

FISCAL SPONSORSHIP GRANT AGREEMENT

North Portland Community Works & _____

North Portland Community Works, Inc., also known as Kenton Action Plan, ("Grantor") has decided that financial support of the following purposes, _____ ("the project"), more particularly described in exhibit A ("the proposal"), from _____ ("Grantee") will further Grantors tax-exempt purposes under Section 501(c3) of the Internal Revenue Code ("IRC"). With regard to the selection of Grantee or any other beneficiary to conduct the project, Grantor has exercised and shall retain full discretion and control over the selection process, acting completely independently of Grantee or any funding source. Grantor has created a restricted fund designated for the project and has decided to grant all amounts that it may receive and deposit to that fund (less any administrative charge set forth below), to Grantee, subject to the following terms and conditions:

1. Grantee shall use the grant solely for the project described in the proposal, and Grantee shall repay to Grantor any portion of the amount granted which is not used for that project. Any changes in the purposes for which grant funds are spent must be approved in writing by Grantor before implementation. Grantor retains the right, if Grantee materially breaches this Agreement, to withhold, withdraw, or demand immediate return of Grant funds, and to spend such funds so as to accomplish the purposes of the project as nearly as possible within Grantor's sole judgment. Consistent with Interpretation No. 42 of Statement No. 116 issued by the Financial Accounting Standards Board, Grantor retains the unilateral power, without approval from any funding source, from Grantee, or from any other interested party, to redirect use of grant funds away from Grantee to another beneficiary capable of fulfilling the purpose of the project. Any tangible or intangible property, including copyrights, obtained from third parties or created by Grantee as part of this project shall remain the property of Grantee. The amount and date of each disbursement of grant funds to Grantee shall be within the discretion of Grantor.

3. Grantee may solicit gifts, contributions, and grants to Grantor, earmarked for the purposes of the project. Grantee's choice of funding sources to be approached, and the text of Grantee's fundraising materials, are subject to Grantor's prior written approval. All grant agreements, pledges, or other commitments with funding sources to support this project shall be executed by Grantor. The cost of any reports or other compliance measures required by such funding sources shall be borne by Grantee. Grantor shall be responsible for the processing, acknowledgment, and deposit in the restricted fund of all monies received for the project, which shall be reported as the income of Grantor for both tax purposes and for purposes of Grantor's financial statements.

4. Grantee assumes the risk that any funding source may exercise the discretion to not grant or not appropriate funds to Grantor for support of the project. Any amount advanced by Grantor to Grantee, with the expectation that a pending grant request will be approved by a funding source, shall be treated as an obligation to be repaid by Grantee to Grantor, either from monies deposited in the restricted fund or from Grantee's assets, upon demand by Grantor.

5. An administrative charge of 5% shall be transferred to Grantor's general fund to defray Grantor's costs of administering the restricted fund and this grant. In addition, any interest earned on the restricted fund shall be retained in Grantor's general fund.

6. Grantor shall not be responsible for the community programs, public information work, fundraising events, accounts payable and receivable, negotiation of leases and contracts, insurance, day-to-day disbursement of project funds, or other matters related to activities conducted by Grantee. No one working on the project shall be an employee of or independent contractor with Grantor. Grantee shall

assume full and complete responsibility for all liabilities to third parties incurred in connection with the project including but not limited to any and all claims whether asserted or unasserted while this Agreement is in effect. With regard to the selection of any subgrantees to carry out the purposes of this grant, the Grantee retains full discretion and control over the selection process, acting completely independently of Grantor. There is no agreement, written or oral by which Grantor may cause the Grantee to choose any particular subgrantee.

7. Nothing in this Agreement shall constitute the naming of Grantee as an agent or legal representative of Grantor 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 Grantee shall make no such representation to anyone.

8. Grantee shall submit a full and complete report to Grantor as of the end of Grantee's annual accounting period within which any portion of this grant is received or spent. The initial report shall be submitted by Grantee no later than sixty (60) days after the end of such period. The report shall describe the charitable programs conducted by the Grantee with the aid of this grant and the expenditures made with grant funds and shall report on the Grantee's compliance with the terms of this grant.

9. This grant is not earmarked to be used in any attempt to influence legislation within the meaning of Internal Revenue Code Section 501(c)(3). No agreement, oral or written, to that effect has been made between Grantor and Grantee.

10. Grantee shall not use any portion of the funds granted herein 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 Section 501(c)(3) of the Internal Revenue Code.

11. Grantee shall notify Grantor immediately of any change in (a) Grantee's legal or tax status, or (b) Grantee's executive staff or key staff responsible for achieving the grant purposes.

12. Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless Grantor, its officers, directors, trustees, employees and agents, from and against any and all claims, liabilities, losses and expenses (including reasonable attorneys' fees) directly, indirectly, wholly or partially arising from or in connection with any act or omission of Grantee, its employees or agents, in applying for or accepting the grant, in expending or applying the funds furnished pursuant to the grant or in carrying out the program or project to be funded or financed by the grant, except to the extent that such claims, liabilities, losses or expenses arise from or in connection with any act or omission of Grantor, its officers, directors, trustees, employees or agents.

13. Grantee shall secure a Certificate of General Liability Insurance (Exhibit B) with a combined single limit of not less than one-million dollars each occurrence for Bodily Injury and Property Damage is required. It shall include liability coverage for the indemnity provided under this contract, and shall provide that North Portland Community Works (Kenton Action Plan) and its officers, employees, and agents, and the City of Portland, and its officers, employees and agents are Additional Insureds but only with respect to the services under this contract.

14. Either Grantor or Grantee may terminate this Agreement on thirty (30) days' written notice to the other party, so long as another nonprofit corporation which is tax exempt under IRC Section 501(c)(3), and is not classified as private foundation under Section 509(a) ("a Successor"), is willing and able to sponsor the project. The balance of assets in Grantor's restricted fund earmarked for the project shall be

transferred to the Successor at the end of the notice period or sooner if all parties so agree. Grantee shall be eligible to be a Successor itself so long as Grantee has received, no later than the end of the notice period, a determination letter from the Internal Revenue Service indicating that Grantee meets the qualifications for a Successor stated above.

15. 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, the prevailing party shall, in addition to any other relief, be entitled to recover its reasonable attorneys' fees and costs of sustaining its position.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon applicable to agreements made and to be enforced entirely within such State.

17. This Agreement shall supersede any prior oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof: This Agreement may not be amended or modified, except in a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this Fiscal Sponsorship Grant Agreement effective on the _____ day of _____, 20____.

GRANTOR: North Portland Community Works (Kenton Action Plan)

By: _____

Name: Tom Griffin-Valade

Title: Executive Director

GRANTEE: _____

By: _____

Name: _____

Title: _____

Exhibit A

Project Description:

Exhibit B

Certificate of General Liability Insurance

Exhibit C

_____ Articles of Incorporation

Exhibit D

_____ Bylaws

Exhibit E

_____ Board of Directors/contact information