

## Grant County Community Foundation (GCCF)

*Project Name* \_\_\_\_\_

### Fiscal Sponsorship Grant Agreement

- 1. Establishment.** The Board of Directors of the Grant County Community Foundation resolved that fiscally sponsoring the Project described in Appendix I will enhance the organizational mission and tax-exempt purposes of the Grant County Community Foundation. Therefore, an agreement is hereby established in support of \_\_\_\_\_ (Project). This agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of New Mexico.
- 2. Project's Separate Legal Existence.** The Project has provided GCCF registration or governing documents, showing the Project's separate existence. With regard to the selection of, or any other beneficiary to conduct the Project, GCCF has exercised and shall retain right of approval over the selection process, acting completely independently of the Project or any funding source. GCCF has created a restricted fund for the purpose of the Project and has decided to grant all amounts that it may receive and deposit to that fund (less any administrative charges set below), to the Project, subject to the specified terms and conditions.
- 3. Property.** The fiscal sponsorship account shall include the initial property transferred and shall also include other property that shall subsequently be transferred or contributed, from any source, to the Grant County Community Foundation and designated for the Project. The fiscal sponsorship account shall be held by GCCF in its corporate capacity and shall not be deemed a trust fund held in a trustee capacity. GCCF shall have final authority over all property in the fiscal sponsorship account, in accordance with its Articles of Incorporation and Bylaws. Terms of this Agreement shall be applied in a manner consistent with the GCCF Articles of Incorporation and Bylaws, as periodically amended. All grant proposals/applications shall be coordinated with GCCF prior to submission.
- 4. Distributions.** As a fiscal sponsorship grant account, the entire amount of monies received on behalf of the Project, less applicable administrative fees, will be available for distribution to the Project. Preapproved grant distributions shall be used for the purposes of the Project described in Appendix I, and the Project shall repay to GCCF any portion of the amount granted which is not spent or committed for Project purposes. Upon request the Project will supply GCCF with a full report of actual expenditures accompanied by supporting documentation. Any substantial changes in the purpose for which monies are spent must be approved in writing by GCCF before implementation. GCCF retains the right, if the Project breaches this Agreement, or if the conduct of the Project jeopardizes GCCF legal or tax status, to withhold, withdraw, or demand immediate return of monies and to spend such monies so as to accomplish the purposes of the Project as nearly as possible within GCCF's sole judgment.

5. **Administrative Fees.** GCCF may make a reasonable assessment for administrative expenses (accounting, audit, distribution fees, etc.) in accordance with the schedule of administrative assessments, as that schedule may be amended from time to time. At the time of this agreement the fee is \_\_\_\_% of each contribution received into the fiscal sponsorship account.
6. **Commingling of Property.** The property of the Project may be commingled with other property of GCCF.
7. **Financial Statements and Accounting.** GCCF will maintain the fiscal sponsorship account balance and will provide the Project with a regular accounting of the fiscal sponsorship account.
8. **Accrual.** In maintaining the administrative account, GCCF will maintain necessary liquidity to meet the Project's need, and will not put the principal at risk. Any interest, dividends, and gain are retained by GCCF, and do not accrue to the administrative account or Project.
9. **Acknowledgement of Gifts.** GCCF shall appropriately acknowledge the Project in its various publications. Any donor will be appropriately acknowledged according to IRS regulations, and the Project will be notified of such gifts. Any anonymous gift will be appropriately acknowledged, and the confidence will be maintained by GCCF.
10. **Improper Use.** No funds may be used in any attempt to influence legislation within the meaning of Internal Revenue Code IRC Section 501(c)(3) and no agreement, oral or written, which is contrary to that prohibition has been made between GCCF and the Project. The Project shall not use any portion of the monies distributed herein to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, nor induce or encourage violation of law or public policy nor cause any improper private benefit to occur, nor take any other action inconsistent with IRC Section 501(c)(3). GCCF has determined that this restricted fund is not a donor-advised fund within the meaning of IRC Section 4966 (d)(2) as presently interpreted under federal tax authorities.
11. **Release of Liability/Insurance.** The Project hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless GCCF, its officers, directors, trustees, employees and agents, from and against any and all claims, debts, liabilities, losses and expenses including reasonable attorneys' fees, directly, indirectly, wholly or partially, arising from or in connection with any act or omission of the Project, its employees or agents, in expending or applying the monies furnished pursuant to the Agreement or in carrying out the program to be funded or financed. If litigation occurs between the parties, the prevailing party shall be entitled to attorney's fees and costs. The Project is required to name GCCF as additional insured. GCCF's own General Liability, D&O, and other forms of coverage do not extend to the Project.

