

GRANT AGREEMENT

This grant agreement (this “Agreement”) is made effective on April 1, 2020, (the “Effective Date”) between the **University of Wisconsin Eau-Claire Foundation**, a Wisconsin nonprofit corporation (the “Foundation”), the Board of Regents of the University of Wisconsin System operating as the **University of Wisconsin Eau-Claire** (the “University”), an instrumentality of the state of Wisconsin, and the **Charles Koch Foundation**, a Kansas nonprofit corporation (the “Donor”). This Agreement is for the benefit of the Center for Constitutional Studies (the “Center”), which is housed in the College of Arts and Sciences (the “College”) 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 Center, and their faculty, students, and staff is critical to the success of the Center’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”). The Proposal reflects the vision of and relies on the leadership of Dr. Eric Kasper, who was selected by the University, according to its normal procedures, to be the director of the Center (the “Center Director”). As stated in the Proposal and consistent with the Center Director’s vision, the mission of the Center is to undertake independent research and expand opportunities for students and community members to explore topics related to the Wisconsin Constitution and the United States Constitution. Through its programming, the Center invites civil exchange and explores the importance of free speech in the academy and beyond (the “Center’s Mission”).
3. **The Center Programs.**
 - a. **Generally.** To support the Center’s Mission, the University desires to create the following positions and activities to affiliate with the Center, collectively referred to as the “Center Programs.” The Center Programs are described more fully in the Proposal and include “Personnel,” the “Campus Speakers,” “Undergraduate Scholarships,” “Research Institute,” “Faculty and Student Travel,” “Materials and Supplies,” “Middle and High School Outreach and Training,” and “Undergraduate Student Workshops.” The Foundation and the University shall each use any funds received under this Agreement to support the Center Programs in accordance with the terms of this Agreement. According to the University’s normal procedures, the Center Director is responsible for directing the Center Programs, which includes allocating and administering the Center’s budget, supervising Center staff, mentorship, and other duties to advance the Center’s Mission as deemed appropriate by the Center 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 Center must be approved by the Center Director, in accordance with the College’s and the University’s normal procedures.
4. **The University’s Support for the Center.** The University shall support the Center Programs to advance the University’s mission. As part of this support, the University shall ensure that the faculty, students, and staff working with the Center have adequate space to achieve the Center’s Mission. Therefore, The University shall provide the Center with sufficient contiguous office space including shared conference and meeting spaces.

5. The Donor’s Support for the Center Programs.

a. Contributed Amount. Subject to the terms of this Agreement, the Donor will contribute funds to the Foundation solely to support the Center Programs to advance the Center’s Mission (all or part of such funds are referred to as the “Contributed Amount(s)”). The maximum Contributed Amount for each Center Program is as follows:

Center Programs	Budget Allocation
Salary and fringe benefits for Personnel	Up to \$2,094,718
Costs and expenses for Campus Speakers	Up to \$386,350
Costs and expenses for Undergraduate Scholarships	Up to \$102,500
Costs and expenses for Research Institute	Up to \$828,885
Costs and expenses for Faculty and Student Travel	Up to \$118,500
Costs and expenses for Materials and Supplies	Up to \$111,000
Costs and expenses for Middle and High School Outreach and Training	Up to \$58,328
Costs and expenses for Undergraduate Student Workshops	Up to \$36,250
Costs and expenses for High School Student Workshop	Up to \$10,066
Total	Up to \$3,746,597

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 Center, or the University faculty, students, and staff.

c. Contingent Grant. The Donor’s support under this Agreement is expressly contingent upon Menard, Inc. (“Menard”), executing an agreement providing for a grant from Menard, Inc. (the “Menard Grant Agreement”) to support the Center Programs. Therefore, the Donor shall not provide any of the Contributed Amount or be obligated to fulfill any other obligation until the Menard Grant Agreement is executed and attached to this Agreement as Attachment B. The Donor’s pledge to make contributions pursuant to this Agreement and Menard’s pledge to make contributions pursuant to the Menard Grant Agreement are each contingent upon each other. Therefore, any breach of this Agreement, if caused by the Foundation or the University, is a separate and independent breach on the part of the Foundation or the University, as applicable, under the Menard Grant Agreement and entitles the Menard, Inc. to exercise any and all of its remedies provided in the Menard Grant Agreement, up to and including the right to terminate the Menard Grant Agreement.

