

FISCAL SPONSORSHIP AGREEMENT

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This Fiscal Sponsorship Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[SPONSOR LEGAL NAME], a [STATE] nonprofit corporation recognized as tax-exempt under Internal Revenue Code Section 501(c)(3), with its principal office at [SPONSOR ADDRESS] (the "**Sponsor**"); and

[PROJECT NAME / PROJECT LEADER LEGAL NAME], an unincorporated project led by [PROJECT LEADER NAME] of [PROJECT LEADER ADDRESS] (the "**Project**").

The Sponsor and the Project are each a "**Party**" and together the "**Parties**."

Recitals. The Project is a charitable, educational, or similar activity that furthers the Sponsor's exempt purposes but does not have its own recognition of tax-exempt status. The Project wishes to receive the benefits of the Sponsor's tax-exempt status, fiscal administration, and oversight so that it may solicit and receive tax-deductible contributions and grants. The Sponsor is willing to sponsor the Project as a [MODEL A — DIRECT (COMPREHENSIVE) / MODEL C — PRE-APPROVED GRANT RELATIONSHIP] fiscal sponsorship, on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

1. Nature of the Sponsorship

1.1 Sponsorship model. The Parties adopt a [MODEL A / MODEL C] fiscal sponsorship. Under Model A, the Project is a program of and operates within the Sponsor, and the Sponsor bears ultimate legal and financial responsibility for the Project's activities. Under Model C, the Project remains a separate entity or initiative and the Sponsor regrants funds to it subject to oversight. The Parties will interpret this Agreement consistently with the elected model.

1.2 Variance power. The Sponsor retains complete discretion and control over all funds it receives for the Project, including the right to redirect those funds to other charitable purposes consistent with the Sponsor's mission if the Project is unable or unwilling to carry out its stated charitable purpose (the "**Variance Power**"). This Variance Power is necessary to preserve the deductibility of contributions and the Sponsor's exempt status.

1.3 No partnership or joint venture. Nothing in this Agreement creates a partnership, joint venture, agency, or employment relationship between the Parties except as expressly stated, and neither Party may bind the other except as authorized in writing.

2. Charitable Purpose and Scope

2.1 Project purpose. The Project's purpose is: [DESCRIBE CHARITABLE, EDUCATIONAL, OR OTHER EXEMPT PURPOSE] (the "**Charitable Purpose**"). The Project will conduct only activities that advance the Charitable Purpose and that are permitted for an organization exempt under Section 501(c)(3).

2.2 Restricted activities. The Project will not engage in any activity that would jeopardize the Sponsor's tax-exempt status, including substantial lobbying beyond permitted limits, any political campaign intervention, private inurement, or impermissible private benefit. The Project will not enter into any contract, incur any debt, or make any commitment in the Sponsor's name without prior written authorization.

2.3 Program plan. The Project will operate in accordance with the program plan and budget attached as **Exhibit A**, as updated from time to time with the Sponsor's written approval.

3. Receipt and Administration of Funds

3.1 Charitable funds. All grants, contributions, and other funds raised for the Project will be received and held by the Sponsor (the "**Charitable Funds**"). The Sponsor will account for the Charitable Funds in a separate restricted fund or class dedicated to the Project.

3.2 Tax-deductible receipts. The Sponsor will issue contribution acknowledgments and receipts to donors as required by applicable law. The Project will not represent that it is itself tax-exempt or that contributions made directly to the Project (rather than to the Sponsor) are tax-deductible.

3.3 Disbursement. The Sponsor will disburse Charitable Funds for the Project's Charitable Purpose in accordance with the approved budget and the Sponsor's disbursement policies, subject to the Variance Power. The Sponsor may decline to disburse funds for any expenditure that is inconsistent with the Charitable Purpose or applicable law.

3.4 Administrative fee. In consideration of the services provided, the Sponsor will retain an administrative fee equal to **[PERCENTAGE, e.g. 7%]** of gross Charitable Funds received for the Project, or **[ALTERNATIVE FEE ARRANGEMENT]**. The fee will be deducted at **[TIME OF RECEIPT / DISBURSEMENT]**.

3.5 Interest and unspent funds. Interest earned on Charitable Funds will be **[CREDITED TO THE PROJECT / RETAINED BY THE SPONSOR]**. Unspent funds remaining on termination are governed by Section 7.

4. Responsibilities of the Sponsor

4.1 Fiscal oversight. The Sponsor will maintain books and records for the Charitable Funds, provide periodic financial reports to the Project at least **[QUARTERLY / MONTHLY]**, and include the Project's activities in the Sponsor's annual filings (including IRS Form 990) as required.

