



## MEMORANDUM

**To:** Mayor and City Council

**From:** Alex Hargis, Arts Center Managing Director

**Via:** Jessica Carpenter, Director of Parks and Recreation

**Date:** May 11, 2021

**Reference:** Consider approval of a Resolution allowing for a Memorandum of Understanding between the City of Coppell and the Coppell Arts Center Foundation; and authorizing the City Manager to sign any necessary documents.

**2040:** Create Business and Innovation Nodes  
Foster an Inclusive Community Fabric  
Enhance the Unique 'Community Oasis' Experience

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### Introduction:

The Coppell Arts Center's 2019 business model that was submitted to Council included support from a non-profit affiliate to aid in fundraising and general community support for marketing, strategy, and operational efforts.

A fundraising development taskforce was created in 2019 and it consisted of Coppell business and community leaders. The goal of that taskforce was to begin evaluating the fundraising development potential of the Arts Center project and to generate community awareness and interest. At the end of that year, members of that taskforce sought to create an independent foundation to support the Arts Center and began the necessary 501c3 paperwork. The strategic pillars of cultivate (fundraising), elevate (advisory), activate (volunteerism), and advocate (brand ambassadorship) served as the underpinnings for the organization's bylaws and mission. In March of 2021, the Coppell Arts Center Foundation was formally recognized by the IRS as a 501c3 non-profit entity.

Staff was advised by Legal, Finance, and the third-party risk assessment consultant, The McHard Firm, to draft a memo of understanding (MOU) followed by a resolution to put legal framework around the working relationship of the City and the Foundation. The MOU document was jointly written under the guidance of the parties listed above. The MOU document is intended to establish the spirit of the relationship between the two organizations while also defining individual responsibilities and joint efforts. Detailed operational measures will be addressed in a separate Facilities Use Agreement.

**Analysis:**

- The MOU was crafted using approved reference documents provided by The McHard Firm and the Bond Council.
- Finance was consulted numerous times to provide input regarding procedural guidance and language for fundraising, sponsorships, and grants.
- The MOU has been reviewed and approved by both organizations' legal representatives.
- The document establishes joint working relationships for marketing, fundraising, and community programming.
- The document defines the City as the formal entity to receive and manage contributions for capital assets and the Foundation as the formal entity to receive and manage contributions in the form of sponsorships, corporate memberships, grants, and endowments.

**Legal Review:**

Legal and Finance have reviewed the memo of understanding.

**Fiscal Impact:**

The Coppel Arts Center Foundation is an independent, self-sustaining non-profit, and having them conduct fundraising development for Arts Center related programming and initiatives will aid in reducing the Center's dependency on CRDC funds and bolstering its cost recovery efforts.

**Recommendation:**

The Parks and Recreation Department recommends approval of this item.