

GRANT AGREEMENT

This grant agreement (this "Agreement") is made effective on June 13, 2018, (the "Effective Date") between the **Arizona State University Foundation**, an Arizona nonprofit corporation (the "Foundation"), **Arizona Board of Regents** (The "Board") for and on behalf of **Arizona State University** (the "University"), an instrumentality of the state of Arizona, and the **Charles Koch Foundation**, a Kansas nonprofit corporation (the "Donor"). This Agreement is for the benefit of the programmatic components in the Political History and Leadership Certificate Program (the "Certificate Program"), which is housed in the School of Historical, Philosophical and Religious Studies (the "School") at the University. The Foundation, the University, and the Donor are sometimes referred to in this Agreement individually as a "Party" and collectively as the "Parties." The Parties agree as follows:

1. **Promoting Academic Freedom.** Consistent with the Donor's principles of supporting open inquiry and a diversity of ideas in higher education, the Donor's grant is intended to help promote a republic of science at the University where ideas can be exchanged freely and useful knowledge will benefit the well-being of individuals and society. Thus, the Parties agree that the academic freedom of the University, the Certificate Program, and their faculty, students, and staff is critical to the success of the Certificate Program's research, scholarship, teaching, and service.

2. **The Foundation and the University's Proposal.** The Parties enter into this Agreement based on the Foundation and the University's proposal, which is hereby incorporated into and made part of this Agreement and attached as Attachment A (the "Proposal"). As stated in the Proposal and consistent with the Certificate Program Director's vision, the mission of the Certificate Program is to promote a greater understanding of the foundations of democratic society through undergraduate education, scholarly research, and civic involvement (the "Certificate Program's Mission").

3. **Certificate Program Components.**

a. **Generally.** To support the Certificate Program's Mission, the University desires to create the following positions and activities to affiliate with the Certificate Program, collectively referred to as the "Certificate Program Components." The Certificate Program Components are described more fully in the Proposal and include a "Tenure-Track Professorship," the "Certificate Program Director Stipend," "Assistant Director," "Postdoctoral Fellow," "Undergraduate Support," and "Certificate Program Support." The Foundation and the University shall each use any funds received under this Agreement to support the Certificate Program Components in accordance with the terms of this Agreement. According to the University's normal procedures, the Certificate Program Director is responsible for directing the Certificate Program Components, which includes allocating and administering the Certificate Program's budget, supervising Certificate Program staff, mentorship, and other duties to advance the Certificate Program's Mission as deemed appropriate by the Certificate Program Director.

b. **Selection According to the University's Normal Procedures.** The Parties mutually agree that the selection of the foregoing positions and fellowships by the University will follow the University's normal procedures for selecting such positions and fellows for the applicable academic units. As a matter of academic freedom for academic units at the University, individuals who hold positions with or are affiliated with the Certificate Program must be approved by the Certificate Program Director, in accordance with School of Historical, Philosophical and Religious Studies and University's normal procedures.

4. **The University's Support for the Certificate Program.** The University and the School shall support the Certificate Program Components to advance the University's mission. As part of this support, the School and the University will provide the Certificate Program with office space, furniture, and information technology support for its operational needs. The office space will be contiguous to the School of Historical, Philosophical and Religious Studies.

5. The Donor's Support for the Certificate Program Components.

a. **Contributed Amount.** Subject to the terms of this Agreement, the Donor will contribute funds to the Foundation solely to support the Certificate Program Components to advance the Certificate Program's Mission (all or part of such funds are referred to as the "Contributed Amount(s)"). The maximum Contributed Amount for each Certificate Program Component is as follows:

Certificate Program Components	Contributed Amount
Salary and fringe benefits for the Tenure-Track Professorship	Up to \$371,000
Costs and expenses for the Certificate Program Director Stipend	Up to \$40,000
Costs and expenses for the Assistant Director	Up to \$196,000
Costs and expenses for Postdoctoral Fellow	Up to \$116,000
Costs and expenses for Undergraduate Support	Up to \$50,000
Costs and expenses for Certificate Program Support	Up to \$127,000

b. **Other Support.** If the University and Donor mutually agree, the Donor may also contribute in-kind services to the University to help promote the work of the University, the Certificate Program, or the University faculty, students, and staff. In-kind contributions shall be approved by the University.

