

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the Board of Trustees (“ISD Board”) of the Plano ISD (the “District”) and the Board of Directors (“Foundation Board”) of the Plano ISD 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 Plano ISD Board of Trustees has identified the following educational public purposes for the Plano ISD’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. Maximization of alternative revenue sources requires strong community support.
 3. Strong community support to assist the District in maximizing alternative revenue sources requires reciprocal commitment and support from the District.
 4. The District has realized gains from its investment in the Plano ISD Education Foundation.
 5. The Foundation has provided numerous donations that benefit ISD students, staff, and instructional programs.
 6. Continuation of the momentum achieved in maximizing alternative revenue sources through the Foundation requires a continual commitment from the District.
 7. Community involvement in raising money for educational programs achieves a concurrent psychological and philosophical investment in the school district.
 8. The community’s legitimate expectation is that the District supports the Foundation through the Foundation’s limited use of facilities, equipment and personnel.
 9. The community realizes a convenience in having the District allow use of its facilities by the Foundation.

10. Solicitations of additional revenue by Foundation directors and personnel relieves the fund-raising burden of the District's Superintendent, administrators, teachers and staff, leaving them free to focus on the District's educational mission.
11. All additional revenues obtained by the Foundation will be provided by the Foundation for the betterment of the District's educational programs.
12. It is essential that the District have oversight over any individual who represents the District or the Foundation in seeking additional revenue sources.

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

1. All or a portion of the salary and benefits for the employees of the District serving the Foundation.
2. Office space facilities and utilities for the employees of the District serving the Foundation.
3. All or a portion of the equipment used by the employees of the District serving the Foundation.

C. Responsibilities of Foundation:

1. The Foundation is a nonprofit educational corporation organized in Plano, Texas for educational and charitable purposes exclusively for the benefit of the District.
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. Except as may be specifically allowed in this Memorandum, 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 or other non-profit organization benefiting the District, its employees, volunteers or students as the beneficiary of its solicitation program.
- D. Controls: The Plano ISD and the Foundation Board agree on the following controls, to ensure that a proper public educational purpose is served by this arrangement:
1. The executive director and any support personnel serving the Foundation shall be at-will employees of Plano ISD, 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. Election or release of Plano ISD personnel serving the Foundation is a function of the Plano ISD.
 2. 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. However, the Foundation may purchase and sell alcohol and/or alcoholic style beverages at or in support of its fundraising events which are held at facilities other than those owned by the District.
 3. The Plano ISD Board and the Foundation Board hereby designate the executive director of the Foundation as the fiscal agent with the authority to accept grants to the Foundation for Plano ISD. The executive director shall report all grants received to the Plano ISD Superintendent of Schools or designee.
 4. The Foundation shall ensure that, during each fiscal year of its existence, it provides to the District more revenue than the District provides to it, pursuant to this or any agreement, or Plano ISD funding or other support may, in the Board's discretion, either cease or be decreased for the coming fiscal year. For the purposes of this Agreement, amounts contributed to the District in any fiscal year shall include all Foundation programs or services to benefit Plano ISD grants made in a fiscal year, but shall not include monies deposited in retained earnings until those retained earnings are spent for the benefit of the District.

5. The Foundation shall provide an IRS Form 990 annually to the District's Superintendent or designee, which shall reflect the District's contributions to the Foundation and which shall be reviewed against the District's accounting records to ensure accuracy.
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, and the Foundation agrees to abide by the Texas Public Information Act.

AGREED TO this _____ day of _____, 2007.

PLANO ISD BOARD OF TRUSTEES

PLANO ISD EDUCATION FOUNDATION

President

President

ATTEST:

ATTEST:

Secretary

Secretary

