

# FISCAL SPONSORSHIP AGREEMENT WITH PEACE DEVELOPMENT FUND



*Handbook for  
Grantees*

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# Overview

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The Peace Development Fund (PDF) is a public foundation that works to build the capacity of community-based organizations through grants, training and other resources as partners in the human rights and social justice movements.

PDF's Fiscal Sponsorship Program is a grantor-grantee relationship model, commonly known as Model C. In this model, the sponsored project, or grantee, is not a program or initiative of PDF, the grantor and sponsor. The project has its own legal, tax and accounting identity, subject to various state and federal laws.

When the grantee has a specific charitable or educational project it would like funded and does not have the capacity to accept tax-deductible donations directly, PDF furthers its tax-exempt purposes by making one or more grants for a project that shares PDF's mission and vision: to nourish, foster, and encourage the diverse, self-sustaining and economically viable communities that are essential to building a peaceful, just and equitable world.

PDF requires its fiscal sponsorship projects to take the lead in raising all funds subject to PDF guidance, and reserves the right to review and approve all solicitation material to ensure that the project furthers only charitable goals and does not confuse or violate federal or state legal requirements. By law, all individual, foundation and other donations intended for the sponsored project must go directly to and belong to PDF, whose board of directors has the sole discretion whether and when to distribute those funds to the project.

## Benefits of Fiscal Sponsorship

- A project can receive tax deductible donations from individuals, and apply for and receive public and private foundation grants.
- A project that is just beginning can “incubate” and expand while a project that is short-term can receive tax-deductible donations, achieve its goal and disband.
- Better fund-raising opportunities because of PDF's experience and reputation, enabling a project to raise funds and track donors more effectively.
- A project can build its donor base before applying for its own 501(c)(3).
- Project is included on PDF's website with option for link to grantee's own information page and ability to receive on-line donations.
- PDF staff, with more than three decades of experience in the non-profit sector, can offer project advice and guidance as the project develops.
- Fewer start-up costs because project is not required to incorporate (it can remain an unincorporated association) or acquire its own 501(c)(3) status.
- All donors are issued thank you receipts per IRS individual income tax and 501(c)(3) laws and regulations (grantees are also encouraged to send thank you letters).
- Monthly reports provided to project listing details of all donations received with monthly issuing of grant disbursements when project balance is more than \$500, or as requested by project.

- Project’s donations and grants are included in PDF’s federal 990 annual filing.

## Fees

**PDF’s current fee for fiscal sponsorship administration is 7.5 percent of all monetary donations received on behalf of the project.** Additionally,

- PDF requires a one-time, non-refundable \$250 application fee,
- an annual \$105 fee to maintain a project’s fiscal sponsorship status, and
- in the event that the fiscal sponsorship is terminated, there is a \$75 fee to transfer the project’s funds to another fiscal sponsor.

If an organization does not have a website and wants PDF to host and update a webpage for them on PDF’s website, there is a \$35 annual fee. PDF reserves the right to charge for any extraordinary costs that arise due to a fiscal sponsorship, such as if PDF or its accountants must examine an organization’s books.

## Eligibility and Program Considerations

Before applying to PDF’s fiscal sponsorship program, keep the following in mind:

- The project must involve public education and/or other charitable 501(c)(3) activities that further the charitable goals of PDF.
- Only groups may be accepted into the program. PDF does not accept individuals into the fiscal sponsorship program. Groups must demonstrate that organizational decisions are collaboratively made by three or more individuals.
- PDF does not accept projects into the program whose primary focus is lobbying (see “Lobbying” section for further information).
- Project activity may occur at any level: local, state, regional or international.
- PDF generally distributes funds to projects once a month.
- Participation in the program is ongoing as long as the project submits the yearly report and annual maintenance fee.
- The project retains its own legal, accounting and tax status as a separate entity. This could be as minimal as having a bank account opened in the project’s name with its own EIN (Employer Identification Number) from the IRS using form SS-4 to being a registered organization in the state in which the organization is located. **Depending on whether the project is incorporated or not, and the requirements of the state in which it resides, the project is responsible for any legal obligations, which may include employment taxes, insurance, debts, liabilities or information required by the state, federal or local authorities (PDF will list its grants on the PDF 990). Remember that although PDF is tax-exempt under section 501(c)(3), fiscal sponsorship under PDF does not make the project itself tax-exempt.** PDF recommends that groups consult with a Certified Public Accountant or other legal/tax professional to determine any filing requirements.
- The project sets up its own accounting system and is responsible for paying its own bills using an organizational bank account and carrying out its own financial audits as necessary.
- The project must demonstrate that it is a separate entity (not part of another organization) by providing PDF with appropriate documentation – for example a form SS-4 or EIN

confirmation letter from the IRS (used to open a bank account), list of Board of Directors, bylaws, articles of association or other governance documents.<sup>1</sup>

