

Driftless Art Collective (Dartco)

Fiscal Sponsorship Guidelines for Part II Terms of Agreement

Driftless Art Collective
Fiscal Sponsorship Guidelines & Terms of Agreement

Disclaimer:

Driftless Art Collective is a 501(c)(3) non-profit organization. The content of dartco.org, facebook.com/dartco and these fiscal sponsorship guidelines is provided for information purposes only.

No legal liability or other responsibility is accepted by or on behalf of Dartco for any errors, omissions, or statements on this site, or any site to which these pages connect. Dartco accepts no responsibility for any loss, damage or inconvenience caused as a result of reliance on such information. Dartco cannot control the content or take responsibility for information maintained by external providers. Where references are provided, Dartco does not necessarily endorse any information or opinions appearing in them.

Dartco accepts no liability whatsoever over the availability of referenced information. The images, content, ideas, or practices of current or past project do not necessarily represent the views of, and should not be attributed to Driftless Art Collective.

The information submitted in this application, guidelines, terms of agreement, and informational guidelines, will be used for the sole purpose of applying for and the complete review process for approving or removing any fiscal sponsorship services granted by Driftless Art Collective, to a potential or current Fiscally Sponsored Project (hereafter known as Project).

Awareness, Education, Responsibility:

By submitting and agreeing to this application the Project has made a commitment to understand the duties of a non-profit. A 501(c)(3) organization is required by law to follow federal and state guidelines of financial reporting, including information on solicitation, sourcing, and use of funds.

If you or members of your group/organization do not understand the rights and responsibilities of the 501(c)(3) organization, it is your responsibility to gain awareness, provide opportunities for education to your Project, including volunteers.

Right to denial of Fiscal Sponsorship or related services:

Driftless Art Collective (hereafter known as Driftless Art Collective, Dartco, or the Sponsor) is a 501(c)(3) nonprofit. Dartco reserves the right to deny sponsorship to any existing or potential Project if they do not satisfy the requirements for provision of information, do not meet requirements for organizational or financial reporting, or do not compliment the goals and mission of the organization.

Through the Fiscal Sponsorship Agreement, the Sponsor is ultimately responsible for the actions of Projects and retains the right to remove or deny privileges, gained through the use of non-profit status to the Project, if the Sponsor's 501(c)(3) status may be at risk.

This agreement will terminate if any of the following events occur:

- The Fiscal Agent requests the Sponsored Organization to cease activities that it deems might jeopardize its tax-exempt status and the Project fails to comply within a period of ten (10) days.
- The Sponsored Organization fails to perform or observe any other covenant of this Agreement, and this failure remains unremedied fifteen (15) days after notice in writing.

See also, upon additional terms for Termination as noted in Agreement Particulars.

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In the event that this Agreement is terminated, the Fiscal Agent and Sponsored Organization will comply with any termination conditions imposed by funding organizations.

Rights to information:

Driftless Art Collective must be informed of information which would make your organization or project, or key personnel of your project, or portions of your project's activities and events ineligible for benefits of tax-exempt status as (501(c)(3) through fiscal sponsorship.

Tax-exempt status on funds achieved through Fiscal Sponsorship from Driftless Art Collective does not exempt the project or key personnel from the project of obligations of individual or organizational tax reporting or recording requirements. Ensure you are aware of your current status before application and notify Dartco of this in your application.

If at any point throughout the duration of the agreement the status of application or agreement the operations of your organization change, your fiscal sponsor must be informed.

The Project may request information from Driftless Art Collective. This includes tax reporting and annual report information such as: earned, contributed incomes, expenses, and basic information on key personnel. Visit dartco.org in advance of application for this information.

Dartco reserves the right to charge for additional services beyond those agreed in the Terms of Agreement for services provided to Projects, including but not limited to advice, accounting, tax preparation, professional services, contracted services, printing, copying, designing, writing letters, preparing or writing grant applications, etc.

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Part II.

This is an AGREEMENT between:

Driftless Art Collective, hereafter known as Driftless Art Collective, Dartco, or the Sponsor);
_____, hereafter known as the Project,
signed on behalf of representatives of the Sponsor and Project.

