



## SAMPLE FISCAL SPONSORSHIP AGREEMENT

This Agreement is made by and between the **HandsOn Jacksonville** (FISCAL AGENT), and the **Jacksonville** Chapter of AmeriCorps Alums (SPONSORED ORGANIZATION). FISCAL AGENT is a Florida nonprofit public benefit corporation located in **Jacksonville, FL** qualified as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and classified as a public charity under IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).RECITALS

A. The Fiscal Agent Board of Directors has approved the establishment of a restricted fund to receive donations of cash and other revenue earmarked for support of the SPONSORED ORGANIZATION and to make disbursements in furtherance of the SPONSORED ORGANIZATION's mission. The SPONSORED ORGANIZATION is an unincorporated association, established to create positive impact in the Jacksonville, FL area through volunteer and civic engagement SPONSORED ORGANIZATIONS.

B. FISCAL AGENT desires to act as the fiscal sponsor of the SPONSORED ORGANIZATION, by receiving assets and incurring liabilities identified with the SPONSORED ORGANIZATION beginning on the effective date, and using them to pursue the objectives for which the SPONSORED ORGANIZATION has been established, which FISCAL AGENT's Board has determined will further the charitable goals of FISCAL AGENT. The SPONSORED ORGANIZATION desires to manage its operations under the sponsorship of FISCAL AGENT.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1.Term of Agreement. On \_\_\_\_\_, (the effective date), FISCAL AGENT shall assume operation of the SPONSORED ORGANIZATION, which operation shall continue in effect unless and until terminated under Paragraph 5 below.

2.SPONSORED ORGANIZATION Activities and Sponsorship Policies. All disbursement of SPONSORED ORGANIZATION funds (including grants), and volunteer projects planned by the SPONSORED ORGANIZATION shall be the ultimate responsibility of FISCAL AGENT and shall be conducted in the name of FISCAL AGENT, beginning on the effective date.. Authority to manage the program activities of the SPONSORED ORGANIZATION is delegated to the SPONSORED ORGANIZATION, subject at all times to the ultimate direction and control of the FISCAL AGENT Board of Directors..

3.Restricted Fund/Variance Power. Beginning on the effective date, FISCAL AGENT shall place all gifts, grants, contributions, and other revenues received by FISCAL AGENT and identified with the SPONSORED ORGANIZATION into a restricted fund to be used for the sole benefit of the SPONSORED ORGANIZATION's mission as that mission may be defined by the SPONSORED ORGANIZATION from time to time with the approval of FISCAL AGENT. FISCAL AGENT retains the unilateral right to spend such funds so as to accomplish the purposes of the SPONSORED ORGANIZATION as nearly as possible within FISCAL AGENT's sole judgment, subject to any donor-imposed restrictions, as to purpose, on the charitable use of such assets. The parties agree that all money in the restricted fund be reported as the income of FISCAL AGENT, for both tax purposes and for

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Legal/Financial



purposes of FISCAL AGENT's financial statements. It is the intent of the parties that this Agreement be interpreted to provide FISCAL AGENT with variance powers necessary to enable FISCAL AGENT to treat the restricted fund as FISCAL AGENT's asset in accordance with Interpretation No. 42 of Statement No. 116 issued by the Financial Accounting Standards Board, while this Agreement is in effect.

4. Restricted Fund Management / Performance of Charitable Purposes. All of the assets received by FISCAL AGENT under the terms of this Agreement shall be devoted to the purposes of the SPONSORED ORGANIZATION, within the tax-exempt purposes of FISCAL AGENT. No item of revenue shall be earmarked to be used in any attempt to influence legislation within the meaning of IRC Section 501(c)(3); no agreement, oral or written, to that effect shall be made between FISCAL AGENT and any revenue source. FISCAL AGENT 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).

5. Termination. This Agreement shall terminate when the objectives of the SPONSORED ORGANIZATION can no longer reasonably be accomplished by FISCAL AGENT. If the objectives of the SPONSORED ORGANIZATION can still be accomplished but either the SPONSORED ORGANIZATION or FISCAL AGENT desires to terminate FISCAL AGENT's fiscal sponsorship of the SPONSORED ORGANIZATION, the following understandings shall apply. Either FISCAL AGENT or the SPONSORED ORGANIZATION may terminate this Agreement on 60 days' written notice to the other party, so long as another nonprofit corporation which is tax-exempt under IRC Section 501(c)(3), and is not classified as a private foundation under Section 509(a) (a Successor), is willing and able to sponsor the SPONSORED ORGANIZATION and is approved in writing by both parties by the end of the 60-day period. If the parties cannot agree on a Successor to sponsor the SPONSORED ORGANIZATION, the SPONSORED ORGANIZATION shall have an additional 60 days to find a Successor willing and able to sponsor the SPONSORED ORGANIZATION. If a Successor is found, the balance of assets in FISCAL AGENT's restricted fund for the SPONSORED ORGANIZATION, together with any other assets held or liabilities incurred by FISCAL AGENT in connection with the SPONSORED ORGANIZATION, shall be transferred to the Successor at the end of the notice period or any extension thereof, subject to the approval of any third parties that may be required. If the SPONSORED ORGANIZATION has formed a new organization qualified to be a Successor as set forth in this Paragraph, such organization shall be eligible to receive all such assets and liabilities so long as such organization has received a determination letter from the Internal Revenue Service, indicating that such qualifications have been met, no later than the end of the notice period or any extension thereof. If no Successor is found, FISCAL AGENT may dispose of the SPONSORED ORGANIZATION assets and liabilities in any manner consistent with applicable tax and charitable trust laws. Either party to this Agreement may terminate this Agreement, based upon a material breach of this Agreement by the other party, by giving 30 days' written notice to the other party.

6. Miscellaneous. This Agreement shall be interpreted and construed in accordance with the laws of the [State of Florida](#). Time is of the essence of this Agreement and of each and every provision hereof.

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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 effective on the \_\_\_\_\_ day of \_\_\_\_\_, 2009.

FISCAL AGENT

By: \_\_\_\_\_

Dated: \_\_\_\_\_

SPONSORED ORGANIZATION

By: \_\_\_\_\_

Dated: \_\_\_\_\_



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