- The PDF Board of Directors retains sole discretion on distribution of funds to the project.
- The project and its supporters are responsible for all fund-raising. PDF reserves the right to deny use of fund-raising material that violates the fiscal sponsorship grant agreement, PDF's status as a 501(c)(3) public charity or other legal restrictions.
- At no time may the project act as an agent of PDF nor represent itself as such. For example, **the project may not sign grant agreements** from other funding sources as these grant agreements will all be in the name of PDF.
- PDF does not accept grants from the U.S. federal government and **will not act as the fiscal sponsor for such grants**. Fiscal sponsorship projects seeking funding from state or local governments must review the requirements of such grants with PDF prior to submitting such an application. PDF reserves the right to refuse to act as fiscal sponsor for grants from state governments.
- The project is responsible for grant reporting in a timely manner as required by foundations or other donors, and must provide PDF with a copy of **all application and reporting material** submitted to foundations or other donors for all successfully funded grants.
- Only monetary donations can be received by PDF. In-kind donations cannot be received as a charitable contribution to PDF, nor can PDF reimburse volunteer expenses.

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<sup>1</sup> PDF can provide copies of sample documents.

# When, Where and How to Apply

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## When

The Peace Development Fund accepts applications to the Fiscal Sponsorship Program on a rolling basis. The process between submitting an application and final approval may take approximately four weeks depending upon completeness of the application, additional questions raised by the application and timing of PDF Board of Directors meetings to approve applications.

## Where

Use the on-line application on our website. Application questions are shown in Appendix C of this Handbook.

To start your application, click here

[https://www.GrantRequest.com/SID\\_5632?SA=SNA&FID=35003](https://www.GrantRequest.com/SID_5632?SA=SNA&FID=35003)

To return to your account, click here

[https://www.grantrequest.com/SID\\_5632/default.asp?SA=AM](https://www.grantrequest.com/SID_5632/default.asp?SA=AM)

Send the \$250 non-refundable application fee:

Peace Development Fund  
Attn: Fiscal Sponsorship Program  
PO Box 1280  
Amherst, MA 01004-1280

If you need additional information or have questions, please call our Amherst Office at 413-256-8306 or email [emily@peacefund.org](mailto:emily@peacefund.org)

## How

### Step 1

Fill out the application form and attachments on-line and send the application fee to the post office box address listed above. If some portion of the attachments is only available in hardcopy then those documents may be sent to the mailing address listed above. We do not accept applications by FAX.

### Step 2

After reading the application, PDF program staff will determine if the application is complete and if the applicant fits into the guidelines of PDF's grantmaking programs. If the application is not complete or unclear, PDF's staff will contact the organization for additional information. If the staff determines that the organization does not fit PDF's funding priorities, the organization will be informed and the process will terminate. This process generally takes two weeks.

### **Step 3**

When the staff determines that an application is complete and fits the PDF guidelines, the application will be forwarded to the PDF Board of Directors for review. If the Board has additional questions for the organization the staff will gather that information. Once the Board has all the information they require for a decision they will vote either at a scheduled Board call, meeting or by e-mail. This process generally takes two weeks.

### **Step 4**

Once the Board of Directors makes their decision regarding the application the organization will be informed of the application's approval or denial. The whole process normally takes one month to complete.

### **Step 5**

Once the Board of Directors has approved an organization's participation in the fiscal sponsorship program, a contract and other related materials would be sent for signature by the organization. When the signed original contract is returned to the address listed above, the organization will receive a confirmation letter indicating their status in the program. This confirmation letter may be used to solicit donations.

## **Continuation in the Program**

Participation in the Fiscal Sponsorship Program is contingent on the project following the terms of the contract, fund-raising and other guidelines, and submitting the annual maintenance fee and an annual report with financial statement (other terms may apply). Reports are reviewed to ensure projects continue to carry out charitable work that fits in PDF's mission and status as a 501(c)(3) entity. Projects may be terminated for cause at the discretion of the PDF Board of Directors. A project may leave the program by informing PDF at least 30 days in advance and a final report will be due 30 days after that notice is given. Reporting or other requirements may continue beyond the length of participation in the program, due to grants that the project may have received. PDF reserves the right to withhold all or a portion of any fund balance until final reports and fees are submitted.

## **Proposals and Reporting**

PDF operates on a July-June fiscal year. In May, PDF will send you an invoice for your participation/website fee, due by June 30<sup>th</sup> of each year.

Fiscal sponsorship reports are due to PDF by July 31<sup>st</sup> of each year. The report should cover activity from July 1 to June 30. If a group has received grants from PDF other than fiscal sponsorship (for example, through a PDF Donor Advised Fund), reporting on these grants can be included in the yearly fiscal sponsorship report. From time to time, donors will require a more frequent report, and we will notify you if that is the case.

You will access the form for your yearly report from your online account, here:

[https://www.grantrequest.com/SID\\_5632/default.asp?SA=AM](https://www.grantrequest.com/SID_5632/default.asp?SA=AM)



If a grant requiring a report is received from an outside funder, PDF will withhold those funds until a copy of the application or proposal submitted to receive the grant is forwarded to PDF. If PDF has not received a copy of a report due to an outside funder by the report's due date, PDF will withhold further funds until a copy of the report is forwarded to PDF.

