

SCHOLARLY PUBLISHING AND ACADEMIC RESOURCES COALITION PROJECT CHARTER

The New Venture Fund (“NVF”) has approved the purpose of this project (“Project”), as outlined in Section I of this project charter (“Charter”), as advancing NVF’s tax-exempt purposes under Section 501(c)(3) of the Internal Revenue Code. As fiscal sponsor of the Project, NVF will retain discretion and control over the funds received in support of the Project and hold the funds in a restricted fund designated for the Project (“Restricted Fund”). To promote clarity and a common understanding among all of the Project’s stakeholders, this Charter provides the framework for the Project, including:

- Charitable purpose and activities
- Roles and responsibilities of the stakeholders
- Hosting terms, including timeframe and fees

I. **Purposes of the Project.** SPARC is an international alliance of academic and research libraries working to create a more open system of scholarly communication.

II. **Stakeholders to the Project.** The following are the individuals, groups, and entities associated with the Project:

(1) New Venture Fund (“NVF”), serves as the fiscal sponsor for the Project. The following individuals and groups all act on behalf of NVF. Specific responsibilities for each are set forth in further detail throughout this Charter:

- a. Board of Directors (“NVF Board”), the governing body legally and fiscally responsible for NVF and all its projects
- b. NVF President (“President”), the individual designated by the NVF Board to manage the organization
- c. NVF Board of Directors and President (together “NVF Leadership”)
- d. Operating staff (“Operations Staff”), the employees and/or contractors hired by NVF who are responsible for providing operational support (non-programmatic), including compliance, finance, governance, Human Resources (“HR”), and other administrative responsibilities
 - i. Account manager (“Account Manager”), the Operations Staff person designated to serve as the primary liaison between the NVF President, the Project Director, and the Advisory Board Chair to ensure smooth operation of the Project
 - ii. HR staff (“HR Staff”), the Operations Staff responsible for HR services
- e. Programmatic personnel (“Project Personnel”), the employees, seconded employees, and contractors who are responsible for the Project’s program work and fundraising
 - i. Project director (“Project Director”), the employee hired by NVF to lead the Project. The Project Director manages the Project’s programmatic activities,

raises funds for the Project, and manages the Project Personnel. The Project Director is responsible for ensuring that the responsibilities in Exhibit C are accomplished and that Project Personnel are aware of their responsibilities.

(2) The advisory board (“Advisory Board”), is the group of individuals who guide the Project and provide non-binding recommendations to NVF to enable the Project to achieve its desired impact; an advisory board chair (“Chair”) is designated to serve as the liaison between NVF Leadership and the Advisory Board

(3) Various donor individuals or institutions (“Donors”), provide grants or other support to NVF in its conduct of the Project

- III. **Project Start Date.** NVF has served as host for the Project since July 1, 2014. This Charter takes effect January 1, 2021 and supersedes any previous agreements related to this Project.
- IV. **Annual Review.** This Charter, including the administrative fee and each of the attached exhibits, will be reevaluated by NVF, the Project Director and the Advisory Board at least annually, more frequently if necessary, and may be adjusted from time to time, to reflect changes in the scope of work and revenue, as well as to reflect inflation and cost of living increases. This Charter was last revised on December 14, 2020.
- V. **Project Advisory Board.** The Advisory Board (to be known as Steering Committee), in accordance with this Charter and the responsibilities described in Exhibit A, will support NVF in its oversight of the Project’s activities by making recommendations regarding the expenditure of funds contributed to NVF for the Project. The Advisory Board will designate from among its members a Chair to serve as the liaison between NVF and the Advisory Board. NVF will designate a dedicated Account Manager to liaise with the Project Director and the Chair to ensure smooth operation of the Project. The Account Manager will also keep NVF Leadership apprised of Project activities. NVF Leadership gives great weight to the recommendations of the Advisory Board and the Project Director; however, because NVF has ultimate legal responsibility for the oversight and implementation of the Project, NVF is not obligated to follow the recommendations of the Advisory Board or the Project Director. Advisory Board members agree to the responsibilities described in Exhibit A through their acknowledgement of receipt of this Charter and continued service on the Advisory Board.
- VI. **Fundraising for the Project.** Members of the Project’s Advisory Board, the Project Director and their representatives designated for this purpose, may solicit gifts, contributions, and grants for the Project. However, all grant agreements, pledges, or other commitments with and by Donors to support the Project through the Restricted Fund must be executed by an Officer, Director, or other authorized signatory of NVF. Since NVF is legally bound by all agreements with Donors, Operations Staff must approve the Project’s choice of funding sources in advance of receipt of funds, and the text of the Project’s fundraising materials.
- VII. **Contributions to NVF.** Donors can contribute to the Restricted Fund at NVF in support of the Project. NVF will provide receipts to Donors acknowledging their gift to NVF per Internal Revenue Service (“IRS”) regulations. Agreements related to contributions to the Project’s Restricted Fund may incorporate this Charter by reference.

If the Restricted Fund has multiple Donors, the use of funds will not be directed by any particular Donor, and no Donor will have advisory privileges over the specific funds it has contributed to the

Restricted Fund. The Restricted Fund will not be operated at any time as a “donor advised fund” within the meaning of Section 4966(d)(2) of the U.S. Internal Revenue Code.

VIII. **Use of Restricted Funds.** NVF will use the Restricted Fund to pay for the administrative fee (as set forth below) as well as Project expenses (“Project Expenses”), which are direct costs needed to achieve the programmatic goals of the Project. Project Expenses include, but are not limited to:

- (1) Grants (“Subgrants”) that further the charitable and programmatic goals of the Project.
- (2) Any cost incurred for Project-specific needs, such as the purchase of software, equipment, rent, office furniture, contracts, etc.
- (3) Actual costs associated with Project personnel, such as salaries, benefits, payroll fees, and employer’s share of employment taxes.
- (4) Project-specific legal services and costs, such as those arising from trademark registration, creating and managing DBA’s, litigation arising from Project work, hiring outside counsel for Project-specific legal issues, or other legal work that arises solely as a result of Project activities.

