

FISCAL SPONSORSHIP CAPITAL CAMPAIGN AGREEMENT

This Fiscal Sponsorship Agreement (“Agreement”) has been made by and between Seattle Parks Foundation (“SPF”) and Friends of Eli’s Park Project (“Fiscal Sponsee”) to accomplish Eli’s Park Project SPF determined that sponsorship of the Fiscal Sponsee is consistent with its goals and wishes to make arrangements with the Fiscal Sponsee for implementation and operation of The Project. This agreement is **effective as of September 23, 2019**.

1. Purpose: SPF hereby agrees to sponsor the Fiscal Sponsee and to assume administrative, financial, and legal responsibility for The Project. The Fiscal Sponsee agrees to implement and operate The Project, in accordance with: SPF’s mission, charitable, and educational goals; Washington State Revenue Rule 68-489; Section 501(c)(3) of the Internal Revenue Code; any requirements imposed by Donors¹; and the terms of this agreement. To offset administrative costs and in consideration of services under the **Agreement, at the end of each quarter SPF will assess an 8% fee on gifts below \$50k and 4% on gifts \$50k and above received for the Fiscal Sponsee in that quarter.**
2. All volunteers of the Fiscal Sponsee who primarily engage with youth and vulnerable populations (ie: intellectual disabilities) must agree to a background check conducted by SPF. If volunteers already have a background check, they can provide documentation to SPF.
3. Tax-Exempt Status: The Fiscal Sponsee shall operate The Project in a manner consistent with SPF’s tax-exempt status² and as described in this Agreement. No material changes in the purposes or activities of The Project shall be made without prior written permission of SPF and in accordance with any requirements imposed by Donors. The Fiscal Sponsee shall not carry on activities or use funds in any way that jeopardizes the Fiscal Sponsor’s tax-exempt status.
4. Lobbying: The Fiscal Sponsee shall not, and shall not permit The Project to, attempt to influence legislation or participate or intervene in any political campaign on behalf (or in opposition to) any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986) without SPF’s written consent.
5. Reporting Requirements:
 - a. The Fiscal Sponsee will provide SPF with annual written reports describing programs and services of The Project on the anniversary of the date that the Fiscal Sponsee signs the Agreement (hereinafter the “Effective Date”).
 - b. The Fiscal Sponsee agrees to report by phone quarterly from the Effective Date.

¹ For purposes of this Agreement, “Donors” mean individuals, philanthropic institutions, corporations, government agencies, and other entities making a gift to SPF for the Fiscal Sponsee to carry out the objectives of The Project.

² SPF is a Washington State nonprofit corporation located in Seattle, Washington, qualified as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

- c. The Fiscal Sponsee will provide all information and prepare all reports required by Donors, including interim and final reports, for SPF's final approval at least one week before any deadline.
- 6. Account: On behalf of the Fiscal Sponsee, SPF will establish and operate for the use of The Project a designated restricted account ("Account") of gifts, cash, and other property segregated on SPF's books. All money and property in the Account belongs to SPF, subject to any restrictions imposed by Donors, and shall be reported in SPF's financial statements and taxes.
 - a. To ensure compliance with tax-exemption laws, all funds that the Fiscal Sponsee raises shall be processed through SPF, apart from certain types of public funding, which may be paid directly to city or county contractors.
 - b. All amounts deposited into The Project's Account will be used in support of The Project, less administrative fees, until:
 - i. The Project's objectives are met or can no longer reasonably be accomplished, as agreed in the Project Addendum(a), or
 - ii. the Agreement is terminated under Paragraph 9.
 - c. If the events in Paragraph 5(b)(i) or (ii) occur, any remaining balance in the Account may be transferred to other project accounts at SPF's sole discretion and in accordance with: SPF's mission, charitable, and educational goals; Revenue Rule 68-489; and any requirements imposed by Donors. SPF will give the Fiscal Sponsee 60 days' written notice before transfer through an agreed-upon notification method set forth in the Project Addendum(a).
- 7. Disbursement: Disbursements will be restricted to support and implement The Project only, consistent with the Project Addendum(a). SPF will disburse funds from the Account in the following manner and reserves the right to withhold any payment requests to seek additional information from the Fiscal Sponsee:
 - a. Reimbursement: Except in rare cases, SPF will make payments to the Fiscal Sponsee from the Account through reimbursement for expenses on The Project. To receive reimbursement, an Authorizing Official must submit a reimbursement in a timely manner through the online form found here:
https://seattleparksfoundation.formstack.com/forms/reimbursement_form
The following information: recipient of the funds, date of the transaction or service, amount requested, and purpose of the funds.
 - b. Vendor/Consultant/Contractor Invoices: SPF may make payments directly for expenses on The Project to vendors, consultants, and contractors. To make a payment, an Authorizing Official must submit an invoice and a W-9 for the payee through the online payment form in a timely manner. In the event of a dispute over services performed or goods provided by a vendor, consultant, or contractor, SPF will withhold payment until the dispute is resolved.
 - i. If the recipient of the funds is an individual and not a corporation, and they will receive more than \$600 in compensation for work (not reimbursement), they will need to complete IRS Form W-9.