## Termination

For groups ending fiscal sponsorship with PDF, 10% of any fund balance will be held until a final report and/or fee is submitted. If yearly or final closeout report and/or annual maintenance fee are overdue and three attempts have been made by PDF to secure them (by email or phone), PDF has the right to terminate the organization's participation in the program and use any remaining fund balance to support the general mission of PDF.

## Your Guide to Fund-raising through PDF

This guide to accepting donations and fund-raising through PDF's Fiscal Sponsorship Program may not cover all instances of fund-raising, so please contact PDF with any questions: email [emily@peacefund.org](mailto:emily@peacefund.org) or call 413-256-8306.

**Accepting Donations.** All donations for your project – cash, stock or checks - must come through PDF. **At no time may the project accept and use a donation directly in its name** without submitting to PDF.

Please send donations and any accompanying paperwork to PDF within one week of receiving them to avoid any stale dated checks and so PDF can provide a contemporaneous receipt as required by the IRS. The donors may also send donations directly to PDF at PO Box 1280, Amherst, MA 01004-1280. Be sure to ask your supporters to indicate that the funds are designated for your project. If you have a form that you use to help you track gifts, please send it with the donations.

Checks must be made out as follows:

### **Peace Development Fund (or PDF) with the project name in the memo line**

Cash gifts may be accepted by the project and forwarded to PDF by depositing the cash into your bank account and sending an organizational check or money order to the Amherst address. Please be sure to put that these are cash gifts in the memo line. For those donors who wish to receive acknowledgment, please have them fill in the donation form (see attached example). Other cash gifts will be marked as anonymous. For projects in the Amherst area, you may bring cash or other donations to the office if a PDF staff person is available to accept them. The San Francisco office does not accept cash or other donations directly, except by request. All donation processing takes place in Amherst.

**End of Year Gifts.** For tax receipt purposes PDF must receive end of calendar year gifts by December 31<sup>st</sup> or with a December 31<sup>st</sup> postmark on the envelope. PDF is obligated to follow IRS rules so if a gift arrives to PDF with a January postmark (even if the check is written for December

or the credit card gift is indicated for December) PDF must consider it as a January gift and not a December gift. If you collect gifts and forward them to PDF, **make sure to send the delivery envelope with the gift** – at the same time – to have it counted for the correct year. We cannot make any exceptions.

**Credit Cards.** We encourage you to use your PayPal button to accept and process credit cards gifts for your organization (where the fee is 2.2% plus .30 per transaction). You may enter the information directly using your PayPal button.

The donation form in Appendix B may be used for credit card or cash gifts. Please do not change the front of the form except to add your project's name. We recommend that you use the back of the form to add additional information about your project. When sending this form to PDF you may make a copy for your records, however **YOU MUST NOT KEEP THE CREDIT CARD INFORMATION IN YOUR FILES DUE TO VARIOUS STATE AND FEDERAL LAWS AROUND SECURITY OF THIS INFORMATION. If copying the form for your records make sure to black out the credit card information on your copy.**

**Foundation Grants.** When submitting an application to another foundation, send a copy to PDF if the grant is approved. If a grant is received and PDF does not have the proposal, the funds will be put on hold until the proposal has been received. The grant must be payable to PDF and the grant contract sent to PDF for signature. The project is responsible for submitting any report the grant requires directly to the funder; remember you must submit a copy of the report to PDF at the same time, or funds will be withheld.

**Federal and State Grants.** PDF does not accept grants from the U.S. Federal Government and will not act as the fiscal sponsor for such grants. Fiscal Sponsorship Projects seeking funding from State Governments must review the requirements of such grants with PDF prior to submitting such an application. PDF reserves the right to refuse to act as fiscal sponsor for grants from State Governments.

**Stock Gifts.** If you have donors that wish to make a stock gift, please ask them to contact PDF directly. Information about stock gifts may also be found on our website at [peacedevelopmentfund.org/how-to-give/stock-and-appreciated-securities-gifts](http://peacedevelopmentfund.org/how-to-give/stock-and-appreciated-securities-gifts). Make sure the stock gift is designated for your project.

**Matching Gifts.** PDF is eligible to receive matching gifts through companies that may employ your donors. Matching gifts can double, triple and sometimes even quadruple the gift you receive from your donor. Encourage your donors to see if their company makes matching gifts and to fill out the form at their company for such gifts. Make sure that the matching gift is designated for your project. A list of companies with matching gift programs is on PDF's website, [peacedevelopmentfund.org/companies-with-matching-gift-programs](http://peacedevelopmentfund.org/companies-with-matching-gift-programs), but as these programs frequently change, a reminder to your donors in an appeal letter or on your website is a good idea. For example:

[Name of your organization] is eligible for matching gifts. Contact your employer to inquire about this program.

**In-Kind Gifts.** PDF does not record or provide receipts for in-kind gifts for a project.

**Vehicle Donations.** PDF does not accept vehicle donations.

**Fund-raising Events, Benefits, Raffles and Auctions.** If your project sponsors an event where a service is provided (such as a meal, refreshments or a show) in exchange for a ticket or voluntary donation, you must print a good faith estimate of the value of the service on the invitation. A good faith estimate is your best guess as to what that service would cost if someone were to purchase the service, regardless of whether the service was donated to your project.

