

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH BUTTERFLY COMMUNITY (SEIS PUENTES PROJECT); AND FOR OTHER PURPOSES.

WHEREAS, Butterfly Community (“Butterfly Community”) serves a substantial public interest and concern for youth in the City of North Little Rock (“the City”); and

WHEREAS, Seis Puentes is a project of Butterfly Community which empowers and supports programs within North Little Rock’s growing Latino/Hispanic community through education and information; and

WHEREAS, the City of North Little Rock (“the City”) entered into an agreement with Butterfly Community (authorized by Resolution No. 8508 adopted March 10, 2014), and pursuant to the 2014 agreement Butterfly Community has performed its duties and met reporting requirements; and

WHEREAS, Butterfly Community benefits local youth by helping them to grow and develop in positive ways, and the City desires to enter into an agreement with Butterfly Community for the benefit of local children.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to enter into an agreement with Butterfly Community (Seis Puentes Project) (substantially similar to Exhibit “A” attached hereto) whereby life-enhancing programs designed to benefit and serve children of the City will be offered.

SECTION 2: That the City will make a lump sum payment to Butterfly Community in the amount of Twenty-five Thousand & 00/100 Dollars (\$25,000.00) to be used to fund educational, informational health/legal seminars and youth empowerment programs specifically designed to provide diverse activities that meet the interests of Latino/Hispanic youth, said amount having been included as a line item under Special Appropriations in the 2015 Budget.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

AGREEMENT
Between
City of North Little Rock, Arkansas
and
Butterfly Community
(Seis Puentes Project)



This Agreement made and entered into this ____ day of January, 2015, by and between the **City of North Little Rock** (hereinafter referred to as “the City”) and **Butterfly Community (Seis Puentes Project)** (hereinafter referred to as “Butterfly Community”):

W-I-T-N-E-S-S-E-T-H:

WHEREAS, Butterfly Community is a non-profit organization utilizing a community made up of staff members, volunteers, parents, youth and supporters who work together to create a positive environment offering opportunities for the children of North Little Rock to learn and grow through life-enhancing programs and character development experiences; and

WHEREAS, Seis Puentes is a project of Butterfly Community which empowers and supports programs within North Little Rock’s growing Latino/Hispanic community through education and information; and

WHEREAS, Butterfly Community/Seis Puentes has requested funding from the City for the 2015 calendar year and has properly submitted its application in accordance with North Little Rock Department of Commerce (“NLR Commerce”) procedures and guidelines; and

WHEREAS, NLR Commerce has reviewed and verified that Butterfly Community/Seis Puentes has properly filed its quarterly and final performance reports for 2014 and has provided all requested documentation to the City; and

WHEREAS, the City believes that Butterfly Community/Seis Puentes programs will benefit local Latino/Hispanic youth and help them grow and develop in a positive way.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, it is agreed by and between the parties as follows:

1. Provision of services. Butterfly Community will use the funds provided by the City solely for its Seis Puentes project; specifically for the programs more fully described in Exhibit “A” attached hereto and incorporated by reference.

2. Term. The term of this Agreement shall be for a period beginning January ____, 2015 and ending December 31, 2015.

3. Consideration by the City of North Little Rock, Arkansas. As consideration for the services provided to Seis Puentes by Butterfly Community, the City will make a lump sum annual payment to Butterfly Community in the amount of Twenty-five Thousand

& 00/100 Dollars (\$25,000.00). Butterfly Community/Seis Puentes intend for, and estimate that, the amount of the annual payment is approximately equal to the cost of the services provided to or for the benefit of the City by Butterfly Community/Seis Puentes. In the event that either Butterfly Community/Seis Puentes or the City gives a notice of termination of this Agreement pursuant to Section 9 below, the parties agree to negotiate in good faith a reinstatement of this Agreement with adjustments to the amount of the annual payment and/or the services provided by Butterfly Community/Seis Puentes to equalize such cost and benefit.

4. Assignment. This Agreement shall not be assigned in whole or in part by any of the parties to this Agreement *unless* prior written approval has been given by the non-assigning party.

