



In a Fiscal Sponsorship relationship, risk centers around the legal and financial responsibilities that arise when one entity (the Fiscal Sponsor) agrees to provide administrative services and support to a project or group that does not have its own formal legal status (or needs to borrow a status for a grant). The Fiscal Sponsor must carefully assess and manage these risks.

This screening checklist is designed to help a potential Fiscal Sponsor assess risk and support sponsored partners as they strengthen their risk resilience.

Nonprofit compliance *(if the sponsored organization is a nonprofit)*

- Has the organization filed its IRS Form 990 for at least the past 3 years? [Look up a nonprofit at guidestar.org.](#)
- Is the organization current in its Washington Office of Secretary of State corporation filing? [Search corporations at https://ccfs.sos.wa.gov](https://ccfs.sos.wa.gov)
- Is the organization current in its Washington Office of Secretary of State charity filing? [Search charities at https://ccfs.sos.wa.gov](https://ccfs.sos.wa.gov)

Organization

- Has the activity, program or project leader demonstrated a commitment to the activity, program, or project?
- Do the people involved in the activity, program or project have experience doing this work?
- Will the activity, program or project engage volunteers to do the work? What sort of background check will be performed?
- Does the activity program or project have a training plan for staff or volunteers?
- Does the activity, program or project have a board or advisory board? If so, can the activity, program or project produce a list of names with contact information and affiliations?
- Has the activity, program or project team received a written sample of the reporting requirements and confirmed that they understand and will commit to them?

Operations

- Has the sponsored group or organization clearly articulated what they plan to implement (activity, program, or project)?
- Does the activity, program or project align with our mission and values?
- Is the activity, program, or project in a region where we have an interest?
- Is the activity, program or project based in a location where we have jurisdiction?

Finances

- Did the activity, program or project provide a budget that includes reasonable and complete costs, as applicable?
- Is there a fundraising plan? If so, can funding sources be confirmed?
- How much money does the activity, program or project have now? Is it in a bank account in the activity, program, or project's name?
- Are there facility leases or contracts with vendors? Are they accounted for in the budget?
- Has the activity, program or project leader and their team confirmed acceptance of any fees they will be charged under the sponsorship, if any?

Liability

- Are there any financial liabilities? (Does the organization owe anyone money?)
- Does the activity, program or project store any personal data? Is it secure?
- Is there a possibility of reputational or legal risk to our organization?
- Are there physical risks that could impact the safety and/or health of our people or cause damage to equipment, or facilities?
- Are there underage workers, volunteers, or clients involved in the activity, program, or project?
- Does the project have any insurance coverage?
- Which of the following risks areas need to be covered by our insurance?
 - Commercial General Liability
 - Directors' and Officers' Liability (D&O)
 - Employment Practices Liability
 - Workers' Compensation
 - Volunteer Accident

Determination

- Is Fiscal Sponsorship the best option for this activity, program, or project?
- Are we the best Fiscal Sponsor for this activity, program, or project?