



NORTHEAST COALITION
OF NEIGHBORHOODS

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FISCAL SPONSORSHIP AGREEMENT

This Agreement is made between NORTHEAST COALITION OF NEIGHBORHOODS, an Oregon nonprofit corporation [hereinafter called "Fiscal Sponsor"], and King Neighborhood Assoc., an Oregon nonprofit association [hereinafter called "Sponsored Project"], the parties to this Agreement, on the date indicated below.

BACKGROUND

1. Fiscal Sponsor is an Oregon nonprofit corporation that addresses the community needs of inner North and Northeast Portland and is exempt from federal income taxation under §501(c)(3) of the Internal Revenue Code. This Agreement is entered into to further that tax-exempt purpose.
2. Sponsored Project is an Oregon nonprofit public benefit or religious corporation. The Sponsored Project's Oregon corporation registry number is _____.
3. Fiscal Sponsor agrees to act as a fiscal sponsor for Sponsored Project by receiving gifts, grants, contributions, and fundraising receipts on behalf of Sponsored Project and distributing them as provided in this Agreement.

AGREEMENT

In consideration of the mutual promises contained in this Agreement, and with the intention of being legally bound, the parties agree as follows:

1. **Term.** This Agreement shall begin on July 1, 2015, and shall terminate within one year, unless extended by agreement of the parties, or sooner terminated as provided in this document.
2. **Sponsored Project's Activities.** Sponsored Project represents to Fiscal Sponsor that it meets the qualifications for exemption under §501(c)(3) of the Internal Revenue Code. Sponsored Project shall use funds only for activities that are exempt under §501(c)(3).

Sponsored Project shall not use any portion of the funds granted under this Agreement in any attempt to influence legislation within the meaning of Internal Revenue Code §501(c)(3). Sponsored Project shall not use any portion of the funds granted under this Agreement to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with §501(c)(3) of the Internal Revenue Code.

Sponsored Project shall notify Fiscal Sponsor immediately of any change in (a) Sponsored Project's legal or tax status, or (b) Sponsored Project's executive staff or key staff responsible for achieving the project or grant purposes.

3. **Fiscal Sponsor Services.** The parties agree that Fiscal Sponsor shall provide fiscal sponsorship services to Sponsored Project as follows:

3.1 Funds Management. Fiscal Sponsor shall receive, on Sponsored Project's behalf, all gifts, grants, contributions, and other receipts generated by or designated for Sponsored Project. All such receipts shall be restricted to Sponsored Project's use in accordance with the terms of this Agreement.

All such funds shall be deposited into one or more designated funds maintained by Fiscal Sponsor on Sponsored Project's behalf. Fiscal Sponsor shall distribute the funds to Sponsored Project only if, in its sole discretion, it is satisfied that the funds will be used for purposes and activities that would qualify as exempt under §501(c)(3) of the Internal Revenue Code.

Fiscal Sponsor shall keep and maintain accurate, complete, and separate records, showing assets, liabilities, income and expenditures in connection with Sponsored Project's operations.

3.2 Use of Funds. The Sponsored Project agrees to limit the use of funds to the purposes stated in their original application and which comply with the submitted budget. If the original project changes and no longer aligns with Fiscal Sponsor's mission or the project fails to complete, Fiscal Sponsor retains the right to redirect the money to a "like" project within Fiscal Sponsor's boundaries. Fiscal Sponsor retains the right, without approval from any funding source, from Sponsored Project, or from any other interested party, to redirect use of grant funds away from Sponsored Project to another beneficiary capable of fulfilling the purpose of the project.

3.3 Compensation for Services and Costs. For the performance of its fiscal sponsor services, Fiscal Sponsor shall be reimbursed for its administrative and overhead costs in an amount equal to ___% of each new fund being managed. The parties agree that this amount is a reasonable approximation of Fiscal Sponsor's costs incurred in connection with this Agreement. Sponsored Project is responsible for payment of all its direct expenses and costs.

4. **Sponsored Project's Rights and Obligations.**

4.1 Property Rights. Any tangible or intangible property, including copyrights, obtained from third parties or created by the Sponsored Project as part of this project shall remain the property of Sponsored Project.

4.2 Use of Funds. The Sponsored Project agrees to limit the use of funds to the purposes stated their original application and which comply with the submitted budget. Sponsored Project also agrees to use the funds strictly for the purposes stated in any grant agreement or letter or other communication from the funding source. Unrestricted funds shall be used for Sponsored Project's tax exempt purposes. Any changes in the purposes or activities for which funds are spent must be approved in writing by Fiscal Sponsor before implementation.

