

United Way of Southwest Colorado Fiscal Sponsorship Roles and Responsibilities

Summary of requirements outlined in Fiscal Sponsorship Agreement

Fiscal Sponsor Must:

- 1) Sign all legal agreements Project enters into
- 2) Sign all grant, pledge or other financial award applications, agreements, and award letters
- 3) Electronically transfer 10% of deposited income in dedicated bank account into Fiscal Sponsor's operating account each month
- 4) Provide financial statements on a monthly and as-requested basis
- 5) Maintain a separate QuickBooks for dedicated bank account
- 6) Maintain sufficient general liability, workman's compensation, and other applicable insurance policies
- 7) Work with a qualified, third-party to perform an annual financial audit and file tax returns on time
- 8) Process all payrolls and employee tax documents

Project Must:

- 1) Prepare and complete grant applications
- 2) Create job descriptions, post job openings, interview candidates, make hiring and termination decisions (subject to Fiscal Sponsor's approval), and conduct employee reviews
- 3) Notify Fiscal Sponsor immediately of any changes to their staff or main contact(s)
- 4) Submit its annual budget to Fiscal Sponsor before start of the new FY
- 5) Pay for any banking fees, penalties, late fees, stop-payment charges, or similar fees resulting from contributions in dedicated bank account
- 6) Acknowledge fiscal sponsorship on all project materials and external communications
- 7) Establish an advisory committee
- 8) Provide year-end reports to Fiscal Sponsor
- 9) Manage and pay its non-personnel-related expenses
- 10) Process its deposits into dedicated bank account
- 11) Prepare grant reports and copy VP of Operations on all required grant reporting
- 12) Process Project donations, including tax-exempt acknowledgements
- 13) Cover all Project's employee benefit expenses (to be included in annual budget)

United Way of Southwest Colorado



Project May Not:

- 1) Enter into any contracts or agreements without the prior approval of and signature of Fiscal Sponsor CEO
- 2) Open any financial accounts outside of the dedicated bank account
- 3) Hold a raffle without approval from Fiscal Sponsor
- 4) Act or speak on behalf of Fiscal Sponsor
- 5) Engage in any illegal acts, excessive lobbying or any other act that could jeopardize Fiscal Sponsor's charitable tax-exempt status
- 6) Change the purpose, scope or budget of Project without written approval of Fiscal Sponsor
- 7) Accept loans through Fiscal Sponsor
- 8) Deny benefits to any Project employee that qualifies
- 9) Enter into any agreement worth more than \$600 without Fiscal Sponsor CEO approval and signature