

Fiscal Sponsorship Agreement

This is a Fiscal Sponsorship Agreement (“Agreement”), dated _____, 20__ (“Effective Date”), between _____, a California nonprofit corporation (“Client”), and the undersigned grantee (“Grantee”).

Background

- A. Client is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Client is dedicated to [_____] and maintains a fiscal sponsorship program.
- B. Grantee previously submitted a fiscal sponsorship application requesting that Client support a project (“Project”). The application included a description of the Project (“Project Description”), which is attached as **Exhibit A**.
- C. Client’s Board of Directors has determined that fiscal sponsorship of the Project furthers its charitable mission and, to that end, wishes that Client serve as fiscal sponsor of the Project. Client has created a restricted fund (“Fund”) exclusively designated for the Project.
- D. This Agreement describes Grantee’s responsibilities for use of funds from the Fund and other terms of the fiscal sponsorship arrangement.

Client and Grantee agree as follows:

1. Term

1.1 Term

This Agreement will remain in effect for one year from the Effective Date, unless renewed under Section 1.2 or terminated earlier under Section 8.2.

1.2 Renewal

Grantee may renew this Agreement for successive one-year periods if: (a) Grantee notifies Client in writing of Grantee’s desire to renew at least 30 days prior to expiration of the current term; and (b) Client approves the renewal. If Client decides not to approve, Client will notify Grantee prior to the expiration of the current term.

2. Fund

2.1 Fundraising Generally

Grantee will be responsible for all fundraising and grant writing efforts on behalf of the Project. Grantee may solicit monetary or in-kind gifts, contributions, and grants for the Project.

2.2 Soliciting Funds

At least two weeks prior to approaching any funding sources, Grantee will provide to Client a list of all potential institutional funding sources and copies of Grantee’s proposed fundraising materials, including funding applications and reports to funders. Grantee may approach funders only after receiving Client’s preapproval in writing or by email.

2.3 Fundraising Documents

Client will reasonably cooperate with Grantee to submit grant applications to funders; enter into grant agreements, pledges and other agreements with funders; issue appropriate disclosures and acknowledgments to donors and other funders; and prepare and transmit reports to funders.

2.4 Holding Funds

Client will deposit any monetary gifts, contributions, or grants received into the Fund and acknowledge in-kind gifts on behalf of the Project.

2.5 Disbursing Funds

Client will disburse money from the Fund to Grantee in accordance with Section 2.6. To receive a disbursement, Grantee may (a) request funds in advance through submission of an invoice, or (b) request reimbursement through submission of paid receipts. Grantee will make reimbursement requests within 30 days after the expense is incurred. In making requests, Grantee will comply with applicable Client internal policies and procedures then in effect.

2.6 Using Funds

Grantee will use disbursements from the Fund solely for the Project and according to the Project budget preapproved by Client. Grantee will not use funds from the Fund in any manner inconsistent with Section 501(c)(3) of the Internal Revenue Code or any other applicable law. This includes, without limitation, attempts to: (a) influence legislation or to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; (b) induce or encourage violations of law or public policy; and (c) cause any private inurement or improper private benefit to occur.

3. Fees and Costs

3.1 Administrative Fee

To defray Client's costs of administering the Fund and other activities under this Agreement, Client will deduct from the Fund an annual administrative fee on all deposits, calculated based on total funds received for the Project, as follows:

Total project funds received (\$)	Administrative fee (%)
Less than \$[____.00]	[__]% for all funds
\$[____.00] - \$[____.99]	[__]% for deposits by check [__]% for credit card or online payments
\$[____.00] - \$[____.99]	[__]% for deposits by check [__]% for credit card or online payments
\$[____.00] or more	[__]% for deposits by check [__]% for credit card or online payments

(For example, if the total deposits into the Fund for the prior year was \$[____.00], all by check, the administrative fee would be [__]% * \$[____.00] = \$[____].) Client will deduct applicable fees upon each deposit into the Fund. At year end, Client will perform a reconciliation by calculating the administrative fee based on total funds received for the entire year and, if necessary, refund to Grantee any difference from the amount of fees actually deducted. No administrative fees will be deducted from in-kind contributions to the Project.

3.2 Additional Deductions from the Fund

Client will deduct from the Fund any special or unusual costs, including banking fees, penalties, late fees or stop-payment charges, or similar fees resulting from contributions. Client will deduct from the Fund the cost of any reports or other compliance measures required by funding sources.