For example, your supporters buy tickets ranging from \$55 to \$150 to your event and in exchange, they receive drinks and hors d'oeuvres that would normally cost \$30 per person. That value (\$30) is deducted from the amount of the ticket or donation if a tax receipt is sent to the donor. (No tax receipts are provided to your supporters for an event ticket or voluntary donation, unless the tax-deductible value is \$250 or more.) In this case, you may want to put the following on your invitation:

Supporter tickets are \$55 per person (\$25 is tax-deductible)  
Benefactor tickets are \$150 per person (\$120 is tax-deductible)

**Contact PDF for advice on wording the invitation to show the estimated value.**

Raffle proceeds are not considered tax-deductible. California and Massachusetts require a non-profit to have a license to conduct a raffle. PDF does not purchase a license on a project's behalf, so PDF does not accept funds from raffles.

If the event includes an auction (silent or live), even if the auction items were donated, the fair market value of the items is deducted from the auction payment. For example, a travel agency donates a cruise for two people to your organization, valued at \$5,120. One of your supporters bids \$4,300 for the cruise. In this case, the \$4,300 is not tax-deductible, because it is less than the value of the item.

Alternatively, if your supporter bids \$5,300 for the cruise, \$180 of the purchase is tax-deductible. PDF will provide your supporter with a receipt to show the tax deduction.

Contact PDF for a sample auction transmittal form that you can send with the proceeds from your auction which shows the description of the item, its fair market value, the purchase price and the name and address of the purchaser. No tax receipts are provided to your supporters when the fair market value of the item exceeds the purchase price.

**On-line Donations.** PDF offers projects a PayPal button for your website and emails.



A donor does not need a PayPal account to use this; the donor may make a single payment through PayPal with a credit card. The suggested minimum gift via PayPal is \$10, which should be noted on your website.

The button will be coded specifically to your project. Your button will offer the option to make one-time gifts and automatic monthly donations. PayPal requires the donor to set up a PayPal account for monthly contributions. You can customize your button to include three gift amount options (for example, \$25, \$50, \$100) in addition to the option of entering a custom amount. Your donor will need a PayPal account to become a monthly donor in order to protect their information. We can also create a QR code that links directly to your PayPal button.

It is important that you do not change the html coding you receive for the PayPal button or the button will not work properly. Once the button is on your website, click on it to make sure it works and the description reads “Donate to Peace Development Fund, Purpose: Peace Development Fund/Your Organization.” Any donors that give using the PayPal button on your website will automatically have their donations segregated by fund.

You may want to place wording like the following on your website so that your supporters understand how the PayPal system operates:

“Through our fiscal sponsor, Peace Development Fund, we are able to accept PayPal donations. You may pay by credit card, so a PayPal account is not required unless you would like to make a recurring gift. The button below will take you to a PayPal page with the following description: **“Donate to Peace Development Fund/Purpose: Peace Development Fund/Your Organization.”** Your gift will be properly deposited to our account. Please note that Peace Development Fund does not share or sell information about our donors. To receive a tax receipt by mail, you will need to share your address with Peace Development Fund. Otherwise, you will receipt a tax receipt via email. Thank you.”

Please note that PayPal charges a small administrative fee which is deducted from your disbursement (currently 2.2% and .30 per transaction).

**Membership Dues and Thank You Gifts.** Membership dues under \$75 in most cases are tax-deductible and should be forwarded to PDF like other donations. There are some exceptions to tax-deductibility if you provide thank you gifts to your donors or members. If membership is at least \$47.50, a donor should not receive a gift for membership that is worth more than \$9.50. If you provide your member an article whose fair market value is greater than \$10.60, the value of the article needs to be deducted from the membership gift.

For example, your organization charges membership dues of \$50. In exchange for becoming a member or renewing membership, you give your members a mug that is worth \$6. The total amount of the membership dues (\$50) is tax-deductible.

Alternatively, if your organization charges membership dues of \$50 and offers two mugs worth \$12, only \$38.00 is tax-deductible, which PDF will note on the receipt your supporter receives.

**If you send a thank you gift for a donation of any amount, contact PDF to determine how this might affect the tax-deductibility of the donation.**

**Donor Acknowledgement.** PDF sends each donor a thank you letter that includes the tax receipt for income tax purposes and states that no goods or services were provided in exchange for the donation. In order to do this, PDF needs the donor's address (PDF does not share donor information or sell the list). Donors making monthly gifts will receive an annual donation statement for all gifts in the previous year (provided PDF has their address). This is mailed in January. PDF highly recommends that projects send personal thank you notes to their donors as well.

**Donor Report.** By the 30th of each month, those projects that received donations during the prior month will receive a donor report recapping these gifts, which contains donor names, contact information and gifts received.