- 12. Changes in Project.** The Project shall notify GCCF immediately of any change in the Project’s legal or tax status, or the Project’s funding/funders, organizing committee, key staff, or key volunteers responsible for achieving the purposes of the Project.
- 13. GCCF Services and Fundraising Activities.** The project shall notify GCCF of all fundraising activities. See specific guidelines and expectations in Appendix I. GCCF Services are listed in Appendix I.
- 14. Interpretation of Agreement.** This Agreement shall be interpreted in a manner consistent with the Internal Revenue Code and pertinent regulations. No provision in this Agreement shall be interpreted in a manner that jeopardizes GCCF as a qualified charitable organization. This Agreement shall supersede any prior oral or written understandings or communications between the parties and constitutes the entire agreement. This Agreement may not be amended or modified except in a written document signed by both parties hereto.
- 15. Termination of Pre-Approved Grant Agreement.** Either party may terminate this agreement with 30 days notice. If there are funds remaining in the Project account, and the Project wishes to withdraw such funds, Project may do so as long as another nonprofit organization acceptable to the parties is found that is tax-exempt under IRC Section 501(c)(3), is not classified as a private foundation under Section 509(a) (a “Successor”), and is willing and able to sponsor the Project. The balance of assets in Sponsor's restricted fund for the Project, together with any other tangible and intangible assets held and liabilities incurred by Sponsor in connection with the Project, 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. “Successor” may include a new organization formed by the Committee if such organization is otherwise qualified to be a Successor as set forth in this Paragraph. If no Successor is found, GCCF may dispose of the Project assets and liabilities in any manner consistent with applicable tax and charitable trust laws. Either party 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, and any Project assets and liabilities shall be disposed of at the end of the notice period in a manner consistent with the provisions stated above in this Paragraph.

**16. Official Business Address.**

Grant County Community Foundation  
PO Box 1767 / Silver City, NM 88062  
Phone: 575-535-4747  
EIN: 81-0851813

Project

Phone:

EIN:

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the \_\_\_\_ day of

\_\_\_\_\_.

**Grant County Community Foundation**

By: \_\_\_\_\_  
NAME, Board Chair

By: \_\_\_\_\_  
NAME, Board Treasurer

**Project Director**

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

**Grant County Community Foundation  
Project  
Appendix I**

GCCF's intent in entering into this Agreement is to assist *Project*. This arrangement is offered, subject to paragraph 15 of the Agreement, so long as it serves the needs of the Project and so long as it does not violate or jeopardize GCCF's 501(c)(3) status. The \_\_\_%\* administrative fee charged by GCCF is intended to allow the Project to obtain accounting, distributions, management, audit, and reporting services for considerably less than if the Project either used its own dedicated staff, or outside contractors to accomplish these tasks.

**Charitable Purpose**

**Activities**

**Coordination of Activities:**

**Current ADVISORY COMMITTEE:**

**The following individuals are authorized to request disbursements from the fiscal sponsorship account:**

**Fundraising**

- Raffles or Gaming activities must be approved by GCCF due to New Mexico State Law and their restrictions.
- Ticket sales to events must be approved by GCCF to calculate tax benefits to donors. If tickets do not have a tax benefit to donors, GCCF does keep records of individual ticket purchase buyers.

**GCCF Services included in the fee:**

1. All contributions received from individuals and businesses are qualified as tax deductible. Contributions received from private foundations are qualified expenditures.
2. W-9 form and enrollment of independent contractor(s);
3. Periodic stipend processing for independent contractors;
4. End of year tax reporting for Independent Contractors (1099-misc);

5. Regular Payables/Disbursements on invoices with occasional emergency disbursements;
6. Regular Financial Reports (Financial statements, budget/balance sheet/income statement/cash receipts/disbursements);
7. Regular project reports (receipts and disbursements);
8. Donor acknowledgement and IRS substantiation letters provided;
9. Donor reports;
10. Reasonable technical assistance consultation;
11. Office expenses incurred by GCCF (phone, copying, stamps) to maintain the account;

**Services not included in the general fee:**

1. Frequent requests outside the normal payable cycle;
2. Production/layout of materials;
3. Mailings/photocopying;
4. Office space/computer or equipment access;
5. Special project insurance for activities outside of a normal office setting;
6. Grant writing/direct fund raising;
7. Insurance for special events: GCCF does not provide additional insured riders. There are numerous online companies that can provide coverage for a nominal fee.

*Additional services may be negotiated on a fee basis.*

\*Fee is assessed monthly based on the previous month's deposits into the administrative account (e.g. \$100 deposit causes a \$10 fee debit, based on 10% administrative fee)

**The Project assures it shall:**

1. Act at all times in accordance with the charitable purpose and activities enumerated in Appendix I, on page 5 of this agreement;
2. Remain at all times in compliance with the requirements of its funding sources;
3. Coordinate with GCCF prior to the submission of any funding proposal under this Fiscal Sponsorship Agreement.