

SEATTLE PARKS FOUNDATION

FISCAL SPONSORSHIP AGREEMENT

This Fiscal Sponsorship Agreement (“Agreement”) is entered into between Seattle Parks Foundation (“SPF”) and DIRT Corps (“Fiscal Sponsee”) on January 24, 2023 and is effective as of January 1, 2023 (the “Effective Date”). SPF is a Washington State nonprofit corporation located in Seattle, Washington, and recognized as a publicly supported charity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Throughout this Agreement, the parties are referred to individually as a “Party” and collectively as the “Parties”).

RECITALS

- A. Fiscal Sponsee is undertaking one or more projects that relate directly to public space and align with SPF’s mission. The work and the goals are more fully described in the Project Application submitted to SPF. For purposes of this Agreement, the work, and projects Fiscal Sponsee intends to undertake are collectively referred to as the “Work”. Both SPF and Fiscal Sponsee acknowledge that the full or precise scope of the Work may not be known (or knowable) as of the Effective Date and Fiscal Sponsee commits to communicate regularly with SPF to keep SPF informed of changes.
- B. Fiscal Sponsee has asked SPF to provide fiscal sponsorship of Fiscal Sponsee as it undertakes the Work and SPF has agreed to provide fiscal sponsorship according to the terms set forth in this Agreement. SPF has determined that the Work will further SPF’s charitable purposes of supporting community-led public space initiatives and working with volunteers, donors, and community and public-sector leaders to build and sustain a system of thriving and connected public spaces that are accessible to all.
- C. Fiscal Sponsee acknowledges and understands that (i) SPF serves as fiscal sponsor for scores of other small community groups in addition to Fiscal Sponsee, and (ii) preserving SPF’s federal tax-exempt status benefits all these groups, including Fiscal Sponsee. Fiscal Sponsee will not conduct activities or use funds and will not allow others to conduct activities or use funds, in any way that jeopardizes SPF’s tax-exempt status.

In consideration of the mutual promises set forth in this Agreement, SPF and the Fiscal Sponsee agree as follows:

AGREEMENTS

- 1. Term of the Agreement. The term of this Agreement will begin as of the Effective Date and will continue until terminated pursuant to the terms of this Agreement.
- 2. Periodic Review of Agreement and Amendment. Fiscal Sponsee acknowledges that SPF provides fiscal sponsorship to scores of community groups in addition to Fiscal Sponsee. Over time SPF may determine that changes to its fiscal sponsorship, and to this Agreement, may be necessary or advisable for a legitimate business purpose, such as to improve services to all fiscal sponsees, to comply with a change in applicable laws, or to increase the fiscal sponsorship fee structure to cover increasing expenses of operation. If requested by SPF, Fiscal Sponsee will enter into an amendment to this Agreement or enter into a new fiscal sponsorship agreement so long as SPF

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certifies to Fiscal Sponsee that the change or changes, or the new form of agreement, are being applied to other comparable fiscal sponsees.

