

TO: *Sample*

FROM: Earth Island Institute

DATE:

RE: DRAFT Memorandum of Understanding

Welcome to Earth Island Institute. We are very glad that you have chosen to join our activist community and look forward to working with you to achieve your goals. To that end, we have developed several documents outlining policies, procedures, and practices that define and guide the relationship between Earth Island and our member projects. These documents include the Standing Project Procedures, Employee Handbook, and Accounting Manual and will be reviewed in detail during New Project Orientation.

Though both policy and practice are occasionally subject to change as we grow and improve our systems, you are asked to sign the attached Memorandum of Understanding -- which highlights specific critical elements drawn from the three documents listed above and will define the terms of your project support for the next year.

Communication is critical to the project support relationship and we encourage you to ask questions and make suggestions now or at any point in the future.

Once again, welcome and we look forward to a strong and constructive relationship.

EARTH ISLAND INSTITUTE
Memorandum of Understanding
As of 12/7/06

Mission

Life on Earth is imperiled by human degradation of the biosphere. Earth Island Institute develops and supports projects that counteract threats to the biological and cultural diversity that sustains the environment. Through education and activism, these projects promote the conservation, preservation, and restoration of the Earth.

Participants

This memorandum sets forth the understanding of [project director] for [project name] and Earth Island Institute (EII).

Purpose of the Memorandum of Understanding

The purpose of this Memorandum of Understanding (MOU) is to provide an overview of the basic policies of Earth Island Institute and to describe the authority and role of Earth Island Network Services (EINS).

Structure of Relationship

Earth Island Institute is a nonprofit public benefit corporation under the laws of the State of California and is tax exempt under sections 501c (3) and 509a (1) of the Internal Revenue Code. After approval by the Earth Island Board of Directors, EII projects are direct activities of Earth island Institute.

Roles of Participants

Earth Island Institute Projects. Projects carry out programmatic activities which contribute to the Earth Island mission. A project of Earth Island Institute is not a discrete entity; rather it is a constituent part of Earth Island's corporate structure. That said, it is our practice to delegate programmatic decision-making and responsibility for day-to-day operations to individual Project Directors. Projects must comply with all federal and state regulations governing nonprofit activities. Projects are also fully responsible for raising sufficient funds to cover operating expenses as well as for keeping track of revenues and expenditures. Though functioning with a great deal of autonomy, Projects are required to make their relationship to Earth Island clear – identifying themselves as “a project of Earth Island Institute” in all project materials.

Earth Island Project Advisory Boards. Advisory boards are recommended for all projects. While these boards have no legal or governing authority, they provide an important mechanism of accountability and support for projects. Advisory boards are responsible for providing assistance in areas not covered by EII services, such as fundraising and organizational development.

Earth Island Network Services. Earth Island Institute serves as a home for new and existing nonprofit activities. EINS exercises full legal and managerial control over projects and has the authority to set and change policies at any time. To support the programmatic activities of its projects, EINS provides project management, financial, and human resources services. EII is the employer of all staff members of all projects, with full decision-making authority for hiring and termination of project employees. EII has the responsibility for all activities of its projects and, as part of this role, must review and approve all contracts and other legal documents. When conflicts arise, projects are expected to keep EINS informed of the issues, and EINS will get involved if the situation demands. Each project is expected to work closely with the Project Support Director who monitors project activities. The Project Support Director conveys necessary information and resources and responds to questions raised regarding EII systems.

Earth Island Institute Board of Directors. The Earth Island Board of Directors has full governing authority over and full legal and fiduciary responsibility for all projects. The Earth Island Board of Directors delegates the authority to manage Earth Island activities to the Executive Directors of the Earth Island Institute.

Terms

This Memorandum of Understanding remains in effect for one year from the date signing by the Project Director. If this Memorandum of Understanding expires without renewal, the policies set by the Earth Island Board of Directors will apply to the project and will remain in effect until the relationship is terminated or a new MOU is approved by EINS.

Project Transition

If the project would like to spin-off to become an independent nonprofit entity, the project must notify EINS as soon as possible and work closely with EINS staff to ensure a smooth transition. EII reserves the right to terminate the project at any time if EII determines that project staff have engaged in unauthorized or illegal activities or the project has violated any Earth Island policies. In the event that the project is programmatically and/or financially inactive for a period of one year or longer, the Earth Island Executive Director, with approval from the Earth Island Board of Directors, may close the Project.

Administrative Fees

In order to cover the costs of providing service, Earth Island takes nine percent of all gross revenue it manages for projects. For all funds from government sources, Earth Island takes 15 percent of all revenue. This higher cost relates to extra tracking, audit and reporting requirements. These costs apply to all projects regardless of type of activity.

Terms of Understanding

Each of the undersigned has read and understands the foregoing and all policies and procedures described in the *Standing Project Procedures, Employee Handbook, and Accounting Manual*.

I am satisfied that all my questions about sponsorship and Earth Island policy and practice have been answered and that I will consult the staff of EINS or the above listed documents for further clarification.

Project: SAMPLE

Director's Name: _____

Director's Signature: _____

Date: _____

Received by: _____

Date Received: _____

ATTACHMENTS:

- Standing Project Procedures
- Employee Handbook
- Accounting Manual
- Conflict of Interest Disclosure Form (omit pending revision)
- Harassment Prevention Completion Certificate