To the SPONSOR representative:

Read, confirm your agreement with printed name, signature, name of Sponsor and date:

In association with appropriate use of Dartco's tax-exempt status, and responsible to the Terms of Agreement, we offer the following:

- The Sponsor will return \$50 of your annual organizational fee in place of your first \$50 of withheld administrative fees. Note: Does not apply to One-off projects.
- Ensure that changes to Fiscal Sponsorship agreements or organizational changes which affect the Fiscal Sponsorship agreement (changes in fees, changes in are expressed as soon as possible to the Projects through written, email communication to the named Fiscal Sponsorship representative.
- Dartco will use images (appropriately cited) from the Project's events, activities, and online, by Dartco for promotional and grant writing purposes to support our Fiscally Sponsored Projects and other Dartco supported activities.
- Meet once annually (without charge) with Project (outside of Dartco Board meetings) for "organizational health". To provide support for the health of your Projects and request further or updated information in relation to requirements of federal and state regulations, national guidelines for best practices, and the standards and requirements outlined in the Terms of Agreement.
- Representation in Driftless Art Collective:
 - Fiscal Project attendance to quarterly Board meetings so that Projects are able to be aware of operating plans, short and long term goals of Driftless Art Collective.
 - Invite the Project to make announcements/outline project goals, successes at a Full Board Meeting.
 - Receive a representative from the Project as a voting member of Driftless Art Collective at the Annual Meeting.
 - Board members or project volunteers, leader are eligible for nominations to the board of directors.

To the PROJECT representative:

Read, confirm your agreement with printed name, signature, name of Project and date:

- I have included a \$25 non-refundable application fee to complete my application.
- I have completed this application on behalf of the Project to the best of my knowledge.
- I have read and understand Driftless Art Collective Terms of Agreement and agree to these conditions.
- I understand that incomplete applications will not be considered and that submission does not guarantee sponsorship.
- I understand that failure to comply by the Terms of Agreement, Federal and State laws and regulatory guidelines may result in penalties or termination of Fiscal Sponsorship.
- I understand that Driftless Art Collective is not responsible for penalties, legal requirements, outside of the Terms of Agreement, or legal repercussions of failure to follow federal and state laws applicable to the Project.
- I understand that all eligible funds received through Fiscal Sponsorship/501(c)(3) status must be

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applied for and received with full awareness of Driftless Art Collective and paid through their accounts before use by the Project.

- I understand that Driftless Art Collective will retain a % of secured funds as the Fiscal Sponsor.
- I understand that Driftless Art Collective requires an annual fee upon approval and at subsequent annual renewals.
- I have initialed each page of the Guidelines and Terms of Agreement indicating that “I have read and understand this page.”

The agreement must be signed in the presence of a Notary.

COMPLETE AND SIGN

Project Name: printed name:

Applicant Contact Name, incl printed name, signature, date:

Driftless Art Collective Representative,
incl printed name, signature, title in organization, date.

Notary: stamp, signature, date:

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WHAT IS FISCAL SPONSORSHIP

Fiscal Sponsorship is defined as umbrella financial support allowing the successful applicant to have non-profit status giving access to tax deductible gifts and donations given in their name to the Fiscal Sponsor (donations which may be tax deductible or otherwise to the giver, depending on their status), and operate according to a set of bylaws and mission statement defining their organization or event as charitable, scientific, literary, or for educational purposes.

Fiscal Sponsor or Sponsor: A registered 501(c)(3) organization which has made legal arrangements to allow for the fiscal sponsoring of projects.

Project: An organization or event which wishes to operate a portion or all of their activities as a nonprofit group or organization with a charitable, non-commercial purpose without acquiring independent status as a nonprofit organization.

How does it work?

Through this agreement and the position of the Project as a Member Organization of Driftless Art Collective, Dartco (the Sponsor) authorizes official representatives of the Fiscally Sponsored Project (President of the Board, Executive Board members, Project Leader as necessary) use of Dartco Tax ID number for applications seek and make applications for tax deductible funding from for profit, non-profit businesses, and individuals for the purposes of fulfilling the mission and goals of the organization.

FISCAL SPONSORSHIP with DRIFTLESS ART COLLECTIVE PARTICULARS

For **Driftless Art Collective**, Fiscal Sponsorship is an important part of how we serve the Northeast Iowa Driftless Region. Driftless Art Collective, or Dartco, has established itself as an organization with 501(c)(3) status willing to give Projects (one-off, ongoing, or incubator style developing organizations) this opportunity if they demonstrate an ability to support the mission of Dartco and complement its programming.

All Projects should integrate the mission of Driftless Art Collective

Our mission is to empower our community and ourselves to network and foster partnerships, so together we can create stronger art-related events, cultural activities and educational opportunities, in the Northeast Iowa Driftless Region.

Fiscal Sponsorship Fees:

- The Sponsor retains a % of funds received on behalf of the Project in exchange for serving as the Project's Fiscal Sponsor.
- The Sponsor requires an initial application fee, followed by an annual fee for membership for Fiscal Sponsorship Project to contribute to Driftless Art Collective for continued Fiscal Sponsorship services and support.

Fiscal Sponsorship with Driftless Art Collective offers three options for Projects.

Your selection on application or renewal does not BIND you to your choice. Changes in options can and should be discussed or brought to the attention of Dartco as soon as possible. Fees may apply when changing options.

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One-off Projects: short term, one or two event projects with no intentions for long term management (a concert, fair, fundraiser for equipment, etc) and no incorporated structure.

Ongoing Projects: long term projects operating a smaller budget, smaller staff, the organization do not have long term goals to become independent or to run for less than 3 years, but seek umbrella support to keep their costs down and leadership flexible.

Incubator Projects: short term (1 - 4 years) sponsorship for organizations planning to seek independent nonprofit status. Your independent plan is expected to begin developing by end of second year.

Specific Option Fees:

One-off Projects:

\$75 per project + 6% administrative fees

Ongoing Projects:

\$100 annual membership + 6% administrative fees

Incubator Projects:

\$150 annual membership + 6% administrative fees

Fiscal Sponsorship Membership:

The Project becomes a Fiscal Sponsorship Project: Member Organization of Driftless Art Collective, a member driven organization. The Project is allowed one named representative to vote at the Annual Meeting. Members drive operations through by-laws contributions, providing feedback on activities, procedures, and goals of the organization.

Fiscal Sponsorship Representative

Driftless Art Collective grants one named representative a non-voting position on the Driftless Art Collective Advisory Board of Directors. This representative takes responsibility for communications between Project and Sponsor, for understanding requirements of Dartco responsibilities, state and federal requirements, and is the eligible to participate and contribute to all Full Board of Directors Meetings, or for appointing an alternative.

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FUNDS and USE OF FUNDS PARTICULARS

Fundraising

- The Project may solicit gifts, contributions, and grants on behalf of the Sponsor, which are earmarked for the activities of the Project. The Sponsor's President agrees to co-sign, as needed, original letters of inquiry, grant proposals, and grant agreements. The cost of any reports, or other compliance measures required by such funding sources shall be borne by the Project.
- The Sponsor shall be responsible for the processing and acknowledgement of all monies received for the project, which shall be reported income of the Sponsor for both tax purposes and for purposes of the Sponsor's financial statements. Where the Project is collecting monies and submitting to the Sponsor, the Project is responsible for collecting all required information.
- Should the Project be participating as an incorporated nonprofit entity, the Sponsor requires all funds to pass through Dartco held accounts, and reserves the right to pay Project's tax exempt expenses directly from Sponsor, without passing monies through the Project's own accounts.

The Sponsor reserves the right to place hold on or deny application submission to any grant submission which the Sponsor feels is not suitable to the goals of the Sponsor or Project:

- The Project should notify the Sponsor by providing submission for each grant application before the submission deadline.
- Grants involving government or public agency monies have substantial reporting and auditing requirements; therefore, if the Project desires to apply for government or public agency grants, the Project must get advance approval to do so from the Sponsor's Board of Directors, and follow above guidelines for providing information prior to submission deadlines.

Receipt of Funds:

- The Sponsor agrees that all grants, charitable contributions, and gifts which it receives for the Project will be reported as contributions to the Sponsor as required by law, and further agrees to acknowledge receipt of any such grant, charitable contribution or gift in writing and to furnish evidence of its status as an exempt organization under Section 501(c)(3) to the donor upon request.
- The Sponsor agrees to receive grants, contributions, and gifts to be used for the Project and to make those funds available to the Project. All income earned through programming will be managed by the Project.

Use of Funds:

- The Project agrees not to use funds received from the Sponsor in any way which would jeopardize the tax-exempt status of the Sponsor. The Sponsor retains the right, if the Project jeopardizes the Sponsor's legal or tax status, to withhold, withdraw, or demand immediate return of grant funds.
- The Sponsor authorizes the Project to make expenditures, which do not exceed total contributions for the Project, for use in the Project. The Project agrees to use any and all funds received from the Sponsor solely for the legitimate expense of the Project and to account fully to the Sponsor, on a quarterly basis, for the disbursement of these funds.
- The Project shall not directly or indirectly use any funding provided to it for Project purposes to attempt to influence legislation or participate or intervene in any political campaign on behalf (or in opposition to) any candidate for public office or otherwise engage in the carrying on of propaganda (within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986).

Requesting or receiving Grants and Funding:

Whether our signature or submission by our organization is not required, we must be informed of:

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- Any application for funding which requires Tax ID or can be considered tax deductible income no less than five days BEFORE the application is made.
- The award status (success/denial).
- Receipt of funds. Funds should be sent directly to the Sponsor. In the event that they are not, it is the Project's responsibility to ensure that the funds are paid into the Sponsor's account as quickly as possible (by asking for the name to be changed on the check if necessary). Funds acquired through Dartco may not be paid through the Project's own accounts (or Dartco managed own accounts*) if they are to be considered tax-exempt.
- Completion of follow-up report including detailed information on use of funds. This is often requested by the grant funder, in this instance, please just send us a copy of your report for the grantor.

*While permissible by law, this can create gaps in reporting. Please pay all contributed funds directly to the Sponsor's own account.

ACKNOWLEDGEMENT PARTICULARS

Acknowledgement of donations received:

You are required to acknowledge through receipt, any named donations to the donor/funder, and in your records. Include: date, amount, name, address, receipt sent, form (cash, check, credit), date deposited, date received portion, and total administrative % fees.

Letters of acknowledgement (and thanks) should be sent to donors over \$75, also detailing the portion which may be considered tax-deductible if they are eligible.

The Sponsor may be requested to make these acknowledgement letters. Clear records of acknowledgement letters should be kept on file by Sponsor and Project.

Acknowledgement of charitable status:

Your organization/project must clearly states the role of Driftless Art Collective as your Fiscal Sponsor.

This should be stated **wherever your organization is defined** and wherever you ask for donations (in whatever form they exist), virtual or print formats. This includes event publicity, your website, business cards, letterheads, email signatures, etc.

Required language:

_____ *Project Name* _____ operates as a non-profit organization under the fiscal sponsorship of Driftless Art Collective. Driftless Art Collective is a 501 (c)(3) nonprofit organization, see more information at dartco.org.

Promotion of status:

Where donations are discussed, the language must read:

_____ *Project Name* _____ operates as a nonprofit organization under the fiscal sponsorship of Driftless Art Collective. Driftless Art Collective is a 501 (c)(3) nonprofit organization, see more information at dartco.org. Your donation may be tax deductible.

Short status for Radio

_____ *Project Name* _____ is a Fiscal Project of Driftless Art Collective.

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_____ *Project Name* _____ is a nonprofit Project through Fiscal Sponsorship from Driftless Art Collective. Also, use **Short status** for facebook by adding link to [Driftless Art Collective](#).

COMMUNICATIONS PARTICULARS

Primary contact with Project and Sponsor will be EMAIL between representatives from the Project and the Sponsor.

Email addresses should be owned by the Project/Sponsor organizations (NOT AN PERSONAL ACCOUNT).

If an individual is applying for one-off project status, the Sponsor will provide an email (such as bigbluecharity@dartco.org) for forwarding.

