

MEMORANDUM OF UNDERSTANDING

(Rural Opportunity Centers)

This **MEMORANDUM OF UNDERSTANDING** (“MOU”) is made effective as of May 30, 2018, by and between **EDUCATE TANZANIA, INC.**, a Minnesota nonprofit corporation recognized as a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“ETI”), and the **EVANGELICAL LUTHERAN CHURCH IN TANZANIA KARAGWE DIOCESE**, located in Karagwe District in Kagera Region, Tanzania (“ELCT/KAD”):

WHEREAS, the purpose of this MOU is to express the desire for ETI and ELCT/KAD to work together to help build Rural Opportunity Centers (hereinafter, “ROCs”) through various types of assistance and encouragement including, but not limited to, grantmaking, when and if funds become available; and

WHEREAS, ELCT/KAD is a non-governmental faith-based organization, and the developer, owner, and eventual operator of ROCs, which are extensions of Karagwe University College (“KARUCO”), a post-secondary university in the Karagwe District of Tanzania, focused primarily on agricultural education with support curricula in environmental sciences, entrepreneurship, and social justice; and

WHEREAS, ETI, consistent with its tax-exempt charitable and educational purposes, intends to be a partner in purpose with ELCT/KAD with respect to the establishment of ROCs; a potential funding source for the establishment of ROCs; and, to the extent possible, provide certain services in connection with the establishment of ROCs, such as architectural, engineering, and construction-related services, program development, administrative development, and other related services that may be of value in helping ELCT/KAD establish ROCs; and

WHEREAS, ETI desires to assist ELCT/KAD in establishing ROCs, and, if funding is available, will give ELCT/KAD opportunities to secure grants for such purposes consistent with the Foreign Grantmaking Policy adopted by ETI (a copy of which is attached hereto); and

WHEREAS, ELCT/KAD desires to accept the assistance of ETI with respect to the establishment of ROCs;

NOW, THEREFORE, in consideration of the premises, ETI and ELCT/KAD mutually understand and agree as follows:

1.01. Grantmaking & Project Funding. When funds permit, and as consistent with its tax-exempt charitable and educational purposes and its Foreign Grantmaking Policy, ETI will provide opportunities for ELCT/KAD to submit funding grant requests to ETI and to receive funds directly from ETI to help meet the goals outlined in this MOU.

1.02. Provision of Expertise, Services, and Other Resources. To the extent feasible, ETI will provide, and ELCT/KAD agrees to utilize, certain expertise, services, and other non-monetary resources in connection with the establishment of ROCs, such as engineering and construction-related services, program development, administrative development, and other services as the parties may agree from time to time. In this regard, ETI and ELCT/KAD agree to work together to develop and maintain a “**Project Responsibilities Schedule**” to set forth their respective responsibilities in connection with the provisions of such expertise, services, and other non-monetary resources, which shall be updated from time to time as needed.

1.03. Good Faith & Transparency. ETI and ELCT agree to work together in good faith and in a transparent way to carry out the goals of this MOU.

1.04. Non-Binding Nature of MOU; Termination. This MOU describes the general conditions and arrangements for future cooperation between the parties hereto and, unless the parties have otherwise specifically agreed in writing, is not legally binding on either party and imposes no enforceable obligations. Notwithstanding anything in this MOU to the contrary, this MOU may be terminated by either party at any time upon 120 days’ prior written notice to the other party.

1.05. Choice of Law; Dispute Resolution; Forum for Legal Proceedings. This MOU shall be construed according to the laws of the State of Minnesota. If any dispute should arise between the parties concerning this MOU, the parties shall agree to attempt to resolve their differences amicably and in good faith, consistent with the purposes of this MOU. In the event that ELCT/KAD should bring any legal proceedings against ETI in connection with this MOU, such legal proceedings shall be venued in the District Court for Carver County,

Minnesota, and ELCT/KAD hereby acknowledges the existence of sufficient contact to the State of Minnesota and Carver County to confer jurisdiction upon that court.

