

Fiscal Sponsorship and Partnership Management Agreement

For Fiscal Year 2024-2025

Between San Juan Headwaters Forest Health Partnership (“Partnership”) and Mountain Studies
Institute (“Sponsor”)

This Agreement defines the roles and responsibilities of both the Unincorporated Organization (the Partnership) and the Fiscal Sponsor Organization (the Sponsor) named above.

This Agreement shall be in effect from January 1, 2024 through June 1, 2025

The Sponsor: The Sponsor is a nonprofit corporation, exempt from federal tax under section 501(c)(3) of the Internal Revenue Code, as amended (the “Code”). It is formed for purposes which include scientific research and education.

The Partnership: The Partnership is an Unincorporated Organization as defined by the State of Colorado. The Partnership develops science-based, collaborative priorities for the sustainable management of forests, watersheds and essential community resources in the San Juan River Headwaters.

Agreement Purpose: The Sponsor is willing to receive funds to include grants, contributions and tax-deductible gifts for the benefit and use of implementing the Partnership. The Partnership, with the administrative assistance and project coordination and/or management of the Sponsor, desires to use these funds in order to implement the Partnership’s purposes.

Oversight Group: The Partnership will provide an Oversight Group made up of a minimum of four (4) partners that are not part of the Sponsor organization board or staff that will review financial reports and expenditures. The Oversight Group will make recommendations to the Partnership regarding the use of funds, communicated through an annual budget and workplan. The Oversight Group may amend the budget and workplan and make emergency approvals of expenditures per the procedures in this Agreement when necessary. The Oversight Group will serve as the official signatories of the Partnership. The Oversight Group membership list, the annual budget, and workplan must be reviewed and approved annually by the Partnership on or before the beginning of each fiscal year. Sponsor will organize quarterly meetings and present financial reports to the Oversight Group.

By entering into this Agreement, the parties agree to the following terms and conditions:

1. **Receipt of funds:** The Sponsor agrees to receive grants, contributions, and gifts for the purpose of executing the mission of the Partnership
2. **Acknowledgement of charitable donations on behalf of the Partnership:** The Sponsor agrees that all grants, contributions, and gifts it receives for the Partnership will be reported as contributions to the Sponsor as required by law, and further agrees to acknowledge receipt of any such grant, contribution or gift in writing and to furnish evidence of its status as a tax-exempt organization under the Code. Donations received by the Sponsor on behalf of the Partnership will be recognized as donor-restricted contributions for the purpose of the Partnership. Upon receipt of each charitable donation, the Sponsor (through the Partnership Coordinator or designee) will acknowledge and thank the donor. Such written thank you shall be delivered to the donor by electronic or paper mail and shall include Partnership branding and Sponsor tax-exempt information. . The Sponsor agrees to notify the Partnership of any change in its tax-exempt status.
3. **Protection of tax-exempt status:** The Partnership agrees not to use funds received from the Sponsor in any way which would jeopardize the tax-exempt status of the Sponsor. The Partnership agrees to comply with any written request by the Sponsor that the Partnership cease activities that might jeopardize the Sponsor's tax status. The Partnership further agrees that the Sponsor's obligation to make funds available to the Partnership may be suspended in the event that the Partnership fails to comply with any such request. The Sponsor retains the right, if the Partnership breaches this Agreement, or if the Partnership jeopardizes the Sponsor's legal or tax status, to withhold, withdraw, or demand immediate return of grants, contributions or gifts.
4. **Project management:** The Sponsor will take the lead on project implementation and management as assigned by the Partnership and in accordance with the annual budget and workplan.
5. **Use of funds:** The Sponsor agrees to use any and all funds received on behalf of the Partnership solely for legitimate expenses of the Partnership and to account fully to the Partnership for the disbursement of these funds. On behalf of and with Partnership funds, the Sponsor will pay for the Partnership's direct expenses like salary and benefits for staff, travel and meeting expenses. The Sponsor and Partnership agree that expenditures approved by the Partnership from both restricted funds and grant funds will not exceed the available funds. The Partnership Goal is to maintain a minimum balance of \$10,000 in Partnership restricted fund(s), unless explicitly approved by the Oversight Group.
6. **Financial procedures:**