- ii. Independent contractors must sign an independent contractor agreement prior to performing any work or services for The Project. Please work with your SPF staff steward to create the independent contractor agreement. If working directly with youth and/or vulnerable populations, you may also be asked to submit to a background check.
 - c. Advances: SPF will only disburse Account funds when there is an available balance in the account. In rare cases, SPF may make advance payments to the Fiscal Sponsee or a vendor, consultant, or contractor of the Fiscal Sponsee, by written agreement and approvals set forth in the Project Addendum(a).
 - d. Clawback Provision: SPF reserves the right to demand return of funds if the Fiscal Sponsee violates this Agreement or The Project Addendum(a).
 - e. Authorizing Officials: The Fiscal Sponsee designates the following two people: **Paige Reischl and Shawn Israel Rundell** to act as authorizing officials for this Agreement. The Authorizing Officials shall act as principal coordinators of the Project's daily business with SPF, shall bear responsibility for the Fiscal Sponsee's obligations in this Agreement, and shall have authority to sign disbursement requests. Only SPF's Director of Fiscal Services is authorized to disburse funds to the Fiscal Sponsee. The Fiscal Sponsee will update SPF of any changes to the contact information of the Authorizing Official(s) in a timely manner. SPF does not bear responsibility for incomplete notifications or incomplete disbursements pursuant to this Agreement caused by the Fiscal Sponsee's failure to update the Authorizing Official(s).
8. Records:
- a. SPF shall maintain all financial records relating to the Project according to generally accepted accounting principles and retain and make records available to auditors as required by law.
 - b. SPF shall provide the Fiscal Sponsee with a report of transactions in the Account at least quarterly from the Effective Date, or upon reasonable request with at least one-week advance notice.
9. Financial Reporting: SPF will reflect the Fiscal Sponsee's transactions, to the extent required, on SPF's federal government tax returns and financial reports. All disbursements from an Account shall be treated as payments made to or on behalf of the Fiscal Sponsee to accomplish the purposes of The Project. The Fiscal Sponsee will provide SPF with proper documentation to accomplish the requirements of this paragraph.
10. Termination: This agreement will be subject to annual review on the Effective Date and will terminate as follows:
- a. Material Breach: Either party may terminate the Agreement for material breach of the Agreement with fifteen (15) days' notice.
 - i. The Agreement will automatically terminate, and SPF will transfer the remaining funds pursuant to Paragraph 5(c) if the following events occur:

1. SPF requests the Fiscal Sponsee to cease activities that it deems might jeopardize its tax-exempt status and the Fiscal Sponsee and The Project fail to comply within a period of ten (10) days;
2. The Fiscal Sponsee fails to perform or observe any other covenant of this agreement (including, but not limited to, the reporting requirements of Paragraph 4), and this failure remains unremedied fifteen (15) days after notice in writing;

b. Voluntary Termination:

- i. Either party may terminate this Agreement voluntarily by sending 30 days' notice in writing to the other party along with:
 1. a written agreement from a tax-exempt 501(c)(3) organization with their IRS tax identification number to sponsor the Fiscal Sponsee; or
 2. a determination letter from the IRS that it is a 501(c)(3) tax-exempt organization.
 - ii. To complete voluntary termination, the Fiscal Sponsee must secure a Termination of Agreement and Transfer of Assets, signed by SPF and an Authorized Official, and then SPF will transfer the balance from the Account, less any outstanding liabilities, to the new fiscal sponsor or the newly created 501(c)(3) organization of the Fiscal Sponsee.
11. Miscellaneous: This Agreement shall be interpreted and construed in accordance with the laws of the State of Washington. Any controversy, claim, or dispute between the parties arising out of or related to this Agreement, or the alleged breach thereof, the prevailing party shall, in addition to any other relief, be entitled to recover its reasonable attorneys' fees and costs of sustaining its position. Any dispute, and the resolution thereof, shall be and remain confidential information, and all parties shall protect the confidential information from public disclosure, using any reasonable legal and technical means. Each provision of this Agreement shall be separately enforceable, and the invalidity of one provision shall not affect the validity or enforceability of any other provision.
 12. General Liability: During the applicability of the Agreement, the Fiscal Sponsee will be covered under SPF's general liability umbrella policy (limited to \$1,000,000 per occurrence and \$2,000,000 in the aggregate). Coverage is limited to operations and activities performed within the scope of the Agreement and no longer applies after Termination under Paragraph 9.
 13. No Assignment: The Fiscal Sponsor cannot assign this Agreement without SPF's prior written consent.
 14. Entire Agreement: This Agreement, together with the Project Addendum(a), constitutes the only agreement between the parties, and supersedes all prior agreements and understanding, both written and oral, among the parties with respect to the subject matter hereof. This Agreement may not be amended or modified, except in writing signed by all parties to this Agreement.

In witness whereof, the parties hereto have executed this Agreement on the day and year first written above.

Fiscal Sponsee's Authorized Officials:

Date:



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Accepted for SPF:

Date:



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