Operations Staff will provide the Advisory Board and/or Project Director with monthly reports detailing cash on hand in the Restricted Fund as part of the monthly statement of financial position reports outlined in Exhibit B.

IX. **Administrative Fee.** NVF will charge an administrative fee against the Restricted Fund for the services provided by Operations Staff as detailed in the “Operations Staff Responsibilities” attached as Exhibit B. NVF pays most of the administrative fee directly to a third-party vendor that provides the Project with compliance, contract, Donor, financial, HR, subgrant, Charitable Investment (as defined in Exhibit B), and other project support services on NVF’s behalf. NVF negotiates that fee directly with the service provider.

NVF uses interest earned on funds held as well as any remaining portion of the administrative fee, typically between 0.25% and 1% of total contributions made to each project’s Restricted Fund, to cover general operating expenses. The general operating expenses include costs such as NVF’s annual audit, governance expenses, HR systems, insurance, project capacity building trainings, charitable and related registrations, taxes and tax filings for NVF.

NVF will deduct an administrative fee of \$62,122.75 per quarter from the contributions made to the Restricted Fund to cover the costs of administering these services for the Project. This administrative fee covers the period of January 1, 2021 to December 31, 2021 (“Fee Period”). At the end of the Fee Period and annually thereafter, the fees will be reassessed per Section IV. However, the fee and this Charter will remain in effect until a revised Charter supersedes this agreement. Fees that change during the Annual Review will be retroactive to the day after the previous Fee Period end date.

The administrative fee is based on Project Personnel and/or Advisory Board securing a minimum of two million dollars (\$2,000,000) in funding for the Project within the Fee Period. If the minimum threshold is not met within the agreed period, the President reserves the right to reassess the administrative fee.

X. **Project Agreements.** The NVF Board of Directors or its designee must approve and sign all legally-binding agreements for the Project, including but not limited to contracts, and subgrants (“Project

Agreements”). No Project Agreement will be signed by NVF until all funds necessary to pay the cost of the contract, or subgrant have been received in contributions designated for the Project’s Restricted Fund. NVF Leadership will seek the recommendation of the Advisory Board and/or Project Director prior to entering into any Project Agreements.

- XI. **Prohibited Activities**. No portion of the Project’s funds may be used to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, or to take any other action inconsistent with section 501(c)(3) of the Internal Revenue Code
- XII. **Ownership of Materials**. Generally, for the duration of this Charter, tangible property purchased or created, or intellectual property in whatever medium created as a result of the Project or given in service of the Project shall be the property of NVF. NVF will use reasonable efforts to obtain assignments of rights in writing from all contractors or other third parties in order to consolidate ownership of all intellectual property relating to the Project (including all copyrights, trademarks, and patents, as applicable).
- XIII. **Termination and Disposition of Excess Funds**. This Project shall continue to be a project of NVF and be subject to this Charter until one of the following shall occur:

(1) The Advisory Board notifies NVF that it has decided to establish a separate nonprofit legal entity to conduct the Project’s activities or has selected a new fiscal sponsor, and such charity or sponsor is acceptable to NVF in its reasonable judgment. The Advisory Board must submit a written notification to NVF at least three months before the desired termination date. Upon such notification, NVF will determine and retain a holdback cash amount for a minimum of three months after the date that the Project ceases operations with NVF (“Assignment Date”) for the purpose of settling any liability that the Project incurred prior to the Project’s transition from NVF, but that may become due afterwards, including, for example, but not limited to, HRA reimbursements and any final payments due to vendors. While three months is the minimum and average amount of time NVF may need to retain the holdback cash amount for, please note that this period could be longer than three months.

NVF agrees to transfer any intellectual property, remaining funds, or other assets to the new entity created or identified by the Advisory Board, provided the new entity is recognized as a public charity by the IRS and contingent on NVF obtaining any required consents from Project Donors.

(2) NVF notifies the Advisory Board that it intends to terminate the Project, in which case, if there are remaining amounts held in the Restricted Fund that are not required to be returned to the Donor, NVF agrees to make a grant of such amounts to one or more public charities, as described in Internal Revenue Code Sections 501(c)(3) and 509(a), the purposes of which are similar to those of the Fund, at the recommendation of the Advisory Board, and subject to the approval of NVF’s Board of Directors.

In any case, to the extent that any Project assets or investments are incapable of efficient or timely transfer, or the expedient transfer may not be in the best interest of the Project or NVF, both as determined by NVF in its sole reasonable judgement, NVF may retain ownership for so long as is necessary and until it determines how best to handle such assets in consideration of its fiduciary

responsibilities, all Donor-imposed restrictions, and NVF's charitable purposes. NVF shall cooperate in good faith with the new not-for-profit, a new fiscal sponsor, or any successor charity, and shall consult with the Advisory Board in making such determinations. In the event that NVF does retain ownership of any such assets, NVF shall be entitled to reasonable compensation and reimbursement of expenses necessary for it to steward such assets and may retain sufficient funds—including, without limit, proceeds from the sale of any asset—in order to satisfy those expenses or collect compensation.

Throughout the termination process, if NVF, in its sole reasonable judgment, determines that there is information about the Project that might have a material adverse effect – including but not limited to fraud, personnel issues, or public reputation risk – on the entity, the Project, or individuals, including individual safety, NVF shall share this information with the Project's new leadership as well as with funders in some instances. The information will be disclosed on a confidential basis, as allowed by law and consistent with guidance from legal counsel.

XIV. **Relationship.** This Charter (or any of the arrangements contemplated herein) is not intended to create, and shall not be construed to create, a partnership, joint venture, or similar business relationship among NVF and any members of the Advisory Board.