- a. The Sponsor will be responsible for all contractual obligations required by any grants received for the Partnership, including adhering to the grant budget.
 - b. Sponsor will follow its standard procedures for payroll, grant disbursements, and monthly calculation of indirect charges. Partnership funds which are committed as matching funds for any grant shall be expended approximately in proportion to that grant's contractually approved match requirement.
 - c. The Sponsor will obtain authorization from Oversight Group before incurring any expenses for the Partnership in excess of the current year's approved Partnership Budget.
 - d. Hourly billable rates for Sponsor employees shall be submitted to Partnership Oversight Group annually during development of the annual budget and shall not increase during the year without approval from the Oversight Group.
 - e. The work plan and budget must be reviewed and approved annually by the Partnership before the beginning of the new fiscal year. The annual budget and any major changes (deviation greater than \$2,500) to the annual budget must be reviewed and approved by the Partnership.
 - f. The Sponsor will organize quarterly meetings and present financial reports to the Oversight Group. The indirect rate on Partnership cash funds will be charged at time of expenditure. For federal and other grant funding, the indirect rate will be charged when the invoice is submitted to the grantor. Expenditures by volunteers will be reimbursed by the Sponsor through its procedures, and will be outlined in the annual budget and workplan. Any funds received for the Partnership will be held in a segregated fund by Sponsor.
 - g. The sponsor will charge an indirect fee for management of Partnership's Restricted donation funds at a rate of 17%. Indirect rates for grants and other funding sources may vary based on funding source restrictions and available funds. The Sponsor establishes a Negotiated Indirect Cost Rate Agreement (NICRA) annually with the Federal Government and is obligated to use that rate for all federal agreements. The Federally negotiated rate will be presented to the partnership annually upon receipt by the Sponsor.
7. **Financial accounting and reporting:** The Sponsor will maintain accurate and up-to-date books and financial records for the Partnership in accordance with generally accepted accounting principles. The Partnership's revenue and expenses shall be separately classed in the books of the Sponsor. The Sponsor will provide reports reflecting revenue and expenses related to the Partnership's grants, contributions, and gifts on a quarterly basis in comparison with the budget and workplan.
8. **Employment:** Unless otherwise agreed, and subject to their consent, all personnel to be compensated for working on the Partnership shall be at will employees or subcontractors

of the Sponsor and subject to the same personnel policies and benefits that apply to all employees of the Sponsor. Any subcontractor proposal by the Partnership shall be included in the annual budget and workplan.

- a. Local representation:** The Partnership desires that critical local outreach and fundraising functions be performed by a representative who resides in Archuleta County. If Sponsor cannot provide such local representation, then Partnership may seek out a local subcontractor to perform such critical local functions.
- 9. Fundraising:** The Partnership and assigned Sponsor staff will solicit gifts, contributions, and grants which are earmarked for the activities of the Partnership. The text of the Partnership's letters of inquiry, grant applications, and other fundraising materials are subject to approval by the Sponsor. The Sponsor's Executive Director must authorize with the Oversight Group all original letters of inquiry, grant proposals, and grant agreements. All grant agreements, pledges, or other commitments with funding sources to support the Partnership shall be executed by the Sponsor. The cost of any reports or other compliance measures required by such funding sources shall be borne by the Partnership. The Sponsor's Executive Director and the Oversight Group must be copied on progress and final report submissions. Grants involving government or public agency monies have substantial reporting and auditing requirements; therefore, if the Partnership desires to apply for government or public agency grants with Sponsor as the applicant, the Partnership must get advance approval to do so from the Sponsor's Executive Director.
- 10. Renewal of this agreement:** If both the Sponsor and Partnership desire to do so, this agreement may be renewed June 1, 2025. In the event of agreement expiration prior to review and renegotiation, the previous agreement remains in effect unless the termination clause is activated.
- 11. Termination:** Either party may terminate this agreement by giving a 60-day written notice to the other party, upon consultation with a representative of the San Juan National Forest and other relevant funding partners. In the event of agreement termination, any Sponsor-held funds restricted for the purposes of implementing the mission of the Partnership will be a) expended on eligible Partnership activities approved in the budget during the termination window, or b) transferred to another qualified 501(c)(3) entity to continue Partnership purposes with permission of the original donors.

Fiscal Sponsor Organization - Mountain Studies Institute

By:

Board Chairperson

Date

Executive Director

Date

Oversight Group - Representatives of San Juan Headwaters Forest Health Partnership

By:

Oversight Group Representative

Date

Oversight Group Representative

Date

Oversight Group Representative

Date

Oversight Group Representative

Date

EXHIBIT A: Proposed Partnership Work Plan for 2024 (To be updated annually and attached)

This work plan is intended to be updated annually by the Partnership in cooperation with the Sponsor. This is a list of desired activities and outcomes to be accomplished by the Sponsor in cooperation with the Partnership members. This is intended as a guideline and not a contractual list.

Financial Requirements

1. Sponsor shall prepare quarterly financial reports and present them to the Oversight Group at quarterly meetings.
2. These financial reports shall include timesheets for the quarter (only a timesheet report of time billed to Partnership restricted fund or Partnership-related grants in Exhibit B. This is not a timesheet of full employee time).
3. Sponsor shall bill staff time in the following 8 main categories:
 - Meetings, tours
 - Regular partnership meetings
 - Tours and learning opportunities
 - Cross collaborative
 - 232 and Rio Chama meetings and events
 - Attending conferences
 - SW CO CFLRP-Specific Cross Collaborative
 - CFLRP-related work.
 - Fundraising
 - Presentations to funders
 - Meeting new funders
 - Identifying new funders
 - Grant writing
 - Partnership building
 - Meeting potential and existing partners
 - Developing relationships with landowners, POA's, community groups, local government, etc.
 - Communications
 - Website, press releases/articles and newsletter
 - Multimedia projects
 - Emails, calls, logistics that are outside of other categories
 - Public outreach events
 - Community and other events, such as Forest and Fire Learning series and Plumtaw movie premiere

