

# **PHILANTHROPY WEST VIRGINIA & WEST VIRGINIA NONPROFIT ASSOCIATION OPERATING GUIDELINES**

## **THE COLLABORATIVE PARTNERSHIP & PURPOSE:**

Since the formation and launch of the West Virginia Nonprofit Association (WVNPA) in 2012, Philanthropy WV has served as an initial facilitator/program supporter, and ongoing as the fiscal sponsor. The growth of this collaborative partnership has continued with joint programs and services as well as specialized services for each organization's respective constituencies. As the partnership continues to unfold, these Operating Guidelines are to ensure smooth processes through the financial management and some administrative support provided to the WVNPA by Philanthropy WV of which the WVNPA financially reimburses Philanthropy WV for those services on a quarterly basis.

This document outlines the roles and responsibilities of each party in the collaborative partnership between Philanthropy WV and the WVNPA, a program of Philanthropy West Virginia. The WVNPA reimburses quarterly an administrative support fee to Philanthropy WV for the services provided to the WVNPA. It is agreed that the Operating Guidelines and fiscal sponsor administrative fee shall be reviewed and mutually agreed upon annually by both the WVNPA and Philanthropy WV.

## **PHILANTHROPY WV RESPONSIBILITIES**

As a signatory to these Operating Guidelines:

1. Philanthropy WV agrees to serve as the fiscal sponsor of the WVNPA which includes:
  - a. Providing financial management of the WVNPA's operations including receiving income, making deposits, facilitating invoices, processing payables, reconciliation of all WVNPA income and expense accounts, managing funds in a segregated Money Market account, and providing monthly reports
  - b. Receiving all grant funds, donations, sponsorships, membership dues, etc. and processing charitable receipts for grants/donations
  - c. Providing D&O Officer and General Liability Insurance coverage for the Advisory Board, a committee of Philanthropy WV
  - d. The WVNPA's financials are a part of the Annual Audit and filing of Philanthropy WV's Form 990 with the IRS
  - e. Completing all necessary annual filings with the WV Secretary of State's Office
  - f. Process employment management and payroll through Employee Leasing Firm
  - g. Providing necessary documents and resources for the WVNPA to use in applying for grants and setting up vendor relationships
2. Philanthropy WV's President & CEO will provide assistance and expertise as time permits and needs arise to the WVNPA Executive Director, and WVNPA Advisory Board.
3. Philanthropy WV will provide updates to the WVNPA Executive Director including income and expenses received, membership applications, and correspondence received for the WVNPA at Philanthropy WV's Office two to three times a week.

This is in accordance with Philanthropy WV's protocol for standard administrative support for program initiatives.

## **WV NONPROFIT ASSOCIATION RESPONSIBILITIES:**

As a signatory to these Operating Guidelines, the WVNPA, will:

1. Ensure that all grants, gifts, sponsorships, memberships, and other revenue income received for the WVNPA will be used for its intended purposes as outlined in all proposals/solicitations in support of the WVNPA's organizational development, growth, and program delivery
2. Comply with adopted practices, procedures and policies of Philanthropy WV in facilitating the best practices in nonprofit accountability and transparency
3. Coordinate grant writing, managing, and submitting final reports for grants, sponsors, and other revenue streams for the WVNPA and consult with Philanthropy WV's President & CEO to ensure things are completed in a collaborative and timely fashion
- ✦ Submit timesheets, invoices, and other financial matters to Philanthropy WV according to set deadlines.

5. WVNPA's Executive Director supervises all WVNPA program staff and completes annual evaluations of WVNPA staff per the policies established by Philanthropy WV
6. WVNPA submits quarterly payments of the administrative support fee to Philanthropy WV as the fiscal sponsor which is an annually agreed upon amount
7. WVNPA Advisory Board facilitates the oversight and annual evaluation process of the WVNPA's Executive Director in compliance with Philanthropy WV's approved practices and policies
8. WVNPA Staff and Advisory Board will ensure they are and the vendors the WVNPA uses are in compliance and complete all contracts and agreements. If any contract disputes, challenges, or legal issues arise with a vendor or the WVNPA not being in compliance with the contract or agreement, the WVNPA Executive Director will notify the President & CEO of Philanthropy WV within 24 hours. The WVNPA Executive Director and Advisory Board are to work with Philanthropy WV's leadership and the WVNPA will lead the process in resolving the situation, ensuring collection of funds for the WVNPA, and/or correcting the dispute or legal issues.

