**NON PROFIT INSURANCE PROGRAM**

**Fiscal Agent Supplement**

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| Named Insured: | |
| Is the Fiscal Sponsorship a Direct Model or Grant Model? (see below) | Direct Model  Grant Model |
| 1. ***Direct Model****: The Project becomes an integrated part of the Sponsor. The Project does not have a legal identity separate from the Sponsor. Donations and grants for the Project are directly received by the Sponsor, and the use of the funds is reported on the Sponsor’s tax filings. An employer-employee relationship is formed between the Sponsor and the Project so that staff and volunteers of the Project become employees and volunteers of the Sponsor. Due to this relationship, the Sponsor is both fiscally and legally liable for all actions of the Project and thus must exercise significant control over the Project’s actions and funding to protect its tax-exempt status.* 2. ***Grant Model:*** *The Sponsor and the Project have a grantor-grantee relationship. The Project submits a grant request to the Sponsor detailing the project and its activities. The Sponsor approves the request and then receives funds on behalf of the Project and disperses them accordingly. The Sponsor may receive a one-time grant on behalf of the Project, or the relationship may be continual. In this model, the Sponsor is not legally liable for all actions of the Project but is still fiscally liable for the Project’s actions. The Sponsor must still exercise enough control over the Project’s funds to ensure they are used in accordance with the grant agreement. Also, unlike the direct model, the Project is still required to comply with any tax reporting requirements required by the legal status of the Project.* | |
| What is the length of the project? | |
| Does the agreement provide a process for disengagement that avoids arbitrary or disruptive actions? | Yes  No |
| Does the project support the mission of the sponsor? | Yes  No |
| What resources or infrastructure will the sponsor provide? | |
| Does the Sponsor have a guideline in place to ensure that the project adheres to the same policies and procedures as the sponsoring organization? | Yes  No |
| Is the fiscal agent handling any operational duties like staffing, policies and procedures, tax filings, obtaining insurance, etc. for other nonprofits? | Yes  No |
| How many employees does the nonprofit receiving fiscal services have? |  |
| What is the approximate amount of funds being handled annually by the fiscal agent for the other nonprofit? |  |
| Does the fiscal agent document all aspects of their dealings with nonprofit clients, including written correspondence, telephone conversations, and face-to-face consultations? | Yes  No |
| Are credit history and criminal background checks conducted on all prospective employees of the fiscal agent who will be handling funds? | Yes  No |
| Does the fiscal agent inform their clients of their privacy policies and practices? | Yes  No |
| Does the fiscal agent have procedures in place to ensure their compliance with any new rules and regulations imposed on them by relevant governing entities? | Yes  No |
| Does the fiscal agent employ a qualified compliance officer to monitor adherence to the rules and regulations? | Yes  No |

Completed applications can be sent to:

Bryon Riche

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