4.2 Compliance support. The Sponsor will provide reasonable guidance on charitable-solicitation registration, grant compliance, and recordkeeping, but the Project remains responsible for accurate reporting of its activities.

4.3 Insurance. The Sponsor will maintain **[GENERAL LIABILITY / DIRECTORS AND OFFICERS]** insurance as it deems appropriate, and the Parties will discuss whether the Project's activities require additional coverage at the Project's expense.

5. Responsibilities of the Project

5.1 Conduct of activities. The Project Leader will carry out the Project's activities consistent with the Charitable Purpose, the approved budget, the Sponsor's policies, and all applicable laws.

5.2 Reporting. The Project will provide the Sponsor with narrative and financial reports on the schedule the Sponsor reasonably requires, and will promptly provide documentation supporting all expenditures and reimbursement requests.

5.3 Fundraising. The Project may solicit contributions and grants only in a manner approved by the Sponsor and only in the Sponsor's name (under Model A) or as the Sponsor otherwise directs. All fundraising materials

referencing tax-deductibility must be reviewed by the Sponsor before use.

5.4 **Personnel.** Any individuals engaged for the Project are **[EMPLOYEES OR CONTRACTORS OF THE SPONSOR / INDEPENDENT OF THE SPONSOR]**, as the elected model requires. The Project Leader will not represent any person as the Sponsor's employee or agent without authorization.

6. Intellectual Property and Records

6.1 **Ownership.** Intellectual property created in furtherance of the Project is owned by **[THE SPONSOR / THE PROJECT, AS SET OUT IN EXHIBIT B]**, subject to a license to the other Party as necessary to operate the Project and, on termination, to continue the Charitable Purpose.

6.2 **Records access.** Each Party will give the other reasonable access to records relating to the Project as necessary for compliance, audit, and reporting purposes.

7. Term and Termination

7.1 **Term.** This Agreement begins on the Effective Date and continues until terminated under this Section.

7.2 **Termination for convenience.** Either Party may terminate this Agreement on **[NUMBER, e.g. 60]** days' prior written notice.

7.3 **Termination for cause.** The Sponsor may terminate immediately on written notice if the Project engages in conduct that jeopardizes the Sponsor's exempt status, misuses Charitable Funds, or materially breaches this Agreement and fails to cure within **[NUMBER, e.g. 15]** days after notice.

7.4 **Disposition of funds on termination.** On termination, any unspent Charitable Funds will, subject to the Variance Power and applicable donor restrictions, be transferred to **[A SUCCESSOR 501(c)(3) SPONSOR DESIGNATED IN WRITING / RETAINED BY THE SPONSOR FOR THE CHARITABLE PURPOSE]**. Charitable Funds will never be distributed for any non-charitable purpose or to any private individual.

7.5 **Survival.** Sections 1.2, 6, 7.4, 8, and 9 survive termination.

8. Liability, Indemnification, and Disclaimers

8.1 **Indemnification by the Project.** The Project Leader will indemnify and hold harmless the Sponsor and its directors, officers, and staff from claims, losses, and expenses arising from the Project's activities, except to the extent caused by the Sponsor's gross negligence or willful misconduct.

8.2 **No guarantee of tax treatment.** The Sponsor does not guarantee any particular tax treatment of contributions to any donor, and the Project is responsible for its own tax obligations.

8.3 **Limitation.** Except for indemnification obligations and a Party's gross negligence or willful misconduct, neither Party is liable for indirect, incidental, or consequential damages arising from this Agreement.

9. General Provisions

9.1 **Governing law and venue.** This Agreement is governed by the laws of the State of **[STATE]**, without regard to its conflict-of-laws rules, and the Parties submit to the exclusive jurisdiction of the courts located in **[COUNTY, STATE]**.

9.2 **Charitable-trust principles.** The Parties acknowledge that the Charitable Funds are held subject to charitable-trust principles and applicable state charitable-solicitation and oversight laws, which may impose additional requirements not addressed here.

9.3 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

9.4 **Assignment.** Neither Party may assign this Agreement without the other's prior written consent, except that the Sponsor may assign to a successor tax-exempt organization on notice.

9.5 **Entire agreement; amendment.** This Agreement and its Exhibits are the entire agreement between the Parties on its subject and may be amended only by a writing signed by both Parties.

9.6 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

9.7 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SPONSOR	PROJECT
Signature: _____	Signature: _____
Printed name: [NAME]	Printed name: [NAME]
Title: [TITLE]	Title: [PROJECT LEADER]
Date: _____	Date: _____

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