

Fiscal Sponsorship Toolkit

What is a Fiscal Sponsorship:

A fiscal sponsorship is an agreement between two organizations: **The Fiscal Sponsor**- who will receive and distribute grants and funding, and **The Sponsored Organization**- who will deliver the funded project deliverables and activities. A Fiscal Sponsor supports the Sponsored Organization with fund administration and other operational supports. ¹

This toolkit is intended for organizations that choose to enter into a fiscal sponsorship arrangement and accompanies the fiscal sponsorship policy. It provides information and templates to support the establishment of a mutually beneficial fiscal sponsorship.

A fiscal sponsorship supports a not-for-profit organization (sponsored organization) to apply for funds and deliver their programs and services.

A Fiscal Sponsor (lead organization) may enter into a fiscal sponsorship to expand their reach and build the capacity of local organizations and partners.

Important Definitions

Fiscal Sponsor:

A fiscal sponsor is a registered charity that meets all eligibility requirements outlined in the application guideline specific to each fund (see fiscal sponsorship policy). The fiscal sponsor is the lead organization and is responsible for compliance related to receiving funds on behalf of the sponsored organization and completing mandatory reports.

Sponsored Organization:

A sponsored organization is a not-for-profit organization that may or may not be a registered charity. The sponsored organization is responsible for project deliverables, financial record-keeping, and reporting to their fiscal sponsor (lead organization).

Fiscal Sponsorship Fee

Fiscal Sponsors typically charge Sponsored Organizations an administrative fee. This fee covers the expenses of fund administration and management and is a percentage of the funding awarded to the Sponsored Organization. For the B3 Fund the fiscal sponsorship fee is \$2500.

Project Deliverables

Project deliverables refer to the proposed activities and objectives of your project. Your project deliverables are what you intend to accomplish with the provided funding.

¹ [Communities of Opportunity — About Communities of Opportunity \(coopartnerships.org\)](http://coopartnerships.org)

Roles and Responsibilities

Sponsored Organization:

- Co-develops a written agreement between the fiscal sponsor (a registered charity) and sponsored organization (not-for-profit organization) (See agreement template)
- 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 and Reconciliation reports.

Fiscal Sponsor (lead organization):

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

Important Documents

- Fiscal Sponsorship Agreement Template
- Financial Reporting Cycle
- Workplan Template
- Guiding Principles and Conflict Resolutions Guide

Fiscal Sponsor Agreement Template

Written agreement between Fiscal Sponsor (Registered Charity) and Sponsored Organization (Not-for-profit organization)

Name of fund / project being sponsored: _____

Name of Fiscal Sponsor (Registered Charity): _____

Address: _____

Registered Charity Number: _____

Has entered Into a Formal Agreement with:

Name of Sponsored (Not-For-Profit organization): _____

Address: _____

Have the following items of your partnership been discussed?

Conflict resolution process	
Clearly defined goals and objectives of each partner	
Clarity around financial responsibilities	
Clarity on financial accountabilities	
Flexibility to adapt to changing circumstances	
Open communication	
Evaluating the partnership at the end of the fund term	

The Fiscal Sponsor (Registered Charity) has the following responsibilities:

- Perform administrative functions on behalf of the sponsored organization.
- Completes Progress Reports and Reconciliations reports by the due dates.
- Sign contract and comply with all terms and conditions set out in funding agreement.
- Manage disbursement of funds to sponsored organization (not-for-profit organization)

