

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("Agreement") is entered into this 7<sup>th</sup> day of March between United Way of Pioneer Valley ("UWPV"), a Massachusetts not-for-profit corporation, with offices located at 184 Mill Street, Springfield, Massachusetts, and the Leadership Council of the Western Massachusetts Network to End Homelessness ("WMNEH" or the "Network") an unincorporated organization whose goals are preventing and reducing homelessness in Hampden, Hampshire, Franklin and Berkshire Counties.

### WITNESSETH:

**WHEREAS**, United Way of Pioneer Valley mobilizes people and resources to strengthen its communities, including promoting financial stability for individuals and families and helping people obtain basic needs; and

**WHEREAS**, the Western Massachusetts Network to End Homelessness seeks the services commonly provided by a fiscal sponsor, including receiving and managing funds, providing grant management, general accounting and financial services, and oversight for fund integrity; and

**WHEREAS**, UWPV has the resources and ability to serve as the Fiscal Sponsor to the Network;

**NOW, THEREFORE**, in consideration of the foregoing and mutual promises, covenants and agreement herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follow:

#### **1. Scope of Work**

United Way of Pioneer Valley will act as the Fiscal Sponsor to the Western Massachusetts Network to End Homelessness. As the Fiscal Sponsor, UWPV is responsible for, but not limited to, the following tasks:

- Receive and manage all funds in compliance with applicable state, federal, Leadership Council policy, and fund specific regulations;
- Ensure internal controls are effective to maintain fiscal integrity;
- Establish and maintain a separate insured depository/checking account for WMNEH funds;
- Process payments to service providers in a timely manner;
- Process compliant reimbursement requests in a timely manner;
- Create and distribute monthly financial reports;
- Prepare all state, local and federal tax reports and filings within UWPV tax filing

- documents;
- Prepare WMNEH Annual Statement of Functional Expenses within the UWPV annual Audit;
  - Report all grants, charitable contributions and gifts received on behalf of WMNEH as contributions, as required by law; and
  - Furnish evidence of its status as an exempt organization under Section 501(c)3 to the donor upon request.

### **1.1 Disbursement of Funds**

UWPV shall disburse funds in accordance with applicable regulations and policies. Disbursements shall be made from available funds at the direction of the Leadership Council or its authorized designee and within a reasonable time following receipt of a fully completed Payment Request form (see attached).

### **1.2 Accounting of Funds**

- UWPV will maintain an accounting and record of all revenue, expenditures, program income, and applicable credits associated with the WMNEH funds by funding stream, for the duration of the term of its services;
- UWPV will ensure that all financial procedures are in compliance with Generally Accepted Accounting Procedures (GAAP), Office of Management and Budget (OMB) policies, Code of Federal Regulations (CFR), Federal Acquisition Regulations (FAR), and any other federal or state regulatory requirements and limit risk of questioned or disallowed costs;
- UWPV will implement an invoicing system or procedure deemed necessary by the Leadership Council or its authorized designee and UWPV in order to comply with its duties and responsibilities as fiscal sponsor;
- UWPV will maintain an accounting of expenditures by expense type and service provider/vendor or other agreed upon method and maintain appropriate ledgers to manage obligations and expenditures of funds;
- UWPV will establish procedures and processes to ensure that all amounts payable to contractors, providers and/or vendors are paid within statutory and/or policy timeframes from existing funds and that proper documentation for each is maintained for monitoring and audit purposes;
- UWPV will establish procedures and processes to ensure that all amounts receivable or due are collected and recorded on a timely basis;

### **1.3 Financial and Grant Reporting**

- UWPV will prepare and disseminate financial reports on a monthly basis in formats prescribed by the entities to identify revenues, expenditures, accounts payable, accounts receivable, and balances and obligations, by funding stream, and sub-recipients.
- UWPV will work with the Leadership Council or its authorized designee and develop standard financial reports;
- UWPV will prepare required federal and state financial reports associated with management of funds in a timely manner.

### **1.4 Recovery / Reimbursement**

UWPV will cooperate and use reasonable efforts to assist the Leadership Council with the recovery of funds paid to sub-recipients subsequently disallowed.

## **2. Period of Performance**

This Agreement shall become effective immediately upon execution of the same and shall remain in full force and effect until either party terminates this agreement pursuant to Section 7 of this Agreement. UWPV assumes no responsibility over any business transactions, agreements, contracts or the like, that transpired on behalf of the Network prior to April 1, 2011.

## **3. Payment for Services**

As consideration for the services provided by UWPV, WMNEH will be charged ten percent (10%) of the income received on behalf of WMNEH. UWPV will apply this fee on or about the fifteenth business day of each month, given that there are funds available sufficient to cover this fee and the other payments due on that income to consultants and providers. The fee shall represent ten percent of income received during the prior month.

