

Fiscal Sponsor and Fiduciary Agent Agreement

The Trust for Montana Libraries, a non-profit organization incorporated in the State of Montana
and
The Montana State Library, an agency of the State of Montana

Agree that it is within the scope of the mission of The Trust, and the interest of the State Library, to have The Trust serve as fiscal sponsor and fiduciary agent for some grants from third parties for programs, services or projects conducted by the State Library.

The Trust's role as fiscal agent:

1. The Trust agrees to act as fiscal agent for all money it receives from whatever source, which is intended for use by the State Library, and to disburse those funds upon approval by the State Librarian, or her assigned project representative.
2. The Trust assumes the role of applicant organization in funding requests, and therefore assumes some fiscal and administrative responsibility for the State Library.
3. The Trust places all gifts, grants, contributions and other revenues received by The Trust for the purposes of the State Library into a restricted fund to be used for the sole purpose for which it was given. All assets in this restricted fund is to be reported as income of Trust, for tax purposes and for purposes of Trust financial statements. The Trust has variance powers necessary to treat the restricted fund as a Trust asset in accordance with Statement No. 136 issued by the Financial Accounting Standards Board while this Agreement is in effect.
4. All decisions associated with the budgeting of funds will be the responsibility of State Librarian. The Trust will ensure such decisions shall be in compliance with the fiscal agent's own policies and procedures, as well as in compliance with any requirements of the funder.
5. The Trust may receive up to 5% of non-governmental grant awards and 10% of all government grant awards to be used for administrative expenses. There will be no other reimbursement to The Trust under this MOU. The amount to be received by The Trust – if any - will be made jointly with the State Library, in advance of the grant

application, and in agreement with the requirements and policies of the funder.

6. The Trust does not assume any responsibility should liability occur to a third-party.

The Trust's responsibilities:

1. Maintain appropriate accounting and financial systems to document receipt of funds, costs incurred, claims made.
2. Receive copies of all financial correspondence related to State Library accounts for which Trust is named as account holder.
3. Maintain separate records of disbursements related to State Library grant funds.
4. Make reimbursements as invoiced and approved by State Library representative.
5. Participate as signatory in contractual agreements with providers to State Library as necessary to accomplish grant requirements.
6. Prepare budget reports as requested for a State Library representative.
7. Aid in completion of budget reports required by grantors.
8. Keep receipts in accordance with Montana State Statues unless stated otherwise by a particular funder.
9. Make records available or upon request by the State Library Director should there be a financial audit of any grants made to the State Library.
10. Provide a representative to participate in meetings necessary to achieve the roles hereinafter set forth.

State Library responsibilities:

1. Lead in applying for or apply for grants for use by State Library.

2. Notify The Trust by email when a grant is received and send a thank you letter to the funder noting the fiscal partner relationship between State Library and The Trust.
3. Initiate all agreements for contracts made as part of State Library that will be paid from accounts held at The Trust.
4. Collect all invoices on behalf of State Library and approve and submit to The Trust for payment.
5. Allocate budget funds to proper line items and monitor expenditures to preclude over spending.
6. Ensure budget reports required by funders are completed and submit final reports to funders.
7. Provide a representative to participate in meetings necessary to achieve the roles hereinafter set forth.
8. Assume responsibility, should liability occur to a third-party.

Joint Responsibilities:

1. Share copies of final grant proposals and reports related to the State Library.
2. Participate in site visits from funders, except when both partners agree that only one representative is necessary.

Term:

The term of this Memorandum of Understanding shall be for a period beginning July 1, 2019 and remain in effect through December 31, 2020.

Amendment/Termination:

This MOU may be modified both parties by mutual agreement. Such amendments shall be in writing and signed by both parties. In the event that either party wishes to terminate the MoA, parties shall first meet to discuss the issues. If no resolution can be agreed upon, either party may, in writing, indicate the intent to terminate the MoA at the conclusion of the funding streams active at the time of dissolution.

This memorandum of understanding is made _____, 2019 and signed by executive officers of both The Trust and the State Library.

Sara Groves, President
Librarian
The Trust for Montana Libraries

Jennie Stapp, State
Montana State Library