

# Key Features and Expectations

## Model A Fiscal Sponsorship

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<b>Relationship structure:</b>	Client serves as the fiscal sponsor for a Project; as such, Client owns all Project assets, including Project funds and intellectual property, and is the employer of all Project employees.
<b>Project Director:</b>	Project Director is responsible for the day-to-day management of Project. Project Director is an at-will employee of Client and serves as the primary contact for Project. For convenience, the Fiscal Sponsorship Agreement refers to the rights and duties of "Project." All such rights and duties are those of Project Director.
<b>Fundraising:</b>	Project has sole responsibility for fundraising. Client has no obligation to provide any financial support to the Project in any form.
<b>Minimum Funds Requirement:</b>	[Project must maintain sufficient funds to cover at least ____ months of normal operating activity.]
<b>Legal Requirements:</b>	Project must operate in accordance with applicable laws, including the legal and tax rules applicable to charitable organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code.
<b>Client Policies:</b>	Project must comply with Client's policies and procedures, including acquiring approval from Client for any change in Project's purpose, scope, or budget.
<b>Fees:</b>	Client charges a __% administrative fee on all funds that Project raises. The administrative fee is __% for government grants. Client charges a one-time startup fee of \$_____. Client also retains all interest accrued on the funds.
<b>Publicity:</b>	All Project materials and communications must state that Project is a project of Client. Client logos or trademarks must be used in their original form. Client may describe its work with Project at its discretion.
<b>Termination:</b>	Client can terminate Project at any time if it determines that Project objectives can no longer be accomplished, if there is a material breach by Project of the Fiscal Sponsorship Agreement, or if Project fails to meet the minimum funds requirement. In these cases, Client may dispose of Project assets and liabilities in any manner consistent with applicable law.
<b>Spin-off/Transfer of Project:</b>	If Project Director wishes to spin off Project or transfer Project to a new sponsor, Project Director is responsible for identifying another non-profit acceptable to Client who can take over ownership of Project. Client will transfer Project assets and liabilities to such organization under an agreement acceptable to Client. If no such nonprofit is identified, Client may dispose of the assets in any manner consistent with applicable law.

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*This document summarizes selected provisions of the Fiscal Sponsorship Agreement. This document is intended to serve as an educational and communications tool, and as such, does not cover every term or detail of the agreement.*

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