



**Certified Grantee: GO For Impact
Model C Fiscal Sponsorship
Administrative Terms and Policies**

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1.0 Certified Grantee- GO for Impact! The Model C Fiscal Sponsorship

1.1 Relationship: Grantor/Grantee

The program is and remains its own entity with a charitable mission that aligns with that of HSI.

HSI evaluates the organization and certifies its status as a grantee.

1.2 Program Operations

2.2.1 Governance

The program is its own legal entity, a state-incorporated non-profit corporation or sole proprietorship.

The grantee organization (GO) is supervised by its own board of directors.

The entrepreneur becomes the executive director of the grantee organization. (GO)

1.2.2 Personnel

The grantee team members become employees or volunteers of the GO, and therefore the GO's personnel policies apply to GO team personnel.

The GO provides payroll tax withholding, workers' compensation insurance and unemployment benefits.

1.2.3 Financial considerations

HSI treats funds received for the purpose of the GO program as restricted under the charitable trust doctrine. Funds raised are the property of HSI and will be placed in a restricted fund for the use of the GO.

All funds, minus administrative fees as outlined in Section 4.0 are dedicated to the purpose of the program and will not be used to pay the expenses of another.

HSI releases funds to the GO, which must provide documentation that the funds have been used in completion of the agreed purpose.

1.2.4 Fundraising and Charitable Donations

GO personnel are responsible to research and write grant requests and solicit donations for the program.

Checks for incoming funds must be made payable to "Humanitarian Social Innovations" or "HSI" with the name of the program in the memo line.

Because GO personnel are agents of HSI and represent HSI to other organizations, HSI must review all fundraising and marketing materials prior to their use.

1.2.5 Financial and Tax Reporting

All financial transactions for grants and tax-exempt funds received by HSI and assigned to the GO are accounted for through HSI's accounting system. All such accounting appears on HSI's IRS Form 990 tax return.

The GO files payroll tax returns for employee compensation.

Employed GO personnel report salaries or wages on their own IRS Form 1040.

Program financials are reported to Humanitarian Social Innovations quarterly (See 3.0 Reporting)

Section 4.0 outlines fees for non-submission and late submission of required reports.

1.2.6 Liabilities

The GO bears the liability of all actions and omissions of the GO team employees and volunteers within the scope of their employment or service.

The GO bears the cost of liability insurance required to address the risk of the activities of the program and must show proof of insurance with "Humanitarian Social Innovations" listed as an additional insured on the GO's liability insurance policy.

1.3 Ownership

All property tangible or intangible belongs to the grantee organization.

2.0 Reporting

Program managers must submit regular reports of program and financial activities quarterly according to the schedule below. HSI provides a link to the reporting form, which is completed online.

Quarterly Report Schedule

	Period Covered by Report	Report Due Date
1	January 1-March 31	April 15
2	April 1-June 30	July 15
3	July 1-September 30	October 15
4	October 1-December 31	January 15

3.0 Charges and Fees

3.1 Account Setup Fee

A \$350 Account Setup fee is due when the program is approved for fiscal sponsorship. This fee is the real cost of the time required to coach an applicant and set up the accounts in our system.

3.2 Administrative Fee

10% of the accepted program's funds and revenues will be diverted to HSI's general fund for the program community's general administration and overhead.

3.3 Reporting-Related Fees

Late submission of required reports: \$75

A report will be considered late if submitted between the 16th day and the last day of the month submission is due.

Non-submission of required reports: \$150

A report will be considered unsubmitted after the last day of the month submission is due.

4.0 Inactivity

A program is considered inactive if any of the following conditions apply:

No funds have been raised or spent in a six-month time period.

Less than \$500 has been raised or spent in a fiscal year.

No active programming has taken place in a fiscal year.

Program does not complete two consecutive quarterly reports.

Inactivity may lead to the loss of the fiscal sponsorship contract following a probationary period.

Appendix One

Glossary

CONSULTING-The providing of expert knowledge to a third party for a fee. Consulting is most often used when a company needs an outside, expert opinion regarding a business decision. For example, a company seeking to sell its products abroad may look for a consultant familiar with the business practices of the target country. (Business Dictionary.com)

FISCAL SPONSORSHIP-Fiscal sponsorship is a formal arrangement in which a 501(c)(3) public charity sponsors a project that may lack exempt status. This alternative to starting your own nonprofit allows you to seek grants and solicit tax-deductible donations under your sponsor's exempt status. (Grantspace.org)

INTANGIBLE ASSET-An intangible asset is an asset that is not physical in nature. Intellectual property, including items such as patents, trademarks, copyrights and business methodologies, are intangible assets, as are goodwill and brand recognition. (Investopedia.com)

IRS FORM 990-Return of Organization Exempt From Income Tax. Tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations file this form to provide the IRS with the information required by section 6033. (IRS.gov)

LEGAL ENTITY-An association, corporation, partnership, proprietorship, trust, or individual that has legal standing in the eyes of law. A legal entity has legal capacity to enter into agreements or contracts, assume obligations, incur and pay debts, sue and be sued in its own right, and to be held responsible for its actions.(Business Dictionary.com)

TANGIBLE ASSET-A tangible asset is an asset that has a physical form. Tangible assets include both fixed assets, such as machinery, buildings and land, and current assets, such as inventory. (Investopedia.com)