Exhibit A – Project Advisory Board Responsibilities

While NVF is legally responsible for the oversight and implementation of the Project, as well as for compliance with all financial, employment, and other governmental laws and regulations, the Project Advisory Board is tasked with making recommendations to NVF Leadership to ensure that the Project's mission is executed appropriately and successfully, thereby achieving the desired impact. The Advisory Board will focus on strategic issues and operate under a consensus decision-making framework whenever possible. It is important to note, however, that while the Advisory Board makes recommendations regarding the operation of the Project, final decision-making power lies with the NVF Board of Directors. This is a necessary legal authority and distinction that defines the fiscal sponsorship relationship. As such, any responsibility is also borne by NVF's Board of Directors.

The Advisory Board is comprised of those individuals listed in Exhibit D.

The Advisory Board shall have, and each member commits to, the following responsibilities:

Strategy and Planning

- Guide the development and implementation of the Project's goals and strategic plan, including use of contracting, grantmaking and/or other charitable investments to achieve its goals.
- Provide feedback to and support the Project Director(s) in fulfilling Project goals.
- Per Section XIII notify NVF Leadership about any decision on Project termination.

Fundraising and Financial Management

- Guide the development and implementation of a Project fundraising plan.
- Review and approve for submission to Account Manager the annual budget and financial goals for the Project, including detailed budgeting for contracting, grantmaking and/or other charitable investments.
- Prior to submission by the Project Director to the Account Manager for processing, review and approve any expenditures over \$120,000. As set forth in Exhibit C below, the Project Director has authority to submit expenditures directly to the Account Manager without the need for Advisory Board approval for expenditures less than this amount.

Governance

- Designate a board chair ("Chair"), to serve as the liaison between NVF and the Advisory Board.
- Conduct Advisory Board meetings (in person or by conference call/web conference), at least annually.
- Be responsive and participate in any Advisory Board decisions whether meetings or emails.
- Attempt to reach consensus in making decisions among Advisory Board members whenever possible. When consensus cannot be reached, decisions will be made by majority vote of the Advisory Board. Each Advisory Board member may cast one vote.
- Document via minutes or other written method any decisions made by the Advisory Board and send the documentation to the Account Manager as soon as possible. In particular, documentation should reflect:
 - when conflicts of interest have been identified and handled, including reasonably sufficient details such as name(s), nature of the conflict, action taken, and a record of any votes, and
 - if indicators of ethical or legal violations by Project Personnel may have occurred.

- Follow and enforce the NVF Project Conflict of Interest Policy, including the duty to disclose actual and potential conflicts of interest relating to the general purposes and activities of the Project and to specific issues before the Advisory Board. Per the Conflict of Interest Policy, members shall not be compensated for serving on the advisory board.
- Serve two-year terms, with the option to renew. Members may terminate their membership at any time for any reason. Such members wishing to terminate their affiliation as an Advisory Board member of the Project are asked to notify the Chair and Project Director so that any activities undertaken by that member are transitioned appropriately. If the terminating member represents a Donor to the Project, the terms of any such Donor's grant agreement supporting the Project shall continue to govern.
- The Advisory Board must always have at least three members and no Donor may exercise control. If a member terminates membership, the remaining members should identify and appoint a replacement as soon as reasonably possible.
- Communicate directly with the Account Manager no less than annually about the Project's state of affairs (i.e. project's programmatic goals, fundraising plan, project director's performance). At least annually, the Account Manager will make themselves available to provide information or answer Advisory Board questions without Project Personnel present.

Human Resources

- Participate in NVF's annual review of the Project Director(s) together with, and under the direction of, the Account Manager and NVF's HR Staff. Hold Project leadership accountable for fostering an environment that is aimed at preserving dignity, safety, respect, fairness and accountability. At least annually, provide the Account Manager with an appraisal of Project performance and management of risk factors in these areas.
- Communicate any HR issues that come to the attention of the Advisory Board to NVF's HR Staff department promptly. Such issues may include those that indicate legal or ethical violations by Project Personnel, or affect the Project's compliance with NVF policy, precedent and/or employment law and regulations, especially as it relates to staff safety and well-being, handling personnel situations, employee performance, employment designation, compensation, hiring or termination.
- Each Advisory Board member should familiarize themselves with NVF's HR guidance on how to support positive work environments and how to identify potential warning signs for harassment. This guidance outlines the expectations of Advisory Board members in ensuring a Project environment free of harassment. Advisory Board members should also be familiar with NVF's guidance on how to respond if approached with a harassment claim.
- Obtain approval of NVF's HR Staff before making any promises or communicating decisions related to a Project Director's compensation, employment status or performance, as NVF has responsibility for all employment matters for any Project Personnel employed by NVF.
- Obtain approval of NVF's HR Staff before making representations or job offers to any new candidates for a Project Director or other position. While the Advisory Board may make recommendations regarding such communications or decisions, prior approval of NVF's HR Staff is required.

Information Technology Systems Policy

- Use NVF systems and technology platforms only to fulfill responsibilities as an Advisory Board member under this Project Charter, and not for any other purpose.

Confidentiality and Non-disclosure

- Keep confidential and not disclose information related to the operations or business of NVF or its projects, during their term in service or after her/his term has ended, without first receiving written authorization from NVF Leadership, except as necessary to fulfill responsibilities as an Advisory Board member or unless required to disclose in accordance with law or legal process. If the member's service on the Advisory Board is within the scope of their capacity as an employee of an NVF Donor, and the member believes in good faith that they have an obligation to inform said employer, the member may disclose confidential information to specific personnel at the employer only to the extent necessary to satisfy that obligation.

Exhibit B – Operations Staff Responsibilities

The administrative fee is based on the Operations Staff responsibilities and scope of services as detailed below. It also assumes the Advisory Board and Project Personnel are upholding their respective responsibilities as listed in Exhibits A and C. Should any of these responsibilities and/or services change, the administrative fee will be reassessed.