- The Sponsor requires that the Project provide a KEY PROJECT CONTACT (ideally the Applicant Contact) who is responsible for keeping good on the Terms of this Agreement:
 - Name, phone, address, business email will be required with renewal if changed.
 - This key contact should not change unless absolutely necessary for continuity of communication.
 - The Sponsor will communication with this KEY PROJECT CONTACT on Project/Sponsor matters unless physically present at meetings.
 - The KEY PROJECT CONTACT will provide a secondary contact (named on the initial application and keep this contact updated with Dartco).
- The Sponsor will provide a KEY SPONSOR CONTACT.
 - Name, phone, address, and business email of this contact will be provided to the Project upon successful application or renewal, and should be pre approved via written, email notification to the board of directors.
 - This key contact should not change unless absolutely necessary for continuity of communication. If the key contact must change for any reason, the Project should contact Dartco as immediately as possible.
 - If the key contact does change, the Project is responsible that the new contact is made aware of the Terms agreed to by the former contact on behalf of the Project.
 - The contact from Dartco will be an Executive Officer (President, Secretary, or Treasurer) unless otherwise indicated.

Request and use of images

Dartco reserves the right to request logos, images, and content and use them with appropriate citations in order to publicise and support Projects.

The Project is encouraged to include the Sponsor on any Publicity release emails to allow us to release news and information quickly and professionally.

Dartco reserves the right to deny use of images, logo, content which may be seen to put at risk the tax-exempt status of Driftless Art Collective.

BANKING PARTICULARS

A requirement of Fiscal Sponsorship with Driftless Art Collective is a Driftless Art Collective owned bank account to handle all funds acquired and expended through and for 501(c)(3) activities.

This account will be set up upon successful application and signing of the Terms of Agreement.

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- The Project account may be registered under three - four names: the name of the Treasurer of the Board or Key Contact for the organization, the Director or President of the Board, and two members of the Sponsor's Executive Board present on the Sponsors accounts.
- In the event that a nonprofit entity is operating as a Project with no pass-through funds (Sponsor directly pays Project's tax-exempt expenses) this account will still be required, but without signers from the Project, and the Project will pay expenses as required to use and maintain the account (checks, card, etc) from the funds earned. Overdrafts will not be allowed.
- If Project signers are added to the account, the account will be the responsibility of the Project, including keeping it in good stead, responsibility for all services and fees (checks, cards, overdraft fees) from funds earned, but the Sponsor as the fiscal agent will be ultimately responsible for the financial status of the Project and reserves the right to assert ownership of the account if necessary.

Accounts details:

- Ongoing Projects will be required to open or operate a bank account at the Sponsors bank
- Incubator Projects will be required to open and operate a bank account at the Sponsors bank to receive all charitable donations.
- One-off projects may require Driftless Art Collective to make payments with raised funds on their behalf in lieu of opening an account for a short term project (this is called a pass through arrangement). If a One-off project choose to become an Ongoing or Incubator project or repeat the event, a Project account as described above will be required.

The Sponsor reserves the right to make special accounting and banking arrangements (as appendices to the agreement) for any Project for any reason at any time.

All Projects must update the Sponsor BEFORE or IMMEDIATELY after a change in signer is required or desired. New signers must be approved through minutes of the Dartco Board in order to be eligible as signers on the accounts. This may require a special meeting of the Board, please allow for this time.

PayPal, Square or other payment services:

These should be set up to pay directly into the Sponsor's account (for charitable monies).

If you are using PayPal or square to allow payment of tax eligible/earned income, these can be set up to pay directly into your Project account or directly to the Sponsor's account as required, please confirm the appropriate account as required.

Deposits:

After recording amounts, type of donation, address, names of donors, the Project is responsible for depositing funds to the appropriate account. At the time of deposit, the KEY PROJECT CONTACT should alert the KEY SPONSOR CONTACT of the deposit, including any additional details required.

Checks and Cash received by the organization must be deposited as soon as possible on receipt of funds. These funds should be paid directly into the Sponsor's own account. The Sponsor is not responsible for depositing funds received directly by the Project, but all funds must be processed through the Sponsor's own account.

