

MEMORANDUM OF UNDERSTANDING
BETWEEN THE GRAND PRAIRIE EDUCATION FOUNDATION
AND GRAND PRAIRIE INDEPENDENT SCHOOL DISTRICT

This Memorandum of Understanding ("Agreement") is entered into by and between the Board of Trustees ("School Board") of the Grand Prairie Independent School District (the "District") and the Board of Directors of the Grand Prairie 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.

Recitals

Whereas, the District is a public school system located in Texas; and

Whereas, the Foundation is an independent nonprofit corporation organized under the Texas Business Organizations Code (hereinafter called the "Act"), and exempt from taxation pursuant to the Internal Revenue Code 501(c)(3); and

Whereas, the District has the authority to enter into contracts as are necessary for the efficient management of the District, and

Whereas, the Foundation is organized and operated exclusively for educational purposes and to receive and disburse funds, property and gifts of any kind exclusively for the benefit of the District, and

Whereas, the parties desire to formalize their relationship to achieve an efficient coordination between them to advance the District's public purposes and to foster the educational and cultural programs and services of the District;

Now therefore, in consideration of the mutual covenants, promises and conditions herein contained, the District and the Foundation agree as follows:

- A. Public Purposes: The School Board has identified the following educational public purposes for district's support of the Foundation:
1. Because of the uncertainty and restrictions inherent to the 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. Continuation of the momentum achieved in maximizing alternative revenue sources through the Foundation requires a continual commitment from the District.
 4. Community involvement in raising money for educational programs achieves a concurrent psychological and philosophical investment in the District.
 5. The Foundation is a nonprofit education corporation organized in Dallas 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.

6. The community's legitimate expectation is that the District supports the Foundation through the Foundation's limited use of facilities, equipment and personnel. The community realizes a convenience in having the District allow use of its facilities by the Foundation.
7. Solicitations of additional revenue by Foundation directors and personnel relieves the fundraising burden of the Superintendent, administrators, teachers and staff, leaving them free to focus on the District's educational mission.
8. Revenues obtained by the Foundation will be provided for the betterment of the District's educational programs.
9. The District has realized gains from its assistance to the Foundation.

B. Commitment: The School Board agrees to provide the following to the Foundation, provided that the public purposes continue to be met and the controls continue to be implemented, and subject to the School Board's continuing right to refuse to appropriate the necessary funds in any budget year. Any and all devotion of District funds or resources under this Agreement shall be within the sole discretion of the School Board.

1. The District shall share annually with the Foundation its strategic plan, institutional priorities and projects, and resource requirements, so that the Foundation may represent the direction and needs of the District to donor prospects and align its programs and campaigns consistent with the strategic objectives of the District.
2. The District shall promptly alert the Foundation to prospective gifts, so that each opportunity for enhancing gift potential and donor relations is fully utilized.
3. The District shall provide:
 - (i) Office space facilities and utilities for the employees of the District serving the Foundation.
 - (ii) All or a portion of the equipment used by the employees of the District serving the Foundation.
 - (iii) All or a portion of the salary and benefits for the employees of the District assigned to assist the Foundation, with the specific contribution to be determined by the Superintendent in consultation with the Foundation.
4. The District shall assign at least one employee to assist the Foundation. Any District employees so assigned under this Agreement shall be under the direct supervision and control of the District, and shall be subject to all rights and responsibilities of other District employees.

C. Responsibilities of Foundation:

1. The Foundation agrees that, during the term of this Agreement, 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.

2. 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 funding may, in the School 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.
3. 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.
4. The Foundation agrees that it will continue to recognize the District as the sole beneficiary of its solicitation program.
5. The Foundation has fiduciary responsibility for the operation of the Foundation and the authorization of the expenditures of funds. The Foundation is responsible for providing to the assisting District employee any necessary training, guidance, or other information regarding the business, operations, or any special needs of the Foundation.
6. The Foundation shall collect and authorize such funds to be used for educational projects in alignment with the District's strategic plan and institutional priorities.
7. The Foundation shall conduct its activities in such a manner to maintain its status as a tax exempt, charitable organization under state and federal laws.
8. The Foundation shall consult with the District before accepting any gift for the benefit of the District that contains restrictive terms or conditions. The Foundation understands that the School Board has the final authority to accept or reject any donation.
9. The Foundation shall be solely responsible for obtaining financial and legal advice independent of the District.

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

1. The Foundation shall provide the School Board with an annual report, which shall be presented to the School Board at a public School 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 School 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 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.

5. Any District employees assigned to assist the Foundation shall be employees of the District, under the direct supervision and control of the District. The Foundation may consult with the Superintendent regarding the job performance of assigned employees.
6. The Foundation understands that, as a result of the District's investment in the Foundation, the documents of the Foundation may be subject to the Texas Public Information Act, absent any specific exemption for nondisclosure. The Foundation agrees that the District shall handle all Public Information Act requests and agrees to cooperate fully with the District in fulfilling its obligations under the law.

E. Term and Termination:

1. This Agreement shall have an initial term of one year beginning on the effective date and may be renewed upon approval by the Foundation and the District for additional terms, by written agreement signed by each party.
2. This Agreement is a commitment of the District's current revenues only. The District retains the continuing right to terminate this Agreement at the expiration of each budget period during the term of this Agreement.
3. This Agreement may be terminated by either party by giving sixty days written notice to the other party.
4. The parties shall review the terms of this Agreement on an annual basis.

AGREED TO this 12th day of December 2024.

SCHOOL BOARD

EDUCATION FOUNDATION

President

President

ATTEST:

ATTEST:

Secretary

Secretary