4.3 Grants. Sponsored Project agrees to notify Fiscal Sponsor of all grant requests before they are made, and the text of Sponsored Project fundraising materials is subject to Fiscal Sponsor's prior approval. All grant agreements, pledges, or other commitments with funding sources, to support this project shall be executed by Fiscal Sponsor. Sponsored Project agrees to complete and file all required reports for funding sources. These reports shall be submitted to Fiscal Sponsor in a timely manner for review prior to stated deadlines. Fiscal Sponsor shall provide fundraising strategy services to support the Sponsored Project as described in Exhibit A.

4.4 Budget. Sponsored Project agrees to provide an income and expense budget for approval by the Fiscal Sponsor. In case of an income shortfall or an unexpected expense, Fiscal Sponsor, after consultation with Sponsored Project, has the right to limit expenses and/or make other budget changes to provide for a balanced and fiscally responsible financial profile.

4.5 Supervision of Employees. Sponsored Project shall select, employ, and supervise all employees and independent contractors necessary or required for its tax-exempt activities. All such persons shall be the employees and independent contractors of Sponsored Project and not of Fiscal Sponsor. Sponsored Project shall establish wages or other compensation, terms of employment or contractor status, and job descriptions. Fiscal Sponsor shall be responsible for all income and payroll tax withholding and reporting, and other payroll deductions, on behalf of and as an agent of Sponsored Project.

4.6 Publicity and Acknowledgement. All Sponsored Project publicity and printed or electronic materials (brochures, website, flyers, etc.) shall be provided to Fiscal Sponsor for review and approval prior to distribution. The Sponsored Project will include acknowledgement of the Northeast Coalition of Neighborhoods as its "Fiscal Sponsor" in any and all printed and electronic marketing materials or correspondence. An approved logo and organization description will be provided to the Sponsored Project for its use.

4.7 Non-Discrimination Statement. Sponsored Project shall have the following non-discrimination statement visible on its employee recruitment materials:

We are dedicated to ensuring a diverse board and workforce and shall not discriminate against individuals or groups on the basis of race, religion, color, sex, sexual orientation, gender identity, age, disability, citizenship, national origin, income or political affiliation. From providing a welcoming and healthy work environment to maintaining and expanding partnerships with organizations that also work with diverse groups, we are committed to diversity within the organization.

5. **Additional Agreements** (special insurance, fundraising, marketing, vmail, desk, office support, storage, etc).

6. Reporting.

6.1 To Fiscal Sponsor. The Sponsored Project shall provide quarterly updates on its performance to Fiscal Sponsor. Sponsored Project shall submit a full and complete report to Fiscal Sponsor one year after signing this agreement or sooner if Sponsored Project would like to renew this agreement. The report must be presented before renewal can be considered. The report shall describe the charitable programs conducted by the Sponsored Project for which funds were used and any other uses of funds. Fiscal Sponsor shall report all monies received for the project as the income of Fiscal Sponsor for both tax purposes and for purposes of Fiscal Sponsor's financial statements.

In addition to the above, Sponsored Project shall provide Fiscal Sponsor with the following documentation and any other information requested by Fiscal Sponsor in connection with any matter pertaining to Sponsored Project:

6.2 To Funders. Sponsored Project shall make all reports as required by funders and shall provide copies of all reports to Fiscal Sponsor.

7. **Agent or Legal Representation.** Nothing in this Agreement shall constitute the naming of Sponsored Project as an agent or legal representative of Fiscal Sponsor for any purpose whatsoever except as specifically and to the extent set forth herein. This Agreement shall not be deemed to create any relationship of agency, partnership, or joint venture between the parties hereto, and Sponsored Project shall make no such representation to anyone.
8. **Non-liability and Indemnification.** Fiscal Sponsor shall not be liable to Sponsored Project or third parties for any act or omission of Sponsored Project during the term of this Agreement, and Sponsored Project shall not identify Fiscal Sponsor in any way that would imply such liability by Fiscal Sponsor. Sponsored Project shall indemnify, assume the defense of (if requested), and hold harmless Fiscal Sponsor and its directors, officers, employees, agents, and volunteers from every claim, loss, damage, injury, expense (including attorney's fees), judgment, and liability of every kind arising in whole or in part from any act or omission by Sponsored Project.

Unless there is an additional risk and associated costs (special events, etc.), Sponsored Project shall receive insurance coverage under Fiscal Sponsor's general liability policy. Sponsored Project shall pay any cost associated with this additional coverage as one of the costs of the project.