**Grant Disbursement.** The disbursement of grant funds is on an automatic monthly schedule, released by the 30<sup>th</sup> of the month. The exception is for projects with less than \$500 on account. Those with under \$500 on account may request those funds be paid out during the monthly schedule; otherwise the funds will build up until they reach \$500 before the grant is made. At the end of PDF's fiscal year (June 30th), PDF will bring the account back down to zero by paying out remaining funds to the project. If a project needs to have PDF retain their funds for a longer period of time, PDF is happy to discuss that on a case-by-case basis.

**Publicity.** PDF is happy to include news of your organization in our fall or spring newsletter, monthly e-blast or on our Facebook page. Forward that information, including high resolution photos, to [peacedevfund@gmail.com](mailto:peacedevfund@gmail.com).

**Website and Fund-raising Material.** It is important that your project make sure your website and other fund-raising material is updated to reflect the project's relationship with PDF. When describing the relationship, use the term *fiscal sponsor*. For example, "Project X is a fiscally sponsored project of the Peace Development Fund" or "the Peace Development Fund fiscally sponsors Project X." A version of the following would suffice:

While not a 501(c)(3) itself, Project X is a charitable organization. Through our fiscal sponsor, the Peace Development Fund (PDF), a 501(c)(3) public foundation, our supporters are able to make tax-deductible donations. PDF will provide each donor with the appropriate tax receipt. Please make your checks out to PDF/Project X.  
Thank you for your support.

**Lobbying.** In general, **PDF does not allow fiscally sponsored projects to engage in lobbying activities.** However, if you need to engage in any lobbying, you must notify PDF immediately, so the proposed activity can be discussed and considered. Regardless of your plans to engage in lobbying, you are responsible for understanding what activity constitutes lobbying.

Lobbying is defined as an attempt by an organization to influence legislation. This means contacting, or urging members of the public to contact members or employees of a legislative body for the purpose of proposing, supporting or opposing legislation. The two types of lobbying are **direct lobbying**, which refers to attempts to influence a legislative body through communication

with a member or employee of a legislative body, or with a government official who participates in formulating legislation, and **grassroots lobbying**, which refers to attempts to influence legislation by attempting to affect the opinion of the public with respect to the legislation and encouraging the audience to take action with respect to the legislation. Please see Appendix D of this Handbook for further information regarding the definition of lobbying.

Organizations may engage in public policy issues without the activity being considered lobbying. For example, organizations may conduct educational meetings, prepare and distribute educational materials or otherwise consider public policy issues in an educational manner.

Because improper lobbying can impact PDF's 501(c)(3) status, any lobbying activity must be monitored carefully, and improper lobbying activity may therefore result in an organization's termination from the program. **Again, if at any time during fiscal sponsorship with PDF you expect to engage in lobbying, you must let PDF know.**

Remember that the endorsement or opposition of a political candidate, political party or Political Action Committee (including indirectly), or contribution to such, is strictly prohibited for 501(c)(3) organizations, and is therefore prohibited activity for a fiscally sponsored project of PDF.

**Sales.** PDF does not process money from the sale of items, for example: t-shirts, coffee and other such items that your project may sell to help raise funds. These sales are not donations as the supporter receives goods in exchange for their money. You should deposit these checks in your bank account directly.

**EIN Number.** Your organization should apply for an EIN number, which can be done online from the IRS website. Once you receive your EIN, please provide a copy of your EIN confirmation letter to PDF. In no circumstances can you use PDF's EIN number or state ID number to apply for goods or services from groups such as Google, Microsoft or Facebook, for example, or avoid paying sales tax in your state.

**Facebook.** PDF encourages you to set-up a Facebook page and "like" PDF so PDF can also "like" you! You may also post news from your organization on PDF's Facebook page ([www.facebook.com/peacefund](http://www.facebook.com/peacefund)).

**Crowdfunding Campaigns.** Please notify PDF of any crowdfunding campaigns being planned before they launch. Crowdfunding sites and fees change frequently, and PDF can advise you about the best sites to use. PDF has set up campaigns for projects to use on major sites such as MightyCause and Crowdrise. If you are interested in using another site, you must contact our office, as other sites may require bank account or other confidential information that PDF doesn't provide, and therefore may not be possible to use.

October 2019



## Appendices

### A. GRANT AGREEMENT: STANDARD TERMS

The Peace Development Fund (PDF) is a Delaware not-for-profit corporation, which is tax-exempt under §501(c)(3) of the Internal Revenue Code as amended (IRC), and a public charity under IRC §509(a)(1). PDF grants are made only in furtherance of that status, subject to the terms and conditions set forth in this instrument (Terms), which if provided to the grant recipient (Grantee) are an integral part of the grant agreement between PDF and Grantee (Agreement).

