

**BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY  
STATE OF OREGON**

**ORDER NO. 12-10-03-04**

- ) In the Matter of Authorizing the County
- ) Administrator to Execute an Agreement with the
- ) Eugene Parks Foundation to Administer and Apply
- ) For Private Funds to Construct the Armitage Hilltop
- ) Restroom, Shower, and Laundry Facility, and if
- ) Successful, Authorizing the County Administrator to
- ) Execute Associated Agreements

**WHEREAS**, the Lane County Public Works Parks Division established a priority to construct a restroom, shower, and laundry room facility at Armitage Park to serve the existing campground and to serve cycle tourists travelling on the Willamette Valley Scenic Bikeway, which terminates at Armitage Park; and

**WHEREAS**, the Parks Division received an Oregon Parks and Recreation County Opportunity grant for \$160,000, that requires an equal match; and

**WHEREAS**, the Board of Commissioners previously approved allocating \$45,000 in Parks System Development Charges toward the project; and

**WHEREAS**, Public Works identified potential private funding sources for the remainder of the required match; and

**WHEREAS**, fundraising from these sources requires that donations be granted to a private, nonprofit corporation; and

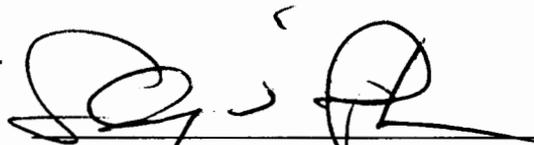
**WHEREAS**, on September 13, 2012, the Eugene Parks Foundation unanimously approved applying for and administering donations for this project, for a fee of approximately 4.5 percent; it is hereby

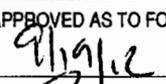
**ORDERED**, that the County Administrator is authorized to execute a Fiscal Sponsorship Agreement with the Eugene Parks Foundation in substantial conformance with Exhibit A to this Order; and it is hereby

**ORDERED**, that Lane County Public Works is authorized to apply for private funding of up to \$150,000, to construct a restroom, shower, and laundry room facility at Armitage Park, and for up to \$7,000 in fees to be paid to the Eugene Parks Foundation to administer the grant; and,

**ORDERED**, that if the grant and other fundraising is successful, the County Administrator is authorized to execute associated agreements.

DATED this 3rd day of October, 2012.

  
Sid Leiken, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM	
Date	 Lane County
 OFFICE OF LEGAL COUNSEL	



P.O. Box 72107  
Eugene, OR 97401

### **FISCAL SPONSORSHIP AGREEMENT**

This is an agreement made on \_\_\_\_\_ date, by and between the Sponsor and Lane County, by and through its Public Works Department, regarding the Project.

The Sponsor: The Eugene Parks Foundation (EPF) 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 to earn, raise, accept, and distribute money and other items of value to improve and enhance public parks, open spaces, and recreational facilities and services for the benefit of Eugene area residents.

The Project: The Project is a fundraising proposal to Oregon Dental Services (ODS) Companies and other private sector organizations for Lane County Public Works Armitage Park "Hilltop" restroom upgrade to include unisex showers, restrooms, and a laundry room.

The Agreement: The Sponsor is willing to receive tax-deductible charitable contributions for the benefit and use of implementing the Project. Lane County, with the administrative assistance of the Sponsor, desires to use these funds in order to implement the Project's purposes. 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 to be used for the Project, and to make those funds available to Lane County for the Project.
2. Acknowledgment of charitable donations on behalf of Lane County for the Project: The Sponsor agrees that all grants, charitable contributions and gifts which it receives for the Project will be reported as contributions to the Sponsor as required by law, and further agrees to acknowledge receipt of any such grant, charitable contribution or gift in writing and to furnish evidence of its status as an exempt organization under Section 501(c)(3) to the donor upon request. The Sponsor agrees to notify Lane County of any change in its tax-exempt status.
3. Protection of tax-exempt status: Lane County agrees not to use funds received from the Sponsor in any way that would jeopardize the tax-exempt status of the

Sponsor. Lane County agrees to comply with any written request by the Sponsor that it cease activities that might jeopardize the Sponsor's tax status, and further agrees that the Sponsor's obligation to make funds available to it is suspended in the event that it fails to comply with any such request. The Sponsor before implementation must approve any changes in the purpose for which grant funds are spent in writing. The Sponsor retains the right, if Lane County breaches this Agreement, or if Lane County jeopardizes the Sponsor's legal or tax status, to withhold, withdraw, or demand immediate return of grant funds.

