



**Fiscal Sponsorship is an arrangement between an existing 501(c)(3) nonprofit and a project, program, or even another nonprofit. The sponsor extends its tax-exempt status to the project so it can receive food or funding or leverage support from a foundation, government agency, or other tax-deductible source.**

This Application is designed to capture key information from the entity wanting to be sponsored so the sponsor can evaluate whether it can extend its tax-exempt status to it. The Application has two sections:

**Section 1:** Information related to the activity, program or project.

**Section 2:** Additional information needed from potential organizations seeking fiscal sponsorship. (Current Nonprofit organizations only).

## SECTION 1 – Activity, program, or project assessment

### 1. Overview of your activity, program, or project

- What activity, program, or project do you propose to implement?
- Where do you plan to implement the activity, program, or project?
- Who will the activity, program or project help or serve?
- Who will lead the activity, program, or project ?
- Who will be implementing the activity, program or project?

### 2. Intended impact

- What do you hope to accomplish by the end of the first year?
- What gaps does this activity, program, or project fill?

### 3. Project Leadership

- Who are the key people carrying out the activity, program or project's mission and list any related experiences.
- Describe your current key relationships with alliances in your community and elsewhere, who will contribute to your activity, program, or project's success.

### 4. Project budget

- What is your activity, program, or project budget? Please provide your activity, program, or project budget.
- What additional funds are needed to implement this activity, program, or project, if any? What is your plan to raise these additional funds?
- What is your plan to develop non-financial resources, such as in-kind donations, space for operations, and/or volunteer participation, if applicable.

### 5. Risk

- What potential risks associated with your activity, program or project have you identified? How do you plan to mitigate them?
- What insurance coverage are you currently carrying related to your activity, program, or project, if any?

## 6. Reporting

- Are you willing to participate in all reporting requirements related to WSDA Food Assistance rules and agreements in support of the Lead Agency's compliance requirements? *See Appendix for common requirements.*

## SECTION 2 – Agency compatibility (Nonprofit organizations only)

### 1. Mission alignment

- Is your project charitable in purpose? Yes  No  [Go to https://www.irs.gov/charities-non-profits/charitable-purposes-for-the-irs-definition](https://www.irs.gov/charities-non-profits/charitable-purposes-for-the-irs-definition).
- What is your nonprofit's mission?
- What grant/project do you need a sponsor for?
- How does your activity, program or project align with our organization's mission and values?
- Please provide a board list with names, contact information, and affiliations.

### 2. Organizational structure and capacity

- Describe how this activity, program, project fits into your other programs.
- Describe your staffing plan for this activity, program, or project.

### 3. Financial health and sustainability

- Please provide your activity, program or project budget and organizational budget.
- How does your activity, program, or project budget account for indirect administrative and shared expenses?

### 4. Legal compliance

- When did your organization last file a *Return of Organization Exempt from Income Tax* (IRS Form 990 or equivalent)?
- When did your organization last submit your corporate Annual Report with the Washington Office of the Secretary of State?
- When did your organization last submit your charity Annual Renewal (if applicable) with the Washington Office of the Secretary of State?

### 5. Risk

- Are there any financial liabilities? (Does the organization owe anyone money?)
- Does the activity, program or project store any personal data? Is it secure?
- Has your organization ever filed or been subject of a lawsuit?
- Are there physical risks to our people, equipment, or facilities?
- Are there underage workers, volunteers, or clients?
- Are you paying for Workers' Compensation coverage for all staff?
- Which of these insurances are you carrying? (Some of these types of insurance may have different names.)
  - Commercial General Liability
  - Directors' and Officers' Liability (D&O)
  - Employment Practices Liability
  - Volunteer Accident
  - Other

## APPENDIX: Food Assistance Responsibilities

**A sponsored organization is part of the larger food assistance system. It therefore needs to be aware of the compliance requirements of its fiscal sponsor and other entities upstream from its work. A Lead Agency is ultimately responsible for the compliance of any sponsored organizations within its network of funded programs.**

The list provided below is a general representation of the kind of reporting required in food assistance system. Exact requirements may vary, so sponsored organizations are encouraged to understand what will be expected of them before entering a fiscal sponsorship agreement.

### Monthly Reporting Requirements

*Every entity within the food assistance system is required to provide this information on a monthly basis:*

- Food inventory reports
- Expenditure reports
- Food distribution reports
- Client counts/demographic data

### Common Compliance Requirements

*There are guidelines, forms, and requirements related to these topics.*

#### Eligibility Documents

- 501(c)(3) determination letter, (including, Unrecognized Tribe or Tribal Organization) **or**
- Alternate 501(c)(3) Church Verification Form (AGR-2241), **or**
- Fiscal Sponsorship Agreement (between Sponsor and activity, program, or project.)
- Washington Secretary of State Nonprofit Corporation Annual Report
- Washington Secretary of State Charitable Organization if an entity raises \$50,000 or more from general public.
- System of Award Management (SAM)- Suspension and Debarment
- Insurance (As required)

#### Accounting / Oversight

- Accounting System Verification
- Single Audit Requirement
- Inventory
- Commodity Loss

#### Civil Rights /Nondiscrimination

- Civil Rights Compliance
- Civil Rights Training
- USDA "And Justice for All" Poster
- USDA Full Nondiscrimination Statement

#### Equipment, Equipment Repairs and Capital Improvements

- Equipment and Equipment Repairs
- Equipment Procurement
- Equipment Disposition
- Capital Improvements
- Inventory

#### Client participation

- Eligibility determination
- Participant Rights and Responsibilities
- Participant Survey
- Income Eligibility
- Monthly Distribution Rates