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Please note: this has not been run by UFE's Treasurer or our outside accountant. As such, it only represents an initial framework, drawn up for purposes of conversation.

Exhibit 1 – Administrative and Procedural Terms

Following are the administrative and procedural terms of the fiscal sponsorship agreement between Friends of Occupy Boston (FOB) and United for a Fair Economy (UFE).

- A) Administrative Fee:** UFE will levy an 8% administrative fee, applied to all revenues coming into the project during a given month, or \$100, whichever is more. The fee will be billed monthly on or about the 15th of the month, based upon 8% of deposits made during the previous month, or \$100 as noted above. This bill will be due no later the last day of the billing month.
- 1) Administrative Fee Addendum:** If FOB requests more than ___ checks per month, and additional fee of ___ may be applied to each subsequent check issued.
 - 2) Special Provision for Initial Transfer:** UFE will levy a reduced administrative fee of 6% of the initial transfer at the beginning of the fiscal sponsorship relationship. This fee will be in lieu of the 8% fee noted above, but will only apply to the initial transfer.
- B) Restricted Fund:** UFE will maintain FOB funds in a restricted fund within UFE's accounting system. Additionally, UFE may establish a separate checking account with FOB's name listed along with "A project of United for a Fair Economy," to denote the fiscal sponsorship arrangement.
- C) Check Signatory:** All checks under \$___ will be signed by UFE's regular signatory. Checks over \$___ will be signed by both UFE's regular check signatory and on authorized representative of FOB. [Thoughts? Do we want this??]
- D) Invoices and Bill Processing:** Invoices, bills, and requests for payment for FOB expenses will be submitted as follows: _____?? [Use stock UFE expense / bill forms as noted in Section E.]_____. FOB will allow for a typical one-week turn-around for checks requested, not to exceed two weeks.
- E) Authorized Representatives:** The following shall be considered authorized representatives of FOB: _____. Their

signatures (or two signatures?) will be required for payment of any invoices or bills to be paid on its behalf by UFE. This said, it may be best for FOB to be the initial recipients of such requests, which can then be sent to UFE on standard expense forms with the necessary signatures [UFE has a set of stock expense forms we can use for this].

F) FOB Staff and Contract Employees: It is UFE's understanding that FOB has no intention of hiring regular staff in the near future. Any individuals carrying out work of FOB will be treated as contract employees, the invoices for whose work will follow the same procedure as above for other FOB-related expenses. If FOB decides it is necessary to hire staff, UFE will work with FOB to develop a relationship, process for that [would have to be UFE staff according to the main agreement... raises hosts of issues that would be best to avoid if possible].

G) Reporting: UFE will provide a monthly balance sheet, profit and loss, and budget report [assuming that FOB has a budget to compare expenses to]. *What other docs would FOB need? UFE's fiscal year is July to June BTW...*