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If the checks are not written to the Sponsor (Driftless Art Collective, Dartco), the endorsement on the reverse should read: Pay to the order of Driftless Art Collective and monies should be deposited into the Sponsor's own account. The Sponsor has made arrangements with their bank to allow for this.

Note: If the KEY SPONSOR CONTACT is not notified of the deposit, they will not know to process and transfer the funds.

Upon notification KEY SPONSOR CONTACT will ensure the deposit is processed and the funds paid into the Project account as soon as they are available. Consider holidays, weekends, check clearing, etc. Even cash, if paid in after 2pm may not be withdrawn until the following banking day.

Funds which have not cleared will NOT be advanced from the Sponsor's own balance. In the event that The Sponsor is paying the Project, the Sponsor will assume a payment schedule of bi-monthly (or approximately 14 days) deposits. The Project may request account statements or balances between payments.

Ensure you plan accordingly for delays in payment due to approval of checks or in relationship to this deposit schedule.

Note: if your Project is holding an event an anticipate funds coming into your accounts, please alert the KEY SPONSOR CONTACT so that they may anticipate your email notification regarding the DEPOSIT.

PROTECTING YOUR ASSETS

Employment:

All personnel working on the Project shall be managed by the Project. Any employees (salaried or contract) shall be managed and compensated by the Project as required. Note: the Sponsor will have ultimate supervisory authority and management control to the extent necessary to ensure that activities and expenditures of the Project can comply with the purposes, limitations, and requirements of the Sponsor as a 501(c)(3) organization.

Insurance:

The Project will provide insurance, paid for through contributions and grants for the Project, including the following:

- Worker's compensation insurance and unemployment insurance for Project employees will be provided by the Project in an amount sufficient to comply with all legal requirements of such coverage.
 - Freelance contracted workers do not required worker's compensation.
- Premises liability insurance for the Project site (including events), naming the Sponsor as an additional insured.
- *If Professional liability is required by the Project's insurance carrier for operation, the Project agrees to name the Sponsor as additional insured.

REPORTING PARTICULARS

We expect that you are keeping these records for your own duties and responsibilities as an incorporated nonprofit entity or project serving as a public charity, and will be proactive in providing us with the most up to

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date information for the accuracy of records and clarity in communication for the benefit of our two organizations, and for your sponsors.

- The Sponsor agrees to make financial records relevant to the Project available to the Project on request.
- The Project agrees to make records available to the Sponsor: including but not limited to records of expenditures, assets and liabilities, budgets, insurance coverage, contracts for employees or independent contractors, and financial obligations.

Driftless Art Collective Fiscal Year

The Driftless Art Collective fiscal year (and “year” is 1 March - 28 February).

If the fiscal year of your organization differs from this, ALL financial reporting and annual reporting to the Sponsor must still reflect the fiscal year of Driftless Art Collective. Monies paid into Dartco accounts outside of this range may be reported in the previous or post fiscal year.

Financial Reporting requirements:

A suggested full reporting sheet is included in your application. Include as much detail as possible. Further particulars may be required depending on the set up/ organizational structure of the Project. If your fiscal year of the Project is not the same as the Sponsor, note that all reports must be submitted to the Sponsor’s fiscal year.

- Full quarterly reports, by email including all financials including details of:
 - Contributed and earned income received, recorded, and earmarked for expenditure.
 - Earned income, taxable portions of contributed income.
 - All expenses.
- Quarterly reports to include how monies are received, recorded, and distributed:
 - Contributions as membership*, Friends, general donations recorded.
 - Sponsorships recorded.
 - Taxable/earned income (including sales of advertising).
 - Business expenses, incl staff and stipends.
 - Grant distribution (details and follow-up reports).
 - *Membership fees if a portion is considered taxable.
- Annual Reports, including specified IRS/Tax information due: **1 April**
- In accordance with requirements, all grants and funding requests to be considered for tax-exempt income must be made through our organization. Dartco should be notified of all grants (before submission) and funding requests made and of the success of each grant or funding request.
- Fiscal Sponsorship membership includes use of Tax ID number for nonprofit grant applications and accepting donations for specific activities of the project.
- We require a Dartco/Project account at our bank (Decorah Bank & Trust):
 - We require that the Project is responsible for ensuring the account is at all times in good stead, if the Project has approved signers on the account.
 - The Project is responsible for any charges, fees, bank related expenses (card, checks, etc) incurred in use for the Project or relating to the Project’s needs.
 - The Project is recommended to use this account for all banking and recording. Note: financial reporting of income/expenses/money market funds through additional accounts will required in quarterly and annually, except for One off Projects, but the Sponsor may request copies if required for reporting.

