

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the SLIDELL INDEPENDENT SCHOOL DISTRICT (the "District") and the SLIDELL EDUCATION FOUNDATION, INC. (the "Foundation"), desiring to memorialize the nature of their relationship and mutually acknowledge the respective obligations and rights of the parties.

- A. Public Purposes: The District 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 supplemental revenue in order to continue and/or enhance its quality education programs.
 2. Maximization of sources of supplemental revenue requires strong community support, including organizations such as the Foundation.
 3. Strong community support to assist the District in maximizing such sources that further the public purposes of the District requires reciprocal commitment and support from the District.
 4. The District has realized gains that benefit the public purposes of the District from the cooperative use of approved school district resources in support of the Foundation.
 5. It is expected that the Foundation will provide to the District grants to teachers and schools for innovative teaching programs and awards of excellence, and in cooperation with the District, will develop new programs in response to District needs. These activities provide a benefit to the District.
 6. Community involvement in raising money for educational programs achieves a concurrent psychological and philosophical investment in the school district.
 7. The community realizes a convenience in having the District allow use of its facilities by the Foundation.
 8. Solicitations of additional revenue by Foundation directors and personnel relieve the fund-raising burden of the District's staff, leaving them free to focus on the District's educational mission.
 9. Teacher grants and awards of excellence serve as recruiting tools for District employees.

B. Commitment: The parties explicitly agree that this Agreement is not, and shall not be construed as, an agreement under which the Foundation provides goods or services to the District. Rather, the purpose of this Agreement is to document the terms and conditions under which the District may, if it so chooses in its discretion, provide support to the Foundation. The District may provide to the Foundation support in the following forms, provided that the public purposes continue to be met and the controls continue to be implemented, and subject to the District's continuing right to elect to provide any particular level of support and/or elect not to provide any support. All District support shall be within the sole discretion of the District's Board of Trustees (subject to delegation by the Board), which support shall be monitored by the Board and recorded in the District accounting records as District resources provided to the Foundation in return for the Foundation's contributions to the District that shall serve the District's public purposes.

1. District employee time working in coordination with or in cooperative support of the Foundation.
2. Office space facilities and utilities for the employees of the District working in coordination with or in cooperative support of the Foundation.
3. All or a portion of the equipment used by the employees of the District working in coordination with or in cooperative support of the Foundation.
4. Employees of the District who are working in coordination with or in cooperative support of the Foundation shall not be entitled to receive supplemental compensation directly from the Foundation; however, the Foundation may donate to the District funds intended to offset the costs of contractual payments to District employees who are working in coordination with or in cooperative support of the Foundation, including donations based on employee achievement of, and contractual payments for, agreed and pre-determined performance objectives for services yet to be rendered under the express written terms of a District employee contract. The parties to this Agreement understand and acknowledge that the District is prohibited by law, and therefore cannot agree under any provision of the Memorandum, to compensate any of the District's employees in a manner that violates Article III, Section 53 of the Texas Constitution (or any other applicable laws of the State of Texas), including the prohibition against gifts of bonus, non-contractual payments to employees for services already rendered. The parties to this Agreement understand, acknowledge, and agree that the terms of employment and contracts between the District and its employees, including the amount of compensation and payment, are within the sole authority and absolute and final discretion of the District and its Board of Trustees, and nothing in this Memorandum shall limit or impair that authority and discretion. Further, nothing in this Memorandum shall create rights or remedies for any entities or persons other than the District and the Foundation.

C. Responsibilities of Foundation:

1. The Foundation is a nonprofit corporation organized in Texas for educational and charitable purposes exclusively for the benefit of the District.
2. To the extent that the District provides support to the Foundation under this Agreement, the Foundation agrees that such resources will be used solely for the public purposes outlined above, and that such resources shall not be used for the personal or private gain of any person, organization, or entity other than the District.
3. 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. The Foundation agrees that all District contributions shall be used to support the public purposes of the District. For purposes of this Agreement, amounts contributed to the District in any fiscal year may include grants to teachers, teacher fellowships, awards of excellence, program scholarships and scholarships to graduating seniors, and all payments to Foundation endowment funds 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, award of excellence, or an endowment fund payment.
4. The Foundation agrees that it will require its employees, personnel, members, officials, representatives, agents, and volunteers to follow all policies and procedures of the District when representing in any capacity the Foundation, and in all matters related to the District.

D. Controls: The District 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 abide by all policies and procedures of the District related to facility and equipment use, personnel, public information, and all other applicable policies.
2. Upon the District's request, the Foundation agrees to provide the District immediate access to and the right to copy or otherwise reproduce, all documents or records of any format concerning, involving or related to the Foundation's finances, and to permit and cooperate with at any time an audit by the District or an auditing firm retained by the District. The Foundation agrees to provide the District with, and pay for the costs of, an independent annual audit performed by an auditing firm retained by the Foundation. The annual audits shall be in accordance with auditing standards generally accepted in the United States of America.
3. The Foundation shall provide the District with a five-year plan, updated annually, which shall be presented to the Board of Trustees at a public Board meeting.
4. The Foundation shall provide an IRS Form 990 annually to the District, which shall reflect the District's contributions to the Foundation and which shall be reviewed

against the District's accounting records to ensure accuracy.

5. The Foundation shall annually provide an Annual Report to the District demonstrating the Foundation's financial and public relations activities for educational or public purposes. This evaluation shall be presented annually to the Board of Trustees at a public Board meeting in August.
6. The District shall determine each year, at the Board's sole discretion, the amount of District funding, if any, to budget for support of the Foundation for the coming fiscal year. Funds budgeted by the District shall be subject to and limited by any applicable laws of the State of Texas, the District's policies and procedures, and any Board actions related to the Foundation.
7. 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, and the Foundation agrees to abide by the Texas Public Information Act.
8. There are no third-party beneficiaries to this Agreement, and the parties do not intend that any non-party have any right to enforce any part of this Agreement.
9. This Agreement shall not be construed to result in any amount due and owing from the District to any person, organization, or entity.

AGREED TO this _____ day of _____, 2024.

SLIDELL INDEPENDENT SCHOOL DISTRICT

By: _____ President, Board of Trustees

ATTEST:

Secretary, SLIDELL EDUCATION FOUNDATION,
INC.