Financial Management

- Track and process all incoming revenue and expenditures.
- Review and approve payment requests submitted by Project Personnel via the NVF payment portal. Process all disbursements to cover expenses, including Subgrants, contractor and vendor invoices, employee reimbursements, and credit card expenditures, according to NVF standards and agreement terms, with guidance from Project Personnel on proper coding and allocation.
- Provide, manage and reconcile up to nine (9), credit cards for Project Personnel to be used for expenses related to the Project.
- Provide 1099s to all contractors, as required by law.
- Provide monthly financial statements in the following format:
 - Statement of financial position, statement of activities with budget by no more than 24 program and grant tags, and accounting detail
- Review financial statements with the Project Director on monthly basis; perform reclassification of expenses as necessary.
- Provide financial data for grants that are coded by program and grant tags.
- Process non-USD payments by purchasing foreign currency at the time of transaction. Any bank fees and currency translation costs associated with payments made in non-USD currencies will be recorded to Project financials.
- Use best effort to instruct its broker to sell any donated stock shares on the first trading day after shares are received. For stock donations, any gain or loss will be recorded to the Project financials.
- Provide a dedicated Financial Analyst to support Donor reporting and cash forecasting.
- Track and report expenses against the Project lobbying cap, if applicable.

Compliance Management

- Review Project activities to ensure activities are consistent with NVF bylaws, policies, and legal requirements, and direct any needed changes.
- Review Project activities, including contracts, Subgrants, to monitor for 501(c)(3)-appropriateness, and direct any additional review or changes as needed.
- Support and facilitate legal services necessary for the Project to carry out activities; help Project Personnel identify and retain qualified counsel as necessary.
- Review Project activities to ensure activities are consistent with the Project Purpose as stated in Section I, and direct any needed changes.
- Review Project activities to ensure activities are consistent with Donor requirements and restrictions, and direct any needed changes.
- At least annually, the Account Manager will make themselves available to provide information or answer Advisory Board questions without Project Personnel present.
- Make on-demand trainings to educate Project Personnel, contractors and/or grantees on how to structure advocacy and lobbying activities compliantly. Organize supplemental live advocacy trainings as needed.

- Provide Project Personnel with access to timekeeping software and educational resources to accurately track lobbying hours and hours worked for associated 501(c)(4) entities, if relevant, and answer questions about proper coding, as necessary.
- Include Project activities in annual audit and Form 990 filings.
- Provide basic guidance on structuring Project activities compliantly. Identify occasions when, and areas where, Project must engage with NVF counsel; Project must engage with external counsel selected by NVF's General Counsel; or Project must seek independent, external legal counsel. For Projects engaging in sustained and/or aggressive advocacy efforts, external legal counsel is highly encouraged and may be required by NVF. To the extent that Project activities trigger reporting requirements for NVF (including, but not limited to, Lobbying Disclosure Act filings, state lobbying registration and/or reporting, ballot measure contribution reports and/or Federal Election Commission reporting), Project must engage outside legal counsel to advise on the permissibility of activities and draft required filings on behalf of NVF. Project is responsible for all costs related to external legal counsel and Project-triggered filings.
- Provide additional child protection policies and processes for Projects engaging directly with minors as well as through subgrants and contracts.

Data Management

- Use commercially reasonable products and industry standard protocols to manage NVF data (More information is available in the NVF portal.)
- Provide certain technology tools or systems to Project Personnel (e.g., Concur, the NVF Portal, Replicon, UltiPro, etc.) to be used in the course of NVF business. Assume responsibility for vetting these systems and ensuring system agreements cover data security. As needed, provide training on these tools and systems to Project Personnel.
- Establish policies around data management (see NVF Employee Handbook) and from time to time revise these policies and notify Project Personnel of changes.

Donor Management

For up to fifteen (15) grants/contributions requiring a proposal and reporting process, and up to 245 (two hundred and forty five) non-grant contributions per year. If additional donor management is required, this Exhibit B will be revised, and the administrative fee will be reassessed.

- Support Project fundraising by assisting with the setup of one NVF-approved online fundraising platform.
- Support Project fundraising by reviewing proposals, including budgets, for compliance and providing any NVF supporting documentation required to complete proposal processes, such as tax and financial materials. Project Personnel is responsible for producing all narrative proposals and budgets; Operations Staff is responsible for reviewing narrative proposals and budgets.
- Review and execute grant agreements.
- Provide Donor acknowledgement letters, as necessary.
- Track reporting deadlines to Donors and notify Project Personnel accordingly. Project Personnel is responsible for producing narrative reports; Operations Staff is responsible for reviewing narratives for compliance and providing financial data for reports.
- Work with the Project Personnel to ensure activities are consistent and compliant with Donor grant agreements, particularly any lobbying restrictions, if applicable.
- Notify the Project Personnel on a regular basis of incoming contributions, and specifically for contributions that exceed \$1,000.

Contract and Vendor Management

For up to seventy (70) contracts (including but not limited to MSA, SOW, MOU, NDA. Does not include complex contracts, defined below) per year – including up to one (1) lease per year and five (5) standard sponsorship agreements per year – and up two hundred and twenty (220) payments, inclusive of contract and non-contract¹ payments per year. If additional contracts are needed, this Exhibit B will be revised, and the administrative fee will be reassessed before any additional contracts or vendors are considered for approval and processing. Contracts must be in NVF contract template to the extent practicable; more than ten (10) contracts per year, with the exception of leases, in a template other than NVF's will result in a reassessment of the administrative fee. Substantive contract amendments may also result in a reassessment of the administrative fee.

- Approve engagement of contractors and/or vendors, taking into consideration recommendations from Project Personnel.
- Manage contract process:
 - Review proposals;
 - Ensure potential contractors have provided all documentation to fulfill NVF's due diligence requirements; and
 - Draft/review, approve, and execute standard contracts, with guidance from Project Personnel. Complex contracts, such as those related to construction, customized software development, commercial co-venture agreements, professional fundraisers or professional fundraising counsel, sophisticated intellectual property (IP) arrangements, or anything else likely to involve protracted drafting and negotiation, are out of scope and may result in additional costs and fees, including outside legal counsel fees.
- Disburse funds to contractors in accordance with the contracts, subject to review of contractor deliverables and taking into consideration recommendations from Project Personnel.
- Respond to complaints by or against contractors (including whistleblower complaints) in a manner consistent with applicable law and best practices.
- Produce contract addendums and manage all contract terminations.

Subgrant Management

For up to two (2) domestic subgrants per year. If additional or international subgrants are needed, this Exhibit B will be revised, and the administrative fee will be reassessed before any additional subgrants are considered for approval and processing. Substantive grant amendments may also result in a reassessment of the administrative fee. Subgrants to countries with OFAC sanctions or restrictive laws on foreign (US) funding will require outside counsel review. This is a project expenses, as outlined in Exhibit C, and is not included in the administrative fee.

- Approve subgrants, taking into consideration recommendations from Project Personnel, if authorized, or the Advisory Board.
- Manage the subgrant process:
 - Review proposals and supporting documentation following NVF standard due diligence procedures;
 - Draft/review, approve, and execute subgrant agreements, with guidance from Project Personnel; and
 - Track grantee reporting dates, collect grantee reports, and share with Project Personnel.
- Disburse funds to grantees, taking into consideration recommendations from Project Personnel.

¹A “non-contract” payment can be for an entity for whom payments for the same scope of work over one-year period do not exceed \$5,000, if you don't anticipate paying the same vendor more than two times in one year, or for a vendor for whom a contract is not appropriate (e.g., printing services, honoraria, etc.).

- Produce subgrant addendums and manage all subgrant terminations.

Charitable Investment Management

Project does not plan to do any Charitable Investments. Charitable Investments are recoverable grants, loans, convertible loans, or equity investments. If Charitable Investments are needed, this Exhibit B will be revised and the administrative fee will be reassessed before any Charitable Investments are considered for approval and processing.

Human Resource Management

For up to ten (10) employees and/or interns per year. If additional employees/interns need to be hired, this Exhibit B will be revised, and the administrative fee will be reassessed before any additional hiring takes place. HR management only applies to U.S.-based staff. If employees leave NVF or are terminated and need to be replaced, these new employees may be counted toward annual cap. If a project has more than four employees and experiences a turnover rate of either: a) 50% or more; or b) experiences more than 10 terminations in a year, the fill will be reassessed.

- Approve hiring of employees, taking into consideration recommendations from Advisory Board or Project Director.
- Administer and manage employee benefits.
- Manage and process payroll; provide employees electronic access to paystub, vacation and leave information.
- Fulfill all HR reporting requirements in compliance with federal and state laws.
- Administer employee payroll taxes.
- Maintain HR handbook and organizational policies that are consistent with applicable law and best practices; provide training on these policies on a regular basis as appropriate.
- Provide orientation to all new employees on NVF's systems and processes, including compliance protocol.
- Facilitate annual performance reviews and provide tools for managers to conduct performance reviews. Advise on performance management issues.
- Respond to complaints by or against employees (including whistleblower complaints) in a manner consistent with applicable law and best practices.
- Inform, and as appropriate, involve, the Advisory Board, on a confidential basis, of significant HR matters, including complaints, disciplinary actions, investigations, or settlement agreements, that could reasonably be expected to have a material adverse effect on the Project or the reputation of the funders, on a confidential basis, as allowed by law and consistent with guidance from legal counsel.
- Track all incidents of fraud, personnel issues, and matters of potential reputational impact that may pose material risk to any future governance entity.
- Provide final determination on designations of overtime status and/or employment vs. contractor for additional positions.
- Manage any employee changes in status, including terminations. *Note: Employees have "at will" status, and NVF may terminate employees at any time, including for failure to comply with Project requirements or violation of NVF HR manual or policies.*

Project Spin or Termination

Support "spin-out" to another entity or Project termination, including but not restricted to:

- Conducting inventory of assets and liabilities
- Reassigning or terminating contracts, grants, and grant agreements from Donors
- Terminating employees and working with new entity on transition as applicable

For project establishing its own entity, all fees associated with the creation of a new entity, including filing for 501(c)(3) status, are Project expenses and are not included in the administrative fee. These expenses will come out of the Project budget.

“Doing Business As” (DBA) Registration and Management

For up to one (1) “Doing Business As” (DBA) registration and management per year. All fees associated with registering, managing and renewing the DBA account are Project expenses and not included in the administrative fee. These expenses will come out of the Project budget. *If additional DBA accounts need to be set up, this [Exhibit B](#) will be revised, and the administrative fee will be reassessed before any additional DBA account is created.*

- Manage the DBA registration and renewal process
- Submit the one-time registration fee
- Establish and manage a separate bank account, as applicable
- Submit the annual registration fee – due upon inception and April 1 every other year thereafter

Excluded Services

The administrative fee does not include the following services. If the Project wishes to incorporate these services into the above [Exhibit B](#), the administrative fee will be reassessed:

- Incoming Program-Related Investments
- Charitable Investment Management
- Complex Contract Management, including commercial co-venture agreements and other complex contracts (e.g. construction, custom software, etc.)
- Planning, facilitation and/or note-taking for advisory board or other formal meetings such as funder or grantee convenings.
- Supporting grantmaking software other than NVF’s Grant Seeker Portal
- Non-USD treasury management

NVF does not provide the following activities. If the Project wishes to incorporate these services, it must contract with outside vendors. The costs for adding these services are Project expenses and the Project is responsible for budgeting for and covering with Project funds:

- Expenditure tracking beyond what is available with NVF’s accounting system of program and grant tags
- Management of Project-specific media exposure and/or media engagement
- Evaluation of project work

NVF does not support the following activities:

- Receipt and management of government funding (international, federal, state, local, etc.)
- Merchandise sales and related tax reporting
- Technology platforms that don’t allow for fiscal sponsorship (i.e. cannot track or separate out by project)

Exhibit C – Project Personnel Responsibilities

All responsibilities that are not covered in Exhibits A and B are the responsibility of the Project Director and/or the Project Personnel. The Project Director is tasked with ensuring responsibilities are accomplished and that Project Personnel are aware of their responsibilities. These responsibilities include, but are not limited to, the following:

Planning and Operation

- Prepare for and participate in regular check-ins with Account Manager.
- Facilitate and prepare for Donor and advisory board meetings and provide advance notice to Account Manager if materials are required.
- Keep Account Manager informed of upcoming activities.

Financial Management

- Manage the Project's financials:
 - Develop and submit to Account Manager an annual budget at the beginning of the fiscal year.
 - Review monthly financial statements and request any reclassifications in a timely manner.
 - Ensure sufficient cash reserves to meet current obligations (e.g., payroll, subgrants, and contracts). NVF requires the Project to maintain a minimum of three months' cash reserves (equivalent to three months average expenses)². NVF prefers six months' cash reserves.
- Inform the Account Manager of expected income so funds can be appropriately credited to the Project.
 - Forward any revenue received by the Project to the Account Manager promptly upon receipt.
 - Provide detailed information for stock donations, (i.e., # of shares of x stock, when transferring, Donor contact information, etc.) before stock shares are transferred to NVF.
- Submit and/or approve invoices, employee reimbursements, and credit card expenditures, according to NVF procedures, including proper coding and timeframes (out-of-cycle payments can be made in special circumstances and an additional fee will apply). Submit payments to vendors via the NVF payment portal and include all required information and back-up documentation. Ensure that lobbying expenses are coded appropriately.
- Manage credit cards responsibly, including:
 - Protect credit card information.
 - Use credit card for appropriate business purposes according to NVF policies.
 - Provide current contact information to Account Manager for cardholders (including cell numbers).
 - Respond as soon as possible to fraud queries from the bank.
 - Notify the bank when traveling.

²The average monthly expenses should be calculated as the total of the last twelve months of expenses divided by 12. If a project does not have at least a full year of spending history, the monthly expenses calculation should be the total amount of project expenses to date divided by the number of months the project has been in existence.

- Reconcile credit cards and submit reports following NVF procedures, including timing, coding and appropriate documentation. Expenses must be submitted within sixty (60) days of the purchase date. Failure to submit credit card expense reconciliations within 60 days will result in NVF halting reimbursement of all personal expenses and putting the credit card on hold. Continual tardiness or misuse of the card will result in revocation of the card and denial of credit card usage privileges.
- Budget for and cover with Project funds any bank fees and currency translation costs for payments made in non-USD currencies.

Compliance Management

- Remain familiar with and educate Project Personnel on 501(c)(3)-appropriate, charitable and educational activities.
- Review Donor requirements and restrictions and ensure all Project Personnel are compliant.
- Share advocacy and lobbying plans with Account Manager in advance. If necessary, designate a main point of contact for advocacy compliance to work closely with Account Manager on the following:
 - Managing the Project's lobbying cap;
 - Ensuring that Project Personnel are tracking lobbying hours;
 - Raising any questions related to advocacy to Account Manager;
 - Managing interactions and segregation of activities with affiliated 501(c)(4) project.
- Have Project Personnel and contractors attend NVF-sponsored lobbying and advocacy trainings, as needed.
- Ensure that all Project Personnel complete full and accurate timesheets in Replicon each pay period, including any lobbying and/or 501(c)(4) hours, as applicable. Ensure supervisors approve timesheets within five (5) days of the end of the period.
- Adhere to all NVF policies including those related to publicity and media.
- Respond as soon as possible to any Account Manager request for information on activities that must be included in the annual audit and Form 990 filings.
- Request access to legal counsel through Account Manager, as needed. In particular:
 - Alert Account Manager if Project is planning to engage in ballot measure campaign and/or state lobbying efforts and work with Account Manager and NVF legal counsel to determine if activities are permissible.
 - Use Project funds to retain outside legal counsel as necessary and/or requested by Account Manager for project-specific activities. In particular, retain outside counsel if the Project plans to engage in any of the following activities: ballot measure and state lobbying campaigns; commercial co-ventures or other complex contracts; activities involving Project or third-party trademarks, copyrights or patents; aggressive advocacy campaigns; employing personnel or setting up an office internationally. This list is not exhaustive. Project Director should confer with Account Manager before retaining outside counsel, as NVF may be able to handle certain listed issues in-house.
- Alert Account Manager as soon as possible of any notice received from any government body (local, state, federal, international) and forward a copy of the notice to the Account Manager and NVF general counsel (generalcounsel@newventurefund.org) within 48 hours of receipt of the notice.
- Identify a representative to manage media inquiries and alert Account Manager as soon as possible regarding any activity that may generate national or negative media and when there are media inquiries.

Data Management

- Identify Project's specific security needs for data storage and preservation of both electronic and hard-copy records to ensure Project information is kept private and secure.
- Follow and communicate NVF's guidelines to Project Personnel.
- Protect access to tools and systems provided by NVF, to prevent unauthorized use.
- Ensure that all Project Personnel are up-to-date on NVF's guidelines for the tools and systems provided to the Project (See NVF Employee Handbook for more information) and participate in offered trainings.

