

## **FISCAL SPONSORSHIP AGREEMENT**

Between \_\_\_\_\_  
(Legal Name of Non-Exempt Group – the Project)

and \_\_\_\_\_  
(Legal Name of Tax-Exempt Nonprofit Fiscal Sponsor Organization – the Sponsor)

This Fiscal Sponsorship Agreement defines the roles and responsibilities of both the Non-Exempt Group (the Project) and the Fiscal Sponsor Organization (the Sponsor) named above. This Agreement shall be in effect from:

(Beginning Date) \_\_\_\_\_ through (Ending Date) \_\_\_\_\_

**The Sponsor:** The Sponsor is a tax-exempt nonprofit organization that qualifies as a political subdivision or as a nonprivate foundation (other than a supporting organization) under the Internal Revenue Code, as amended (the “Code”).

**The Project:** The Project is a non-exempt organization.

**The Agreement:** The Sponsor is willing to receive grants, contributions and gifts for the benefit and use of implementing the Project in furtherance of the Sponsor’s exempt purposes. The Project, with the administrative assistance of the Sponsor, desires to use these funds in order to implement the Project’s charitable purposes.

**By entering into this Agreement, the parties agree to the following terms and conditions:**

1. **Receipt of funds:** The Sponsor agrees to receive grants, contributions and gifts to be used for the Project, and to make those funds available to the Project for use solely in furtherance of the Sponsor’s charitable purposes and accordance with all applicable conditions and restrictions, including without limitation the (project title) \_\_\_\_\_ proposal which has been submitted to the Harvest Foundation on (date) \_\_\_\_\_. Notwithstanding the foregoing, the Sponsor reserves the right, in its sole discretion, to refuse to accept any grant, contribution or gift that it determines to be inconsistent with its charitable purposes or the terms of its tax-exempt status.
2. **Acknowledgment of charitable donations on behalf of the Project:** The Sponsor agrees that all grants, contributions and gifts which it accepts for the Project will be reported as contributions to the Sponsor as required by law, and further agrees to acknowledge receipt of any such grant, contribution or gift in writing and to furnish evidence of its status as a tax-exempt organization under the Code. The Sponsor agrees to notify the Project of any change in its tax-exempt status.
3. **Protection of tax-exempt status:** The Project agrees not to use funds received from the Sponsor in any way which would jeopardize the tax-exempt status of the Sponsor or violate any associated conditions or restrictions, including without limitation the terms of the Grant Agreement between the Sponsor and The Harvest Foundation. The Project agrees to comply with any written request by the Sponsor that the Project cease activities that might jeopardize the Sponsor’s tax status or violate associated conditions or restrictions. The Project further agrees that the Sponsor’s obligation to make funds available to the Project may be suspended in the event that the Project fails to comply with any such request. The Sponsor retains the right, if the Project breaches this Agreement, or if the Project jeopardizes the Sponsor’s legal or tax status or violates associated conditions or restrictions, to withhold, withdraw, or demand immediate return of grants, contributions or gifts.

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- 4. **Use of funds:** On behalf of the Project and with the Project funds, the Sponsor will pay for the Project’s direct expenses including but not limited to salary and benefits for Project staff, computers, travel and meeting expenses, provided that any funds attributable to grants received for particular purposes will be used only in accordance with the applicable conditions and restrictions.
  
- 5. **Financial procedures:** The Project must adhere strictly to all financial policies of the Sponsor.
  
- 6. **Financial accounting and reporting:** The Sponsor will maintain accurate and up-to-date books and financial records for the Project in accordance with generally accepted accounting principles. The Project’s revenue and expenses shall be separately classed in the books of the Sponsor. The Sponsor will provide reports reflecting revenue and expenses related to the Project’s grants, contributions, and gifts on a monthly basis and a cumulative year-end report.
  
- 7. **Termination:** Either party may terminate this Agreement by giving a 60-day written notice to the other party. Termination of the Agreement, however, will not affect the obligations of the Sponsor to provide receipts for grants, contributions and gifts received prior to termination and to apply such funds for their intended purposes. Termination likewise will not affect the obligation of the Project to comply with applicable financial procedures and reporting requirements and to abide by any associated conditions and restrictions.

This form must be signed by the Board Chair and CEO/Executive Director of both organizations entering into this Fiscal Sponsorship Agreement.

**Fiscal Sponsor Organization**

By:

\_\_\_\_\_ Date \_\_\_\_\_  
Board Chairperson

\_\_\_\_\_ Date \_\_\_\_\_  
CEO/Executive Director

**Project Organization**

By:

\_\_\_\_\_ Date \_\_\_\_\_  
Board Chairperson

\_\_\_\_\_ Date \_\_\_\_\_  
CEO/Executive Director