6. Grant Process and Administration.

a. **The Foundation Grant Request.** The Foundation shall submit an annual written request according to the schedule below to the Donor for the Donor's consideration (the "Foundation Grant Request"). If the Donor approves the Foundation Grant Request, the Donor shall make a contribution up to the amount listed in the below schedule to the Foundation, and the Foundation shall accept such Contributed Amount on behalf of the University. If the Donor does not approve the Foundation Grant Request, the Donor is under no obligation to contribute any funds to the Foundation or the University.

b. **The Foundation Grant Request and Proposed Grant Award Schedule.**

Foundation Grant Request Date	Donor Response and Proposed Contribution Date	Contributed Amount
Submitted as the Proposal	Within sixty (60) days of the Parties signing this Agreement	Up to \$258,500
April 1, 2019	On or about June 1, 2019	Up to \$363,250
April 1, 2020	On or about June 1, 2020	Up to \$ 92,750
April 1, 2021	On or about June 1, 2021	Up to \$ 92,750
April 1, 2022	On or about June 1, 2022	Up to \$ 92,750
Total Maximum Aggregate Contributed Amount:		Up to \$900,000

c. **The Fund.** The Foundation shall place all of the Contributed Amount in a segregated and restricted fund on its books and records called the "PHL - CKF Fund" (the "Fund"). The Foundation and the University shall solely use the Fund to support the Certificate Program Components as stated in this Agreement. The Foundation shall make the Fund available for contributions from other donors. If another donor makes a contribution to the Fund, the Foundation shall promptly notify the Donor of the amount donated and, if permitted by the other donor, the name of the other donor.

7. Contributed Amount Used Solely for Charitable Purposes for the Certificate Program Components.

a. **Tax Status.** According to IRS records, the Foundation is an organization described within the meaning of Internal Revenue Code (the "Code") sections 501(c)(3) and 509(a)(1). The University has furnished the Donor with records showing that it is an organization described in Code section 170(c)(1) or 511(a)(2)(B). The Foundation and the University shall immediately notify the Donor if their respective tax statuses change.

b. **Charitable Purpose.** The Foundation and the University shall use the Contributed Amount solely for the Certificate Program Components, which is a charitable purpose described in section 170(c)(2)(B) of the Code. The Foundation and the University shall not use the Contributed Amount to influence legislation as described in section 4945(d)(1) of the Code, to influence the outcome of any election, for a political campaign or intervention, to carry on any voter registration drive, or any other purpose that would jeopardize the Donor's tax-exempt status or subject the Donor to penalties under Chapter 42 of the Code.

c. **Certificate Program Components.** The Foundation and the University shall return to the Donor any Contributed Amount not spent for the Certificate Program Components.

8. General Terms.

a. **Term.** The term of this Agreement is from the Effective Date to the later of July 31, 2023, or until the Foundation and the University have spent all of the Contributed Amount, unless earlier terminated pursuant to this Agreement.

b. **Termination.** The Donor has the right to terminate this Agreement if: (i) the Foundation or the University breaches any term of this Agreement; (ii) the Certificate Program Components are not advancing the Certificate Program's Mission; or (iii) such action is necessary to comply with any law applicable to the Foundation, the University, or the Donor. For university budgeting purposes, such termination is effective upon the next academic semester from the date notice was provided by the Donor to the Foundation or the University. Each party shall receive 60 days to remedy said breach before notice of termination. If the Agreement is terminated, the Foundation and the University shall return all unspent Contributed Amounts to the Donor within fifteen days of the Donor's request. The Foundation and the University are not relying on the Donor's proposed funding under this Agreement to incur any obligation or take any action or inaction.

c. **Publicity.** The Parties shall give each other a reasonable opportunity to review any significant public announcement related to the Agreement. The Parties shall not use each other's logos without the applicable Party's express written consent.

d. **Donor Notice.** The Foundation and the University shall notify the Donor prior to making this Agreement publicly available or upon receiving records requests for this Agreement or related information.

e. **Entire Agreement.** The terms contained in this Agreement supersede all prior oral or written agreements and understandings between the Parties related to the matters described in the attached Proposal (Attachment A) to this Agreement and constitute the entire agreement between the Parties with respect to the matters contained in this Agreement.

f. **Order of Precedence.** If there is a conflict between the terms of this Agreement and the terms in the Proposal, this Agreement controls.

g. **Amendments.** No amendment to this Agreement will be effective unless it is in writing and signed by the Parties.

