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**ABC Sample NonProfit Organization
Sample Fiscal Sponsorship Agreement**

This Fiscal Sponsorship Agreement (Agreement) is made by and between the *Sample NPO* (NPO) (Sponsor), and the *Sample NPO2* (NPO2). Sponsor is a Wisconsin nonprofit public benefit corporation located in Madison, Wisconsin, qualified as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). NPO2 is a nonprofit corporation based in Iowa City, Iowa. This agreement is intended to be active during the period between NPO2's initial receipt of contributions and its designation as a 501(c)(3) organization.

RECITALS

A. The Sponsor Board of Directors approved, on xx/xx/xxxx, the establishment of a fiscal sponsorship agreement to facilitate the receipt of donations of cash and other property designated for support of NPO2 and to make disbursements in furtherance of NPO2's mission to produce investigative journalism in Iowa.

B. Sponsor desires to act as the fiscal sponsor of NPO2, by receiving assets and incurring liabilities identified for NPO2 beginning on the effective date as defined in Paragraph 1, and using them to pursue the objectives for which NPO2 is being established, which Sponsor's Board has determined will further its charitable and educational goals. NPO2 desires to manage its activities on behalf of Sponsor.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Term of Agreement. On xx/xx/xxxx, Sponsor shall assume fiscal sponsorship of NPO2, which operation shall continue in effect unless and until terminated as provided herein.

2. Activities and Sponsorship Policies. All community programs, public information work, fundraising events, processing and acknowledgment of cash and noncash revenue items, accounts payable and receivable, negotiation of leases and contracts, disbursement of NPO2 funds (including grants), and other activities conducted by NPO2 shall be the ultimate responsibility of Sponsor and shall be conducted in the name of Sponsor, beginning on the effective date.

3. Restricted Fund / Variance Power. Beginning on the effective date, Sponsor shall place all gifts, grants, contributions, and other revenues received by Sponsor for the purposes of NPO2 into a restricted fund to be used for the sole benefit of NPO2's mission as that mission may be defined by NPO2 from time to time with the approval of Sponsor. The parties agree that all money, and the fair market value of all property, in the restricted fund be reported as the income of NPO2, for both tax purposes and for purposes of Sponsor's financial statements, unless this provision is amended by both parties.

4. Performance of Charitable Purposes. All of the assets received by Sponsor under the terms of this Agreement shall be devoted to the purposes of NPO2, within the tax-exempt purposes of Sponsor. Expenditures for any attempt to influence legislation within the meaning of IRC Section 501(c)(3) shall be subject to limitations imposed by Sponsor. Sponsor shall not use any portion of the assets 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). Sponsor has determined, based on the advice of tax-exempt legal counsel, that the

restricted fund is not a donor-advised fund within the meaning of IRC Section 4966(d)(2) as presently interpreted under federal tax authorities.

5. Termination. This Agreement shall terminate when the objectives of the NPO2 can no longer reasonably be accomplished by Sponsor, or when NPO2 obtains 501(c)(3) status. If NPO2 obtains such status, it shall be eligible to receive all such assets and liabilities so long as it has received a determination letter from the Internal Revenue Service, indicating that such qualifications have been met. NPO2 was notified it received 501(c)(3) status on or about xx/xx/xxxx, thereby triggering the termination of this Agreement, with NPO having transferred all pertinent assets to NPO2.

6. Miscellaneous. In the event of any controversy, claim, or dispute between the parties arising out of or related to this Agreement, or the alleged breach thereof, the prevailing party shall, in addition to any other relief, be entitled to recover its reasonable attorneys' fees and costs of sustaining its position. Each provision of this Agreement shall be separately enforceable, and the invalidity of one provision shall not affect the validity or enforceability of any other provision. This Agreement shall be interpreted and construed in accordance with the laws of the State of Wisconsin applicable to contracts to be performed entirely within such State. Time is of the essence of this Agreement and of each and every provision hereof. The failure of Sponsor to exercise any of its rights under this Agreement shall not be deemed a waiver of such rights.

7. Entire Agreement. This Agreement constitutes the only agreement, and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. All Exhibits hereto are a material part of this Agreement and are incorporated by reference. This Agreement, including any Exhibits hereto, may not be amended or modified, except in a writing signed by all parties to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Fiscal Sponsorship Agreement as of the effective date set forth in Paragraph 1 above.

NPO

By:

XXXXX, Executive Director
Dated:

NPO2

By:

WWWW, Executive Director
Dated: