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**From:** [Dale Thomas](#)  
**Sent:** Monday, October 18, 2021 4:31 PM  
**To:** [James W. Johnson](#)  
**Cc:** [Marlon D. King](#)  
**Subject:** Jackson-Madison County Educational Foundation

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Pete,

To follow-up on our telephone call this afternoon, I am providing you a brief history (as I know it to be) of the Foundation.

The charter of the Jackson-Madison County Educational Foundation, Inc. was filed with the Tennessee Secretary of State on November 5, 1996. The incorporators were Jim Starkweather (I believe he was the plant manager for Maytag at that time), Jimmy Anderson, Tony Johnson, Margaret Neil, Rhonda Greer, and Steve Shuttleworth. The By-Laws of this Foundation were approved by the Board of Education on October 10, 1996, while Dr. Elzie Danley was the superintendent. If memory serves me, there was a small donation (maybe \$30,000) made to the Foundation by Maytag at this time.

In 2012, while Buddy White was interim Superintendent, Chairman Bob Alvey was asked about the Foundation. When I investigated at that time, I learned that the Foundation had been administratively dissolved on September 19, 2003 for failure to submit the annual report for 2002. A Notice of Determination was sent from the State on June 20, 2003. Nothing was ever submitted in response by the Foundation. If no annual report is filed after two (2) months after the notice is sent out, then the State will administratively dissolve a corporation. The registered agent for the Foundation at this time was Shirley Jones. To my knowledge, nothing was done further until 2017.

On May 31, 2017, Madison County filed a lawsuit against the City of Jackson. I filed an Intervening Complaint, on behalf of JMCSS, on June 21, 2017, at the request of the Board to join with the County in the lawsuit against the City. In 1989, the City and the County entered into an agreement whereby the City would allocate its share of the 1.25% sales tax increase to the newly created consolidated school system. In May 2017, the City rescinded that agreement which was expected to result in a \$12M decrease in revenues for the District. This lawsuit was settled by the parties in July 2017 under terms that were to exist until June 30, 2027. The terms of the settlement are outlined in the attached agreement. One provision led to reviving the Foundation because during the term of this agreement if the total sales tax revenue from the 1.25% increase exceeds \$12.5M in a year, then the City and County would each donate 1/2 of the excess up to \$500,000 each to the Foundation. To my knowledge, the \$12.5M threshold has not been met yet so no money was sent to the Foundation by the City or County.

Therefore, a charter for the Jackson-Madison County Educational Foundation was filed with the State on 10/12/2017. The incorporators were Dr. Eric Jones and Bob Alvey. The by-laws were approved by the city, county, board of education, and foundation. A copy is attached. The 9 trustees of the Foundation were to be appointed to 3-year terms with the county, city and board each appointing 3 members. I believe Scott Conger, before elected as Mayor, was appointed and elected Chair of the Foundation. He later resigned after being elected Mayor, and I have heard nothing further since his resignation. I do not know if the city, county or board have continued

making appointments to the Foundation nor do I know the current make-up of the trustees of the Foundation.

After reviewing this information, let me know if you need further information on this. I am copying Dr. King as I am sure he would like to have knowledge of these matters, and I am sure he will have valuable insight and input.

Best regards.

**R. Dale Thomas** | Attorney at Law  
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