3. SPF Key Roles and Responsibilities. The fiscal sponsorship provided by SPF is subject to the policies and procedures of SPF set forth in SPF Key Roles and Responsibilities (the “Roles & Responsibilities”), as that document may be revised from time to time. The Roles and Responsibilities has been provided to Fiscal Sponsee via email. Fiscal Sponsee agrees to comply with the policies and procedures set out in the SPF Key Roles and Responsibilities and to seek guidance from SPF staff if and when Fiscal Sponsee has questions. In case of a conflict between this Agreement and the SPF Key Roles and Responsibilities, the terms of this Agreement will control.
4. Code of Conduct for Sponsees. All fiscal sponsees, including Fiscal Sponsee, are required to meet the standards of conduct set forth in SPF’s Code of Conduct, which is attached to this Agreement as Exhibit A and incorporated into this Agreement by this reference. Fiscal Sponsee agrees to abide by the Code of Conduct and to seek guidance from SPF staff if and when Fiscal Sponsee has questions about the Code.
5. SPF’s Role, Services and Duties. As fiscal sponsor of the Project, SPF provides administrative and financial services to Fiscal Sponsee in conjunction with the Work. SPF will assign a staff member to act as primary contact and support to Fiscal Sponsee (the “Project Liaison”). More specifically, SPF’s responsibilities are as follows:
 - a. Restricted Account: SPF will establish and operate a designated restricted account (“Account”) of gifts, cash, and other property contributed to SPF for use in implementing the Work. This is not a separate bank account, but rather an account segregated on SPF’s accounting records until termination of this Agreement. All money and property in the Account legally belongs to SPF, subject to any restrictions imposed by donors, and SPF pools funds in the Account with other SPF funds. Any interest earned on monies attributed to the Account belongs exclusively to SPF. All cash and property attributed to the Account will be reported in SPF’s financial and tax statements.
 - b. Insurance: During the term of this Agreement the Fiscal Sponsee will be added as a named insured on SPF’s commercial general liability policy and the coverage for Fiscal Sponsee and the Work will be subject to all limitations and conditions contained in the policy. In all events, coverage is limited to operations and activities performed by volunteers (not by employees) and coverage does not extend to, among other things, (i) conduct or activities that violate applicable laws or regulations, (ii) third-party consultants, contractors, and vendors, whether or not involved in the Work, and (iii) construction related activities of any kind.
 - c. Disbursement and Use of Account Funds: SPF retains complete discretion and control over the disbursement of Account funds during the term of this Agreement.
 - i. SPF will disburse funds from the Account only upon written request from the Fiscal Sponsee, submitted in the manner required by the SPF Key Roles and Responsibilities.
 - ii. SPF will disburse Account funds only after the Fiscal Sponsee provides sufficient supporting documentation to substantiate the disbursement.
 - iii. SPF may withhold all future disbursements of Account funds until Fiscal Sponsee has provided sufficient supporting documentation to substantiate any disbursement request outstanding.

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- iv. SPF will refuse to disburse further funds—and the Fiscal Sponsee will, upon SPF’s request, promptly return any previously disbursed funds—if the Fiscal Sponsee: (A) engages in any activities from which SPF, as a tax-exempt organization, is prohibited; or (B) uses disbursed funds for purposes other than those intended and approved under this Agreement; or (C) otherwise implements or operates the Work in a manner inconsistent with this Agreement.
 - d. SPF will cancel any uncashed check from the Account for expense reimbursements ninety (90) days after issuance.
- 6. Fiscal Sponsorship Fee; Credit Card Fees. For the financial and administrative services SPF provides, SPF is entitled to receive a fee (the “Fiscal Fee”) of eight percent (8%) calculated on the gross value of all public and private grants awarded for the Work and the total amount of all donations made in support of the Work. If any agency of the federal government awards a grant for the Work, SPF will collect a Fiscal Fee on that grant that is the maximum fee permitted by such agency. If a grant has been made to Fiscal Sponsee prior to the date of this Agreement and establishes a fee percentage different from the Fiscal Fee, SPF will honor that fee with respect to those grant funds. SPF will collect the Fiscal Fee by withdrawing the appropriate funds from the Account on a periodic basis (not less frequently than quarterly) subject only to sufficient funds available in the Account at the time of withdrawal. On a periodic basis, SPF will provide Fiscal Sponsee with a report reflecting the deposit and withdrawal of funds, including the Fiscal Fee, from the Account. If SPF or Fiscal Sponsee receives an in-kind gift of services or goods related to the Work, the Fiscal Fee will be determined by SPF on a case-by-case basis, but not to exceed the percentage listed above. All fees and charges associated with the processing of credit cards used by donors to make donations to Fiscal Sponsee, or the Work will be the responsibility of Fiscal Sponsee and deducted from the Account on a periodic basis.
- 7. Fiscal Sponsee’s Role and Responsibilities. Fiscal Sponsee agrees to implement the Work in a manner that aligns with SPF’s mission and satisfies SPF’s charitable purposes and educational goals. Fiscal Sponsee’s implementation of the Work must also comply with Washington State Revenue Rule 68-489; Section 501(c)(3) of the Internal Revenue Code; any requirements imposed by donors; the provisions of the SPF Roles and Responsibilities; and the terms of this Agreement. More specifically, Fiscal Sponsee’s responsibilities are as follows:
 - a. Reporting: Fiscal Sponsee’s reporting obligations are outlined in the SPF Key Roles and Responsibilities. Among the periodic reporting required of Fiscal Sponsee is an annual written report describing what went well and what was accomplished in the year just concluded and what is planned for the year ahead. The annual report is due by January 31st of each calendar year.
 - b. Fundraising: Fiscal Sponsee may choose to raise funds for the Work through a variety of sources, including government grants, private grants, and personal and corporate donations. Fundraising through crowdsourcing and raffles is prohibited without exception. If Fiscal Sponsee wants to sell products (e.g., clothing or food) or hold an event (e.g., a luncheon or reception) to raise funds for the Work, Fiscal Sponsee must discuss the plans in advance with the Project Liaison and receive SPF’s approval. In all solicitations for donations and grants Fiscal Sponsee must include this disclosure language: “In circumstances when honoring your designation is not possible, Seattle Parks Foundation may use your gift for the Foundation’s other charitable purposes.” Fiscal Sponsee will promptly transmit/deliver to SPF all funds