- Presentations to community members, groups, etc. such as to the Rotary Club or San Juan Outdoor Club
- Attending regional community events
- SJHFHP Special Projects
 - Snowtopography.
 - FRWRM
 - CAFA

Deliverables

1. Update Work Plan & budget annually before beginning of Fiscal Year
2. Plan and Coordinate 12 “meetings” per year
 - a. Appx 8 partnership meetings per year.
 - b. Minimum 3 tours/field events per year
 - c. At least 1 dedicated community outreach event/fundraiser per year
3. Negotiate USFS agreement renewal in Spring 2024 in coordination with Oversight Group & incorporate ability for non-MSI local subcontractor, if the Partnership desires.
4. Apply for local grants & fundraising opportunities
 - a. Apply to 19th Hole
 - b. El Pomar?
 - c. LPEA
 - d. Town Tourism Board
 - e. Search out additional local grants (outside of the federal funding)
 - f. Archuleta Conservation Trust Fund (Dana/Alex Discuss)
 - g. Other public utilities (Black Hills - 6” high pressure line through pagosa, discuss 2023 fire), Visionary (oakbrush hill transmission towers, res hill towers, etc), other
5. Develop/Update Fundraising Calendar - ensure major funders & grant deadlines are met (remind volunteers to do their work on time)
 - a. Develop a community events calendar to identify partnership opportunities
6. General Website:
 - a. Host website
 - b. Update website with meeting notes and new documentation
 - c. Provide embedded mapping used on website
 - d. Update website with monitoring reports and pertinent presentations, including previous reports/presentations not currently on the website.
 - e. Update with annual priority landscapes/treatments.
 - f. Update website with annual financial/accomplishment report.
7. Specific new website desires 2024
 - a. Add calendar/meeting dates to top of website
 - b. Add priority landscape sheets when done

- c. Use same zoom link for all meetings
 - d. Cross link headwaters with Town Tourism Council, PATC, USFS if willing, PLPOA website, other HOA pages, etc. Focus on the cross linking in 2024
 - e. Add docs from prior meetings (HVRA, maps, etc from early)
 - f. Investigate option of “blog feed” or some other type of info feed at top of website in place of or in addition to the emails.
8. Provide an annual financial/accomplishment report and post it on the website.
 9. Provide quarterly newsletter promoting positive work done by the Headwaters Stakeholders and partners
 - a. Increase database for distribution of newsletter, etc.
 - i. HOA/POA/Metro District List update
 - ii. Other groups (PATC, DUSTII, Weminuche Audubon, etc)
 10. Submit 6 articles/news releases/educational pieces to local media per year.
 11. Goal of getting on radio for Headwaters - MSI to help schedule volunteers for interviews each month. Ask if we can have our own radio spot - branding separately should be preferred.
 12. Work with Oversight Group to identify one local project (“Project” meaning on-the-ground work) per year and seek a grant to fund it (Res Hill Example).
 - a. Consider aspen springs common areas (connect with metro district)
 - b. Cloman Re-Entry (Possibly County collab, prep for Rx fire across municipal and private?)
 - c. Res Hill (re-entry and increased work - any chance we can start talking fire on Rez?)
 - d. Cross boundary prescribed fire project?
 13. Act as partnership liaison to CFLRP, 2-3-2, and other regional initiatives as necessary.
 14. Update annually “Priority Landscape Fact Sheets”
 15. Maintain up to date Headwaters partner/stakeholder member list with contact info.
 16. Meet with the various Cross Boundary leaders to have better communication
 17. Fundraiser/event/community outreach

EXHIBIT B: Partnership-Related Grants 2024 (To be updated annually and attached)

The following list is a list of grants, contracts, and agreements that Sponsor agrees are under the oversight of the Partnership.

1. Direct Funds
 - a. SJH Partnership Restricted Fund
2. Grants & Agreements
 - a. USFS/MSI Pagosa District Collaborative Facilitation Supplemental Project Agreement 21-CS-11021300-036 Mod 2 from 6/1/2023 - 5/31/2024. The SOW for this agreement directly includes coordination of the Headwaters Collaborative and Cross-Collaborative efforts within the Pagosa Ranger District.
 - b. CSFS Forest Restoration and Wildfire Risk Mitigation (FRWRM) FY20 Archuleta County Priority Watershed Forest Stewardship Program 1929904. MSI and SJHFHP were co-applicants.
 - c. Other future grants may include funding sources like CAFA, Southern Rockies Fire Science Network, or similar.
 - d. MSI also manages additional funded projects which may overlap with the Headwaters landscape, but are not under the oversight of the Partnership. Informational updates on these projects can be provided to the Partnership when requested and/or to facilitate greater collaboration. Current examples include:
 - i. 2-3-2 cohesive strategy partnership/ Rio Chama CFLRP
 - ii. Rocky Mountain Research Station (RMRS) Adaptive Silviculture for Climate Change (ASCC) monitoring
 - iii. Jackson Mountain Snowtopography monitoring
3. Contracts (Res hill, cloman, etc)
 - a. None currently