h. Severability. The terms of this Agreement are severable. If any court of competent jurisdiction construes any term of this Agreement to be illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining terms of this Agreement will not be affected.

i. No Waiver. No delay or failure by any Party to enforce any right or claim under this Agreement is a waiver of such right or claim. Any waiver by any Party of any term of this Agreement is not a further or continuing waiver of such term.

j. Third Party Rights. This Agreement does not confer any rights or remedies upon any third party other than the permitted assigns of the Parties.

k. No Assignment. The Foundation and the University shall not transfer or assign their respective interests in the Agreement or any amount to be contributed pursuant to this Agreement without the express written consent of the Donor.

l. Notice. All notices in connection with this Agreement must be in writing and are effective when delivered personally by hand or one business day after the day sent by overnight courier at the address below, or to another address provided by a Party to the other Parties.

If to the Foundation:

Gretchen E. Buhlig
Chief Executive Officer
Arizona State University Foundation
ASU Fulton Center
300 E. University Drive
Tempe, AZ 85281-2033

If to the University:

Mark Searle
Executive Vice President and University Provost
Arizona State University
Mail Code 7705
PO Box 877705
Tempe, AZ 85287-7705

If to the Donor:

Charles Koch Foundation
1320 N. Courthouse Road, Suite 500
Arlington, VA 22201
Attn: Grant Administrator
Cc: General Counsel's Office

m. Counterparts. This Agreement may be executed in several counterparts, each of which constitutes an original and all of which, when taken together, constitute one agreement or direction. Copies of signatures (whether facsimile or other electronic transmission) to this Agreement are deemed to be originals and may be relied upon to the same extent as the originals.

The Parties have hereby executed this Agreement as dated below, but agree that this Agreement is effective as of the Effective Date.

ARIZONA STATE UNIVERSITY FOUNDATION

By: 

Name: Gretchen E. Buhlig

Title: Chief Executive Officer

Date: 6/15/18

ARIZONA BOARD OF REGENTS

For and on behalf of
ARIZONA STATE UNIVERSITY

By: 

Name: Mark Searle

Title: Executive Vice President and University Provost

Date: 6/22/18

ARIZONA STATE UNIVERSITY FOUNDATION

By: 

Name: Virginia E. DeSanto

Title: Treasurer

Date: 6/15/18

CHARLES KOCH FOUNDATION

By: 

Name: ~~Brian Hooks~~ Brian Menkes

~~President~~ General Counsel

Date: 6/25/2018

ATTACHMENT A

Arizona State University Foundation and Arizona State University Proposal to Support the Political History and Leadership Certificate Program

Mission

The mission of the Political History and Leadership Certificate Program, which is housed in the School of Historical, Philosophical and Religious Studies at the University is to promote a greater understanding of the foundations of democratic society through undergraduate education, scholarly research, and civic involvement.

Certificate Program Components

Tenure-Track Professorship

The University will select an individual for the Tenure-Track Professorship by the fall 2019 semester. The individual holding the Tenure-Track Professorship will be a History faculty member within the School of Historical, Philosophical and Religious Studies. This individual will be affiliated with the Certificate Program and will devote a significant amount of time and resources to the work of the Certificate Program, including research, teaching, and community outreach related to the Certificate Program's Mission.

Certificate Program Director Stipend

The Certificate Program Director Stipend will allow the Director to devote a significant amount of time and resources to work related to the Certificate Program.

Assistant Director

The Assistant Director will work with the Director to manage the Certificate Program's day-to-day activities, support programmatic activities, and other administrative items as necessary for the Certificate Program's operations.

Postdoctoral Fellow

The Certificate Program will provide an annual postdoctoral fellowship in History for the academic years running from Fall 2018 through Spring 2020. The Postdoctoral Fellow will be affiliated with the Certificate Program and will engage in research and teaching that advances the Certificate Program's Mission. Individuals selected for the postdoctoral fellowship may hold the fellowship for consecutive terms.

Undergraduate Support

The Certificate Program will provide opportunities for undergraduates including, but not limited to, assistantships, research fellowships, internships, speaker series, and reading groups.

Certificate Program Support

The University will provide the Certificate Program with office space, furniture, and information technology support for its operational needs. The Certificate Program will host research workshops, conferences, and lectures that improve and disseminate the Certificate Program's research and contribute to broader academic literature and discussions.