

**Memorandum of Understanding for 2 ‘Model A’ Projects**

**Sharing Staff**

**Version Date: May 18, 2022**

What follows is a template MOU developed by Social Impact Commons in partnership with Organization Member Rainier Valley Corps to facilitate the sharing of an employee between two ‘Model A’ Projects. This structure is a great way to provide individuals working for two groups with full time employment and benefits at one employer which would otherwise not be possible but for this unique model. Additionally, the MOU can be tailored to accommodate more than 2 Projects sharing an employee.

A few considerations to think through in advance when structuring such an arrangement include: 1.) Increase cost of employment if the individual becomes eligible for benefits because of aggregate time worked between the projects; 2.) reconciling pay differential (if any) between roles; 3.) balancing time between projects; and 4) disciplinary issues. There could also be confidentiality considerations depending on the roles.

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**STAFF SHARING MEMORANDUM OF UNDERSTANDING**

**Between**

**Project #1 NAME**

**and**

**Project #2 NAME**

**and**

**Fiscal Sponsor NAME**

1. **Purpose:** This Memorandum of Understanding (the “MOU”) sets forth the understanding between **Fiscal Sponsor NAME** (“Fiscal Sponsor”) and the the fiscally sponsored projects of Fiscal Sponsor named below regarding how they will share NAME (the “Employee”), who is employed by Fiscal Sponsor and will be assigned to work for both Projects.
2. **Description of the Projects and Employee’s Roles:**

Project #1 Name (“Project #1 Abbreviation”) 1-3 sentences on mission/work. Employee will work for Project #1 Abbreviation as their TITLE. A description of job responsibilities for Employee’s role at Project #1 Abbreviation has been approved by Fiscal Sponsor.

Project #2 Name (“Project #2 Abbreviation”) 1-3 sentences on mission/work. Employee will work for Project #2 Abbreviation as their TITLE. A description of job responsibilities for Employee’s role at Project #2 Abbreviation has been approved by Fiscal Sponsor.

Practice Point: Depending on the status of the employee when this MOU is entered into,

Project #1 Abbreviation and Project #2 Abbreviation are collectively referred to in this MOU as “Projects”.

Current Job descriptions for each of these positions are added as addendums.

**Practice Point: Update "will work" above as needed to account for the current arrangement. For example, if employee already working for Project #1, say "will continue . . . " but if they'll begging working for Project 2, under Project 2 section, leave it as "will work".**

1. **Effective Period:** The MOU will be effective when signed by Fiscal Sponsor and the leadership of both Projects and will continue for so long as Employee’s time is shared between both Projects.
2. **Fiscal Sponsor Responsibilities**. Both Projects operate under the auspices of Fiscal Sponsor as their ‘Model A’ fiscal sponsor. Regarding this MOU, Fiscal Sponsor wil:
   1. Serve as the legal employer of Employee;
   2. Administer payroll and benefits for Employee;
   3. Work with the Projects to update job descriptions and offer letter(s) of Employee as needed;
   4. Support resolution of any issues that may arise between the Projects related to Employee; and
   5. Be ultimately responsible for employment and termination decisions related to Employee. In the event Fiscal Sponsor determines Employee’s employment at Fiscal Sponsor must be terminated, it will communicate and coordinate with the Projects with as much advance notice as possible given the particular circumstances.
3. **Managing Time**. At the time this MOU is entered into, it is anticipated Employee will spend XX Level of Effort with Project #1 Abbreviation and XX level of effort with Project #2 Abbreviation. The Projects, in coordination with Employee, will agree on a general shared work schedule for Employee and communicate this to Fiscal Sponsor. If either or both Projects wish to increase or reduce expected level of effort or change the job functions of Employee they will seek advisement from Fiscal Sponsor and the other project, and plan necessary changes at least 1 month ahead.

**Practice Point: If this position is hourly rather than exempt, add a sentence such as: “If a Project requires Employee to work more hours than what is covered under the Level of Effort, that Project agrees to compensate for any associated overtime that results because of the additional request.”**

1. **Oversight.** Employee will report to Name (or position) at Project #1 Abbreviation and Name (or position) at Project #2 Abbreviation. These individuals will be overseeing and supporting Employee.
2. **Cost Share.** Given the agreed upon Level of Effort listed in section **5. Managing time**, the total direct compensation and related benefits costs will be distributed accordingly. The funding sources covering these related costs will be communicated to Fiscal Sponsor per standard practice. Project #1 Abbreviation will directly pay for salary and benefits of Employee and Project #2 Abbreviation will reimburse Project #1 Abbreviation on a monthly basis for its prorated cost share.

**Practice Point: How funds are allocated to pay Employee should be carefully considered. The arrangement in the above section is one example.**

1. **Confidentiality:** Any confidential or sensitive information Employee learns of in the course of working for one Project may not be disclosed to or used by the other Project. This understanding will be communicated to Employee by Fiscal Sponsor. If Employee at any point shares confidential or sensitive information related to one Project with the other Project, the receiving Project will immediately inform Fiscal Sponsor.
2. **Messaging.** Both Projects may portray Employee on their website and social media channels just as they would any other employee working for them.
3. **Communication**. The Projects will agree upon the manner and frequency upon which they will communicate and coordinate with one another regarding management of Employee.
4. **At-will Employee.** Nothing in this MOU alters Employee’s status as an at-will employee of Fiscal Sponsor.

**Practice Point: Nearly all states provide for at-will employment but not all do (e.g. Montana). Additionally, if there is an employment agreement with this Employee, the above provision may need to be modified.**

1. **Employment Decisions by Employee.** The Projects acknowledge that, as an at-will employee, Employee may decide to cease working for either (or both) Projects with or without notice. Unless decided otherwise by Fiscal Sponsor, Employee’s decision to cease working for one Project will not have any bearing regarding Employee’s status with the other Project.
2. **Dispute Resolution:** In the event of a breach by either Project or disagreement between the Projects concerning this MOU, both Projects agree to use their best efforts to resolve the dispute between them and, failing that, with the support of Fiscal Sponsor. In the case of an irreconcilable dispute between the Projects, Fiscal Sponsor will have the final say.
3. **Non-Enforceability.** Because the Projects are components of Fiscal Sponsor and not separate legal entities, this MOU is not intended to be a legally enforceable instrument but rather an expression of how Fiscal Sponsor and the Projects will work in good faith to share and manage Employee between the Projects.
4. **Entire MOU; Amendments:** This MOU expresses the final, complete, and exclusive MOU between the Projects and Fiscal Sponsor as relates to Employee and supersedes any and all prior or contemporaneous understanding regarding sharing Employee between the Projects. The terms of this MOU may be changed at any time by written agreement of both Projects and Fiscal Sponsor.
5. **Counterparts:** This MOU may be executed in one or more counterparts, each of which will be deemed an original and all of which will be taken together and deemed to be one MOU. Transmission by fax or PDF of executed counterparts will constitute effective delivery.

**Agreed**:

Fiscal Sponsor NAME

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Name/Title Date

**Project #1 NAME**

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Name/Title Date

**Project #2 NAME**

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Name/Title Date