**Memorandum of Understanding**

If the applicant is serving as a fiscal agent on behalf of a coalition, the applicant must provide a Memorandum of Understanding (MOU) describing the relationship between the fiscal agent and the community coalition. The MOU submitted in the application should reflect the working relationship between Fiscal Agent and the coalition, including the management role of the coalition’s leadership in financial decisions related to the DFC grant applied for on their behalf by a partnering organization.

Here are some considerations for selecting and partnering with a Fiscal Agent to apply for DFC Funding.

1. Both the Fiscal Agent and the Coalition Representative must sign and date this MOU.
2. The MOU must have a current date as specified in the NOFO.
3. The MOU submitted in the application should reflect the working relationship between Fiscal Agent and the coalition. Below are considerations when developing a relationship with an outside partnering agency serving as the Fiscal Agent on behalf of a community coalition:
   * While it is allowable for the recipient to retain a portion for administration of the DFC grant, DFC funds are not meant to substantially supplement the budget of a partnering agency. DFC funds are specifically intended to support the work of the community-based coalition.
   * A coalition’s volunteer leadership should have a management role in all financial decisions related to a DFC grant applied for on their behalf by a partnering organization.
   * The recipient and coalition may want to seek professional guidance such as an attorney and/or accountant when entering into such an agreement. Both the recipient and coalition should be fully aware of and understand the commitment in which they plan to enter.

We have included a sample MOU you can modify to describe the relationship between you and the coalition.

**Sample Memorandum of Understanding (MOU) between**

**Coalition and Fiscal Agent**

This agreement between [**Coalition**] and [**Fiscal Agent**] shall be from [**include date**] until terminated by mutual agreement:

**RESPONSIBILITES OF THE COALITION:**

1. Set policy for and oversee its own programs including goals and objectives in alignment with the DFC Support Program's Terms and Conditions.
2. Participate, advise, and/or direct staff and volunteers, set goals and objectives for contract employees, and negotiate and make recommendations for contracts in collaboration with the grant recipient/legal applicant.
3. Create, approve, and partner in the management of the DFC budget in compliance with grant requirements.
4. Provide copies of all required documents to the grant recipient/legal applicant as requested.
5. Reimburse grant recipient/legal applicant for any indirect or direct expenses incurred by the coalition with prior approval.
6. Be solely responsible for liabilities arising out of its program and its interaction with program participants.
7. [include other...]

**RESPONSIBILITIES OF THE FISCAL AGENT:**

1. Provide the coalition staff with office space.
2. Compile financial reports on a mutually agreed upon schedule and provide to coalition.
3. Provide accounting services to prepare and distribute payroll, pay invoices, prepare and submit the appropriate forms for employment, wages and payroll taxes on behalf of the coalition.
4. Negotiate and/or bid and approve contracts in collaboration with the coalition.
5. Maintain all records pertaining to costs and expenses when reimbursement is claimed or payment is made and share such information with the coalition.
6. Obtain Workman's Compensation Insurance and liability coverage for the coalition's employee.
7. [include other...]

[**Coalition**] and [**Fiscal Agent**] mutually agree to abide by all applicable federal and state anti-discrimination statues, regulations, policies, and procedures. This agreement shall be subject to all applicable provisions of state and federal law and regulations related to the delivery and funding of grant activities.

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Official Coalition Representative’s Name                  Authorized Organization Representative’s Name

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Official Coalition Representative’s Signature            Authorized Organization Representative’s Signature

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Date Date