

**MEMORANDUM OF UNDERSTANDING AND RESOLUTION OF THE BOARD  
OF TRUSTEES OF THE JUDSON INDEPENDENT SCHOOL DISTRICT AND  
THE JUDSON ISD EDUCATION FOUNDATION, INC.**

On this 24<sup>th</sup> day of January, 2019, this Memorandum of Understanding and Resolution is entered into by and between the Judson Independent School District and its Board of Trustees ("Judson" or the "District") and the Judson ISD Education Foundation a/k/a Judson Education Foundation ("JEF" or 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.

**WHEREAS**, the Judson 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; and
2. Strong community support to assist the District in maximizing alternative revenue sources requires reciprocal commitment and support from the District; and
3. Continuation of the momentum achieved in maximizing alternative revenue sources through the Foundation requires a continual commitment from the District; and
4. Business and Community involvement in raising money for educational programs of the District achieves a concurrent psychological, philosophical and philanthropic investment in the District; and
5. The Foundation is a nonprofit 501(c)(3) corporation originally organized by directive of the District in 1999, located in Bexar County, Texas, for educational and charitable purposes in support of the District and its students and staff; and
6. The Foundation, its officers and volunteers, invests time and resources to generate and improve community support for creating alternative revenue sources that benefit the District, its staff and ultimately its students; and
7. In that the Foundation serves the best interest of Judson students, the District supports the Foundation through the Foundation's reasonable use of personnel, office space, meeting and event facilities, office supplies and equipment, and transportation; and

8. Solicitations of additional support for the District, including revenue, funds and good will, by the Foundation aids and enhances District's community-relations, fund-raising and philanthropic endeavors and relieves and assists the District's Superintendent, administrators, teachers and staff in this regard, leaving them free to focus on the District's educational mission; and
9. Revenues generated and obtained by the Foundation will be utilized, as directed by JEF's Board, to be provided for the betterment of the District's educational program, to enhance and improve employee morale, to facilitate student achievement and skill development, and to encourage excellence and provide opportunities for District staff.

**BE IT THEREFORE RESOLVED THAT:**

The Board of Trustees of the District has determined that there is a legitimate public and educational purpose served by supporting the foundation as described below.

The District agrees to provide the following support to the Foundation, provided that the educational public purpose continues to be met and the controls, described below, continue to be implemented, and subject to the District's Board's authority to appropriate budget funds in any budget year. All District contributions to the Foundation shall be within the discretion of the District's Board and/or as delegated to the Superintendent, which contribution shall be monitored by the Superintendent and recorded in the District's accounting records as donations to the Foundation, or as otherwise recommended by the District's accounting and audit professionals:

**Responsibilities of the District:**

1. Salary and benefits for the employee(s) of the District assigned to support the Foundation, which employee(s) shall be assigned at the sole discretion of the District. This shall include assignment of the District's Business Partnerships Coordinator, or other employee at the discretion of the District, to serve as the Executive Director of JEF.
2. Office space, facilities, equipment, supplies, materials, and utilities for the employee(s) of the District serving the Foundation. The Foundation may additionally procure, by donation or otherwise, various computers and other equipment for used by such employee(s) and JEF, which equipment shall remain the property of the Foundation.

**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 and support for the Foundation in accordance with prudent investment requirements under applicable state law for

nonprofit corporations, and that revenues realized shall be used, as directed by JEF's Board, to enrich the educational environment of the District, to support the educational, volunteer and community efforts of the District, and in the best interest of the District's students.

2. For purposes of this Memorandum of Understanding, amounts contributed for the benefit of the District, may include all grants to teachers, scholarships, support of educational programs, and all payments to JEF's endowment fund(s).
3. The Foundation agrees that it will require its officers, volunteers and personnel to follow all applicable policies and procedures of the District when representing the District or the Foundation in any capacity.
4. The Foundation agrees that during the term of this Memorandum of Understanding, it will continue to recognize the District and its students and staff, as the sole beneficiary of its charitable endeavors.

#### **Controls and Oversight:**

The District's Board and the Foundation Board agree on the following controls, to ensure that a proper public educational purpose is served by this Memorandum of Understanding:

1. As per the corporate documents of the Foundation and in accordance with the original findings of the District's Board in 1999, the District's Superintendent will serve as the Secretary of the JEF Board, as a Director of the JEF Board and on the JEF Executive Committee. The Superintendent shall have voting privileges on JEF's Board and shall act in accordance with JEF's bylaws.
2. As per the corporate documents of the Foundation and in accordance with the original findings of the District's Board in 1999, the District's Board of Trustees shall act to appoint one Trustee to serve as a director on JEF's Board and shall have voting privileges in accordance with JEF's bylaws. The assigned trustee/director shall also act as the liaison between JEF's Board and the District's Board and shall report to the District's Board of JEF efforts and activity.
3. As per the corporate documents of the Foundation and in accordance with the original findings of the District's Board in 1999, the District's Superintendent shall appoint one parent or community member to serve on JEF's Board, which appointee shall serve at the discretion of the Superintendent and who shall have voting privileges on JEF's Board in accordance with JEF's bylaws.

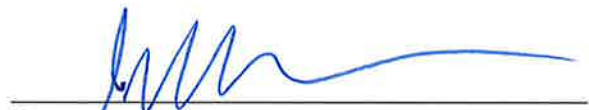
4. The Foundation shall provide Judson's Board with an annual report with quarterly updates, as requested by Judson's Board, which shall be presented at a regularly scheduled public meeting. The Foundation shall provide a report involving all significant activities and efforts of the Foundation and the Foundation's use of its revenues for educational and public purposes in support of the District. (rev. 1/22/19)
5. 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.
6. The Foundation shall procure an annual independent audit of its finances and accounts and shall make the auditor's report available to the District and shall provide an IRS Form 990 annually to Judson's 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.
7. The Foundation understands that, as a result of the District's support of the Foundation, the documents of the Foundation may be subject to the Texas Public Information Act.
8. The executive director of the Foundation 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.

AGREED TO this 24th day of January, 2019.

JUDSON ISD BOARD OF TRUSTEES

ATTEST:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

JUDSON ISD EDUCATION FOUNDATION, INC.

By: \_\_\_\_\_  
President