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- If a Paypal account is used for donations, this should be connected to the Dartco account. If a paypal account is used to take taxable charges (such as advertising sales), this should be attached to your Project account.
- All donations and non-taxable income must be paid to Driftless Art Collective through Dartco.
 - The Treasurer or executive officers of Dartco will transfer donations and grants, less % for an administrative fee to the Project's Dartco bank account at our bank for access or onto another account as required.

Organizational Reporting Requirements:

The Project should not withhold information necessary to the Sponsor for reporting, relating to tax status, personnel, funds sought or received, from the Sponsor. Reporting and organizational information for the Project should be made available upon request by the Sponsor:

- At least one Key Contact/Directors/operational members resident/located in our coverage area of Northeast Iowa (for communications and attendance to meetings and events), this key contact may be required to be a signer on Project accounts.
- Organizational membership fees (\$75-\$150) annual automatic renewal by invoice.
- One consistent representative from the organization attends quarterly board meetings as Project representative.
- A member of the Project or the board of the Project is eligible to be nominated and serve on the board of directors of the Sponsor.
- 1 voting member of the Project's board eligible to vote annual meeting
- All members of the Project's Board or organization eligible to attend annual meeting, only members of Dartco are eligible to vote.
- Project invited to make outlook report to Dartco (short and long term goals, vision, challenges, etc) at a quarterly meeting.
- Updates of any changes to organization, board and hired position details annually (or immediately upon changes).
- Updates of major changes to organizational bylaws or guidelines annually (or immediately upon changes).

AGREEMENT PARTICULARS

Length of Agreement:

- This agreement shall begin the date it is signed by both Project and Sponsor, with a Notary, and continue indefinitely.
- By mutual consent of both Sponsor and Project, the agreement shall renew automatically on 1 January each year. If termination is desired before automatic renewal takes place, the Sponsor should be notified by 1 November prior to renewal date. The annual membership fee will be invoiced 1 November (ie for submission in October), though coverage as tax exempt may begin immediately on signing of contract.
- One-off Projects will automatically expire on 1 January following the event.

Renewals:

Renewal is automatically consented on 1 January. Organization will be invoiced annual fee 1 December prior to renewal, failure to pay renewal fee will result in fine and may be considered notice of termination.

Prior to automatic annual renewal, your organization is required to submit any changes to the above as they differ from existing renewals (we must have the most up to date information on file).

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Terminations:

This agreement will terminate if any of the following events occur:

- The Fiscal Agent requests the Sponsored Organization to cease activities that it deems might jeopardize its tax-exempt status and the Project fails to comply within a period of ten (10) days.
- The Sponsored Organization fails to perform or observe any other covenant of this Agreement, and this failure remains unremedied fifteen (15) days after notice in writing.
- Either party may terminate this Agreement at any time with 60 days written notice to either party. If so terminated, the balance of all assets provided to the Project by the Sponsor or donated to the Sponsor shall immediately (on the day of notice of termination) be the property of the Sponsor.
- If the Project will continue to exist, the parties may jointly choose another 501(c)(3) nonprofit corporation to sponsor the Project. At the end of the notice period, the Successor shall acquire all assets of the Project, but also assume all liabilities and responsibilities incurred by the Sponsor in connection with the Project.
- Any agreement to transfer assets and liabilities to a Successor shall be subject to the Successor providing the sponsor with proof of the Successors 501(c)(3) status, and shall be a further subject to the approval of any third parties (including funding sources) that may be required.
- If the Project has formed a new organization qualified to be a Successor, the Project shall be eligible to receive all such assets and liabilities so long as the Project has received a determination letter from the Internal Revenue Service which states the new organization is exempt from federal tax under section 501(c)(3) of the Internal Revenue Code. The notice period for termination if the Project seeks to be a qualified 501(c)(3) organization waives the seizure of assets on condition that all reporting is continued in a correct and timely manner according to the Agreement until the date of receipt of the determination letter from the IRS for the newly formed organization.
- If no Successor is found, the Sponsor may allocate the Project's assets and liabilities in any manner consistent with application tax and charitable trust laws and other obligations.
- If no Successor is found, the Sponsor will be the owner of the assets and responsible for the liabilities of the Project.