Signature of authorized signatory of Fiscal Sponsor

Signature of authorized signatory of Sponsored Organization

Financial Reporting Cycle

Type of Submission	Requirement
Application Form + Mandatory Template(s), if applicable	<ul style="list-style-type: none"> Each fund will have an application form to complete, a budget form, mandatory template(s) and other requirements, if applicable. Details will be communicated in the Fund Program Guidelines.
Financial Reconciliation Report	<ul style="list-style-type: none"> Financial Reconciliation Reports are required and detail how the funding was spent. The Financial report will be submitted based on the schedule outlined in your Community Investment Partnerships Funding Agreement for each fund for which you have been awarded funding.
Progress Report	<ul style="list-style-type: none"> Progress Reports detail the funding outcomes and ensures the specified deliverables of the fund have been achieved. Progress reports will be submitted based on the schedule outlined in your Community Investment Partnerships Funding Agreement for each fund for which you have been awarded funding.
Reconciliation Supporting Documentation	<ul style="list-style-type: none"> Agencies will be required to provide supporting documentation for audit purposes as outlined in the program funding Guidelines. The Community Investment Program may conduct check ins at any time to assess whether funding has been used for its intended purpose and may request receipts, invoices, and proof of purchase to assess expenditures.
Reallocation Requests	<ul style="list-style-type: none"> Agencies can reallocate funds up to 10% between CIP approved budget categories. Agencies are required to report reallocations on GovGrants under the Budget Narrative of the reconciliation reports. For 2024, the B3 Fund is unrestricted. Successful applicants may move funds between eligible budget categories, for example within Core Operating Positions or within Core Operating Costs. Reallocations between eligible budget categories are guided by CIP's Reallocation Policy For requests greater than 10%, agencies will be required to complete a Reallocation Request Form and submit the form to CIP@peelregion.ca for approval.

Guiding Principles and Conflict Resolution Guide

Background:

This guide has been amended from *Communities of Opportunities' Fiscal Sponsorship Toolkit* and *Shared Values Template*. *Communities of Opportunities' Shared Values Template*² was designed to support non-profit organizations wishing to enter into a fiscal sponsorship with a guide to develop shared values, communications, and conflict resolution goals. The Community Investment Program (CIP) values the platform Communities of Opportunities has created for building community knowledge and their community driven approach.

This amended template can support both organizations in a fiscal sponsorship in developing the shared values and guiding principles of their work. It supports building transparency and open communication between organizations to fulfill the goals of their project. This template is a guide and conversation-starter in developing your shared values and goals. It is intended for both organizations to co-develop their specific guiding principles, communication norms and conflict resolution processes.

Guiding Principles

- ✓ What are key principles we need to establish to successfully meet our shared goals?
- ✓ Are there Ubuntu Principles that will support us in our partnership?
- ✓ How will we embed these principles throughout our partnership?

Create your own guiding principles and short definitions of what they mean to both of your organizations.

Sample Principles:

1. Open-Communication:
2. Girmamawa (Respect):
3. Ujime (Collective Work):

Communication Strategies

Sample Strategies:

1. Exchange important contact information and communication processes.
2. Agree upon the preferred method of communication (i.e., emails, telephones).
3. Establish the timelines of responding to emails or other correspondence (i.e., 5 working days)
4. Communicate proactively and develop a list of important dates for reporting and other mandatory administrative processes.

² [Communities of Opportunity — About Communities of Opportunity \(coopartnerships.org\)](http://coopartnerships.org)

Conflict Resolution Strategy:

Sample guidelines:

1. If we disagree, we will practice open-communication and revisit our guiding principles.
2. We will revisit our Fiscal Sponsorship Agreement for guidance on decision-making.
3. We will reach out to our CIP Case Manager to support us to come to an agreement.

Signed: _____

Signed: _____

Name:

Name:

Organization:

Organization:

Date:

Date:

Fiscal Sponsorship Workplan Template

Core Operating Position(s)	Deliverables	Action Steps	Anticipated Outcomes	Role	Timelines
<p>List the eligible Core Operating Position(s) you have requested in the 2024 B3 Fund Budget Request Template.</p> <p><i>Please note: this workplan template is intended to capture Core Operating Position(s) only. You do not need complete this template for any Core Operating Costs you have requested.</i></p>	<p>What will you accomplish as a result of the requested Core Operating Position(s)?</p>	<p>What are key activities or actions needed to achieve these deliverables?</p>	<p>How will your deliverables support Black communities in Peel?</p>	<p>Who will be responsible and accountable for these deliverables?</p>	<p>What are specific timelines for the deliverable (s)?</p>
<p>Example: Executive Director</p>	<p>Example: Apply for funding opportunities, provide strategic oversight ...</p>	<p>Example: Identify funding opportunities, develop donor pipeline ...</p>	<p>Example: Increase organizational budget to provide more programs and services to Black youth in care...</p>	<p>Example: Fiscal Sponsor / Sponsored Organization</p>	<p>Example: January - December, 2025</p>

Fiscal Sponsorship Checklist

Reviewed roles and responsibilities of a fiscal sponsorships

Established fiscal sponsorship fee.

Reviewed and signed fiscal sponsorship agreement template.

Reviewed fiscal reporting cycle and developed important dates.

Review your workplan template.