5. Authority. The City represents and warrants to Butterfly Community that it has the authority to enter into this Agreement, and the party signing for the City has been duly authorized. Butterfly Community represents and warrants to the City that it has the authority to enter into this Agreement, and the party signing for Butterfly Community has been duly authorized. This Agreement shall not be effective until approved by official public action of the North Little Rock City Council.

6. Butterfly Community agrees:

- (a) To comply with Ark. Code Ann. § 21-13-101, et seq. if it uses volunteers to accomplish its contractual obligations of a public nature, as expressed in this Agreement.
- (b) That it will not discriminate against any person on the basis of race, color, religion, natural origin, age, gender or any other constitutionally-protected basis.
- (c) That it will not mingle City funds with funds obtained from other sources and shall document the expenditure of all City funds in a manner consistent with generally accepted accounting principles and provide the same to the City upon request.
- (d) Acknowledges that certain procedural restrictions apply to the expenditure of City funds in excess of \$20,000 and the employment of professionals, as that term has been defined by the City. (For procedural guidance in the expenditure of City funds, Butterfly Community may contact a city purchasing officer at (501) 975-8881.)
- (e) Acknowledges that the expenditure of government funds for a governmental purpose is a matter of public interest and subject to disclosure under the Arkansas Freedom of Information Act (“FOIA”).
- (f) That it will submit quarterly reports to NLR Commerce that accurately reflects all performance under this Agreement, with a final report to be submitted no later than January ___, 2016. Failure to submit reports as provided for herein may result in termination of this Agreement pursuant to Paragraph 9 below. A representative of Butterfly Community will be available, at the request of the City, to appear before a specified City

Council meeting to answer any questions concerning the report.

- (g) To attach to this agreement a document identifying each member of the governing board of the nonprofit entity.
- (h) To attach to this agreement evidence of nonprofit status, and if designated a nontaxable entity, attach a copy of an IRS opinion letter affirming the designation. If tax returns have been submitted, Butterfly Community will also attach a copy of the most recent tax return.
- (i) To submit a budget to demonstrate the projected use of City funds.

7. **Governing Law.** The parties hereto agree that this Agreement shall be construed under Arkansas law. The parties further agree that proper jurisdiction and venue for any cause of action arising from this Agreement shall be vested in the state courts of Arkansas.

8. The headings used in this Agreement are inserted for convenience or reference only and are not intended to define, limit or affect the interpretation of any term or provision hereof.

9. This Agreement may be terminated by either party without cause upon ninety (90) days' written notice. The fee described in Section 3 shall be prorated based upon the date of termination.

10. Time is of the essence in regard to the terms and conditions of this Agreement.

11. This Agreement may be executed in two or more counterparts, each of which is deemed as original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year first above written.

CITY OF NORTH LITTLE ROCK, AR

**BUTTERFLY COMMUNITY -
SEIS PUENTES**
4202-A Camp Robinson Rd.
North Little Rock, AR 72118

By _____
Mayor Joe A. Smith

By _____
Will Hogg, Treasurer

ATTEST:

Diane Whitbey, City Clerk

City of North Little Rock

BACKGROUND INFORMATION

1. Legal Name of Organization: Butterfly Community Ministires, Inc. dba Seis Puentes
2. Organization's Address: 4202A Camp Robinson, North Little Rock, AR 72118
3. Mailing Address (if different): _____
4. Telephone Number: 501-291-1772 Fax Number: _____
5. Tax I.D. Number: 68-0558612
6. Submitted By: Vincent Insalaco Title: Board Chair
7. Contact Person: Vincent Insalaco Title: Board Chair
8. Contact Person's Direct Telephone Number: 501-680-0539
9. Contact Person's Email Address: vmi96@aol.com
10. Organization's Website: www.seispuentes.org

11. Provide your organization's mission and briefly describe its purpose:

Seis Puentes serves to support and empower the Latino/Hispanic community of Central Arkansas through education and information.

