

FISCAL SPONSORSHIP AGREEMENT

This Fiscal Sponsorship Agreement (Agreement) is made by and between the Ed Fund (Sponsor), and _____ (Project). Sponsor is a California nonprofit public benefit corporation located in Richmond, California, 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). Project is _____.

RECITALS

A. The Sponsor Board of Directors has approved the establishment of a restricted fund to receive donations of cash and other property designated for support of the Project and to make disbursements in furtherance of the Project's mission to _____. Currently, the principal office of the Project is located in _____, California.

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

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. **Term of Agreement.** Sponsor will assume operation of the Project on _____. Sponsor will continue to assume operation of the Project, which operation shall continue in effect unless and until terminated as provided herein.

2. **Project 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 Project funds (including grants), and other activities conducted by the Project shall be the ultimate responsibility of Sponsor and shall be conducted in the name of Sponsor, beginning on the effective date. Unless otherwise agreed, and subject to their consent, all personnel to be compensated for working on the Project shall become at-will employees of Sponsor on the effective date and shall be subject to the same personnel policies and benefits as are required by law to apply to all employees of Sponsor. The parties shall abide by the Administrative Terms and Policies of Sponsor set forth on the attached Exhibit 1, which Sponsor may amend from time to time without the consent of the Project and which include administrative fees, interest, and charges for extra services, to be paid to the general fund of Sponsor from the restricted fund described in Paragraph 4 below. Unless otherwise agreed, any tangible or intangible property, including intellectual property, such as copyrights, obtained from third parties or created in connection with the Project shall be the property of Sponsor while this Agreement is in effect.

3. **Delegation.** As of the effective date, management of the program activities of the Project is delegated by Sponsor Board of Directors to the Project, subject to the ultimate direction of Sponsor Board. The Project is overseen by a group of individuals that serves as a subordinate body to Sponsor Board and as an integral part of Sponsor. In matters governed by this Agreement: (a) the Project's separate legal existence as an unincorporated nonprofit association will be solely for the limited purpose of holding, exercising, and enforcing the contractual duties and obligations Sponsor may owe to the Project under this Agreement, and (b) those participating on the Project shall serve as individuals only, not as representatives or agents of any funding source, employer, or any party other than Sponsor.

4. **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 the Project into a restricted fund to be used for the sole benefit of the Project's mission as that mission may be defined by the Project from time to time with the approval of Sponsor. Sponsor retains the unilateral right to spend

such funds so as to accomplish the purposes of the Project as nearly as possible within Sponsor's sole judgment, subject to any donor-imposed restrictions, as to purpose, on the charitable use of such assets. The parties agree that all funds and the fair market value of all property, in the restricted fund be reported as the income of Sponsor, for both tax purposes and for purposes of Sponsor's financial statements. It is the intent of the parties that this Agreement be interpreted to provide Sponsor with variance powers necessary to enable Sponsor to treat the restricted fund as Sponsor's asset in accordance with Statement No. 136 issued by the Financial Accounting Standards Board, while this Agreement is in effect.

5. Liability, Indemnification and Insurance. Project agrees to hold Sponsor harmless for any liability incurred as a result of Project's acts, omissions, and negligence. Further, Project agrees to indemnify Sponsor and secure liability insurance naming the Sponsor as an additional insured.

6. Performance of Charitable Purposes. All of the assets received by Sponsor under the terms of this Agreement shall be devoted to the purposes of the Project, 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.

7. Meal, Travel, Lodging and Entertainment Expenses. The Ed Fund's policies on meals, travel, lodging, etc. apply to all fiscal projects. The policy is incorporated by reference herein and is attached to this document as Exhibit 2. Expenses incurred for meals, travel and entertainment will be reimbursed for actual documented meal expenses (i.e. with proper and original receipts). Reasonable meal, travel and entertainment expenses shall be reimbursed, unreasonable meal, travel, lodging and entertainment expenses shall not be reimbursed beyond the reasonable portion. Suggested meal expense guidelines per individual are: \$71 per day, or breakfast \$15, lunch \$20 and dinner \$36. Suggested travel expense guidelines per individual are: \$450.00 round trip ticket. Suggested lodging guidelines are: \$185.00 per night stay. Expenses incurred that exceed the suggested guidelines may not be reimbursed beyond the suggested guideline portion of the expense.

8. Alcohol. Although not prohibited, the use and consumption of alcohol during program hours, events, or functions is strongly discouraged. Alcohol expenses shall not be reimbursed from program funds.

9. Fingerprinting. Project shall have all individuals associated with Project's work fingerprinted in accordance with WCCUSD fingerprinting policies and procedures prior to commencing any work under this agreement. Project shall submit proof of fingerprinting to Sponsor and no individual shall be allowed to participate in any work under this agreement until fingerprinting has been duly approved by Sponsor and the WCCUSD.

10. Minors. Project is responsible for the safety of minors in its care. Accordingly, Project shall ensure that minors are chaperoned at all times and that all chaperones are fingerprinted as noted in section 9 above. Chaperones shall also observe and follow all federal, state, local laws and WCCUSD district regulations regarding the care of minors.

11. Termination. This Agreement shall terminate when the objectives of the Project can no longer reasonably be accomplished by Sponsor. If the objectives of the Project can still be accomplished but either the Project or Sponsor desires to terminate Sponsor's fiscal sponsorship of the Project, the following understandings shall apply. Either Sponsor or the Project may terminate this Agreement on 90 days' written notice to the other party, so long as another nonprofit organization acceptable to the Project 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. (As used in this Paragraph 6,

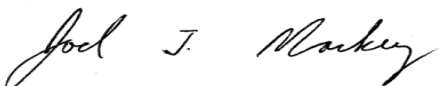
the word "able" shall mean that the Successor has charitable purposes compatible with the purposes of the Project and has the financial and administrative capacity to competently manage the Project.) The balance of assets in Sponsor's restricted fund for the Project, together with any other tangible 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. If the Project 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 it 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, Sponsor 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, or 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.

12. **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 California 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.

13. **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.

The Ed. Fund

By: 

Joel T. Mackey, Executive Director

Dated: _____, 2016

Project

By: _____
Dated: _____, 2016