raised for the Work from all approved methods and sources; SPF will deposit all such funds consistent with the terms of Section 5.a. above.

- c. Disbursements and Use of Account Funds: Fiscal Sponsee acknowledges and consents to the provisions of Section 3(c) of this Agreement regarding disbursement of Account funds.
 - i. Fiscal Sponsee will submit requests for disbursement of Account funds in the manner required by the SPF Key Roles and Responsibilities.
 - ii. Fiscal Sponsee will provide sufficient supporting documentation to substantiate the disbursement of Account funds.
 - iii. Fiscal Sponsee will (A) engage only in activities that are allowable for SPF as a tax-exempt organization, and (B) use disbursed funds only for purposes intended and approved under this Agreement; and (C) implement and operate the Work in a manner consistent with this Agreement.
 - iv. If Fiscal Sponsee violates Section 5.c.iii. hereof, Fiscal Sponsee will, upon SPF's request, return to SPF all funds previously disbursed from SPF.
 - v. An Authorized Official may designate another person to request disbursements on behalf of Fiscal Sponsee. This designation must be submitted to SPF in writing. The designated person has no other authority to act or make decisions for Fiscal Sponsee with respect to SPF and this Agreement.
- d. Political and Legislative Activity Prohibited: Fiscal Sponsee will not participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office and will not permit anyone to do so on Fiscal Sponsee's behalf. In this context, "participate or intervene in" includes publishing or distributing statements with respect to any campaign or candidate. In addition, Fiscal Sponsee will not attempt to influence legislation by propaganda or otherwise (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986) and will not permit anyone to do so on Fiscal Sponsee's behalf. Notwithstanding the foregoing prohibitions, Fiscal Sponsee may, with SPF's prior written consent, engage in such insubstantial legislative lobbying activities as may be allowed under section 501(c)(3) of the Internal Revenue Code of 1986.
- e. No Assignment: Fiscal Sponsee may not and will not assign its interests in this Agreement to any third party without SPF's prior written consent, which SPF may withhold in its sole and absolute discretion.
- f. Designation of Authorized Officials for the Fiscal Sponsee: Fiscal Sponsee hereby designates the following persons to act as authorized officials ("Authorized Officials") of Fiscal Sponsee for purposes of this Agreement: Andrew Schiffer and Roseann Barnhill. Fiscal Sponsee represents to SPF that these individuals have read and understand the SPF Key Roles and Responsibilities. The Authorized Officials will act as principal coordinators of daily business with SPF, will bear responsibility for the Fiscal Sponsee's obligations under this Agreement, and will have authority to submit payment requests. The Fiscal Sponsee will promptly update SPF of any changes to the contact information of the Authorized Officials. The Fiscal Sponsee has exclusive responsibility and liability for incomplete payment/reimbursement requests

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caused by the failure to inform SPF of current contact information for the Authorized Official(s) or for the designee permitted under Section 5.c.v. above.