#### **JOINT RESPONSIBILITIES – PHILANTHROPY WV AND WVNPA**

As parties to these Operating Guidelines, both Philanthropy WV and the WVNPA agreed to jointly do the following:

1. Promote the work of each organization in a positive manner
2. Work collaboratively in planning, facilitating, and completing the work of the Joint Public Policy & Advocacy Committee for Philanthropy WV and the WVNPA
3. Develop shared programs and activities that will advance the overall purpose and intent of the WVNPA and Philanthropy WV
4. If additional service support is needed and not specifically outlined in this document, the WVNPA and Philanthropy WV will review the matter and determine proper planning, coordination, and any required compensation or reimbursement of expenses involved.
5. Ensure that each organization understands and abides by all grant requirements and changes that may be received from time to time.

#### **OPERATING GUIDELINES MODIFICATION PROCESS:**

The parties in this document may request, in writing, an amendment to these Operating Guidelines. The changes must be documented, signed, and dated under the conditions agreed upon by BOTH of the parties, and attached to the original Operating Guidelines. If any provision of the Operating Guidelines is held invalid, the remainder of the Operating Guidelines will not be affected.

#### **BREACH OF OPERATING GUIDELINES:**

The organizations agree that each shall fulfill its responsibilities under these Operating Guidelines in accordance with the provisions of law and regulations that govern their activities. If at any time a party is unable to perform its functions under these Operating Guidelines, such party shall in advance, if warranted, or immediately provide written notice to the other party.

#### **IMPASSE RESOLUTIONS:**

The parties agree to communicate openly and directly and that every effort will be made to resolve any problems or disputes in a cooperative manner. For disputes regarding the provisions of these Operating Guidelines that cannot be resolved through communication among staff, the parties will document the negotiations and efforts that have taken place to resolve the issue. At the first level, the unresolved issue or dispute should be presented to the Philanthropy WV President & CEO to attempt to resolve differences to the satisfaction of all parties. If this fails or does not meet the expectations of all parties, then information regarding the impasse and efforts to resolve must be submitted to Philanthropy WV's Executive Committee.

#### **SEPARATION OF ORGANIZATIONS:**

If during the period of these Operating Guidelines the WVNPA decides to establish itself as its own separate 501(c)3 or other legally identified organization, it will submit a notice of separation along with its separation plan to the Philanthropy WV President & CEO and Board of Directors. The separation plan shall include confirmation of:

- (a) completed 501(c)3 organization status from the IRS,
- (b) completed filings with the WV Secretary of State and Tax Office,
- (c) purchase of D&O Insurance and General Liability coverage,
- (d) setup practices for accounting, financial management, and selection of banking institution to transfer funds,
- (e) a stable financial position with at least one year's worth of budget commitments, income plans, and reserves.

The two organizations will separate within six months of the notice of separation with the conclusion of Philanthropy WV as fiscal sponsor taking place at the end its budget year (December 31). At a time specified by WVNPA, all funding (grants, gifts, membership, registration fees, sponsorships, etc.) received by Philanthropy WV on behalf and for the benefit of the WVNPA will be turned over to the WVNPA to establish its own banking/financial accounts and authority. The WVNPA will continue its partnerships with Philanthropy WV to improve the well being of West Virginia's citizens, communities, and nonprofit sector.

*These Operating Guidelines are agreed to between Philanthropy West Virginia, a tax-exempt nonprofit organization and fiscal sponsor of the WVNPA, and the WVNPA, a program of Philanthropy West Virginia on this \_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_ to maintain a healthy, collaborative, and beneficial relationship for the constituencies and communities served by both of these organizations and the organizations themselves as signed by:*

\_\_\_\_\_  
Chair, WV Nonprofit Association Advisory Board

\_\_\_\_\_  
Date

\_\_\_\_\_  
President & CEO, Philanthropy West Virginia

\_\_\_\_\_  
Date

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