Vice President
Chief Grants Officer

EM/ev
Enclosure

GRANT CONTRACT: TERMS AND PROVISIONS

This Grant Contract (the "Agreement") entered into by and between The Moody Foundation, acting by and through its duly authorized Trustees, hereinafter referred to as the "Foundation" and Galveston Independent School District, hereinafter referred to as "Grantee."

GRANTEE:

Galveston Independent School District
P. O. Drawer 660
Galveston, TX 77553

In reply refer to: GRANT NUMBER 2023-213

Date Approved: 12/14/2023

Amount: \$120,000, plus up to an additional \$69,091 matching funds, as set out below

PERIOD: One Year

PURPOSE:

Assistance with purchasing the Roland Large Format UV Flatbed printer, developing a professional website, and training staff, as more specifically set out in the grant application which is incorporated by reference.

SPECIFIC CONDITIONS:

1. All funds must be used for the purposes defined in the application received 11/02/2023.
2. Grantee agrees to recognize The Moody Foundation as a partial underwriter of the project. However, it is preferred that funds not be expended on plaques for presentation to the Foundation.
3. Grant will be paid in one (1) installment of \$120,000.00 upon receipt of a written request for payment. In addition, The Moody Foundation will match \$2 for each additional \$1 raised by Grantee (excluding the \$60,000 already raised from the Ippolito Foundation, the Mary Moody Northen Endowment and the Galveston Educational Foundation and capped at \$69,091.00 in matching funds). An additional installment of such matching funds will be made upon receipt of a written request for payment and the final accounting of matching funds. For clarity, the maximum amount given by The Moody Foundation will not exceed \$189,091.00 in the aggregate.

Please allow a minimum of ten (10) working days for processing of your payment request from time of receipt by The Moody Foundation of the written request for payment.

4. Should extenuating circumstances occur necessitating an extension of the time period of this grant award, a request in writing must be submitted to The Moody Foundation prior to the ending date of the grant or the grant shall be considered expired at the end of the one-year period.
5. Grantee also agrees to comply with the general conditions on the following pages.

GENERAL CONDITIONS:

1. Reports to the Foundation

A written report must be furnished to the Foundation upon completion of the purposes for which the grant has been made. If the grant period exceeds one year, an interim one-page summary report along with a detailed listing of the total grant funds expended by Grantee for the preceding year should be submitted annually in addition to the Final Evaluative Report at the end of the grant period.

2. Use of Grant Funds

All grants made by The Moody Foundation must be in compliance with the requirements pertaining to organizations that are exempt from federal income taxes and described in section 501(c)(3) of the Internal Revenue Code.

- a. All funds awarded by the Foundation under this Agreement must be used by the Grantee in compliance with the restrictions set forth in Sections 4941 through 4945 of the Internal Revenue Code so that no excise tax is imposed under any such section.
- b. All funds awarded by the Foundation under this Agreement must be used for the purposes summarized above and as more specifically set out in the grant application. No changes or modifications may be made without the Foundation's knowledge and approval.
- c. All grant funds awarded by the Foundation will be returned to the Foundation if:
 - (1) The grantee loses its United States Internal Revenue Service tax-exempt status.
 - (2) If the funds are not expended or committed for the purposes of the grant within the stated period of time.

3. Request for payment

It is the responsibility of the applicant to keep the Foundation advised of the dates when funds will be used.

- a. If the terms of the grant call for unscheduled periodic payments, the applicant must submit a written request to the Foundation indicating the amount of payment due and an itemized budget covering such payment, for the period in which the funds will be used.
- b. If instead of unscheduled periodic payments, installments are made on an annual basis, requests for payment should be accompanied by an interim report. (See Condition #1)

4. Public Announcements

The Foundation may, at the Trustees' discretion, release information regarding this grant to the press and news media. Should you wish to release additional information after accepting this grant, you may do so without prior clearance. However, the Foundation should be furnished with copies of all news releases and any other published material, pictures, etc. which may develop in connection with this grant award.