9. **Projects Working with Children, Elderly Persons or Dependent Persons.** Projects that have personnel that come into contact with children, elderly or dependent persons must obtain results of criminal background checks.

In the event of any future activities, the project is required to notify Fiscal Sponsor immediately and obtain criminal background checks prior to engaging in any activity. no initial

Please initial your answer:

- W2 Yes, Our Project does come into contact with Children, Elderly or Dependent Persons.
- _____ No, Our Project does not come into contact with Children, Elderly or Dependent Persons.

10. Termination of Agreement.

10.1 Voluntary Termination. Either party may terminate this Agreement with or without cause by giving the other party written notice of the termination at least 14 days prior to the termination date.

10.2 Termination for Breach by Sponsored Party and Right of Revertor. In the event that Sponsored Project fails to comply with the terms of this Agreement, Fiscal Sponsor shall terminate this Agreement and all funds provided by Fiscal Sponsor to Sponsored Project under this Agreement shall revert to Fiscal Sponsor. Both parties agree that Fiscal Sponsor has the right to sue for any violation of this Agreement.

10.3 Distribution of Remaining Funds. On the termination date, Fiscal Sponsor shall distribute to Sponsored Project all remaining funds in Sponsored Project's account if Sponsored Project has been recognized as exempt under §501(c)(3). In the event that Sponsored Project has not been recognized as exempt under §501(c)(3), Fiscal Sponsor shall distribute all remaining funds in Sponsored Project's account to a corporation or corporations chosen by Sponsored Project that has established its §501(c)(3) tax exemption.

11. **Assignment or Subgranting.** Sponsored Project may not assign, subgrant, subcontract, or otherwise transfer any of its funds, obligations or interests under this Agreement without the prior written consent of Fiscal Sponsor. Fiscal Sponsor may withhold such consent for any or no reason.
12. **Notices.** All notices given pursuant to this Agreement shall be in writing and delivered by courier delivery or first class mail addressed as follows:

If to Fiscal Sponsor: Northeast Coalition of Neighborhoods
 4815 NE 7th Avenue
 Portland, OR 97211

If to Sponsored Project:

King Neighborhood Association
4815 NE 7th Avenue
Portland, OR 97211

13. **Alterations.** The provisions of this Agreement may not be altered except by a written document signed by both parties.
14. **Entire Agreement.** This Agreement contains the entire understanding between the parties, and no other representation, agreement, or inducement, oral or otherwise, has been made which is not set forth in this Agreement.
15. **Advice of Attorney.** Sponsored Project acknowledges that Fiscal Sponsor has been represented by its attorney, Cynthia Cumfer, in the preparation of this Agreement. Sponsored Project acknowledges that it has been advised to obtain its own independent legal advice in connection with this Agreement.
16. **Attorney's Fees.** In the event of any controversy, claim, or dispute between the parties arising out of or related to this Agreement, or the alleged breach thereof, whether settled or filed as a suit or action at law, in equity, or through arbitration, the prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and disbursements, in addition to any other relief to which that party may be entitled.
17. **Oregon Law.** This Agreement shall be subject to the law of the State of Oregon, the location of the parties at the time of the execution of this Agreement.

THE PARTIES EXECUTE THIS AGREEMENT IN DUPLICATE ORIGINALS BY THEIR SIGNATURES ON THE DATE BELOW.

Sponsored Project Title: King Neighborhood Association

Authorized Person 1 (print clearly): Margo Dobbertin

Signature:  Date: June 16, 2015

Phone(s): 503 234-0137, () - Email: margo.dobbertin@kingneighborhood.org

Address (Street, City, State, Zip): 706 NE Prescott St, PDX 97211

Authorized Person 2 (print clearly): _____

Signature: _____ Date: _____

Phone(s): () - _____, () - _____ Email: _____

Address (Street, City, State, Zip): _____

Northeast Coalition of Neighborhoods

Print Name: Adam Lyons Title: Association^{AL} Director

Signature:  Date: 6/16/15

EXHIBIT A
FUNDRAISING STRATEGY SERVICES

Fiscal Sponsor agrees to provide the following fundraising strategy services:



Fiscal Management Procedures for Fiscal Sponsor Projects – Neighborhood Associations

Today's Date: 7/21/15 Sponsored Project: King Neighborhood Association (KNA)

This document states the fiscal management procedures and serves as an agreement on these specific procedures between the Northeast Coalition of Neighborhoods (NECN) as "Fiscal Sponsor/Project Sponsor" and KNA as "Sponsored Project".

