

## MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MOU") is made this \_\_\_\_ day of \_\_\_\_\_ 2020, between \_\_\_\_\_, a non-profit organization, and Regional Access Project Foundation ("RAPF"), a California non-profit corporation, regarding the potential fiscal agency relationship between \_\_\_\_\_ and RAPF. \_\_\_\_\_ and RAPF may hereinafter be referred to as "Party" or "Parties," as applicable.

### INTRODUCTION.

\_\_\_\_\_ currently exists as an unincorporated entity -for facilitating charitable work to the residents of Riverside County. \_\_\_\_\_ intends to formally organize as a California non-profit corporation within the approximately next twelve (12 ) months. Until such time as \_\_\_\_\_ is fully organized as a non-profit corporation under the applicable state and federal laws, \_\_\_\_\_ must affiliate itself with an established non-profit corporation that can act as \_\_\_\_\_ "fiscal agent" for the purpose of formally receiving and disbursing funds provided to \_\_\_\_\_ by public and private organizations that have agreed and/or will agree to provide funds to support \_\_\_\_\_ charitable work but cannot disburse funds directly to an unincorporated organization or to an organization that does not have legal tax-exemption status.

RAPF is a non-profit corporation, duly organized under California and federal law. RAPF will serve as the fiscal agency continuing until such time as \_\_\_\_\_ obtains its tax-exempt status, not to exceed twelve (12) months.

The Parties desire to enter into this MOU for the limited purpose of defining \_\_\_\_\_ and RAPF'S respective duties with respect to RAPF'S fiscal agency role.

Therefore, the Parties agree as follows:

### SECTION 1. PRELIMINARY OBJECTIVES

1.1 The Parties agree that the primary objective of both \_\_\_\_\_ -and RAPF is to ensure that the fiscal agency relationship does not compromise either \_\_\_\_\_ or RAPF'S financial integrity or create an adverse financial impact on either Party.

1.2 The Parties agree to work collaboratively to define the parameters of fiscal agency relationship in a manner that truthfully conveys both Parties' financial and operational responsibilities and needs and thereafter, to enter into a formal fiscal agency MOU based on these parameters.

Formatted: Highlight

1.3 The Parties acknowledge that RAPF will incur expenses as a result of accepting fiscal agency responsibilities on behalf of ----- . Therefore, the Parties will endeavor to identify the most effective and economically feasible method for ----- to compensate RAPF for assuming the responsibility of being \_\_\_\_\_ fiscal agent, whether that method involves \_\_\_\_\_ paying RAPF a percentage of its incoming revenue, a percentage of RAPF'S operational expense, or some other form of compensation. Subject to change upon further consideration by the Parties, \_\_\_\_\_ agrees, as a preliminary matter, to pay to RAPF, as compensation for the expenses RAPF will incur as \_\_\_\_\_ fiscal agent, an amount equal to five percent (5%) of the total funds that RAPF receives on behalf of \_\_\_\_\_ in RAPF's capacity as \_\_\_\_\_ fiscal agent.

1.4 \_\_\_\_\_ agrees to diligently pursue efforts to incorporate as a California non-profit corporation

MEMORANDUM OF UNDERSTANDING -----  
/RAPF

within the next twelve (12) months, in order to avoid having to extend the fiscal agency relationship beyond the reasonable amount of time necessary for LTR to establish its corporate and financial operations.

**SECTION 2. OPERATIONAL CONCERNS.**

2.1 EMPLOYEES. \_\_\_\_\_ employees are currently legally employed by \_\_\_\_\_. RAFP does not wish to assume the legal, fiscal, or operational responsibilities of employing \_\_\_\_\_employee, including, but not limited to, obtaining federal and state tax ID numbers, establishing the necessary employer accounts with the California Employment Development Division, setting up payroll processing mechanisms, and securing the appropriate employment insurance policies.

