

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the Era Independent School District Board of Trustees ("ISD Board") of the Era Independent School District (the "District") and the Era Education Foundation Board of Directors ("Foundation Board") of the Era Education Foundation (the "Foundation"), desiring to memorialize the nature of their relationship, ratify and approve past activities and mutually acknowledge, for the future, the respective obligations and rights of the parties.

A. Public Purposes: The ISD Board has identified the following educational public purposes for the district's support of the Foundation:

1. Because of the uncertainty and restrictions inherent in the Texas public school finance system, the District must seek alternative sources of revenue in order to continue and/or enhance its quality education programs.
2. Strong community support to assist the District in maximizing alternative revenue sources requires reciprocal commitment and support from the District.
3. The important role played by an independent foundation warrants the support of the District through both monetary and non-monetary resources.
4. Continuation of the momentum achieved in maximizing alternative revenue sources through the Foundation requires a continual commitment from the District.
5. The Foundation has committed to provide funds to the District and its staff for instructional needs in alignment with the District's mission and strategic plan.
6. Community involvement in raising money for educational programs achieves a concurrent psychological and philosophical investment in the school district.
7. The Foundation is a nonprofit education corporation organized in Cooke County for educational and charitable purposes. The Foundation invests time and resources to generate and improve community support for creating alternative revenue sources that benefit the District and its students.
8. All revenues generated by the Foundation's efforts will be used for the betterment of the District, its students, educators, and educational programs.
9. The community's legitimate expectation is that the District supports the Foundation through the Foundation's limited use of facilities, equipment and personnel in exchange for the Foundation's commitment to provide monetary resources to the district.
10. Allowing the Foundation limited use of facilities, equipment and personnel promotes involvement in the Foundation by more members of the community because the District's facilities are conveniently located and its personnel and equipment are suited for the purposes needed by

the Foundation. The community realizes a convenience in having the District allow use of its facilities by the Foundation.

11. Solicitations of additional revenue by Foundation directors and personnel relieves the fundraising burden of the District's Superintendent, administrators, teachers and staff, leaving them free to focus on the District's educational mission.

12. Revenues obtained by the Foundation will be provided to supplement, not supplant, the District's educational programs.

13. It is essential that the District have some oversight over an individual who represents the District or the Foundation, especially individuals involved in seeking additional revenue sources for the District.

14. The ISD Board has determined that support of and investment in the Foundation as authorized herein will yield a substantial benefit and return on investment to the District.

B. Commitment: The ISD Board agrees to provide the following to the Foundation, provided that the public purposes continue to be met, the controls continue to be implemented, and are subject to the ISD Board's continuing right to refuse to appropriate the necessary funds in any budget year. All District contribution amounts shall be within the sole discretion of the ISD Board, whose contributions shall be monitored by the ISD Board and recorded in the District's accounting records as donations to the Foundation.

1. One or more volunteer employees of the District to periodically provide clerical, administrative, and other services to the Foundation on an "as needed" basis.

2. Office space facilities, furniture, and utilities for the Foundation employees or volunteers serving the Foundation.

3. All or a portion of the equipment used by the Foundation employees or volunteers serving the Foundation, including, but not limited to laptop, printer, and copiers.

4. Office equipment, telephone service, and minor consumable supplies used by the Foundation while on site at Era ISD.

5. Hardware, network connections and licensed software for authorized personnel performing services for the Foundation, subject to the District's Acceptable Use Policy.

6. Reasonable and necessary access to technology support services including, but not limited to one Zoom license, EEF board email addresses, and EEF website link added to Era website that will be used as needed for board and committee meetings or for other activities that support the work of the Foundation. The District agrees to work in conjunction with the foundation in administering a survey to the student body to assist in identifying ideas for educational enrichment.

7. Fees for initial formation consulting services in order to maximize the fundraising and marketing strategies that will ultimately benefit the students of the district. The Foundation is to

award back an additional \$4000.00 per year within the first three years in the form of Teacher and/or Instructional Grants to the Era Independent School District.

C. Responsibilities of Foundation:

1. The Foundation is, and shall continue to operate, as a nonprofit educational corporation organized in 2021 for the educational and charitable purposes for the benefit of the District and its students and former students.

2. The Foundation agrees that, during the term of this Memorandum of Understanding, the Foundation will use its best efforts to solicit, collect, invest and administer funds for the Foundation, which shall be used to enrich the educational environment of the District.

3. The Foundation agrees to award back at least \$11,800 or more in addition to the proposed budget in teacher grants in the first three years, or the Foundation initial formation consulting fee will be reimbursed to the district.

4. The Foundation agrees that, in each of the Foundation's fiscal years, the Foundation shall contribute more to the District than the value of the District's contribution to the Foundation or District funding may, in the ISD Board's discretion, either cease or be decreased for the coming fiscal year. For purposes of this Agreement, amounts contributed to the District in any fiscal year shall include all grants to teachers, educational programs, and all payments to an endowment fund made in that fiscal year, but shall not include monies deposited into retained earnings until those retained earnings are spent for the benefit of the District through a teacher grant, educational program or endowment payment.

5. The Foundation agrees that it will require its personnel and the District personnel providing services to the Foundation to follow all policies and procedures of the District when representing the District or the Foundation in any capacity.

6. The Foundation agrees that it will continue to recognize the District as the sole beneficiary of its solicitation program.

D. Controls: The ISD Board and the Foundation Board agree on the following controls, to ensure that a proper public educational purpose is served by this arrangement:

1. The Foundation shall provide the ISD Board with an annual report, which shall be presented to the ISD Board at a public ISD Board meeting. The Foundation shall provide a cost-benefit evaluation to the District regarding the District's investment in the Foundation and the Foundation's use of this investment for educational or public purposes.

2. The Foundation shall provide an IRS Form 990 annually to the ISD Board, which shall reflect the District's contributions to the Foundation and which shall be reviewed against the District's accounting records to ensure accuracy.

3. The Foundation shall abide by all policies and procedures of the District related to facility and equipment use, personnel, public information, and all other applicable policies.
4. The Foundation Board will designate the Executive Director of the Foundation as the fiscal agent with the authority to accept grants on behalf of the Foundation and the District. The Executive Director shall report all grants awarded to the Foundation to the Era ISD Superintendent of Schools.
5. The District shall determine each year, at the time of development of the District's budget, whether adequate consideration has been received from the Foundation in the previous fiscal year and will likely be received in the following fiscal year, to assist the Foundation Board in determining funding for the coming fiscal year.
6. The Foundation understands that, as a result of the District's investment in the Foundation, the documents of the Foundation are subject to the Texas Public Information Act, absent any specific exemption.
7. The Executive Director and any support personnel serving the Foundation shall be under the direct supervision and control of the EEF Board. The Foundation may consult with the Superintendent regarding the Executive Director's job performance.

AGREED TO this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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 Jeff Brown, Era ISD Board of Trustees, President

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 Theresa Stevens, Era EF Board President

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 Dr. Shannon Luis, Era Superintendent

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 Nicole Purnell, Era EF Executive Director