

## Fiscal Sponsor Agreement

"Fiscal Sponsor Agency" (please print) \_\_\_\_\_

"Sponsored Organization" (please print) \_\_\_\_\_

This agreement is to set forth the criteria for the Fiscal Sponsor Agency serving as the **Fiscal Sponsor** for Sponsored Organization (as indicated above).

The agreement will be in place for twelve (12) months from the date of signing, or until the end of the grant agreement period for the Project. The Fiscal Sponsor Agency determined that sponsorship of the Project would be consistent with its goals and wishes to make arrangements with the Sponsored Organization for the implementation and operation of the Project.

The following details the criteria for the agreement:

1. The Fiscal Sponsor Agency hereby agrees to sponsor the Project of the Sponsored Organization and to assume administrative, financial, and legal responsibility for purposes of the requirements of funding organizations. The Sponsored Organization agrees to implement and operate the Project, in accordance with the terms of this agreement and with any requirements imposed by funding organizations which will be reviewed on an annual basis by the Fiscal Sponsor Agency and the Sponsored Organization.
2. The Sponsored Organization will be operated in a manner consistent with the Fiscal Sponsor Agency's tax-exempt status and as described in this agreement. No material changes in the purposes or activities of the Project shall be made by the Sponsored Organization without prior written permission of the Fiscal Sponsor Agency and in accordance with any requirements imposed by funding organizations, nor shall the Sponsored Organization carry on activities or use funds in any way that jeopardizes the Fiscal Sponsor's tax-exempt status.
3. The Sponsored Organization shall not, and shall not permit the Project to, attempt to influence legislation or participate or intervene in any political campaign on behalf (or in opposition to) any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986).
4. The Sponsored Organization will provide the Fiscal Sponsor Agency with reports describing programs and services of the Project in accordance with the following schedule:
  - a. Written, quarterly program updates from the Sponsored Organization regarding progress toward grant deliverables. The Sponsored Organization will create a reporting template during the first quarter of this agreement. Both parties must agree to reporting template within first quarter of this agreement.

5. The Sponsored Organization will provide all information and prepare all reports, including interim and final reports, as required by funding organizations, with the Fiscal Sponsor Agency's assistance and final approval.
6. On behalf of the Sponsored Organization, the Fiscal Sponsor Agency will establish and operate for the use of the Project a designated account ("Account") separated on the Fiscal Sponsor Agency's books. All amounts deposited into a Project's Account will be used in its support, less administrative charges, if any, and subject to the conditions set forth below.
7. The Fiscal Sponsor Agency will disburse funds from the Account in the following manner:
  - a. The Fiscal Sponsor Agency will create a separate checking account for the Sponsoring Organization's Project and will deposit all grant funds and donations into this account.
  - b. The Sponsored Organization will expend funds as it deems necessary.
  - c. The Sponsored Organization will submit documentation for all expenditures for the prior 30 days by the 5<sup>th</sup> of every month.
  - d. Individuals who serve as Independent Contractors will submit monthly invoices to the Sponsored Organization for approval. The Sponsored Organization will forward to the Fiscal Sponsor Agency for payment.
8. The Fiscal Sponsor Agency and the Sponsored Organization agree to designate \_\_\_\_\_ (print name) from the Fiscal Sponsor Agency to act as Authorizing Official. The authorizing official shall act as principal coordinator of the Project's daily business with the Fiscal Sponsor Agency and shall have authority to sign disbursement requests. The Authorizing Official will have Sponsored Organization's finances approved by another member of the Fiscal Sponsor Agency.
9. The Fiscal Sponsor Agency and Sponsored Organization will maintain all financial records relating to the Project according to generally accepted accounting principles, retain records as long as required by law, and make records available to auditors as required by law.
10. The Fiscal Sponsor Agency and the Sponsored Organization will reflect the activities of the Project, to the extent required, on their state and federal government tax returns and financial reports. All disbursements from an Account shall be treated as payments made to or on behalf of the Sponsored Organization to accomplish the purposes of the Project. The Sponsored Organization will provide the Fiscal Sponsor Agency with proper documentation to accomplish this.
11. In consideration of the Fiscal Sponsor Agency's agreement to sponsor the Project, and to cover the Fiscal Sponsor Agency's expenses in connection with the Project as outlined above, the Project will pay the following fees, charges, and expenses:

The Sponsored Organization will pay the Fiscal Sponsor Agency 5% of their grant revenue to serve as the Fiscal Sponsor.

12. This agreement will be subject to review annually and will terminate if any of the following events occur:

- a. The Fiscal Sponsor Agency requests the Sponsored Organization to cease activities that it deems might jeopardize its tax-exempt status and the Project fails to comply within a period of ten (10) days;
- b. The Sponsored Organization fails to perform or observe any other covenant of this agreement, and this failure remains unremedied fifteen (15) days after notice in writing; and
- c. Upon expiration of four weeks after either the Sponsored Organization or the Fiscal Sponsor Agency has given written notice of its intent to terminate the agreement.

13. In the event this Agreement is terminated, the Fiscal Sponsor Agency and Sponsored Organization will comply with any termination conditions imposed by funding organizations. In witness whereof, the parties hereto have executed this Agreement on the day and year first written below.

**Accepted for the Fiscal Sponsor Agency:**

Authorized signer \_\_\_\_\_  
(please print)

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Accepted for the Sponsored Organization:**

Authorized signer \_\_\_\_\_  
(please print)

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_