

Fiscal Sponsorship Policy

Purpose

The purpose of the Fiscal Sponsor Policy is to outline what is required of a sponsored organization (not-for-profit organization) to use a fiscal sponsor (lead organization) to apply for a Community Investment Program Fund.

Roles and Responsibilities

Fiscal Sponsor

- Performs administrative functions on behalf of the sponsored organization.
- Completes progress reports and reconciliations reports.
- Signs contract and complies with terms and conditions set out in funding the agreement.
- Manages disbursement of funds to Sponsored Organizations.

Sponsored Organization

- Co-develops a written agreement between the Fiscal Sponsor (a registered charity) and Sponsored Organization (not-for-profit organization) (See Appendices)
- Co-develops governance and operation-related documents with the Fiscal Sponsor (i.e., conflict resolution, Memorandum of Understanding, and or partnership agreement)
- Receives the funds and is responsible for implementation of grant deliverables and outputs.
- Monitors accounts and expenditures and maintains accurate documents and receipts.
- Provides Fiscal Sponsor (lead organization) with progress reports and reconciliation reports.

Policy

The lead organization (also known as the Fiscal Sponsor) must register on behalf of all sponsored parties through GovGrants, meet all eligibility requirements and comply with funding agreement.

Fiscal Sponsor Policy Procedure

Step 1

Read application guidelines to see if a fiscal sponsor can be used for that specific fund as not all CIP funds allow a fiscal sponsor. The fiscal sponsor must be a registered charity and meet all eligibility requirements outlined in the application guideline specific to each fund.

The fiscal sponsor must provide the 2 most recent years of audited financial statements. The fiscal sponsor must also provide proof of insurance.

Step 2

The lead organization (also known as the fiscal sponsor) must register and complete their Service Provider Profile in GovGrants. The Sponsored Organization must submit the application on behalf of all parties. The lead organization will sign the contract with the Region of Peel if the application is approved for funding.

Step 3

Remember to include examples of governance and operation-related documents that the fiscal sponsor has in place with the sponsored organization (i.e., conflict resolution, Memorandum of Understanding, and or partnership agreement). The agreement between the fiscal sponsor and sponsored organization should indicate that the fiscal sponsor is responsible for compliance related to receiving funds on behalf of the sponsored organization and completing mandatory reports. Important: A written agreement between the fiscal sponsor (a registered charity) and sponsored organization (not-for-profit organization) is mandatory. The CIP has a template that agencies can use as a partnership agreement (see Appendices). The written agreement can be uploaded to the attachments tab of the application in GovGrants.