Donor Management

- Develop and execute a fundraising plan for the Project.
- Inform all Donors that Project is fiscally sponsored by NVF and to address funding to NVF.
- Manage proposals for funding requests, including:
 - Alerting NVF to the proposal schedule as soon as possible, but no later than five days before the deadline.
 - Requesting any supporting documentation a minimum of three days before the deadline for submission.
 - Drafting narrative proposal and budget according to the Donor guidelines and templates.
 - Providing all grant documents (proposal, budget, budget narrative, etc.) to Account Manager for review for compliance a minimum of five days before the deadline for submission.
- Provide funding request documentation to Account Manager for submission.
- Send any grant agreements received to Account Manager for signature promptly upon receipt. *Only authorized NVF signatories can sign grant agreements.*
- Send any Donor communication related to the grant agreement, terms, compliance or other non-project specific query to Account Manager promptly upon receipt.
- Produce narrative reports following Donor guidelines and templates; submit to Account Manager for review a minimum of three days before the deadline for submission.
- Review and validate Donor financial reports produced by Account Manager.
- Ensure that Project Personnel activities are consistent and compliant with Donor grant agreements, particularly any lobbying restrictions, if applicable.
- Use an NVF-approved online fundraising platform.

Contract Management

- Submit request for contract to Account Manager before contractor begins work. Project must request approval for a contractor to begin work before a contract is signed.
- Participate in contract development process:
 - Request that contractor fill out NVF Contractor Proposal Form and provide all required information.
 - Submit NVF Contractor Proposal Form and required information to Account Manager.
 - Review contracts and provide edits to NVF promptly.
- Approve invoices and submit payments via the NVF payment portal in a timely manner.
- Review contractor invoices to ensure work is detailed and, as appropriate, that receipts or lobbying timesheets are attached.
- Inform Account Manager of the need to extend or terminate a contract as soon as the need is identified. Follow direction from Account Manager and NVF legal counsel for any contract

terminations. *Please note: All revisions and terminations of contracts must be handled by the Account Manager.*

Subgrant Management

- Draft funding guidelines or request for proposal (“RFP”), and/or identify subgrant applicants to apply for funding.
- Notify Account Manager of any subgrant requests and provide subgrant documentation.
- If issuing an RFP or grant docket with more than five (5) grants, use NVF’s Grant Seeker Portal.
- Participate in the subgrant process:
 - Review subgrant submissions and inform Account Manager if revisions are needed. Ensure that the applicant’s vision, mission, and strategies align with that of the Project.
 - Facilitate review process with Advisory Board, if applicable.
 - Review subgrant agreements, including terms, and inform Account Manager if there are revisions needed.
 - Provide coding for the grant payment(s).
- Monitor subgrantees work and review any reporting deliverables.
- Forward any subgrant reports received by the Project to Account Manager promptly; notify Account Manager if the Project has approved an extension for a subgrant report.
- Inform NVF of the need to extend or terminate a subgrant as soon as the need is identified. Follow direction from Account Manager and NVF legal counsel for any subgrant terminations. *Please note: All revisions and terminations of subgrant agreements must be handled by the Account Manager.*

“Doing Business As” (DBA) Registration and Management

- Participate in the DBA registration process:
 - Confirm DBA account name
 - Inform the Account Manager if the Project will use the DBA account to receive funds in its name, as the establishment of a separate bank account would be required
 - Budget for and cover with Project funds all fees associated with registering, managing, and renewing the DBA account (i.e. one-time establishment fee, annual fee, annual registration fee)

Human Resource Management

- Ensure all employees follow NVF policies and report violations to HR Staff in a timely manner.
- All Project Personnel should familiarize themselves with NVF’s guidance on harassment warning signs and risk factors as well as the expectation that all employees will foster an environment that is aimed at preserving dignity, safety, respect, fairness, accountability, and responsiveness.
- Participate in HR-led investigative processes with Project Director leading all disciplinary actions in conjunction with HR.
- Report no less than annually to the Advisory Board on the state of areas of risk, including any indicators of ethical or legal issues and prevention efforts.
- Notify HR Staff of the need to hire for newly identified positions as soon as the need is identified, but no later than 15 days before the employee start date.
- Notify HR Staff prior to issuing any verbal offer for employment, and request written offers for employment at least five days prior to the candidate’s start date. *Hiring in a state where NVF is not registered is subject to the completion of registration and can delay hiring.*

- Ensure funding is available for the hire using the new employee calculator, budget and forecast. To hire an employee, the Project is required to have secured a minimum of three months' cash on hand (equivalent to three months average expenses for the employee)³.
- Draft job description for any new position and submit to HR Staff for review before posting position; any previously-approved job descriptions that are materially changed must be submitted as well.
- Manage hiring process:
 - Post job listing.
 - Qualify and interview candidates.
 - Perform reference checks on finalist candidate(s).
 - Request job application from finalist candidate.
 - Negotiate with candidate and make verbal offer.
 - Provide HR Staff with required information (detailed in "New Hire Guide") a minimum of five (5) business days before employment is requested to start.
- Ensure that employees provide all payroll information to HR Staff in a timely manner.
- Ensure that all Project Personnel complete full and accurate timesheets and submit in Replicon each pay period, including time off. Ensure supervisors approve timesheets within five (5) days of the end of the period.
- Ensure all new employees participate in NVF orientations.
- Consult with and inform HR Staff of all personnel changes, including promotions, demotions, job changes, salary changes, any decisions affecting employee benefits and compensation packages, and any other changes that might affect any employee's payroll.
- Provide all employees with at least an annual performance review. Send written documentation of the review by January of each year to the employee and HR@newventurefund.org.
- Notify HR Staff of any performance management issues; consult with HR Staff if a Performance Improvement Plan or termination is being considered. *All involuntary terminations must be approved in advance by HR Staff.*

³The average monthly expenses should be calculated as the total of the last twelve months of expenses divided by 12. If a project does not have at least a full year of spending history, the monthly expenses calculation should be the total amount of project expenses to date divided by the number of months the project has been in existence.