8. Termination: This Agreement will terminate on the date the Work is completed as certified by an Authorized Official. Termination of this Agreement may or will occur prior to completion of the Work as follows:
 - a. Mutual Agreement: This Agreement will terminate as of the date both SPF and Fiscal Sponsee agree in writing that either (i) the Work objectives have been accomplished and the duties of each party pursuant to this Agreement have been performed, or (ii) the Work has ended or can no longer be accomplished, and this Agreement is no longer necessary or advisable.
 - b. New Fiscal Sponsor; Fiscal Sponsee Becomes Tax-Exempt Organization: At any time during the term of this Agreement Fiscal Sponsee may seek to become qualified as a separate 501(c)(3) tax-exempt organization or may secure a different fiscal sponsor and then terminate this Agreement. In either case, this Agreement will terminate thirty (30) days after the following steps are completed:
 - i. In the case of a new fiscal sponsor, SPF receives a binding written commitment from a tax-exempt 501(c)(3) organization (with its IRS tax identification number) agreeing to assume fiscal sponsorship of the Fiscal Sponsee.
 - ii. In the case of Fiscal Sponsee becoming a tax-exempt organization, SPF receives a copy of the determination letter from the IRS that Fiscal Sponsee has been recognized as a 501(c)(3) tax-exempt organization.
 - iii. In the case of either (i) or (ii) above, Fiscal Sponsee and SPF must sign a Termination Agreement and Transfer of Assets (see the SPF Key Roles and Responsibilities), after which SPF will transfer the balance from the Account, less any outstanding liabilities, to the new fiscal sponsor or to the newly created 501(c)(3) organization of the Fiscal Sponsee.
 - c. Termination by SPF: SPF has the right to terminate this Agreement prior to completion of the Work in any of the following circumstances:
 - i. If SPF requests in writing that Fiscal Sponsee cease activities that SPF determines might jeopardize its tax-exempt status and Fiscal Sponsee does not cease such activities within ten (10) business days of the date of the notice from SPF, then SPF may terminate this Agreement with no further notice to Fiscal Sponsee; or
 - ii. If Fiscal Sponsee or its Authorized Official fails to respond in writing within ninety (90) days after SPF contacts Fiscal Sponsee in writing to inquire about the status of the Work, SPF may deem the Work abandoned and may terminate this Agreement on five (5) business days' written notice to Fiscal Sponsee; or
 - iii. If Fiscal Sponsee directs or permits the Work to deviate materially from the original purposes/mission of the Work such that the Work, in SPF's judgment, no longer advances the charitable mission of SPF, then SPF will give written notice to Fiscal Sponsee and will seek to discuss with Fiscal Sponsee the change(s) in direction and activity of the Work. If the matter cannot be resolved to SPF's satisfaction, SPF may terminate this Agreement on thirty (30) days' prior written notice to Fiscal Sponsee; or

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- iv. If Fiscal Sponsee fails to perform or observe any other duty under this Agreement (including, but not limited to, the reporting requirements of Section 5.a.), and the failure remains unremedied fifteen (15) business days after notice by SPF in writing describing such failure; or
 - v. If SPF requests that Fiscal Sponsee enter into an amendment to this Agreement, or into a new form of fiscal sponsorship agreement that SPF is using as the standard for all comparable fiscal sponsees, and Fiscal Sponsee declines to do so within thirty (30) days after SPF's request, SPF may terminate this Agreement thereafter on ten (10) business days' written notice.
 - d. Responsibilities After Termination: After any termination of this Agreement, both SPF and Fiscal Sponsee remain responsible for fulfilling their respective obligations that, by their nature, extend beyond the completion of the Work or the earlier termination of this Agreement. As only one example, after termination of this Agreement Fiscal Sponsee must return disbursed funds to SPF if SPF determines that Fiscal Sponsee used the disbursed funds for other than their intended purposes under this Agreement.
9. Miscellaneous:
- a. The use in this Agreement of the term "will" is mandatory and "may" is permissive.
 - b. For purposes of this Agreement, the term "donors" means individuals, philanthropic institutions, corporations, government agencies, and other entities making a gift to SPF for the Work.
 - c. Although some activities within the Work may take place outside Washington State, this Agreement is made entirely within the State of Washington by persons and entities that are domiciled in Washington. Washington law applies to the interpretation of this Agreement. The Parties consent to the exclusive jurisdiction of the courts of King County, Washington in the case of a dispute arising from or in connection with this Agreement.
 - d. If a dispute or disagreement arises between the Parties out of or related to this Agreement and either Party pursues legal action to enforce its contract and legal rights, the prevailing Party in such action is entitled to recover its reasonable attorneys' fees and costs and the costs of pursuing the action.
 - e. To the extent allowable by law, the Parties agree to keep confidential between them any dispute involving this Agreement or their relationship, how the dispute is resolved, and all information related to the dispute.
 - f. Each provision of this Agreement is separately enforceable and the invalidity of one provision will not affect the validity or enforceability of any other provision.
10. Entire Agreement: This Agreement, Exhibit A, the Project Application, and the SPF Key Roles and Responsibilities (as it may be modified from time to time) together constitute the only agreement between the Parties and supersede all prior agreements and understanding, both written and oral, between the Parties with respect to the subject matter hereof. This Agreement may not be amended or modified, except in writing signed by authorized representatives of each Party.
11. Authority: Each Party, and each individual signing this Agreement on behalf of each Party, hereby represents and warrants that it has full power and authority to enter into this Agreement and that