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
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Submitted as the Proposal	Within sixty (60) days of the Parties signing this Agreement	Up to \$193,032
June 1, 2021	On or about August 1, 2021	Up to \$111,013
June 1, 2022	On or about August 1, 2022	Up to \$128,028
June 1, 2023	On or about August 1, 2023	Up to \$143,880
June 1, 2024	On or about August 1, 2024	Up to \$171,047
Total Maximum Aggregate Contributed Amount:		Up to \$747,000

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 “CCS-CKF Fund” (the “Fund”). The Foundation and the University shall solely use the Fund to support the Center Programs 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 Center Programs.

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 Center Programs, 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. Center Programs. The Foundation and the University shall return to the Donor any Contributed Amount not spent for the Center Programs.

8. General Terms.

a. Term. The term of this Agreement is from the Effective Date to the later of July 31, 2025, 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 Center Programs are not advancing the Center’s Mission; or (iii) such action is necessary to comply with any law applicable to the Foundation, the University, or the Donor. Such termination is effective upon the expiration of thirty days from the date notice was provided by the Donor to the Foundation or the University. 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 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 contained in 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 relates to the Menard Grant Agreement and is for the benefit of the charitable and educational mission goals of the Menard Grant Agreement. Therefore, Menard, Inc. has rights under this Agreement. Otherwise, this Agreement does not give any rights or remedies to 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:

University of Wisconsin Eau-Claire Foundation
Kimera Way, President
Schofield Hall 201A
105 Garfield Avenue
Eau Claire, WI 54701

If to the University:

University of Wisconsin Eau-Claire
James C. Schmidt, Chancellor
Schofield Hall 204
105 Garfield Avenue
Eau Claire, WI 54701

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.

**UNIVERSITY OF WISCONSIN EAU-CLAIRE
FOUNDATION**

By: *Kimera Way*

Name: Kimera Way

Title: President

Date: *April 1, 2020*

CHARLES KOCH FOUNDATION

By: *Ryan Stowers*

Name: Ryan Stowers

Title: Executive Director

Date: *4/15/2020*

UNIVERSITY OF WISCONSIN EAU-CLAIRE

By: *James C. Schmidt*

Name: James C. Schmidt

Title: Chancellor

Date: *4-2-2020*

ATTACHMENT A

University of Wisconsin Eau-Claire Foundation and University of Wisconsin Eau-Claire Proposal to Support the Center for Constitutional Studies

Center Mission

The mission of the Center, which is housed in the College of Arts and Sciences at the University, is to undertake independent research and expand opportunities for students and community members to explore topics related to the Wisconsin Constitution and the United States Constitution. Through its programming, the Center invites civil exchange and explores the importance of free speech in the academy and beyond.

Center Programs

Personnel

The University will select two individuals for tenure-track professorships in political science and criminal justice. The individuals holding the tenure-track professorships will engage in research, teaching, and community outreach related to the Center's Mission. This work will include devoting a significant amount of time and resources to work related to the Center. The Center director, Dr. Eric Kapser, will receive summer salary and fringe benefits and course support. That will allow the Center Director to devote a significant amount of his time and resources to work overseeing the mission, research, and activities of the Center. Course support includes two, three-credit course reassignments annually. The University will provide support to hire a Center Coordinator and an Administrative Assistant who will partner with the Center Director in managing the day-to-day activities that promote the Center's Mission. This individual will be responsible for executing on programs, coordinating with community events, and overseeing the operations of the Center. Funds will also support up to ten undergraduate student researchers annually.

Campus Speakers

Support will be provided for at least seven guest speakers annually to model civil discourse and debate topics related to the mission of the Center. Costs covered include: student dinners with speakers, honoraria, travel expenses, refreshments, facility rental, and other related costs.

Undergraduate Scholarships

14) \$5,000 annual scholarships will be made available to top students who are interested in research related to the Center's Mission. Funding may also support reading groups and other educational opportunities for students.

Research Institute

Support will be provided annually for two survey center co-directors, 12 student researchers, and other costs associated with a research institute to explore themes related to the Center's Mission.

Faculty and Student Travel

Funding will be made available for faculty and students to travel locally and nationally to present their research related to the Center's Mission.

Materials and Supplies

Support will be provided for costs associated with the Center's marketing, advertising, and recruitment efforts, as well as for access to technology and research resources.

Middle School and High School Engagement

Support will be given for the Center to expand student and teacher freedom of speech and peaceful pluralism. A First Amendment workshop will be also be offered to engage students on these critical rights as they prepare to enter higher education.

Undergraduate Student Workshops

Support will be given for undergraduate student workshops related to Center themes. Costs covered include honoraria, speaker travel, facility rental, refreshments, and reference materials.