13. Has your organization received funding from the City of North Little Rock in the past?

Yes No

14. If yes, how much funding has your organization received and for how many years?

\$ 25,000 Years: 1

15. Fill out the following tables showing revenue and expenses for your **organization** for the years designated. These charts **must** be completed to be considered for funding by the City. **Please list name of each organization, foundation and/or grant by name.**

Sources of Revenue	2014 Budgeted	2014 Actual	2015 Budgeted
City of NLR Funds	25000	25000	25000
Federal/State Funds or Grants			
Fees for Services			
Fundraising/Dues	31000	35700	31000
Foundations			
Investments			
Endowments			
Personal Donations			
Other Sources			
TOTAL REVENUES	56000	60700	56000

Organization's Expenses	2014 All Budgeted Expenses	2014 Expenses Paid by the City if Funded	2014 Actual Expenses Paid as of June 30, 2014	2015 All Proposed Expenses	2015 Proposed Expenses Paid by the City if Funded
Salaries and Benefits					
Space/Lease or Rent Costs	19200	12000	9000	19200	12000
Program Supplies					
Office Supplies	2000		900	2000	
Communication					
Professional Development/Conferences					
Telephone/Postage					
Travel					
Other Costs – Please List					
Utilities	6000		3600	6000	
Insurance	3600		2000	3600	
Dance Program	10800	5800	3600	10800	5800
Internet	3300		1000	3300	
Educational	7200	7200	3000	7200	7200
Misc.	4000		2500	4000	
TOTAL EXPENSES	56100	25000	25600	56100	25000

21. If your organization receives partial or no funding from the City of North Little Rock for the proposed project/program, how will you fund the program/project?
If Seis Puentes receives partial or no funding from the City of North Little Rock, the program will continue by reducing expenses and possibly cutting some program offerings.

22. Are there any other organizations that provides similar programs or services for the City of North Little Rock residents: No If so, what is the name of the organization(s)?

What makes your program unique?

Seis Puentes is the only Hispanic outreach organization in Pulaski County.

23. This funding will be short-term. How will you fund this project/program without additional funding from the City?

The grant from the City of North Little rock will give Seis Puentes the momentum needed to increase awareness allowing for increased fundraising opportunities. This will enable Seis Puentes to thrive without the support of the City.

SIGNATURE OF CERTIFICATION

I CERTIFY THAT ALL OF THE INFORMATION PROVIDED IN THIS APPLICATION IS TRUE AND CORRECT

SIGNATURE OF THE AUTHORIZED REPRESENTATIVE

DATE

PRINT NAME

EMAIL ADDRESS

Butterfly Community Ministries, Inc.

Board of Directors

Vince Insalaco – Board Chair

Will Hogg – Treasurer

Jim Barnett – Secretary

Maria Touchstone – Executive Director

Sandra Ozaki

James Crockett

Carmen Fernandez

Judy Tenenbaum

Scott Miller

Butterfly Community Ministries
2013

Income	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	YTD
Donations	6,125.00	8,632.00	2,475.00	505.00	2,200.00	2,505.00	500.00	300.00	100.00	300.00	425.00	9,250.00	32,217.00
Rent	350.00	300.00	500.00	200.00	500.00	100.00	500.00	300.00	400.00	300.00	400.00	200.00	4,050.00
Interest	0.09	0.57	0.24	0.06	0.06	0.71	0.80	0.65	0.40	0.19	0.07	0.21	4.05
Grants						10,000.00							10,000.00
Expense Reimb.	10.00												10.00
Total Income	6,485.09	8,932.57	2,975.24	705.06	2,700.06	12,605.71	500.80	300.65	500.40	300.19	825.07	9,450.21	46,281.05
Expenses													
Acct/Legal		657.00											1,317.00
ADT (security)					123.06	660.00							123.06
Comcast	131.41	131.25	131.25	131.27	131.21	132.07	132.09	132.45	132.45	135.65	135.67	135.69	1,592.46
Dance	1,250.00	600.00	800.00	600.00	600.00	50.00	50.00	600.00	600.00	600.00		1,200.00	6,850.00
Dumpster	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00		550.00
Electricity	77.52	92.27	183.73		170.34	50.00	256.76	50.00	282.94	118.75	66.39	83.59	1,332.29
Gas	89.20	154.92	114.28		48.81	18.89	14.64	16.17	14.71	14.71	17.39	60.27	673.96
Insurance						280.52			703.00				983.52
IRS		1,658.77									357.26		2,016.03
Misc. Expenses							39.90				39.06		78.96
Misc. Programs		4,214.03	43.71					120.27				553.26	5,131.27
Rent	1,500.00	3,750.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	20,250.00
Total Expenses	3,098.13	11,308.24	2,822.97	2,391.24	2,623.42	2,641.48	1,993.39	2,418.89	3,283.10	2,619.11	2,165.77	3,532.81	40,898.55
Profit / Loss	3,386.96	-2,375.67	152.27	-1,686.18	76.64	9,964.23	-1,492.59	-2,118.24	-2,782.70	-2,318.92	-1,340.70	5,917.40	5,382.50