Cancellations, Penalties, Fines

Incomplete applications for Fiscal Sponsorship will NOT be considered until ALL materials (where applicable) are received.

If you are a new organization, please ensure that you know which materials are not required for your application.

- Quarterly reports are due:
 - 1 April**
 - 1 July**
 - 1 October**
 - 1 January**
- **Late quarterly financial reports will be fined \$25/month.**
- **Late annual financial reports (1 April) will be fined \$150/month. Please note, this includes all reports on changes to Board, hired positions, new contracts, and changes to organization. See additional information on reporting of names, contracts, signers to the Sponsor in Organizational Reporting Requirements.**

APPLICATION PARTICULARS

Fiscal Sponsorship with Driftless Art Collective
____ INITIAL HERE

Driftless Art Collective
Fiscal Sponsorship Guidelines & Terms of Agreement

Application fee:

There is a non-refundable, \$25 application fee.

The application fee will not apply to renewals, but will apply to lapsed or terminated contracts upon reapplication. The annual membership fee will apply to renewals and new applicants.

Submitting Applications and Information:

Applications must be submitted in FULL, including payment, to be considered.

Incomplete applications

DO NOT SEND APPLICATION IF IT IS NOT COMPLETE.

Complete applications

Dartco is not obligated to keep any elements of incomplete applications. Incomplete applications will not be considered until FULL. This includes payment.

Applications will be kept on file for the sole purpose of consideration for Fiscal Sponsorship, distributed within the board of directors for the sole purpose as indicated in the application information. Applications will be kept on file for unsuccessful and successful applications until another application is made or until no more than two years following the application.

Limits to applications

Groups or organizations may apply for fiscal sponsorship for a project once in a six month period. (If an applicant has submitted an unsuccessful application to the October submission, the applicant may not submit another project until the following October. Note: this does not apply to incomplete applications.

Payment for Applications

Payment can be by personal check or cashier's check, available from local and national banks. Cash is not accepted for Application fees. A Fiscal Sponsorship online payment point will be provided on request, do not pay via membership or donations.

Fees for unsuccessful Applications

FULL, unsuccessful applications will receive a feedback report. Projects may resubmit after six months or as suggested by the Board of Directors in feedback report. Remember that payment is required for an application to be considered full and complete.

Submission:

1 BY US MAIL

Download PDFs Application from our website, request by email, or request application to be sent as print copies.

- Type or print in black ink.
- One sided on letter sized paper.
- In numerical order. DO NOT STAPLE or send with paperclips.
- Enclose check or confirmation of online payment (payment ID, print screen).

Send to PO Box 157, Decorah, IA, 52101.

Attn: Fiscal Sponsorship Application

Fiscal Sponsorship with Driftless Art Collective

____ INITIAL HERE

**Driftless Art Collective
Fiscal Sponsorship Guidelines & Terms of Agreement**

2 BY GOOGLE DOC FOLDER

All files should be saved as PDFs, labeled as specified on the form.

Confirmation of check or online payment (payment ID, print screen, etc).

Share FOLDER through Google Docs with info@dartco.org, select Can Edit.

Once we have confirmed receipt of your folder, we will download all documents and let you know when we no longer require access to this folder. We request 7-14 days to complete this.

**NOTE: Upon receipt of your application, Dartco will confirm by email or mail.
Please allow at least 48 hours after 11.59pm, 1 October deadline for this confirmation.**