Exhibit D – Advisory Board Members

The following are appointed to serve as the advisory board:

Ginny Steel, Chair
Austin Booth
Christopher Cox
Beth McNeil
Carmelita Pickett
Karen Estlund
Elaine Thornton
Gwen Bird
Jennifer Grayburn
Joy Kirchner
Steven Escar Smith
Judy Ruttenberg (non-voting)
Talia Chung (non-voting)
Rachel Harding (non-voting)
Carrie Gits (non-voting)
Chiris Bourg (non-voting)
Scarlet Galvan (non-voting)

This Exhibit D was last updated on December 22, 2020.

The "Acknowledgement of Receipt" and the "Project Conflict of Interest" forms on the subsequent pages were signed by Heather Joseph (Executive Director, SPARC), and each SPARC Steering Committee member (listed in Exhibit D). Lee Bodner (President, New Venture Fund) also signed the "Acknowledgement of Receipt".

Acknowledgement of Receipt

Project Director

I hereby acknowledge receipt of the charter for Scholarly Publishing and Academic Resources Coalition (the "Project"), dated January 1, 2021 (the "Charter"), and agree to operate the Project in accordance with the terms outlined herein. Additionally, I agree to work with Project funders to ensure that they are aware of the terms of this Charter, and to incorporate the Charter by reference into any grant agreement awarding grant support to the Project.

Scholarly Publishing and Academic Resources Coalition

Name:

Title:

Date:

Acknowledgement of Receipt

Advisory Board Member

I hereby acknowledge receipt of the charter for Scholarly Publishing and Academic Resources Coalition (the "Project"), dated January 1, 2021 (the "Charter"), and the Project Advisory Board Responsibilities attached hereto as Exhibit A. I agree to ensure, to the best of my ability, to perform the Project Advisory Board Responsibilities as set forth in Exhibit A and to provide oversight of the Project in accordance with the terms of this Charter.

Scholarly Publishing and Academic Resources Coalition

Name:

Title:

Date:

CONTACT INFORMATION

Email:

Phone:

PROJECT CONFLICT OF INTEREST POLICY

New Venture Fund (“NVF”) requires that each advisory board member (“Member”) and project director (“Project Director”) governing a project (“Project”) fiscally sponsored by NVF review and sign conflict of interest disclosure statements annually. This policy is in keeping with our commitment to best practices and transparency, as well as to comply with government regulations.

- I. Purpose. The purpose of the conflict of interest policy is to protect NVF’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Member or Project Director, or might result in impermissible private benefit. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.
- II. Definitions.
 - a) Interested Person. Any Member or Project Director who has a direct or indirect financial interest, as defined below, is an interested person.
 - b) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1) An ownership or investment interest in any entity with which NVF has a transaction or arrangement,
 - 2) A compensation arrangement with any entity or individual with which NVF has a transaction or arrangement, or
 - 3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which NVF is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest.

- III. Procedures.
 - a) Duty to Disclose. With respect to any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the disinterested Members of the Advisory Board.. To avoid even the appearance of a conflict, the interested person should then follow the procedure described in Section III(b) below, even for potential conflicts of interest. If the interested person is the Project Director, she/he should disclose any possible conflict of interest to the Advisory Board, whether or not the proposed transaction or arrangement would normally fall under the review of the Advisory Board.

- b) Procedures for Addressing the Conflict of Interest. An interested person may make a presentation at the advisory board meeting, but after the presentation, she/he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. For suspected conflicts of interest, where the ability of the interested person to participate in the discussion or vote is important and thus a formal determination is necessary, the interested person should notify the Project account manager (“Account Manager”) so that NVF’s compliance staff can be consulted.

- b) Violations of the Conflicts of Interest Policy
 - 1) If the advisory board has reasonable cause to believe a Member or the Project Director has failed to disclose actual or possible conflicts of interest, it shall inform that person of the basis for such belief and afford that person an opportunity to explain the alleged failure to disclose.
 - 2) If, after hearing the response, the advisory board determines the person has failed to disclose an actual or possible conflict of interest, it shall notify the Project Account Manager.

- IV Records of Proceedings. The minutes of the advisory board shall reflect when conflicts of interest have been identified and handled, including reasonably sufficient details such as name(s), nature of the conflict, action taken, and a record of any votes.

- V Compensation.
 - a) Members shall not be compensated for serving on the advisory board.
 - b) A voting Member of the advisory board who receives compensation, directly or indirectly, from NVF for services is precluded from voting on matters pertaining to that Member's compensation.
 - c) No voting Member of the advisory board who receives compensation, directly or indirectly, from NVF, either individually or collectively, is prohibited from providing information to the advisory board regarding compensation.

- VI Annual Statements. Each Member and Project Director shall annually sign a statement which affirms such person:
 - a) Has received a copy of the conflicts of interest policy,
 - b) Has read and understands the policy,
 - c) Has agreed to comply with the policy,
 - d) Has provided a list of known financial interests that might pose a conflict of interest, and
 - e) Understands NVF is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

NEW VENTURE FUND CONFLICT OF INTEREST DISCLOSURE STATEMENT

I have read and understand New Venture Fund's Project Conflict of Interest Policy and agree to be bound by its terms. I have disclosed all actual and potential conflicts of interest, and agree to promptly inform New Venture Fund of any new conflicts of interest that arise in the future by disclosing in any meeting where a new conflict arises and submitting a new conflict of interest disclosure statement. I understand that the New Venture Fund is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Please check only one box. If you have actual or potential conflicts of interest, please detail them.

I have no financial interests that might pose conflicts of interest to report as defined by the New Venture Fund Project Conflict of Interest Policy.

I have the following actual or potential conflicts of interest to report (if more than five, attach a separate page):

1. _____
2. _____
3. _____
4. _____
5. _____

Name: _____

Member Project Director (Put an X by the correct designation.)

For Fiscally Sponsored Project: _____

Signature: _____ Date: _____