**EXHIBIT A – MANUAL**

**EXHIBIT B – KEY TRANSFERRED ASSETS**

**FISCAL SPONSORSHIP AGREEMENT – MODEL A**

**THIS FISCAL SPONSORSHIP AGREEMENT** **– MODEL A** (this “**Agreement**”) is made and effective as of the \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 20\_\_ (the “**Effective Date**”) by and between **CultureTrust Greater Philadelphia**, a Pennsylvania charitable trust (“**Sponsor**”), and [**Name**] (the “**Project Director**”) with respect to [**Name of Project**] (the “**Project**”). Sponsor and Project Director are sometimes referred to individually herein as a “**Party**” and together as the “**Parties**.”

**RECITALS**

**WHEREAS**, Sponsor is an organization that has received recognition of, and maintains its status as, a publicly supported charity (a “**Public Charity**”) described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and is a charitable trust organized for charitable purposes including, specifically, providing a charitable home and shared management resources to arts and heritage programs (“**Sponsor’s Purposes**”);

**WHEREAS**, the Project is an unincorporated project that [**Insert Project purposes**] (the “**Project Purposes**”);

**WHEREAS**, the Project, via the Project Director, has submitted a fiscal sponsorship application to Sponsor requesting that Sponsor become the fiscal sponsor of the Project;

**WHEREAS**, Sponsor’s Board of Directors has determined that fiscal sponsorship of Project furthers Sponsor’s Purposes; and

**WHEREAS**, this Agreement describes the terms and conditions for fiscal sponsorship of the Project by Sponsor.

**AGREEMENT**

**NOW THEREFORE**, in consideration of the premises, representations, warranties, and mutual covenants contained herein, the Parties agree as follows:

* 1. **Fiscal Sponsorship.**
     1. **Project Director; Oversight.** The Project Director shall act as principal coordinator for the Project, subject to the oversight of Sponsor to ensure that the Project furthers the Project Purposes and as otherwise described in the fiscal sponsorship manual attached as **Exhibit “A”** to this Agreement, together with any and all amendments and updates thereto provided to the Project Director in the future (such manual, amendments, and updates, together, the “**Manual**”). The Project Director has a fiduciary responsibility to the Project, the Restricted Fund, and Sponsor as detailed in the governing documents of the Trust, as they may be amended and updated from time to time, including the Trust Agreement.
     2. **Fiscal Sponsorship Activities.** Sponsor will accept funds raised for the Project Purposes, subject to the terms and conditions of this Agreement and the Manual. For the avoidance of doubt, the Parties agree and acknowledge that Sponsor has no obligation whatsoever to provide any form of financial support for the Project, such as making loans or grants, advancing cash, covering direct expenses, or fundraising.
     3. **Restricted Fund**. Sponsor shall establish a separate fund within Sponsor’s corporate entity to hold contributions made to support the Project and income earned on those contributions (the “**Restricted Fund**”). Sponsor has the right, but not the obligation, to hold the Restricted Fund in a separate bank account used solely for the Restricted Fund. Sponsor shall own and control the Restricted Fund and all amounts therein shall be expressly restricted for the Project Purpose, including paying the expenses of the Project. The Restricted Fund may not be used as collateral or security for any debts. The Restricted Fund is not a donor-advised fund within the meaning of Section 4966(d)(2) of the Code, and neither the Project Director nor any Advisory Board have any right to advise on the investment of any funds of Sponsor. The Project Director shall be entitled only to request Fund Disbursements from available Project Funds (as those capitalized terms are defined below) as described in the Manual. Each and every provision of this Agreement will be read to avoid donor-advised fund classification of the Restricted Fund.
     4. **Property**.The Project Director hereby transfers to Sponsor, and Sponsor shall hereafter own, all the tangible and intangible assets of the Project. Attached as **Exhibit “B”** is a list of key assets transferred, including the cash, equipment, furniture, supplies, and bank accounts being transferred to Sponsor as of the Effective Date. Project Director and Sponsor agree and acknowledge that Sponsor owns any and all intellectual property associated with the Project, including any and all logos, names, and copyrights created prior to the Effective Date of this Agreement, as well as any and all logos, names, and copyrights created in the future by the Project. The Project Director represents and warrants that Project Director has the power and authority to transfer to Sponsor all of the tangible and intangible assets of Project and shall, as may be requested by Sponsor from time to time, enter into and provide such additional documentation as may be necessary or appropriate to evidence such ownership by Sponsor.
     5. **Fundraising**. Contributions raised for the Project (“**Raised Amounts**”) and all fundraising in connection therewith shall comply with the Manual. Following deduction of amounts payable to Sponsor pursuant this Agreement or the Manual, the remainder shall be deposited in the Restricted Fund (this remainder and all other amounts in the Restricted Fund, such as interest on deposited amounts, are together the “**Project Funds**”); provided, however, that if a funder does not allow deduction of the Administrative Charge or other amounts from the Raised Amounts, then the procedure described in the Manual for the payment of such amounts shall apply.
     6. **Receipt and Disbursement of Funds; Variance Power.** Assuming sufficient funds are available, the Project Director shall follow the procedure described in the Manual to request disbursement of Project Funds; provided, however, that in order to receive disbursements for the Project, the Project Director must be in compliance with all of its obligations under this Agreement and the Manual, including specifically the Project Director Obligations described below, and further provided that the date and amount of each disbursement of Project Funds shall be within the discretion and control of Sponsor. This Agreement shall be interpreted to provide Sponsor with the variance power to allocate Project Funds as Sponsor deems necessary or appropriate to accomplish the Project