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the execution, delivery, and performance of this Agreement have been fully authorized and approved, and that no further approvals or consents are required to bind such Party.

12. Counterparts: This Agreement may be executed in as many counterparts as may be deemed necessary or convenient, each of which, when so executed, will be deemed one and the same instrument.

Each of the Parties has executed this Agreement to be effective on the day and year first written above.

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Signature: _____

Name: _____

Email: _____

Date: _____

FISCAL SPONSEE

Signature: _____

Name: _____

Email: _____

Date: _____

Signature: _____

Name: _____

Email: _____

Date: _____

Attachments: Exhibit A – Code of Conduct

EXHIBIT A

CODE OF CONDUCT FOR FISCAL SPONSEES

Seattle Parks Foundation (“SPF”) serves as the fiscal sponsor for many community groups (the “Fiscal Sponsees”). SPF is a qualified 501(c)(3) organization and SPF’s federal tax-exempt status benefits all fiscal sponsees so long as they conduct their work and projects in compliance with the applicable federal laws and the regulations issued by the Internal Revenue Service.

Because all Fiscal Sponsees operate under SPF’s auspices as a tax-exempt organization, all individuals acting on behalf of Fiscal Sponsees must conduct themselves in a manner consistent with SPF’s values and charitable purposes and in compliance with SPF’s policies. One of those policies is this Code of Conduct. This Code of Conduct applies to all Fiscal Sponsees and their volunteers, employees and independent contractors (collectively referred to as “Fiscal Sponsee”).

By entering into the fiscal sponsorship relationship with SPF, the Fiscal Sponsee agrees to meet the following standards. Fiscal Sponsee agrees that its failure to abide by this Code may result in termination by SPF of the fiscal sponsorship relationship.

1. All people involved with Fiscal Sponsee’s work/project will be treated with respect and courtesy regardless of race, ethnicity, religion, gender, sexual orientation, ability, age, or national origin. Fiscal Sponsee will refrain from using abusive, indecent, offensive, coarse, threatening or insulting language towards anyone.
2. Fiscal Sponsee will ensure that its work/project aligns with SPF’s mission: *To support a thriving, connected system of parks and public spaces that promotes health and happiness for all.*
3. In all contexts, both public and private, including public statements, grant requests, solicitations of donations, printed materials, and online information, Fiscal Sponsee will fully and accurately disclose its fiscal sponsorship relationship with SPF.
4. Fiscal Sponsee will respect the confidentiality of all information, particularly any information about donors, provided by SPF to Fiscal Sponsee. Fiscal Sponsee will not share any such information with other organizations or use it to solicit donations for any work or projects not under the fiscal sponsorship of SPF. Fiscal Sponsee will ensure that all donation information in whatever form (paper, electronic or other) is properly secured and disposed of.
5. Fiscal Sponsee will conduct its financial affairs with integrity and honesty. This includes maintaining complete and accurate records of donations, grants, and expenses and ensuring that (i) all grants and donations are transmitted promptly to SPF for processing, and (ii) only complete and accurate requests for expense reimbursements are submitted to SPF.
6. Fiscal Sponsee will notify SPF in advance if a project may involve activities or work with youth or vulnerable populations (such as elderly people or individuals with intellectual disabilities). Fiscal Sponsee will not proceed with such activities or work without prior approval from SPF.
7. Fiscal Sponsee will not take or use video or photography of volunteers or participants without first obtaining appropriate releases from each person whose image/picture Fiscal Sponsee proposes to use.