## **4. Indemnity and Hold Harmless**

In entering this Agreement, WMNEH will use a standard of care and skill ordinarily exercised under similar circumstances. WMNEH shall save, indemnify, defend and hold UWPV harmless of and from any and all liability, loss, cost or reasonable expense arising from the Network's failure to meet the above standard of care.

## **5. Confidentiality**

UWPV and WMNEH acknowledge and agree that if confidential information is so identified and disclosed by one party to the other, each party shall hold all such confidential information in the strictest confidence as a fiduciary and shall not voluntarily sell, transfer, publish, disclose, display or otherwise make available to any third persons such confidential information or any portion thereof without the express written consent of the other party. UWPV and WMNEH shall each use their best efforts to protect the confidentiality of all such information consistent with the manner in which they protect their most confidential business information.

## **6. Conflict of Interest**

WMNEH certifies that it is not involved in any activity that would constitute a conflict of interest, or suggest the appearance of a conflict of interest, with UWPV except as has been disclosed to UWPV, and that any future situations that might involve or appear to involve a conflict of interest will be promptly disclosed by WMNEH.

## **7. Termination**

Either party may terminate this contract for any reason, with or without reason. The terminating party shall provide written notice of its intent to terminate at least sixty (60) days prior to the termination date. In the event of termination, UWPV will assist WMNEH in transitioning the role of Fiscal Sponsor to the newly appointed Fiscal Sponsor. WMNEH will continue to pay for services through the termination date and through the continuation of any unresolved matters, if any such unresolved matters exist, on the date of termination.

**8. Assignment of Contract**

This Agreement is not transferable.

**9. Notices**

It is expected that UWPV and WMNEH will communicate on a regular basis via telephone and/or email regarding the daily operations associated with the fiscal sponsor relationship.

If UWPV determines that it will be unable to fulfill the scope of work, or continue to fulfill the scope of work, as described hereinabove, UWPV shall notify WMNEH in writing as soon as reasonably possible. UWPV and WMNEH will meet to evaluate and discuss whether alternate arrangements can be made. If alternate arrangements cannot be agreed upon, this Agreement will become terminated by UWPV as set out in Section 7 hereinabove. UWPV will provide notice of termination and continue to provide services to the best of its ability for sixty days or until a new fiscal sponsor has been appointed, whichever comes first.

Any notice required to be given under this Agreement due to default, amendment, or otherwise, will be deemed to have been sufficiently given either when served personally or when sent by first class mail addressed to the parties below:

Sylvia deHaas-Phillips  
United Way of Pioneer Valley  
184 Mill Street  
Springfield, MA 01108  
(413) 693-0216  
sdehaas@uwpv.org

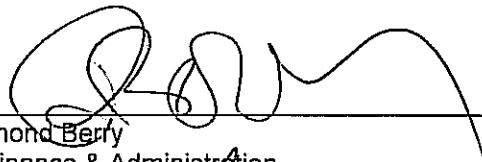
Lynne Wallace, Leadership Council Chair  
Dietz & Company Architects, Inc.  
17 Hampden Street  
Springfield, MA 01103  
(413) 733-6798  
lynnew@dietzarch.com


**10. Governing Law**

This Grant shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

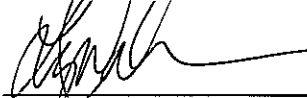
**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

**United Way of Pioneer Valley**

  
\_\_\_\_\_  
Raymond Berry  
VP Finance & Administration

  
\_\_\_\_\_  
Dora D. Robinson  
President & CEO

**Western Massachusetts Network to  
End Homelessness**

  
\_\_\_\_\_  
Lynne Wallace  
Chair, Leadership Council



United Way  
of Pioneer Valley

### PAYMENT REQUEST FORM

Western Massachusetts Network to End Homelessness  
to  
United Way of Pioneer Valley  
as Fiscal Sponsor

<b>Amount:</b>	\$
<b>Transaction Type:</b>	
<input type="checkbox"/> Process check (if requesting check, complete the following) Check payable to: _____ Street Address: _____ City:            State:            ZIP:	
<input type="checkbox"/> Transfer from _____ account to _____ account	
Reason for check or transfer:	
Special instructions:	
Date check/transfer needed:	
Requested by:	Date requested:

Leadership Council approval:

\_\_\_\_\_ (signature) \_\_\_\_\_ Date

\_\_\_\_\_ (Printed Name)

UWPV approval

\_\_\_\_\_ Sr. Vice President, Community Impact \_\_\_\_\_ Date

\_\_\_\_\_ CFO (up to \$2,500) \_\_\_\_\_ Date

\_\_\_\_\_ President (Up to \$50,000) \_\_\_\_\_ Date

***For Finance Use Only***

Invoice #	Vendor #	Acct to Charge	Amount