Purposes. Sponsor, in its sole discretion, shall have the right to withhold, withdraw, or demand the immediate return of any Project Funds if, in Sponsor’s reasonable judgment, the Project Director breaches this Agreement or cannot accomplish the Project Purposes. Sponsor retains the right, in its sole discretion, to redirect the Project Funds to a different charitable purpose or beneficiary if the Project Purposes become unnecessary, incapable of fulfillment, or inconsistent with the charitable mission set forth in the governing documents of Sponsor. All disbursements from the Restricted Fund (“**Fund Disbursements**”) must be used entirely for the Project and in pursuit of the Project Purposes and comply with the Manual. The Project Director will agree to notify Sponsor promptly of any suspected misuse of any Fund Disbursements or any portion of the Restricted Fund.
     7. **Substantiation of Charitable Donations.** Sponsor agrees that all Project Funds will be reported for federal tax purposes as contributions to Sponsor. Receipt of Raised Amounts shall be acknowledged as described in the Manual. Upon request by donors, Sponsor shall furnish evidence of Sponsor’s status as an organization qualified under Section 501(c)(3) of the Code.
     8. **Administrative Charge.** Sponsor will be paid an administrative charge to cover the costs associated with its management of the Raised Amounts and other administrative expenses associated with the fiscal sponsorship arrangement. As of the Effective Date, the administrative charge shall consist of (i) 12% of all Raised Amounts, plus (ii) a fixed fee of $50 per calendar month. The administrative fee shall be subject to change and adjustment as provided in the Manual.
  2. **Financial Accounting and Reporting.** Sponsor and the Project Director will maintain books and financial records for the Project in accordance with generally accepted accounting principles, shall retain records as long as required by law, and shall make records available to auditors as may be required by the Manual, the policies of Sponsor, or by law. Responsibility for the foregoing shall be allocated between Sponsor and the Project Director as described in the Manual.
  3. **Project Director Obligations.** 
     1. **Delegation of Responsibilities**. The Board retains full and final authority on all decisions for the Project, but has delegated to the Project Director the obligations set forth in the Manual (the “**Project Director Responsibilities**”). By entering into this Agreement, the Project Director accepts delegation of the Project Director Responsibilities. Neither the Project Director nor the Project will hold themselves out as a representative of Sponsor, nor will either the Project Director or the Project claim to act or speak on behalf of Sponsor.
     2. **Fiduciary Role.** The Project Director agrees to use the position only to advance the Project Purposes in accordance with applicable law and this Agreement, including the Manual. If the Project Director fails to comply with these requirements, including by causing the Project to exceed the amounts then available in the Restricted Fund, the Project Director may be personally responsible for any losses or funds distributed in excess of authorization or in violation of the Project Director’s fiduciary duties or this Agreement, either by the Project Director’s actions or inactions. Following such a failure, the Project Director may be required to pay third parties or reimburse Sponsor directly. The Project Director further acknowledges that the Project Director is not a director, or member of the Board, of Sponsor.
     3. **Reports to Sponsor and Funding Sources.** The Project Director will provide to Sponsor all information and prepare any and all budgets, certifications, and reports required in connection with the Project, including any and all annual budgets, quarterly check-ins, and annual re-certifications as described in the Manual.
     4. **Ability to Bind**. Each and every contract relating to the Project shall, as described in the Manual, be submitted for review and execution by Sponsor. The Project Director shall have no ability to bind Sponsor, and shall not hold the Project Director out as having the power or authority to bind Sponsor.
  4. **Personnel**: Beginning on the Effective Date, the authority and power to make hiring and firing decisions for the Project, including whether an individual is hired as an employee or retained as a contractor under a written agreement acceptable to Sponsor, extend any job offer, terminate employment, and terminate contractor status, shall be apportioned between Sponsor and the Project Director as provided in the Manual.
  5. **Notices.** All notices or reports under this Agreement shall be addressed as follows:

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| --- | --- |
| **If to Sponsor:** | CultureTrust Greater Philadelphia  1315 Walnut Street, No. 320  Philadelphia, PA 19107  Attn: [**Name**]  Email: [**Insert**] |
| **If to Project Director:** | [**Name of Project**]  [**Address**]  Attn: [**Name**]  Email: [**Insert**] |

These addresses may be changed by written notice or email notice given by that Party to the other or by other form of notice agreed to by the Parties.

* 1. **Restrictions on Use of Project Funds.**
     1. **Tax-Exempt Purposes.** The Project Director shall ensure that the Project uses the funds it receives from Sponsor solely for the Project Purposes and does not use such funds in any way that will jeopardize the tax-exempt status of Sponsor. The Project Director agrees to comply with any written request by Sponsor to cease activities that, in Sponsor’s reasonable judgment, do not comply with the Manual or that might jeopardize the tax-exempt status of Sponsor, and further agrees that Sponsor’s obligation to make funds available to the Project Director may be suspended in the event that the Project Director fails to promptly comply with any such request.
     2. **Prohibited Activities.** Other than as Sponsor may specifically agree in advance in writing, no portion of the Project Funds shall be used in any attempt to carry out lobbying or influence legislation. In no circumstances whatsoever shall any portion of the Project Funds be used to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office, induce or encourage violations of law or public policy, cause private inurement or improper private benefit to occur, support terrorist activities, terrorist organizations or individuals who engage in or support terrorist activities, or take any other action inconsistent with qualification under Section 501(c)(3) of the Code.
     3. **Compliance with Sponsor Policies.** TheProject Director will ensure that the Project Funds are used in compliance with Sponsor’s policies and procedures, as may be amended from time to time, including the Manual.
  2. **Relationship of the Parties.** Nothing in this Agreement shall constitute the naming of either Party as an agent or legal representative of the other Party for any purpose whatsoever except as specifically and to the extent set forth herein. This Agreement shall not be deemed to create any relationship of agency, employment, partnership, or joint venture between the Parties hereto and the Project Director shall make no such representation to anyone.
  3. **Indemnification.** The Project Director hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless Sponsor, its officers, directors, trustees, employees, and agents (each an “**Indemnitee**”), from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys’ fees) directly, indirectly, wholly, or partially arising from or in connection with (i) any breach of this Agreement by Project Director, including any representation, warranty, or covenant of Project Director being untrue, (ii) any act or omission of the Project Director or his, her, or its employees or agents, in applying for, accepting, expending, or applying Project Funds, or (ii) the Project. The Project Director shall have no obligation to defend, indemnify, and hold an Indemnitee harmless under this Section to the extent that such claims, liabilities, losses, or expenses are the result of the gross negligence or willful misconduct of that Indemnitee. The provisions of this Section shall survive the termination or expiration of the Agreement, as well as the completion of any Transition Phase (as defined below).
  4. **Publicity.** Any and all use of Sponsor’s name in media communications and fundraising materials with respect to the Project shall be subject to Sponsor’s prior review and approval as described in the Manual. The Project Director shall provide Sponsor with reasonable advance notice with respect to any proposed use of Sponsor’s name in order to allow for such prior review.
  5. **Term.** The initial term of this Agreement is two (2) years after the date hereof (the “**Initial Term**”). The Initial Term shall be followed by immediately succeeding renewal terms of one (1) year (each a “**Renewal Term**”), provided however, that either Party shall be entitled to prevent the next succeeding Renewal Term from beginning by providing thirty (30) days’ prior written notice to the other Party (a “**Non-Renewal Notice**”). During the Initial Term and any Renewal Term, this Agreement may be terminated either for a breach of this Agreement that remains uncured for thirty (30) days after written notice to the breaching Party or upon termination of the Project as provided under Section 3.7 of the Trust Agreement for Sponsor.
  6. **Transition Phase; Disposition of Project Funds Upon Termination.** The Parties agree and acknowledge that for the Project, a transition phase shall begin upon either the expiration or termination of this Agreement for any reason or the issuance of a Non-Renewal Notice, whichever occurs first (the “**Transition Phase**”). During the Transition Phase (i) the Parties shall cooperate in good faith to transition the Project, including by paying all outstanding amounts under this Agreement or the Manual and transferring any remaining Project Funds and assets of the Project, all as described in greater detail in the Manual, (ii) administrative, insurance, and other charges shall continue to be due and payable as provided in the Manual, and (iii) except as may be specifically provided in the Manual or otherwise advised by Sponsor in writing, all other provisions of the Manual shall continue to apply to the Project and the Project Director. The Transition Phase shall not end unless and until all steps described in the Manual for transitioning the Project have been completed. The provisions of this Section 11 control over any language to the contrary in this Agreement and survive the termination or expiration of the Agreement.
  7. **Miscellaneous Provisions.**
     1. **Amendments.** Subject to updates to the Manual as described above and any annual confirmations that are signed only by the Project Director in accordance with the Manual, this Agreement may be amended or modified only by a writing signed by both Parties.
     2. **Assignment**. The Project Director shall not assign any rights or delegate any duties under this Agreement without the prior written consent of Sponsor.
     3. **Dispute Resolution.** In the event of a dispute under this Agreement, Sponsor and the Project Director shall make a good faith effort to resolve such dispute cooperatively before seeking to resolve any dispute by arbitration or otherwise proceeding with any remedy available at law or in equity.
     4. **Consent to Jurisdiction.** For all purposes related to this Agreement, the Parties hereby consent to personal jurisdiction in the state courts in and for the Commonwealth of Pennsylvania.
     5. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof; it supersedes any prior agreement and understandings between the Parties as to such matters, oral or written, all of which are hereby cancelled.
     6. **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.
     7. **Severability.** 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.
     8. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
     9. **Attorneys’ Fees.** 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.
     10. **Third-Party Beneficiaries**. The Parties agree that there are no third-party beneficiaries with respect to this Agreement.
     11. **Non-Waiver.** Failure by a Party to insist upon the strict performance of any of the terms, conditions and provisions of this Agreement do not waive or relinquish future compliance, and such terms, conditions, and provisions shall remain in full force and effect. A waiver of any term or condition of this Agreement by a Party shall be effective only if in writing and signed by the Party against whom the waiver is being asserted.
     12. **Construction**. The recitals to this Agreement are incorporated as if fully set forth herein. Unless the context otherwise requires, whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular and the masculine gender shall include the neuter and feminine gender, and vice versa. In this Agreement, references to “includes,” “including,” “including but not limited to,” “including without limitation” and words or phrases of similar import shall be deemed to have the same meaning and the words “include(s)” and “including” shall not be deemed to be terms of limitation but rather be deemed to be followed by the words “without limitation.”

*Remainder of page intentionally left blank; signature page follows.*

IN WITNESS WHEREOF and intending to be legally bound, the Parties have caused their duly authorized representatives to execute this Agreement effective as of the day and year set forth above.

**Sponsor:** CultureTrust Greater Philadelphia

By:

Its:

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Project Director:**

Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT A**

Sponsor’s Fiscal Sponsorship Manual

Attached.

**EXHIBIT B**

Key Transferred Assets

CASH:

EQUIPMENT:

FURNITURE:

SUPPLIES:

BANK ACCOUNTS: