

MEMORANDUM OF UNDERSTANDING

Between Chisholm Trail Education Foundation and Crowley Independent School District

This Memorandum of Understanding (“Memorandum of Understanding” or “Agreement”) is entered into by and between the Crowley Independent School District School Board (“School Board”) of Crowley Independent School District (“the District”) and the Chisholm Trail Education Foundation Board of Directors (“Foundation Board”) of the Chisholm Trail 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 in 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 Tarrant 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. All contribution amounts shall be within the sole discretion of the School Board, which contribution shall be monitored by the School Board and recorded in the District's accounting records as donations to the Foundation.

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 may still accept charitable contributions on its own accord, as it has in the past, but shall promptly alert the Foundation to significant prospective gifts, so that each opportunity for enhancing gift potential and donor relations is fully utilized.
3. The District shall provide office facilities and utilities for the employees of the District who partially assist the Foundation.

4. The District shall provide a portion of the equipment used by the employees of the District who partially assist the Foundation.
5. The District shall provide the salary and benefits for the employees of the District who provide some support for the Foundation.
6. The personnel providing some support services to the Foundation shall be employees of the District, under the direct supervision and control of the District Superintendent. The employees who provide some support services to the Foundation 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 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.
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 or 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.
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.
- D. Controls: The School 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 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 including, but not limited to, partial personnel, facilities and equipment expenses, 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. The noted District contributions shall be reviewed against the District's accounting records to ensure accuracy. The Foundation will file the Form 990 annually with the U.S. Internal Revenue Service.
 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. The Foundation understands that, as a result of the District's investment in the Foundation, the documents of the Foundation are possibly subject to the Public Information Act, if applicable, absent any specific exemption.
 6. The Executive Director and any support personnel serving the Foundation shall be at-will employees of the District, under the direct supervision and control of the Superintendent of Schools or designee. The Foundation may consult with the Superintendent regarding the Executive Director's and support personnel's job performance.
- E. Term and Termination:
1. This Memorandum of Understanding shall have an initial term of three years beginning on the effective date and may be renewed upon approval of the District for additional terms, each of a three year duration, by written agreement signed by each party.

2. This Memorandum of Understanding 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.


AGREED TO this ____ day of ____, 2015.

CROWLEY ISD SCHOOL BOARD



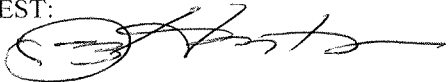
President

CHISHOLM TRAIL EDUCATION
FOUNDATION



President

ATTEST:



Secretary

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