2.2 INSURANCE. During the fiscal agency period, \_\_\_\_\_ agrees to maintain adequate liability insurance and to name RAFP as an additional insured.

**SECTION 3. ASSIGNMENT.**

3.1 This MOU, any interest herein, and any funds the Parties identify as belonging to \_\_\_\_\_ shall not be assigned, in whole or in part, by RAFP without the prior written consent of \_\_\_\_\_, except that without securing such prior consent, RAFP shall have the right to assign this MOU to any successor of RAFP by way of merger or consolidation or the acquisition of substantially all of the assets of RAFP relating to the subject matter of this MOU, if such successor has expressly assumed all obligations and liabilities of RAFP under this MOU.

**SECTION 4. TERM OF MOU.**

4.1 This MOU shall be effective as of the date first set forth above upon the execution by all the Parties, and shall terminate on the date the Parties execute a formal fiscal agency MOU. MOU will terminate with a 30 day notice initiated by either or RAP. Remaining Funds will be transferred to a 501©3 duly organized under California and federal law identified by \_\_\_\_\_.

- Formatted: Highlight
- Formatted: Font color: Red
- Formatted: Font color: Red

4.2 Termination of this MOU shall not terminate rights and obligations of the Parties which arose prior to such termination, but nothing in this Section shall confer, create, or expand any rights in either \_\_\_\_\_ or RAFP any other third parties.

**SECTION 5. MISCELLANEOUS.**

5.1 This MOU will be interpreted and the rights of the Parties construed in accordance with California law, and any litigation concerning this MOU shall be limited and confined exclusively to the appropriate State or Federal Court located within the State of California.

5.2 This MOU shall relate only to the matters specified herein and nothing herein shall be deemed to:

- (a) Confer any right or impose any obligation or restriction on a Party with respect to any other project at any time undertaken by any Party hereto, or
- (b) Preclude a Party hereto from soliciting or accepting any funds from third parties.

5.3 Any notice, demand or request required or permitted by this MOU shall be in writing and shall be

MEMORANDUM OF UNDERSTANDING -----  
/RAFP

deemed to have been sufficiently given when personally delivered or deposited in the United States mail and received within seven (7) days of postmark, registered or certified, postage prepaid, addressed as follows:

\_\_\_\_\_: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn:

RAPF:

\_\_\_\_\_  
\_\_\_\_\_

Attn: Leticia De Lara

5.4 This MOU constitutes the entire understanding and MOU of and among the Parties with respect to the subject matter hereof and supersedes all prior representations and MOUs, verbal or written. It shall not be varied, except by an instrument in writing of subsequent date, duly executed by an authorized representative of each Party.

5.5 Paragraph headings herein are for convenience only and shall not limit in any way the scope or interpretation of any provision to this MOU.

**5.6 Legal Fees and Costs.**

In the event either party brings any action for relief against the other, declaratory or otherwise, arising out of this MOU (including actions to enforce and interpret this MOU), the losing party shall pay to the prevailing party, in addition to any other relief to which such party shall be entitled, a reasonable sum for attorneys' fees incurred in bringing such suit and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorney fees and costs incurred in enforcing such judgment, in addition to any other relief to which such party shall be entitled.

**5.7 Third Parties.**

None of the provisions of this MOU shall be for the benefit of third parties or enforceable by any third party. Any agreement to pay an amount and any assumption of a liability herein contained, expressed or implied, shall only be for the benefit of the parties hereto and such agreement or assumption shall not inure to the benefit of the any third party, including an obligee.

**5.8 Force Majeure.**

Neither party shall be liable or deemed to be in default for any delay or failure in performance under this MOU or other interruption of service deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes

MEMORANDUM OF UNDERSTANDING -----  
/RAPF

IN WITNESS WHEREOF, the Parties have executed this MOU the day and year first written above.

**REGIONAL ACCESS PROJECT  
FOUNDATION**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Leticia De Lara

Name: \_\_\_\_\_

Title: CEO

Title: Director

DRAFT