The Agreement usually includes a memorandum or letter addressed to Grantee, which is captioned "Grant Agreement" or "Grant." But it may in some cases be only a PDF payment accompanied by these Terms and/or by a cover memorandum or letter referring to an earlier grant agreement letter. **NOTE: the Agreement is legally binding (see ¶16, below).**

1. Scope of Agreement. Reference to the Grant Agreement or Agreement includes this document, PDF's correspondence with Grantee defining or describing the terms of PDF's grant, and any other documents incorporated by reference in those instruments.
2. Provisions applicable to certain grantees.
  - a. §501(c)(3) grantees. If Grantee has represented to PDF that it presently is tax exempt under IRC §501(c)(3), and if applicable a publicly supported organization described in IRC §509(a)(1), (2), or (3), Grantee hereby warrants that such status(es) is duly confirmed by one or more operative IRS ruling or determination letters. Grantee will provide PDF with copies of pertinent IRS documents upon request and will notify PDF immediately of any IRS revocation, suspension or questioning of any aspect of its tax-exempt status. Grants to §501(c)(3) grantees shall be governed by provisions of these Terms specifically made applicable to such grantees and, conversely, shall not be governed by any provision that is specifically applicable to non-§501(c)(3) grantees.
  - b. Non-§501(c)(3) grantees. If a Grantee is not tax-exempt under §501(c)(3) (including, without limitation, any grant to an individual), this grant shall be governed by those provisions specifically made applicable to non-§501(c)(3) grantees and, conversely, shall not be governed by provisions specifically applicable only to §501(c)(3) grantees.
  - c. Taxability of grant proceeds. Generally, the full proceeds of PDF's grant constitute taxable income to non-exempt grantees and reportable tax-exempt income to §501(c)(3) and other tax-exempt grantees. Grantee assumes full responsibility for reporting PDF's grant properly to IRS, state and local tax authorities, and other appropriate agencies. Aside from the foregoing general information, **PDF has provided**

**Grantee with no tax or other legal advice or recommendation about the necessary or appropriate documentation, recordation or treatment of PDF's grant or any other transaction and Grantee assumes full responsibility for securing such advice and information on its own.**

d. All grantees. Except for provisions that are expressly applicable only to §501(c)(3) or non-§501(c)(3) grantees these Terms are applicable to each Grantee.

3. Use of grant. Grantee will utilize and expend the grant only for charitable, educational, and scientific activities consistent with PDF's (and, if applicable, Grantee's) tax-exempt status, Grantee's proposal for PDF funding, and the Agreement's terms. Without limiting the preceding sentence's generality, Grantee will comply with §501(c)(3) criteria in all activities funded by PDF's grant and will not engage in any (i) electoral advocacy (support of or opposition to a candidate for public office) or (ii) act of private inurement or private benefit. Also:

a. §501(c)(3) grantee. Grantee will engage in no partisan activity (including voter registration) or substantial lobbying prohibited by §501(c)(3) or, if IRC sections 501(h) and 4911 are applicable, will only engage in lobbying within the limits of those laws. If grantee is a private foundation, it will engage in no lobbying, voter registration or other activity that would constitute a taxable expenditure under IRC §4945.

b. Non-§501(c)(3) grantee. Grantee will use no part of the grant for any partisan electoral activity, lobbying or voter registration except as may specifically be authorized by PDF.

4. Grant not earmarked for lobbying or voter registration. No part of this grant is earmarked to support or carry on any lobbying activity or voter-registration drive.

5. Legal Compliance. Grantee warrants and certifies that it complies with the laws of the country or countries in which it is organized, registered and operates; that all information and documentation provided in, and in support of, its application to PDF is complete and accurate to the best of Grantee's knowledge; and that Grantee's staff, board, employees, agents, and volunteers are aware of and do not violate all terms of this Agreement.

6. Grantee Reports and Records. Grantee will:

a. report in writing to PDF on the uses it has put PDF's grant as provided in the Agreement or, if no specific reporting times or criteria are provided, on each December 31 and June 30 in which an expenditure or obligation involving PDF's grant took place;

b. provide promptly any additional information and documents as PDF may request, and permit PDF to inspect and copy such books and records as PDF deems pertinent to its grant and Grantee's use of or suitability for PDF support;

c. keep adequate records to demonstrate compliance with the Agreement and to meet Grantee's legal reporting requirements; and



- d. retain all grant-related records and documents for at least four years after this Agreement's term ends.
7. Payments. Timing of grant payments is in PDF's sole discretion.
8. Expenditure Responsibility. This grant is not earmarked for transmittal to any other entity or person, whether or not mentioned in Grantee's proposal or in any other communication with (or from) PDF. Rather, Grantee accepts full responsibility for the grant, its expenditure and disposition, and compliance with the Agreement's terms and conditions, and agrees to return to PDF any granted funds not so expended or committed as of the grant term's termination.
9. Written notice required. Any notice, report, authorization, or other communication permitted or required by the Grant Agreement shall be deemed given only if and when actually delivered in writing to the recipient.
10. Term. The term of the Agreement shall be as provided in the Grant Agreement or, if no specific term or expiration is provided, one year from the Agreement's commencement. In all cases, PDF reserves the right to determine if Grantee is satisfactorily performing under the grant agreement and to terminate PDF's obligations to Grantee under the Agreement, (a) by so notifying Grantee after informing Grantee of PDF's concerns and giving Grantee an opportunity to explain its performance or lack thereof or (b) by notifying Grantee of PDF's determination that continued PDF support may jeopardize PDF's tax-exempt status or its other legal obligations or interests.
11. Governing law. The Grant Agreement is governed by and will be interpreted under the laws of the State of Massachusetts.
12. No agency. Grantee is not PDF's agent for any purpose and agrees to make no contrary representation or action. Similarly, PDF is not Grantee's agent for any purpose. Rather, each party is an independent contractor responsible solely for its own action and inactions.
13. Compliance with law. Grantee will comply with all applicable laws in its activities, whether or not funded by this grant, and will notify PDF promptly of any legal problem, question or violation it learns of regarding (a) its actual or contemplated activities funded in whole or in part by PDF's grant or (b) any related PDF activities.
14. Agreement's scope and modification. The Agreement constitutes the parties' full understanding regarding its subject matter. Any modification, waiver or contrary understanding will bind a party only if that party has so agreed in writing.
15. Headings not substantive. The underlined headings to the paragraphs and sections of the Agreement (excepting only sections 2(a) and 2(b)) are for identification purposes only and do not constitute or modify any term or provision hereof.

16. Severability. If any provision of the Agreement is invalid or unenforceable in whole or in part, that shall not affect the validity or enforceability of any other provision, and no waiver of (or failure to seek sanctions for) any violation of this Agreement shall constitute a waiver of another or subsequent violation, no matter how similar.

17. Binding Agreement. **The Agreement is legally binding.** In executing it, Grantee warrants that it has had an opportunity to read this instrument and the other component(s) of the Agreement and understand their terms. The signature of a Grantee officer or agent on a document that is part of the Agreement will constitute Grantee's acceptance of and agreement to be bound by the Agreement's terms and conditions.

18. Gender and number. The use of any gender in this document shall be deemed to be or include the other genders and the use of the singular shall be deemed to be or include the plural, the personal, the impersonal, etc.

19. Survival of Agreement terms. Upon termination of this Agreement, Grantee's obligations under the following paragraphs shall survive and remain in effect and enforceable by PDF: 3-6, 8, 12-19.

## B. Sample Donation Form

# Name of Group

- A Fiscally Sponsored Project of the Peace Development Fund -

Donation is enclosed     **Please make your check payable to: Peace Development Fund**

Please bill my credit (circle one)



Name \_\_\_\_\_ (All contact information will be held in strict confidence.)

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_ Telephone \_\_\_\_\_

Total amount to be charged:  \$1,000  \$500  \$250  \$100  Other: \_\_\_\_\_

One time      Monthly until \_\_\_\_\_  
DATE

Name on credit card \_\_\_\_\_ Account number \_\_\_\_\_

Exp. Date \_\_\_\_\_ Verification code \_\_\_\_\_

Cardholder's Signature \_\_\_\_\_

You may list my name as a donor      Gift in honor of \_\_\_\_\_

My support is anonymous      Gift in memory of \_\_\_\_\_

**Mail to: Peace Development Fund  
PO Box 1280  
Amherst, MA 01004-1280**

*PDF does not sell or share information about our donors. We do list donors alphabetically, with no indication of gift amount.*

***Thank you for your generous tax-deductible gift!***

## C. Preview of Fiscal Sponsorship Application Questions

\*Required before final submission

### ORGANIZATION INFORMATION

#### General Information

\*Organization Name:

Legal Name if different than above:

Acronyms or other names organization is known by:

\*Address:

\*City:

\*State:

\*Zip Code:

\*Phone:

\*E-mail Address:

Website:

\*Year Founded:

\*Have you received a grant from PDF before? If so, when and what amount?

#### Tax Status

\*Incorporation Status: Unincorporated Association/Incorporated with State, U.S. territory, or the Commonwealth of Puerto Rico.

If incorporated, where?

Note: it is the responsibility of each project to determine if they need to register/incorporate with the state/territory/commonwealth they have formed in/reside in as an entity. Registration requirements vary depending on your location.

Federal Employee Identification Number (EIN):

#### Background

\*Mission Statement:

\*Is your organization operated exclusively for charitable, scientific or educational purposes? Yes/No  
If not, for what reason does your organization operate?

### CONTACT INFORMATION

#### Organization Primary Contact

\*Prefix:

\*First Name:

\*Last Name:

\*Title:

\*Phone:      Extension:

\*E-mail:

#### Organization Secondary Contact

Prefix:

First Name:

Last Name:  
Title:  
Office Phone:    Extension:  
E-mail:

## **FINANCES**

- \*1. What is the last day of your fiscal year? Please choose date for current year.
  
- \*2. Describe the day-to-day fiscal management of the project.  
Include at a minimum the following:
  - a. How are funds accounted for as they are received by the project and who accounts for them?
  - b. Does the project have written financial policies and procedures? (If so, attach a copy.)
  - c. Any additional information that is relevant to your financial management/operations.
  
- \*3. Who would PDF contact to inspect the project's financial books?
  
- \*4. Does the organization currently have a fiscal sponsor or previously had a fiscal sponsor? If so, please explain why you are looking for a new fiscal sponsor and please provide contact information for the current or previous fiscal sponsor.
  
- \*5. Why does the organization wish to participate in a fiscal sponsorship program?  
If the organization is in the process of becoming a 501(c)(3), at what stage is the organization?
  