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IN WITNESS WHEREOF, the parties hereto have signed this MOU to be effective as of date first written above.

EDUCATE TANZANIA, INC.

Date: May 30, 2018

By: Jan B. Hansen
Jan B. Hansen, President & CEO

EVANGELICAL LUTHERAN CHURCH
IN TANZANIA KARAGWE DIOCESE

Date: May 30th, 2018

By: Bagonza
Rt. Rev. Dr. Benson K. Bagonza



FOREIGN GRANTMAKING POLICY

COPY

1. Purpose.

The purpose of this document is to provide effective policies to maintain adequate control over all funds dispersed to foreign charities by Educate Tanzania Inc. which further the exempt purposes of this organization. To this end, this organization has adopted the following guidelines for the distribution and monitoring of such expenditures. These guidelines shall be presented to all charities seeking funding for foreign charity projects from this organization after the date these guidelines are adopted. As a condition of receiving any future funding, all such charities must attest in writing to their commitment to fully, faithfully, and timely comply with these guidelines.

2. Requests for Funding by Foreign Charities.

All requests for funding for foreign charities or projects must be in writing and must include, at a minimum:

- A list of specific charitable goals the recipient charity seeks to accomplish with use of this organization's funds, together with a statement of the standards by which progress toward those goals can be measured;
- Identification of the specific person or persons associated with the recipient charity who will be responsible for overseeing the funded projects;
- A budget submitted by the recipient charity which shows proposed expenditures in sufficient detail so as to allow the Board to determine the economic efficiency of the project being funded; and
- A commitment by the recipient charity and its responsible persons to fully, faithfully, and timely comply with this organization's reporting and monitoring requirements.

3. Board Approval.

All requests for funding by foreign charities or for projects conducted by foreign charities must be approved by the Board of Directors and will be considered together with all other internally and externally generated requests for funds. All such approvals by the Board shall be in writing and shall include, at a minimum:

- A description of exempt purposes of this organization to be served by the foreign charity or project; and
- A determination by the Board that the funding request is consistent with the exempt purposes of this organization and worthy of funding.

4. Reporting Requirements.

All approved funding of foreign projects shall be monitored by the Board through specific reporting from the responsible person for each recipient charity. Reports must be submitted by each recipient charity at least quarterly. The reports submitted by foreign charities must include financial statements (current within 30 days) reflecting actual expenditures compared with the projected charity budget previously submitted. Project milestones shall be briefly evaluated and all significant post-funding developments and problems shall be discussed. The President shall receive and evaluate these reports and, as appropriate, refer them to the Board with a recommendation for continued or discontinued funding.

5. Retention of Control.

All foreign charity funding requests shall be funded with the understanding that this organization retains full control of all such funds, exercises absolute discretion as to their use, and retains the right to discontinue funding (including the refund of funds already granted but not expended) at any time it determines that the project goals or standards of performance are not being met, the budget is not being adhered to, accountability standards are not being satisfied, or for any other reason in this organization's sole discretion.

6. Unsolicited Restricted Donations for Foreign Charities or Projects.

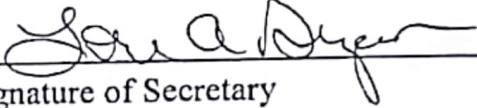
Consistent with this organization's retention of control over foreign funding requests, this organization shall receive unsolicited restricted donations for specific foreign charities or

EDUCATE TANZANIA INC.

projects only for those projects previously approved by the organization, unless the President determines that the particular donor-designated foreign charity or project is sufficiently meritorious and compatible with this organization's purposes that the restricted donation should be treated as a funding request and presented to the Board for consideration in accordance with the foregoing foreign funding guidelines. Otherwise, all such restricted donations shall be returned to the donor.

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The foregoing Policy was adopted by the Board of Directors on March 8, 2011.



Signature of Secretary