

Fiscal Sponsorship Agreement

On _____, 200__, _____ **[NAME]** Community Foundation (Foundation) decided that financial support of the project described in the cover letter accompanying this Agreement will further the Foundation's tax-exempt purposes. Therefore, the Foundation has created a restricted fund designated for such project, and has decided to grant all amounts that it may deposit to that fund, less any administrative charge as set forth below, to _____ (Grantee), subject to the following terms and conditions:

1. Grantee shall provide the Foundation with its governing documents, a completed and filed IRS Form SS-4 or other documentation satisfactory to the Foundation, showing Grantee's separate existence as an organization.
2. Grantee shall use the grant solely for the project described in the accompanying cover letter and solely in accordance with the approved project budget. Grantee shall repay to the Foundation any portion of the amount granted which is not used for that project. Any changes in the purposes for which grant funds are spent must be approved in writing by the Foundation before implementation. If Grantee breaches this Agreement, or if Grantee's conduct of the project jeopardizes the Foundation's legal or tax status, the Foundation may withhold, withdraw, or demand immediate return of grant funds. Any tangible or intangible property, including copyrights, obtained or created by Grantee as part of this project shall remain the property of Grantee.
3. Grantee may solicit gifts, contributions and grants to the Foundation, earmarked for the Foundation's restricted fund for this project. Grantee's choice of funding sources to be approached and the text of Grantee's fundraising and marketing materials are subject to the Foundation's prior written approval. All grant agreements, pledges, or other commitments with funding sources to support this project via the Foundation's restricted fund shall be executed by the Foundation. The cost of any reports or other compliance measures required by such funding sources shall be borne by Grantee.

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4. The Foundation will assess administrative and investment management fees against this Fund in accordance with the Foundation's published fee schedule, as amended from time to time. The Foundation may also assess the fund to cover any unusual expenses incurred in connection with the administration of the Fund.

5. Nothing in this Agreement shall constitute the naming of Grantee as an agent or legal representative of the Foundation for any purpose whatsoever except as specifically and to the extent set forth herein. This Agreement shall not be deemed to create any relationship of agency, partnership, or joint venture between the parties hereto, and Grantee shall make no such representation to anyone.

6. Grantee shall submit a full and complete report to the Foundation as of the end of Grantee's annual accounting period within which any portion of this grant is received or spent. The initial report shall be submitted by Grantee no later than _____, 200__, and subsequent reports, if any, shall be due on the anniversary date of the initial report. The report shall describe the charitable programs conducted by the Grantee with the aid of this grant and the expenditures made with grant funds, and shall report on the Grantee's compliance with the terms of this grant.

7. This grant is not to be used in any attempt to influence legislation within the meaning of Internal Revenue Code (IRC) Section 501(c)(3). No agreement, oral or written, to that effect has been made between the Foundation and Grantee.

Alternative

If the Foundation has evaluated the IRS limits imposed on the Foundation's lobbying expenditures and has determined that part or all of the grant may be used for lobbying:

7. This grant is not to be used in any attempt to influence legislation within the meaning of IRC Section 501(c)(3), except for expenditures described in IRC Section 4911 as follows: Up to \$_____ for grass roots lobbying, and up to \$_____ for all lobbying.

8. Grantee shall not use any portion of the funds granted to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, to induce or encourage violations of law or public policy, to cause any private inurement or improper private benefit to occur, nor to take any other action inconsistent with IRC Section 501(c)(3).

9. Grantee shall notify the Foundation immediately of any change in (a) Grantee's legal or tax status, and (b) Grantee's executive or key staff responsible for achieving the grant purposes.

10. The Fund created to support this project is a component fund of the Foundation and its assets are assets of the Foundation. The Fund is subject to the Foundation's governing instruments including the Foundation's power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified charitable purposes or to specified organizations if in the sole judgment of the governing body (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

This is the standard wording of the variance power taken directly from Treasury regulations. Substitute your foundation's wording if it is different, but make sure that it is sufficient for National Standards. For examples of sufficient language see <http://www.cfstandards.org/FAQ/do-you-have-examples-sufficient-variance-power>

11. Grantee shall allow the Foundation to review and approve the content of any proposed publicity concerning the sponsored project prior to its release and recognize the Foundation in all publicity materials related to the funded project or program, as specified in the grant notification letter.

12. Grantee shall allow the Foundation to include information about this grant in the Foundation's periodic public reports, newsletter, news releases, social media postings, and on the Foundation's website. This includes the amount and purpose of financial support provided to the project, any photographs provided to the Foundation, any logo or trademark belonging to the project, and other information and materials about the project.

13. Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless the Foundation, its officers, directors, trustees, employees and agents, from and against any and all claims, liabilities, losses and expenses (including reasonable attorneys' fees) directly, indirectly, wholly or partially arising from or in connection with any act or omission of Grantee, its employees or agents, in applying for or accepting the grant, in expending or applying the funds furnished pursuant to the grant or in carrying out the program or project to be funded or financed by the grant, except to the extent that such claims, liabilities, losses or expenses arise from or in connection with any act or omission of the Foundation, its officers, directors, trustees, employees or agents.

14. *[Optional clause providing for mediation or binding arbitration as an alternative to litigation, in the event of a dispute arising under the Agreement]*

15. This Agreement shall be governed by and construed in accordance with the laws of the State of _____ applicable to agreements made and to be performed entirely within such State.

16. This Agreement shall supersede any prior oral or written understandings or communications between the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended or modified, except in a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this Grant Agreement effective on the _____ day of _____, 200__.

_____, [NAME] Foundation

By: Dated:

_____, Grantee

By: Dated: