Fiscal Sponsorship – Terms and Conditions

These terms and conditions apply to fiscal sponsorship services of Winona Community Foundation (“Foundation”) and establishment of a fiscal sponsorship fund for ________________

1. Fiscal sponsorships involve (a) accepting contributions made for the benefit of a charitable organization or for a program or project that is established to support or further the charitable purposes and mission of a charitable organization; (b) depositing and maintaining the contributions in a special account with the Foundation designated as an account for the benefit of the charitable organization (the “Fund”); (c) managing and investing amounts held in the Fund; (d) acknowledging receipt of contributions made; and (e) authorizing and paying expenses from the Fund. Fiscal sponsor services do not include fundraising or financial support from the Foundation.

2. The Foundation will make fiscal sponsor services available to ________________, for the express purposes of ________________ through _______. At the end of the applicable period, the Foundation may extend the services upon request of the sponsored entity through a modified application process. Both entities retain the right to terminate this agreement at any time for any reason.

3. In order to establish and maintain a fiscal sponsorship account, the Winona Community Foundation must have the following information:

   • Name and address of the sponsored entity;
   • Name and address of the beneficiary organization, which may be the same as the sponsored entity;
   • Description of the specific reasons for establishing the Fund, including a description of the program or project, purposes, objectives, expected duration, and fundraising plan;
   • List of Board members, officers, and any advisory group members;
   • Names and addresses of individuals who have authority to give directions or instructions to the Foundation and who will receive reports from the Foundation (Fund Advisors);
   • Names and addresses of any fundraising counsel or others who may receive compensation for soliciting funds;
   • Organizational documents as appropriate to the applicant (Certificate of Incorporation and Bylaws for a nonprofit corporation; Articles of Organization and Operating Agreement for a limited liability company; etc.);
   • Other information, as requested by the Foundation.
4. Fiscal sponsorship by the Foundation does not constitute an endorsement of the sponsored entity, any charitable organization, or any program, project, or activity to be pursued or carried on.

5. The Foundation will accept contributions to the Fund, manage and administer amounts held in the Fund, and disburse amounts from the Fund in accordance with instructions from the sponsored entity. The sponsored entity's designated advisory group will be responsible for providing oversight and any further direction that the Foundation may request. An appointed Fund Advisor must complete and submit to the Foundation a “Request to Pay Expense” form (available for download at www.winonacf.org) for authorized expenditures. Distributions will be made in accordance to the policies in place at the time of the request. An individual seeking personal reimbursement must have a signatory other than themselves on “Request to Pay Expense” form. A Fiscal Sponsorship Credit Card may be made available as deemed appropriate.

6. All checks to the fund must be made payable to the order of “Winona Community Foundation” or “WCF” with the Fund name noted on the check (ex. WCF for _______).

7. The Foundation will acknowledge receipt of all contributions made for the benefit of the organization, project, or program as articulated in IRS Publication 1771, “Charitable Contributions-Substantiation and Disclosure Requirements.”

8. The ______________ will be responsible for providing the Foundation with all pertinent information relating to deductibility of contributions including the fair market value of goods and services received in exchange for the contribution (ex. If the sponsored entity hosts a dinner event with a cost of $100 per seat and a dinner cost of $20 per person, the deductible portion would be $80 per person). The _____________ shall work with the Foundation before finalizing fundraising plans to help determine the tax-deductible portion of each contribution.

9. The Foundation will invest amounts held in the Fund in accordance with the Foundation’s investment guidelines and policies.

10. The Foundation will provide quarterly financial reports pertaining to the Fund to the primary Fund Advisors of the fund.

11. ________________ is authorized to use the Foundation’s tax-exempt letter of determination in securing charitable contributions to the extent permitted by applicable law.

12. The sponsored entity shall provide the Foundation a copy of all fundraising materials at least annually and on request of the Foundation. Fundraising materials may include, but are not limited to, invitations, donor solicitations, dues statements, and other materials relating to the solicitation of funds. All fundraising materials that identify the Fund or that inform prospective donors to make contributions to the Fund must identify the Fund as “a fiscal sponsorship fund maintained by Winona
Community Foundation.” This should assist donors in understanding that they are making a contribution to a charitable organization, which will maintain the contribution in a designated Fund.

13. As compensation for its services, the Foundation charges an annual fee of 4% of the fair market value of the fund calculated on the average daily balance and charged to the fund 1/12 per each month. The minimum annual fee is $250, which, if not reached by June 30th, is charged to the fund at that time. The Foundation may assess additional fees to cover any unusual expenses incurred in connection with the administration of the Fund. The Foundation may waive the minimum annual fee for organizations that maintain an endowment fund of $10,000 or greater at the Foundation.

14. The Fund 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.

15. The Foundation and its officers, directors, and representatives will not be responsible for any costs, expenses, debts, liabilities, or obligations incurred by the sponsored entity or others involved in the project or program, nor will the Foundation distribute or release any funds in amounts that exceed the current balance of the Fund at any time. The sponsored entity assumes full responsibility for all such costs, expenses, debts, liabilities and obligations.

16. ________________ agrees to indemnify the Foundation and hold the Foundation harmless from and against any and all claims, liabilities, expenses, losses, actions, and proceedings that the Foundation may incur or that may be asserted against the Foundation relating to the Fund or to any activities, events, programs, or projects of the sponsored entity.

17. ________________ agrees to obtain and maintain insurance in amounts and with coverages acceptable to the Foundation. The Foundation shall be named as an additional insured in insurance policies. The policies of insurance shall provide that they will not be cancelled or terminated without first giving at least 30 days prior notice to the Foundation. Upon request, the sponsored entity shall provide a certificate of insurance to the Foundation.

18. The Foundation will maintain the Fund and perform its responsibilities as an independent contractor. Nothing in this agreement shall constitute the naming of ___________ 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 ____________ shall make no such representation to anyone. The sponsored entity may not incur any obligations for or on behalf of
the Foundation without the prior written consent and authorization of the Foundation in each specific instance.

19. The Foundation may rely on any document, instructions, notices, and requests that the Foundation believes in good faith to be authentic in accepting or disbursing any amounts held in the Fund. Additionally, the Foundation may assume that any person designated by the sponsored entity who gives any instructions, notice, or request to the Foundation relating to the Fund has been properly authorized to do so.

20. The Foundation will not be responsible for the sufficiency or accuracy of the form, execution, or validity of any document delivered to the Foundation by the sponsored entity or anyone acting on behalf of or at the direction of the sponsored entity. The Foundation responsibilities are limited to maintaining the Fund, managing and investing the amounts held in the fund, and other matters set forth in these terms and conditions.

21. If a dispute arises between or among different claimants with respect to the Fund, the Foundation may retain the Fund without liability to anyone until the dispute is settled by mutual agreement or determined by the final order of a court of competent jurisdiction. The Foundation will not be liable for any act or omission taken or performed in good faith with respect to the Fund.

22. The sponsored entity must, at the request of the Foundation, sign and deliver to the Foundation such additional documents as the Foundation may reasonably request relating to the Fund.

23. As long as the Foundation maintains fiscal sponsorship, the sponsored entity may not hire paid employees.

24. If the sponsored entity fails, neglects, or refuses to comply with these terms and conditions, the Foundation may in its sole discretion terminate its fiscal sponsorship services and the Fund.

The undersigned, on behalf of the sponsored entity: (a) have read the foregoing fiscal sponsorship terms and conditions, (b) understand and agree that they constitute a part of any fiscal sponsorship provided by the Foundation, (c) agree that the terms and conditions relating to establishing the Fund (including insurance, indemnification, responsibility for liabilities and obligations, and other terms and conditions) are intended to be contractual in nature, and (d) agree to these terms and conditions as a condition to obtaining fiscal sponsorship services from the Foundation and establishing the Fund.

Name of sponsored entity (Organization):

Fund Name:

Fund Advisor Signature: _____________________________/__________