- \*6. Fundraising
  - a. What type of fundraising does the organization engage in (i.e. foundation fundraising, individual gifts, events, etc.)?
  - b. Please estimate the amount of revenue, number of the donations and timing of funds that PDF will be expected to process.

## **NARRATIVE**

- \*1. Organization History  
Why/how you were founded, by whom and your past accomplishments.
  
- \*2. Activities, Goals and Objectives  
Describe the group's activities, including goals and objectives for the coming year. What are the issues your organization is dealing with? What are the needs of your community?
  
- \*3. Constituency and Community  
Please describe your constituency and community. We are interested in knowing about race, ethnic/cultural make-up, economics/class, age, gender, sexual orientation, ability/disability, etc.
  
- \*4. Organizational Leadership  
Description of the organization's leadership structure, how decisions are made and by whom, and how the organization's membership or constituency is involved. How are the people most directly impacted by the issues you are organizing around involved in your leadership?
  
- \*5. Development Needs

What kinds of organizational development, technical assistance, technology and capacity-building needs has your organization identified, if any?

**\*6. Analysis and Vision**

Please give a summary of the organization's long-term vision for the kind of change it is trying to bring about, and the way in which it is working towards that vision. What do you see as the root causes of the injustice/inequalities that the organization addresses? How does your work get closer to that vision?

**\*7. Challenges**

What challenges do you face in your organizing because of the environment or political/social climate you are working in? Also, what particular dynamics do you face within the community (ies) in which you are organizing?

**\*8. Collaboration**

Is your organization controlled by or operated in connection with another organization? If yes, please list names of such organizations and the nature of the control or connection.

**\*9. Does your organization carry out any voter registration, get-out-the-vote, voter education or other electoral-related activities?**

**Please note that PDF does not allow lobbying unless the activity is approved in advance by PDF. If you have any concerns about this, please contact us.**

### **Attachments**

**Please upload the following attachments:**

- **\*A budget for your current fiscal year, with pending funding requests.**
- **If your current fiscal year is within three months of close, please attach a copy of the projected budget for the next fiscal year.**
- **\*A list of funding sources from the previous year.**
- **\*An audit or compiled financial statement for the last fiscal year prepared by a CPA if available, OR if not, a financial statement showing income and expense for the last fiscal year prepared in-house.**
- **\*A financial statement showing income and expense for the current year-to-date, as well as pending and planned funding requests for the year prepared in-house.**
- **Your organization's financial policies and procedures, if applicable. See question 2b under "Finances" page.**
- **Copy of organization's EIN letter from the IRS**
- **For organizations incorporated or registered with a U.S. state, U.S. territory or the Commonwealth of Puerto Rico government, a copy of the registration confirmation received from the government entity.**
- **\*A copy of your organization's articles of association, by-laws or other governance documents.**
- **\*A list of your Board of Directors/Coordinating Committee/or other decision-making body. This list must include full names, title if any (i.e. board president, board treasurer, etc.), home address and email address (or telephone number if no email address) and amount of any compensation**

paid by the organization to each member, if applicable. (Note that PDF will not approve a project that only has an Advisory Board.)

- \*A list of all staff and core volunteers. There is no need to replicate the list of Board of Directors/Coordinating Committee/or other decision-making body in this list.
- Your organization's non-discrimination policy, if you have one.

**PEACE DEVELOPMENT FUND ONLY ACCEPTS APPLICATIONS ONLINE.**

**To start your Fiscal Sponsorship application, click here:**

[https://www.grantrequest.com/SID\\_5632/default.asp?SA=SNA&FID=35003](https://www.grantrequest.com/SID_5632/default.asp?SA=SNA&FID=35003)

**To return to your account, click here:** [https://www.GrantRequest.com/SID\\_5632?SA=AM](https://www.GrantRequest.com/SID_5632?SA=AM)

**Peace Development Fund will only consider complete applications.**

**An application fee of \$250 must be sent to: Peace Development Fund, Attn: Fiscal Sponsorship Program, PO Box 1280, Amherst, MA 01004-1280. Your application will only be reviewed after the fee has been received.**

**Helpful Tips: More Information**

**Fiscal Sponsorship Program Webpage:** <https://www.peacedevelopmentfund.org/grants-and-programs/fiscal-sponsorship-program/>

**Sample Budget/Financial Statement Template:** <http://www.peacedevelopmentfund.org/grant-applications-reporting/community-organizing-grant-reporting/>

**Contact Us:** [emily@peacefund.org](mailto:emily@peacefund.org) or [peacedevfund@gmail.com](mailto:peacedevfund@gmail.com)

## **D. Lobbying Information**

PDF has identified the following resources to help groups determine whether certain activity is considered lobbying. Please review the information at the following links to familiarize yourself with direct lobbying, grassroots lobbying, and the distinction between lobbying activity and other advocacy activity, and please contact PDF with any questions:

[Bolder Advocacy: What is Lobbying?](#)

[Bolder Advocacy: Lobbying Flowchart](#)

[Blue Avocado: How to Take a Public Policy Stand, with sample criteria](#)

[Bolder Advocacy: Ask an Expert](#)

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