## Fiscal Sponsorship Guidance

Applications using fiscal sponsorship please review the information below. If not, please proceed to the "Organization Information" in the next section.

Applicants must be a **501(c)(3)** nonprofit organization; a local, state, or tribal government entity; or an educational institution and must be based in Maine. If an organization is not one of these types, they may be able to apply via a fiscal sponsor. If you have questions about organizational eligibility, please email <u>Holly Irish</u>, <u>Grants Manager</u> before beginning an application.

Organizations intending to apply through a fiscal sponsor, must contact Holly to discuss your situation before beginning an application. Holly will guide you in submitting a fiscally sponsored application that meets all requirements. Please note failure to make contact regarding your grant application and the fiscal sponsorship process will make your application ineligible for consideration.

The <u>organization serving as the fiscal sponsor</u> will be required to:

- submit the letter of inquiry (LOI) and, if selected, the full proposal for this grant application,
- legally assume responsibility for the proper expenditure and accounting of all funds received and disbursed for the sponsored organization's activities,
- report grant funds received as income for both tax and financial reporting purposes,
- if a grant is awarded, sign a grant agreement stipulating all legal terms of the award.

The <u>organization being sponsored</u> will be required to:

- ensure a relationship with your fiscal sponsor is in place before considering an application and that your fiscal sponsor is aware of your intent to apply,
- adhere to the requirements set forth in your MOU or agreement between your organization and your fiscal sponsor,
- acknowledge your organization is qualified to carry out the proposed work or project.

What can I expect when I reach out to Holly to discuss fiscal sponsorship?

If you are working with a fiscal sponsor, that relationship needs to be in place before submitting an application. When connecting with Holly a brief meeting will be scheduled with the sponsored organization, the fiscal sponsor organization and Holly that will include a review of the requirements of both organizations and ensure a mutual understanding of the steps involved in the grant process.

*Is there documentation required?* 

Yes. A Memorandum of Understanding (MOU) or signed fiscal sponsorship agreement that details the fiscal sponsorship relationship will need to be attached/uploaded to the application. An agreement template is included in the grant application, which may be used. If you choose to use a different format for the agreement, it must be substantially similar to the template and acknowledge all requirements of both parties. A MOU or agreement must be signed by both parties and be active for dates that include the grant period noted on your application.