



## **About the TSN Fiscal Sponsorship Agreement**

### **Why do we need a fiscal sponsorship agreement?**

At The Stewardship Network (TSN), fiscal sponsorship is both a legal relationship and a collaborative partnership. This agreement is designed to clearly define that relationship so that both TSN and the fiscally sponsored project can operate with confidence, transparency, and shared understanding.

### **Ownership and Legal Responsibility**

When TSN fiscally sponsors a project, that project becomes part of TSN's legal and financial structure. This means TSN assumes legal and fiduciary responsibility for the project's activities, finances, and compliance with applicable laws and regulations.

We take this responsibility seriously and in support of the important work our projects are doing. At the same time, because TSN is ultimately accountable, we retain final legal authority over key matters such as contracts, personnel, and financial oversight. In practice, we exercise this authority in close partnership with project leadership, with a strong preference for shared decision-making and open communication.

### **Scope of the Project**

The agreement clarifies the scope of the project's work under TSN's EIN. This helps ensure alignment between the project's activities and TSN's charitable mission, while also providing clarity about what decisions can be made independently by the project and where TSN involvement is required.

Our goal is to support projects in operating with meaningful autonomy within an agreed-upon scope, while ensuring compliance and organizational alignment.

### **Fiscal Responsibility and TSN's Nonprofit Status**

As a 501(c)(3) organization, TSN enables projects to receive tax-deductible donations and access grant funding. In return, TSN is responsible for ensuring that all funds are used in accordance with charitable purposes and regulatory requirements.

To meet these obligations, TSN retains "variance power," meaning we have final legal authority over how funds are ultimately used. In practice, we work closely with project leaders to ensure that funding decisions align with both donor intent and project goals. This structure protects both TSN and the project while preserving the integrity of the work.



## **Mutual Agreements and Shared Expectations**

Fiscal sponsorship works best when expectations are clear and relationships are strong. This agreement is intended to:

- Clarify roles, responsibilities, and decision-making authority
- Reduce the likelihood of confusion or conflict
- Establish a foundation of trust, transparency, and communication

We view this as a two-way commitment: TSN provides infrastructure, compliance, and support, while projects bring leadership, vision, and programmatic expertise.

## **How We Work Together in Practice**

While this agreement outlines legal authority and responsibilities, our day-to-day work is guided by a collaborative approach:

- **Communication:** We prioritize regular, open communication and early discussion of questions or concerns
- **Decision-Making:** Projects lead programmatic work within the agreed scope; TSN provides oversight and partnership on financial, legal, and strategic matters
- **Consultation:** TSN does not make unilateral decisions about project operations unless required for legal or fiduciary reasons (which has yet to happen in our decades of experience)
- **Shared Problem-Solving:** When challenges arise, we work together to find solutions that support both compliance and project success

Our intention is to create a relationship where projects feel supported and empowered, while TSN fulfills its responsibilities with integrity.

## **Highlights of What is Established in the Agreement**

### **Article I: Structure of Fiscal Sponsorship**

- TSN's legal authority and how it is exercised in partnership with project leadership
- Structure of project leadership and roles
- Duration of the agreement
- Ownership of assets

### **Article II: Funding**

- Fundraising is led by the project, with TSN providing support such as grant administration, financial management, and credibility as a 501(c)(3)
- Expectations for collaboration on grant proposals and reporting
- TSN's financial oversight and variance power, exercised in alignment with project goals and compliance requirements



### **Article III: Operational Agreements**

- How the project represents its relationship with TSN publicly
- Communication expectations and reporting
- Insurance and risk management
- Processes for adapting to changes in the project over time

### **Article IV: Fees Charged by TSN**

- TSN's indirect rate (overhead) and any applicable fees
- Transparency around what these fees support, including administrative infrastructure, compliance, and shared services

### **Article V: Acknowledgements**

- TSN does not guarantee programmatic or financial success
- Projects are responsible for maintaining sufficient funding for their work
- TSN is committed to supporting projects within its capacity but does not serve as a financial backstop

### **Article VI: Resolving Problems and Termination of Agreement**

- A structured, good-faith process for resolving disagreements
- Clear offboarding procedures if the partnership ends
- Guidance on the disposition of assets, with attention to fairness, donor intent, and legal requirements

### **Article VII: General Provisions**

Standard legal provisions

Process for amending the agreement as needs evolve

### **Exhibits**

- **Exhibit A:** Inventory of Project Assets  
Establishes clarity about ownership of assets at the start of the agreement
- **Exhibit B:** Project Leadership List  
Identifies individuals with decision-making authority and responsibility
- **Exhibit C:** TSN Member Community Services List  
Outlines services provided by TSN without additional charge (for Member Communities), such as administrative, financial, and programmatic support

Additional exhibits may be added to reflect the specific needs and context of each project.



### **A Foundation for Working Together**

Fiscal sponsorship is most successful when it is grounded in clarity, trust, and shared purpose. This agreement is designed not only to meet legal and financial requirements, but also to support a strong, respectful collaboration that enables impactful work on the ground.

We are committed to working alongside our fiscally sponsored projects in a way that balances accountability with autonomy, and structure with flexibility, so that together we can advance our shared missions.