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: SEP 18 2003

BUTTERFLY COMMUNITY MINISTRIES INC
6701 JOHN F KENNEDY BLVD
NORTH LITTLE ROCK, AR 72116

Employer Identification Number:
68-0558612
DLN:
17053202037043
Contact Person:
ERIN R MORRELL ID# 31054
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Foundation Status Classification:
509(a)(1)
Advance Ruling Period Begins:
July 8, 2003
Advance Ruling Period Ends:
December 31, 2007
Addendum Applies:
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)

BUTTERFLY COMMUNITY MINISTRIES INC

a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period.

BUTTERFLY COMMUNITY MINISTRIES INC

that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

BUTTERFLY COMMUNITY MINISTRIES INC

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosure(s):
Form 872-C

STATE OF ARKANSAS



Charlie Daniels
SECRETARY OF STATE

To All to Whom These Presents Shall Come, Greetings:

I, Charlie Daniels, Secretary of State of Arkansas, do hereby certify that the following and hereto attached instrument of writing is a true and perfect copy of

Change of Registered Agent or Office

of

BUTTERFLY COMMUNITY MINISTRIES, INC.

filed in this office

November 29, 2004

In Testimony Whereof, I have hereunto set my hand and affixed my official Seal. Done at my office in the City of Little Rock, this 29th day of November 2004.



Charlie Daniels
Secretary of State



Arkansas Secretary

Charlie Daniels

State Capitol • Little Rock
501-682-3409

Document Number: 2979690002

BUTTERFLY COMMUNITY MINISTRIES

CHANGE OF REGISTERED AGENT OR OFFICE

FILED: 11/29/04, #Pages: 1

Arkansas Secretary of State
Business Services Division

NOTICE OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT, OR BOTH

MARK ENTITY TYPE

- | | | |
|--|--|--|
| <input type="checkbox"/> Corporation-Profit | <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Liability Limited Partnership |
| <input checked="" type="checkbox"/> Corporation-Non Profit | <input type="checkbox"/> Limited Partnership | |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Partnership | |

Pursuant to the Laws of the State of Arkansas, the undersigned submits the following statement for the purpose of changing its registered office or its registered agent, or both in the State of Arkansas. If this statement reflects a change of registered office, this form must be accompanied by notice of such change to any and all applicable entities.

1. Name of corporation: Butterfly Community Ministries

2. Is the entity: Domestic or Foreign

3. Street address of registered office changing from: 6701 John F. Kennedy Blvd.
North Little Rock, AR 72116
Street Address
City, State, Zip

4. Street address to which registered office changing to: 5413 Belle Pt. Rd.
North Little Rock, AR 72116
Street Address
City, State, Zip

5. Name of registered agent changing from: Russell R. Moore

6. Name of registered agent changing to: Gail M. Schulte

7. Zachary D. Wilson hereby consent to serve as registered agent for this entity.

Zachary D. Wilson by LR
Successor Agent

A letter of consent from successor agent may be substituted in lieu of this signature.

7. The address of its registered office and the address of the business office of its registered agent, as changed, will be identical.

A copy bearing the file marks of the Secretary of State shall be returned.

If this entity is a corporation governed by Act 576 of 1965 such change must be filed with the County Clerk of the County in which its registered office is located, unless the registered office is located in Pulaski County, in which event no filing with the County Clerk is required.

Dated: 29 November 2004 Zachary D. Wilson by LR
Signature of Authorized Officer
President
Title of Authorized Officer