



## Fiscal Agency Agreement

**Newton Community Pride** has determined that sponsorship of the **ADD NAME** (known hereafter as Sponsored Organization) would be consistent with one of the pillars of its mission, namely the support of **ADD ARTS & CULTURE, BEAUTIFICATION OR SERVICE OPPORTUNITY** in the city of Newton, and wishes to make arrangements with the Sponsored Organization for the implementation and operation of its organization or event (known hereafter as the Project).

1. Newton Community Pride hereby agrees to sponsor the Project and to assume financial administrative responsibility including but not limited to establishment of a bank account, depositing checks, paying vendors and insuring the Project if able and required. The Sponsored Organization agrees to administer, implement and operate the Project. Newton Community Pride assumes no programmatic or administrative responsibilities for the Project.
2. The Project shall be operated in a manner consistent with Newton Community Pride's tax-exempt status and as described in this agreement. No material changes in the purposes or activities of the Project shall be made without prior written permission of Newton Community Pride and in accordance with any requirements imposed by funding organizations, nor shall the Sponsored Organization carry on activities or use funds in any way that jeopardizes the Newton Community Pride's tax-exempt status. Including, but not limited to the following:

The Sponsored Organization shall not 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).

3. On behalf of the Sponsored Organization, Newton Community Pride will establish for the use of the Project an accounting system keeping deposit amounts separate on Newton Community Pride's financial records. All amounts deposited into the Project's account will be used for its support and not for any matters related to Newton Community Pride.
4. Newton Community Pride will disburse funds from the account at the written direction of the Sponsored Organization. Disbursements will be restricted to the support and implementation of the Project only. Sponsored Organization shall submit invoices to Newton Community Pride on an as needed basis and Newton Community Pride shall pay said invoices within 7 business days of receipt of said invoices.
5. The Sponsored Organization designates **ADD AUTHORIZING OFFICIAL** to act its authorizing official. The authorizing official shall act as principal coordinator of the Project's business with Newton Community Pride, and shall have authority to give written requests to Newton Community Pride to disburse money, pay vendors and the like.
6. Newton Community Pride and Sponsored Organization will maintain all financial records relating to the Project according to generally accepted accounting principles, retain records as long as fiscal agency relationship exists, and make records and account balances available to Sponsored Organization yearly.

7. Newton Community Pride and the Sponsored Organization will reflect the activities of the Project, to the extent required, on their state and federal government tax returns and financial reports. All disbursements from its account shall be treated as payments made to or on behalf of the Sponsored Organization to accomplish the purposes of the Project.
8. In consideration of Newton Community Pride's agreement to sponsor the Project, and to cover Newton Community Pride's administrative costs and expenses in connection with the Project as outlined above, the Sponsored Organization agrees to the following:
  - a) Payment of an administrative fee payment of 3% of total yearly deposits during year 1 of this agreement and 5% administrative fee in subsequent years. Administrative fees shall be accessed, according to Newton Community Pride's fiscal year July 1<sup>st</sup> through June 30<sup>th</sup>.
    - "Total yearly deposits" shall mean the sum of all deposits during the months of July 1 to June 30<sup>th</sup> of any given year. For example, in year 1, if the total sum of all deposits equaled \$2200 during said period, a fee of \$66.00 (3% of \$2200) would be paid to Newton Community Pride. In the following year, if \$3600 in deposits was added to the \$2200 in your account, the adm fee would be \$180.00 or 5% of \$3600.
  - b) All Sponsored Organization's marketing materials for Project (*including but not limited to print and online, etc.*) shall include the Newton Community Pride logo, a mention of Newton Community Pride's sponsorship and a link to our website to "*learn more about Newton Community Pride*".
  - c) Sponsored Organization shall send an email to their constant contact or email list each year during the duration of the fiscal agency relationship suggesting and encouraging their membership opt in or sign up for Newton Community Pride's eNewsletter .
9. This agreement will be subject to review annually and will terminate if any of the following events occur:
  - a) Sponsored Organization requests through written notice to Newton Community Pride that such fiscal agency is no longer required and requests that said banking and insurance (*if any*) relationship ceases and cash amount on deposit is turned over to Sponsored Organization;
  - b) Newton Community Pride requests in writing that the Sponsored Organization cease activities that a) it deems might jeopardize its tax-exempt status and the Project fails to comply within a period of ten (10) days; b) the Sponsored Organization fails to perform or observe any other covenant of this agreement, and this failure remains un-remedied fifteen (15) days after notice in writing; and c) Upon expiration of four weeks after either the Sponsored Organization or Newton Community Pride has given written notice of its intent to terminate the agreement.

*In witness whereof*, the parties hereto have executed this Agreement this \_\_\_ day of **MONTH** 2021

Newton Community Pride

Sponsored Organization

By: \_\_\_\_\_  
 Authorized Signer, Gloria M. Gavis  
 Chair, Board of Directors

By: \_\_\_\_\_  
 Authorized Signer,