TOOL
Create Or Assess a Memorandum of Understanding

What it is

A Memorandum of Understanding (MOU) is an agreement between groups and organizations who have agreed to collaborate. MOUs outline the expectations, agreements and commitments of the collaborating partners.

This helps the partners to establish trust and supports their ability to work effectively together by preventing and/or helping to navigate misunderstandings.

This tool can be used by staff leadership and Boards to:

- Consider your organization's commitments to, and requirements of, partners in a collaboration.
- Assess if the collaboration's MOU effectively balances your organization's needs and expectations with the needs and effectiveness of the collaboration. A good MOU should strive to be both comprehensive and flexible.

What is an MOU?

MOUs are typically less formal, and simpler than, legal contracts and need to be tailored to the unique needs of the collaboration and its partners. A good MOU is detailed and comprehensive enough that partners clearly understand the collaboration's purpose, partners' roles, and their expectations of one another. At the same time the MOU should be broad and simple enough that it allows the collaboration to remain nimble and adaptable.

The Checklist

This checklist outlines some of the key elements that can be included in an MOU.

The Collaboration's Purpose

Does the MOU include a clear and specific statement of the collaboration's purpose?

☑ The purpose statement should include a brief explanation of what is intended to be accomplished (*e.g. vision, goals, outcomes*) and the values that will guide the partner relationships.

The Collaboration's Partners

- ☑ Does the MOU outline the core partners who are participating in the collaboration and have they each signed the MOU to indicate their participation and agreement?

The Collaboration's Term

Does the MOU include a specific start and end date?

- ☑ These dates indicate the start and end dates for this agreement between partners. This is not necessarily the term for the collaboration itself, rather a reminder that the agreement between partners should be regularly reviewed, revised and approved.

The Responsibilities of Partners

Has the MOU clearly and accurately outlined the roles and responsibilities of your organization and those of other collaborative partners?

This is one of the most important sections of the MOU. Each partner's roles and responsibilities should be listed separately. The description of each partner's roles and responsibilities should include:

- ☑ **The Sole Responsibilities of the Partner** – This can include things such as providing funding or other resources, delivering services, providing specific data and/or expertise, connecting the collaborative with other people or groups etc. It can also articulate the partner's accountabilities to their organization and/or limits on their decision-making without prior organizational approval.

- ☑ **The Shared Responsibilities of the Partner** – This can include the partner's participation in sub-groups, for example beyond the collaboration's Steering Committee, and how the partner will contribute to the functioning of the collaboration *(e.g. the planning, conducting, documenting and evaluation of collaboration's work*).

- ☑ **Any Disclaimers** – This statement outlines the limits of responsibility of the partner *(e.g. what the partnership does not intend to do or create as well as what it cannot guarantee*).

The Collaboration's Leadership and Governance Structure

Does the MOU outline how leadership and governance of the collaboration will be shared?

The MOU should provide a description of how leadership for the collaboration's work will be shared. This section can include:

- **Decision-Making** – The process for how partners have agreed to reach decisions should be clearly outlined. It can include things such as a commitment to consensus and what happens if a decision cannot be reached. It may also outline the decision-making authority of different sub-committees (if any exist). Any special, high-level decisions that may require special rules (such as approval from partner Boards etc.) should also be indicated.

- **Financial Management & Fundraising** – The financial relationship between partners should be outlined including the reports, procedures and policies needed to ensure good shared financial oversight. This should include things such as how the collaboration's income and expenses will be managed. If one or more partners have agreed to serve as fiscal hosts for the collaboration, their requirements, procedures and controls should be outlined. Policies related to fundraising should also be considered and may include fundraising responsibilities, the acceptance or declining of gifts and/or in-kind contributions, or information sharing about fundraising information.

- **Risk Sharing** – Is there an understanding among partners about how they will share responsibility if something goes wrong and their agreements about how to ensure risk is mitigated and shared? (*e.g. agreements regarding levels and types of insurance coverage held by partners, the necessity of background checks for employees and volunteers and the security of data*).

  *[Learn more: **Mitigate the Risks of Collaboration**]*

- **Conflict Resolution** – The collaboration should articulate its shared values and its agreed-upon process for mitigating and resolving conflicts between partners

- **Adding or Removing Partners** – Does the MOU describe how new partners will be added to the collaboration? This should include how potential members are identified, the criteria used for selecting members, and the process of orienting new partners to the work and their roles. The MOU should also outline the process for how partners leave the collaboration,

and what is expected of a partner when they choose to leave. The process to remove a partner should also be outlined, including criteria for removal.

*[Learn more: **Checklist to Exit a Collaboration Well**]*

- **Conflict of Interest** – The MOU may describe agreements regarding conflict of interest and outline the policy and/or process by which partners will address potential conflicts of interest.

- **Confidentiality** – The MOU may include policies regarding the confidentiality of information and conversations held among partners.

- **Communications** – This section of the MOU can include specific policies related to speaking about the work of the collaboration. Communications policies may include who the collaboration's spokespeople are, social media, branding, a communications calendar, dealing with the press and a crisis communications plan.

- **Planning, Evaluation and Reporting** – This can include things such as how – and how often – the collaboration reviews its strategy and operations and how the planning process is conducted. It can also outline agreements about when and how the collaboration assesses its progress and results, who reviews the results and when/how they are communicated.

Useful Links

- Developing a Collaboration Agreement – Collaboration Coach
- TOOL | Building an Accountability Matrix to Guide Your Collaboration – Tamarack Institute
- TOOL | Accountability Matrix Planning Canvas – Tamarack Institute
- **SAMPLE Memorandums of Understanding**
  - Sample MOU 1 – For a Complex Collaboration
  - Sample MOU 2 – For a Simple Collaboration
  - Sample MOU 3 – For a National and Local Collaboration