3.3 Changes in Fees

Client may impose or adjust administrative or other fees for any subsequent term of this Agreement. Client will inform Grantee of any such changes no later than 60 days prior to the expiration of the then-current term. All new fees or adjustments in the fees will become effective following the expiration of the then-current term.

4. Project Activities

4.1 Grantee Property

Any tangible or intangible property obtained or created by Grantee as part of or in connection with the Project will remain the property of Grantee.

4.2 Grantee Responsibility

Grantee will have sole responsibility for planning and carrying out the Project. Grantee will be solely responsible for submitting Fund disbursement requests in accordance with Section 2.5 and for performance of any contracts with third parties, including venues, contractors, consultants and vendors. Client will not assume any liability for the performance of these third-party contracts. Grantee acknowledges that the conduct of Grantee and its personnel or agents, if any, and any other legal obligations of Grantee, are the sole responsibility of Grantee.

4.3 Notification and Approval of Changes

Grantee will not change the purpose, scope, or budget of the Project without first obtaining the written approval of Client. Grantee will notify Client immediately of any change in its legal or tax status or in the key personnel involved in the Project.

4.4 Annual Reports; Periodic Meetings

Upon Client's request, Grantee will: (a) complete and submit to Client an annual report that describe the charitable programs and events it conducted with the aid of the Fund and report on Grantee's compliance with this Agreement, (b) deliver to Client fiscal year-end Project financial reports and supporting documentation, and (c) meet with Client staff to discuss Project activities.

4.5 Recordkeeping; Inspection

Grantee will maintain its books and records in a manner that provides Client with sufficient detail to review expenditures related to the Project and make them available to Client upon request. Client may monitor the Project to ensure compliance with the Project Description, this Agreement, Client's exempt purposes, and applicable laws.

5. Publicity and Confidentiality

5.1 Project Branding and Materials

Grantee will ensure that all Project materials and external communications, including, without limitation, any website, letterhead, grant proposals, fundraising solicitations, donation acknowledgments, exhibition or event programs and related materials, and contracts, indicate in a form acceptable to Client that the Project is a sponsored project of Client. Grantee will provide copies of all such materials to Client.

5.2 Use of Grantee's Work, Name, and Image

Client may use excerpts of Grantee's work in digital and print communications and promotional materials. Client will properly credit Grantee's work. Client may also use Grantee's name, sobriquet, likeness, image, voice, and biography in its digital and print communications, including identifying Grantee as a participant in Client's fiscal sponsorship program. For clarity, Client will own all right, title and interest, including copyright, in these materials. Grantee will not be entitled to inspect or approve use of these materials, receive notice of their use or publication, or receive payment for their usage.

5.3 Public Performances or Exhibitions

Grantee will notify Client in advance about any public appearances, performances or exhibitions.

5.4 Media Inquiries

Grantee will advise Client promptly of any media inquiries received regarding Grantee's work.

5.5 Project Information and Documentation

Client may collect, analyze, and disseminate information about the Project to carry out communication promotional activities, evaluate the effectiveness of Client's programs, or comply with external reporting obligations. Grantee will cooperate with Client in these efforts by providing Client with such information as Client may reasonably request, including, without limitation, documentation of the completed Project.

5.6 Confidentiality

In working together on the Project, Client and Grantee may share "confidential information" with one another, including, without limitation, information about financial, funding, and other matters. Client and Grantee will each use the other party's confidential information only in connection with activities under this Agreement and will keep this information confidential. Confidential information does not include information that is subject to customary exceptions under a non-disclosure agreement, such as information generally available to the public, information already known by the receiving party before entering into this Agreement, or information independently developed. All confidential information furnished under this Agreement is and will remain the property of the furnishing party.

6. Relationship

6.1 Grantee Status

If Grantee is an organization, Grantee represents and warrants that it has provided Client with current and correct copies of its governing documents, a completed and filed IRS Form SS-4, or other documentation satisfactory to Client, showing Grantee's separate existence as an organization. If Grantee is an individual, Grantee personally assumes full legal, fiscal, and oversight responsibility for all aspects of this Agreement.

6.2 Project Contacts

Client and Grantee will each appoint an individual to act as the primary contact and coordinator of the Project whose contact information will be set forth on the signature page. Client and Grantee will reply to each other's communications within a reasonable time period.