4. Use of funds: The Sponsor also authorizes Lane County to make expenditures, which do not exceed total contributions for the Project, on its behalf for use in the Project. Lane County's Public Works Director, Assistant Director, Parks Division Manager, or an authorized representative shall approve expenditure requests in writing. Lane County agrees to use any and all funds received from the Sponsor solely for legitimate expenses of the Project and to account fully to the Sponsor for the disbursement of these funds.
5. Financial procedures: Funds or securities shall be deposited in a separate subaccount of the Sponsor's Summit Bank account or into the Sponsor's Raymond James brokerage account. The Sponsor will make its online donation facility available to Lane County for the Project. The online service provider will levy its own fee with each transaction by subtracting that fee from the funds transferred to the Sponsor's subaccount. Interest earnings made by holding funds in the Sponsor's subaccount will be available to Lane County for the Project's expenditures.
6. Reimbursement for administrative support: While serving as fiscal sponsor for the Project, the Sponsor incurs administrative expenses and will levy a fee of 4.5 percent on the net funds deposited in the subaccount for the Project. The Sponsor will send acknowledgement receipts and thank you notes to all donors as one of its administrative duties. Lane County is encouraged to also send thank you notes to donors. Grants may impose specific reporting requirements with higher or lower administrative expenses. Administrative expenses for these will be negotiated individually and shall be discussed prior to submission of an application.
7. Financial accounting and reporting: The Sponsor will maintain books and financial records for the Project in accordance with generally accepted accounting principles. The Project's revenue and expenses shall be separately classed in the books of the Sponsor. The Sponsor will provide reports reflecting revenue and expenses to Lane County for the Project on a monthly basis, within two weeks after the end of each month, until completion of the Project, anticipated to occur within one year from commencement of construction. Completion of the Project is defined as approval for occupancy under applicable building permits.

8. **Governance:** Authority to manage the programmatic activities of the Project is delegated to the Director of Lane County Public Works or an authorized representative, subject at all times to the ultimate direction and control of the Sponsor's Board of Directors.
  
9. **Fundraising:** Lane County may solicit gifts, contributions, and grants on behalf of the Sponsor that are earmarked for the activities of the Project. Lane County's choice of funding sources to be approached and the text of Lane County's letters of inquiry, grant applications, and other fundraising materials are subject to approval by the Sponsor. The Sponsor's Board President must co-sign all original letters of inquiry, grant proposals, and grant agreements. All grant agreements, pledges, or other commitments with funding sources to support the Project shall be executed by the Sponsor. The cost of any reports or other compliance measures required by such funding sources shall be borne by Lane County. The Sponsor's Board President must be copied at least one week in advance on all progress and final report submissions. The Sponsor shall be responsible for the processing and acknowledgment of all monies received for the Project, which shall be reported as the income of the Sponsor for both tax purposes and for purposes of the Sponsor's financial statements. Grants involving government or public agency monies have substantial reporting and auditing requirements; therefore, if Lane County desires to apply for government or public agency grants, Lane County must get advance approval to do so from the Sponsor's Board President. At this time the Sponsor is unable to receive grants from agencies that require audited financial reports. The cost of an audit is higher than the EPF Board wishes to spend on administrative activities.
  
10. **Termination:** Either party may terminate this Agreement by giving 60 days' written notice to the other party. If the Project will continue to exist but one of the parties desires to terminate the Sponsor's fiscal sponsorship of the Project, the following terms and conditions shall apply. Another nonprofit corporation that is tax-exempt under IRS Section 501(c)(3) and is not classified as a private foundation under Section 509(a) must be willing and able to sponsor the Project (the "Successor"). Both parties must approve the Successor in writing by the end of the 60-day written notice period. If the parties cannot agree on a Successor to sponsor the Project, Lane County shall have an additional 60 days to find a Successor willing and able to sponsor the Project. If a Successor is found, the balance of assets held by the Sponsor for the Project, together with any other assets held or liabilities incurred by the Sponsor in connection with the Project, shall be transferred to the Successor at the end of the notice period or any extension thereof, subject to the approval of any third parties (including funding sources) that may be required. If Lane County has formed a new organization qualified to be a Successor as set forth in this Paragraph, such organization shall be eligible to receive all such assets and liabilities so long as such organization

has received a determination letter from the Internal Revenue Service which states the new organization is exempt from federal tax under section 501(c)(3) of the Internal Revenue Code no later than the end of the notice period or any extension thereof. If no Successor is found, the Sponsor may allocate Lane County's assets and liabilities for the Project in any manner consistent with applicable tax and charitable trust laws and other obligations.

This Agreement will remain in force until completion of the Project as defined in subsection 7. above, or until it is terminated with 60 days written notice by either the Sponsor or Lane County, whichever occurs sooner.

By signing below, both parties agree to execute this Agreement on the day and year first written above.

Sponsor By:

\_\_\_\_\_  
President, Board of Directors

Date \_\_\_\_\_

\_\_\_\_\_  
Treasurer, Eugene Parks Foundation

Date \_\_\_\_\_

Lane County By:

\_\_\_\_\_  
Liane Richardson, Lane County Administrator

Date \_\_\_\_\_