1. The Neighborhood Association Chair and Treasurer will have the authority to approve terms of agreement and payment of invoices and will be responsible for oversight and compliance.
2. The project listed above is "a Sponsored Project under the Northeast Coalition of Neighborhoods' 501(c)(3) designation" and in no way will represent itself as solely an independent 501(c)(3) nonprofit.
3. The Northeast Coalition of Neighborhoods will create a designated fund for the Sponsored Project. All donations (cash or check) received by the Sponsored Project are to be forwarded to the Northeast Coalition of Neighborhood and deposited to this fund. No donations from any source may be deposited in any other account to ensure complete accounting and proper use of NECN 501(c)(3) designation.
4. Checks are to be made out to "NECN" with the Sponsored Project name in the Memo line and sent directly to the Northeast Coalition of Neighborhoods, 4815 NE 7th Avenue, Portland, OR 97211 for deposit.
5. An annual budget must be provided to the Northeast Coalition of Neighborhoods prior to any disbursements. If the budget changes, an updated budget must be submitted in a timely manner, and before further disbursements can be made.
6. All in-kind donations (goods and services) generated through NECN's tax exempt status must be tracked and reported to NECN at a minimum once a quarter. NECN will supply an spreadsheet for tracking in-kind donations.
7. The Neighborhood Association Chair or Treasurer must provide final authorization for all financial requests. If the Neighborhood Association has different project coordinators who will be working on particular projects and submitting check requests, these project coordinators must be designated in writing by the Neighborhood Association. Project coordinators may then complete check request forms with supporting documentation (original receipts/invoices). The Neighborhood Association Chair or Treasurer must still approve check requests as well.
 - a. Original invoices and receipts for reimbursement must be provided on the official letterhead or register tape/receipt from the vendor, and must include details of services or products purchased.
 - b. The check request form must include specific reference to the budget line item for the invoice or receipt.
 - c. Invoices and receipts must be delivered to the Northeast Coalition of Neighborhoods within a timely manner to allow for processing and payment.

8. The Northeast Coalition of Neighborhoods shall pay approved invoices within 14 business days of receipt.
9. The Northeast Coalition of Neighborhoods shall not withhold any payments which have been properly authorized with accompanying documentation, provided that adequate funds are available and there is no breach of contract.
10. The Northeast Coalition of Neighborhoods reserves the right to request clarification about a request for payment prior to disbursement of funds.
11. Duplicate receipts will not receive duplicate payments.
12. Grants, Sponsorships and Donations. Sponsored Project agrees to notify NECN of all grant, sponsor or donation requests before they are made. The text of Sponsored Project fundraising materials must be submitted to NECN for approval before being sent to any potential grantors, sponsors or donors.
13. Following the end of each month, NECN will send Project Managers a financial report with all income received and expenses incurred that month, the account balance for each project and a list of all donations received with the date, amount, name of donor and the donor's address.
14. Following the end of each month, NECN will send all donors an acknowledgement of their donation which will serve as their tax-receipt for their records. Sponsored Projects may submit language to be added to the NECN tax-receipt letter with a short description of their project. Sponsored Projects may still send donors more personal thank you letters of their own.
15. Sponsored Projects will be responsible for tracking and thanking in-kind donors on their own. The project manager will be expected to send an in-kind donation acknowledgement including the NECN tax-id number and using a template provided by NECN.
16. Reporting: Sponsored Project will submit meeting minutes to NECN. Sponsored Projects must send quarterly updates to NECN briefly outlining programs, accomplishments and uses of funds during the quarter. Quarterly updates should also outline anticipated programs and anticipated use of funds for the next quarter. A complete annual report is due no later than one year from the contract signing. The report must be received before a contract renewal will be considered. A renewal application for fiscal sponsorship must also be submitted before a contract renewal will be considered.

Statement of Acknowledgement: By signing below, I/we acknowledge that I/we have read, understand and agree to the above statements of the required fiscal management procedures and will operate in accordance with the procedures.

Sponsored Project Title: King Neighborhood Association

Authorized Person 1 (print clearly): Margo Dobbertin

Signature: Margo Dobbertin Date: _____
 Phone(s): (503) 234-0137 Email: margo.dobbertin@kingneighborhood.org

Address (Street, City, State, Zip): 706 NE Prescott St, Portland, OR 97211

Authorized Person 2 (print clearly): _____


Signature: _____ Date: _____

Phone(s): () - , () - Email: _____

Address (Street, City, State, Zip): _____

Northeast Coalition of Neighborhoods

Print Name: Adam Lyons Title: AD/NPM

Signature:  Date: 7/29/15