6.3 Other Client Projects

Grantee acknowledges and agrees that Client may in the past, present, or future sponsor other projects whose interests may be adverse to the interests of this Project, including parties with whom the Project competes for funding or has a current or potential programming relationship.

6.4 No Financial Obligations for Client

Except for disbursements as contemplated by Section 2.5, Client has no obligation to provide any financial support to Grantee in any form, including, without limitation, making loans or additional grants, advancing cash, or covering direct expenses.

6.5 Additional Services

If Grantee desires additional services from Client or its staff beyond the support described in this Agreement (such as use of Client's performance or exhibition space,

grant writing assistance, fund development coaching, or program development coaching), Grantee and Client will enter into a separate agreement with terms that include, without limitation, the scope and duration of the services to be provided by Client, the payment rate, and the payment method.

7. Indemnification and Insurance

7.1 Indemnification

Grantee will defend, indemnify, and hold Client and its directors, officers, employees, agents, and assigns (collectively, "Client Parties"), harmless against all claims, liabilities, losses, damages, and expenses, including, without limitation, attorneys' fees which arise directly or indirectly from: (a) Grantee's performance under or breach of this Agreement, or (b) any claims by third parties involving the Project, including any claims of infringement, misappropriation, or otherwise regarding the Project. Grantee will have no obligation to indemnify the Client Parties to the extent the liability is solely caused by a Client Party's gross negligence or willful misconduct.

7.2 Insurance

Grantee will be responsible for its own insurance coverage.

8. Termination

8.1 Termination Rights

Grantee and Client may terminate this Agreement at any time by giving 30 days written notice to the other. In addition, Grantee and Client may terminate this Agreement upon a material breach by the other or if Client reasonably determines that Grantee's conduct or the Project could adversely affect Client's tax status. Such a termination will be effective immediately upon delivery of a written notice to that effect.

8.2 Fund Allocation after Termination

After termination, Client may, at its sole discretion, allocate any remaining balance in the Fund to projects that Client believes may accomplish goals substantially similar to the Project.

8.3 Effect of Termination

Upon termination of this Agreement under Section 8.1, Client and Grantee will promptly cease any use of any of the other's materials, names, logos, and other marks. Sections 4.1, 4.2, 4.5, 5.6, 7.1, 8.2, 8.3, and 9 will survive expiration or termination of this Agreement. Client and Grantee will cooperate in transition activities and will use reasonable efforts to minimize interruption and any adverse impacts of the termination.

9. General Provisions

9.1 Independence

Nothing in this Agreement creates any employment, partnership, joint venture, fiduciary, or similar relationship between Client or Grantee for any purpose. Grantee will not have the power or authority to create any obligation on behalf of Client, or to bind Client to another agreement.

9.2 Entire Agreement; Amendment

This Agreement, together with the Project Description, expresses the final, complete, and exclusive agreement between Grantee and Client, and supersedes any and all prior or contemporaneous written and oral agreements or communications between Grantee and Client relating to its subject matter. This Agreement may be amended only as stated in and by a writing signed by both Grantee and Client which recites that it is an amendment to this Agreement. If there are any inconsistencies between the Project Description and this Agreement, this Agreement will control.

9.3 Severability; Waiver

If any provision in this Agreement is held invalid or unenforceable, the other provisions will remain enforceable, and the invalid or unenforceable provision will be considered modified so that it is valid and enforceable to the maximum extent permitted by law. Any waiver under this Agreement must be in writing and signed by the party granting the waiver. Waiver of any breach or provision of this Agreement will not be considered a waiver of any later breach or of the right to enforce any provision of this Agreement.

9.4 Assignment; Third-Party Beneficiaries

Grantee may not assign his, her, or its rights or delegate duties under this Agreement to anyone else without the prior written consent of Client. Except as provided in Section 7.1, this Agreement is for the exclusive benefit of Grantee and Client and not for the benefit of any third-party, including, without limitation, any employee, affiliate, subcontractor, vendor of Contractor or Client or other person involved the Project.

9.5 Governing Law

This Agreement will be governed by California law.

9.6 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which will be taken together and deemed to be one instrument. Transmission by fax or PDF of executed counterparts will constitute effective delivery.

* * * * *

Client and Grantee have signed this Agreement as of the dates below.

[Name of Client]

[Name of Grantee]

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____
(if Grantee is entity)

Date: _____

Date: _____

Exhibit A: Project Description

[NOTE: insert or attach description submitted with application]