5. Other Provisions

- a. This grant award has been approved by the Trustees of The Moody Foundation and is accepted by the grantee with the understanding that the Foundation is not obligated to provide additional support.
- b. It is understood that under the Trust Indenture of The Moody Foundation, this grant must be limited to supporting activities that will benefit the people of the State of Texas.
- c. The applicant must notify The Moody Foundation immediately of any changes that occur in its tax-exempt status.
- d. Except as otherwise provided herein, to the full extent possible
 - (1) all representations, obligations and undertakings of each of the Parties to this Agreement shall be performable in Galveston County, Texas; and
 - (2) the proceeds of this Grant shall be funded in Galveston County, Texas.
- e. In the case of any Dispute (as defined herein) between the Foundation and Grantee, the Foundation, at its sole and absolute discretion, may elect to submit such Dispute to binding and final arbitration in lieu of a civil lawsuit. In that regard, Grantee agrees that if the Foundation elects to submit any Dispute to binding arbitration, Grantee waives any right to bring a lawsuit. If a lawsuit is pending at the time of the Foundation's election and such suit has been filed for one hundred twenty (120) days or less after service of process on the Foundation, then Grantee shall immediately dismiss such lawsuit and submit such Dispute to binding arbitration.

For purposes of this Agreement, the term "Dispute" shall be interpreted broadly to mean any controversies, claims, counterclaims, or other disputes of any kind arising from or relating in any way to the parties hereto, this Agreement or its interpretation, the Grant, or the use of the Grant Funds and shall include, without limitation, any contractual, tort, statutory, caselaw or any other claims made by either party hereto.

In the event the Foundation elects to submit a Dispute to binding arbitration, such arbitration shall be submitted for binding arbitration in accordance with the Rules of the American Arbitration Association ("AAA Rules") and shall apply Texas law. The arbitration will be heard and determined by a single arbitrator and all arbitration proceedings shall be held in Galveston, Texas. The arbitrator's decision in any such arbitration will be final and binding upon the parties and may be enforced in any court of competent jurisdiction. The parties agree that the arbitration will be kept confidential and that the existence of the proceeding and any element of it (including, without limitation, any pleadings, briefs, documents, or other evidence submitted or exchanged and any testimony or other oral submissions and awards) will not be disclosed beyond the arbitration proceedings, except as may lawfully be required in judicial proceedings relating to the arbitration or by applicable disclosure rules and regulations of securities regulatory authorities or other governmental agencies.

This section limits certain rights, including the right to maintain a court action, the right to a jury trial, the rights to certain forms of relief and other rights that Grantee may have outside of an arbitration proceeding.

This provision shall survive termination of this Agreement.

- f. In the event the Foundation elects to proceed with a civil lawsuit under Section 5(e) above, it is agreed by the parties hereto that venue shall lie in the District Courts of Galveston County, Texas for the purpose of any lawsuit to:
- (a) enforce the obligations of any party hereto;
 - (b) interpret the provisions of this Grant Contract and Agreement; or
 - (c) seek monetary damages for the breach of any provision or obligation hereof.

6. This Contract is executed in Galveston County, Texas, this _____ day of _____, _____.

ACCEPTANCE:

We accept this grant subject to the terms and provisions stated above.

Chief Executive Officer

President or Chairman of the Board

Date _____

Date _____

THE MOODY FOUNDATION

Date _____

FINAL REPORT OUTLINE

We hope you will find the information in this outline helpful to you in developing your reports to the Foundation. The information request by the Foundation serves several important functions. It provides the grantee an opportunity to measure and evaluate the progress which has been made toward the achievement of the grant objectives. It also enables the Foundation to continually evaluate the effectiveness and validity of its grants program. It also protects the grantee and the Foundation by formally recording an account of the activities and expenditures of the program. It will provide the information needed to substantiate the purpose for which the grant was made.

One copy of the Evaluative Report should be submitted to the Foundation office. The report should be in a concise narrative form as follows:

1. A one-page summary which includes the following information:
 - a. Moody Foundation grant number & amount of grant.
 - b. Brief description of purpose for which grant was made.
 - c. Date project was initiated and summary of activities completed.
 - d. Report the goals achieved by your organization in accomplishing the purposes for which the grant was made.
2. In addition to one-page summary, please provide the following information:
 - a. Statement indicating whether there were any changes or deviations from original grant proposal (if any).
 - b. Additional developments or extra benefits which occurred as a result of the project.
 - c. Conclusions or recommendations resulting from the experience of the project.
 - d. Plans for continuation of the project.
3. Financial statement concerning grant activities:
 - a. Total amount of funds raised
 - b. List of source of funds
 - c. How the funds were used
 - d. Amount of funds to be returned to the Foundation