



## PNA Fiscal Sponsor Agreement

This document defines the Fiscal Sponsor Agreement between the associated program, Team Dragonfly and the fiscal sponsor, Phinney Neighborhood Association (PNA).

Team Dragonfly is planning a community street mural project that will bring neighbors together to create new friendships and bonds. The completed artist mural will be the visual focal point of the neighborhood and raise community pride, as well as provide a new neighborhood tradition as we gather to repaint the mural each year. Since they will not be applying for Federal Non-profit tax status, they will collaborate with the Phinney Neighborhood Association to act as their co-sponsor and Fiscal Sponsor in the implementation of this program.

### **Under the terms of this agreement,**

#### **Phinney Neighborhood Association (PNA) agrees to:**

- Maintain a Team Dragonfly account (#2700) in the PNA books of accounts.
- Make and record Team Dragonfly deposits in a timely manner.
- Release and record Team Dragonfly funds upon request on PNA written request forms/invoices and signed by Team Dragonfly designated signatories, in a timely manner.
- Provide Team Dragonfly current accounting statements of their accounts upon request.
- Provide Team Dragonfly a letter stating that the PNA is the Fiscal Sponsor and Co-Sponsor of the Team Dragonfly program and gives its authorization to Team Dragonfly to make requests using the PNA's 501(c)(3) tax exempt status.
- Provide Team Dragonfly a copy of the PNA's IRS Tax Exempt 501(c)(3) letter.
- Maintain its 501(c)(3) status, not endangering this status, and file all returns required.
- Return the unspent balance of Team Dragonfly account(s) once both parties have agreed to close the account(s).

#### **Team Dragonfly agrees to:**

- Comply with the terms set forth in this agreement to promote creation and maintenance of a community street mural at the T-intersection of 4<sup>th</sup> Ave NE and NE 60<sup>th</sup> Street. Specifically, Team Dragonfly plans to:
  - 1.) Apply for a Seattle Dept of Neighborhoods Small & Simple matching grant;
  - 2.) Create and maintain a dragonfly street mural at the T-intersection of 4<sup>th</sup> Ave NE and NE 60<sup>th</sup> Street.
- Any significant changes in the mission or goals of Team Dragonfly should be discussed with the PNA to continue with this agreement.
- Follow the PNA's attached Accounting Guidelines including the accounting for all funds received and spent on behalf of Team Dragonfly.
- Maintain a Petty Cash account of up to \$500 and to comply with attached PNA Petty Cash Guidelines.
- Use funds in accordance with the purpose for which they were granted or solicited and not use funds for commercial interests or for reinvestment.
- Confer with PNA Development Director, Ann Bowden, when developing any project-specific fund-raising plans to avoid any possible conflicts with PNA fundraising plans and to comply with attached PNA Grant Income Guidelines.
- Insure that all funds are made payable to the PNA – Team Dragonfly, account #2700 .

- Credit PNA as a Co-Sponsor in all publicity, posters, news releases, media contact and programs.
- Notify the PNA in writing of intent to enter into co-sponsor agreements with other agencies.
- Be responsible for the payment of Federal, State and City taxes in regard to business and employment bearing on activities for which Team Dragonfly is being sponsored. Provide the PNA with proof that those payments have been made.
- Provide an annual report including a brief narrative, relevant publicity materials and financial statement within two months of completion of a year's work.

**Both Parties agree that:**

- The PNA will receive a management fee of **7% of total gross income**, including earned income, grants, corporate sponsorships and private donations. The management fee will be deducted from account #2700 and transferred to PNA Administrative Funds once both parties agree on a total gross income figure and final account balance at the end of each year.
- Team Dragonfly shall hold harmless and indemnify PNA from any claims, losses or damages arising out from Team Dragonfly's negligent acts or omissions.
- PNA shall reserve the right to return or refuse acceptance of funds if the acceptance of those funds might jeopardize the non-profit status of the PNA.
- This agreement may be amended upon agreement by both Team Dragonfly and PNA.

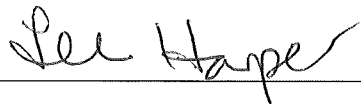
**Termination**

- Either party may terminate this agreement if they feel that the other party has engaged in activities that are inconsistent or out of compliance with the intent of this agreement or endanger the tax-exempt status of the PNA.
- The collaboration between the Team Dragonfly and the PNA may be ended at any time provided all agreements and responsibilities of both parties have been met.
- Team Dragonfly may apply for an extension of the agreement, if terminated, however, the terms of the new agreement, including the management fee, are subject to change and re-negotiation.



Date: 2/6/2013

John Strayer, Team Dragonfly



Date: 2/6/2013

Lee Harper, Executive Director, PNA