

Fiscal Agent Protocol



As many of the groups participating in the Neighborhood SUCCESS are relatively new to receiving grants, the program is providing this protocol to guide the relationship between Grantees and Fiscal Agents. Because a goal of the Neighborhood SUCCESS is to encourage communication and cooperation among residents, associations and institutions, we believe that the relationship between the Fiscal Agent and the Grantee is a very important one.

This protocol is also applicable to financial management by Grantees that will manage funds themselves. All Grantees will review and sign this form before receiving their grant disbursement.

1. The Grantee agrees to operate in a manner that is consistent with the Fiscal Agent's goals and tax-exempt status.
2. The Fiscal Agent assumes administrative, financial, and legal responsibility for the project and Grantee.
3. The Grantee agrees to implement and operate the project according to terms created by the Fiscal Agent and the Neighborhood SUCCESS.
4. The Fiscal Agent and the Grantee will determine what type of reporting the Fiscal Agent requires and how often. In some cases, staff of the Fiscal Agent may be so involved with overseeing the project that reporting is not necessary. In other cases, the Fiscal Agent may ask for either quarterly, or even monthly reports during the active period of the grant. These reports might describe the programs and services associated with the project or they might be more financial in nature. Reports may be as formal or informal as the two parties require and agree. In any case, some type of communication with the Grantee and the Fiscal Agent is necessary.

In the space below, summarize the type of reporting upon which the Fiscal Agent and Grantee organization have agreed:

Frequency of reporting: monthly quarterly as needed

Report content: programs and services financial both

Other: _____

5. For the use of the project, a designated and segregated account or line item or its equivalent shall be maintained in the Fiscal Agent's accounting system. All amounts deposited into a project's account will be used in its support. All projects have approved budgets that reflect both the Neighborhood SUCCESS Grants Program funds and how they are allocated as well as matching funding.

Line Item or Account Number: _____

6. The Grantee and the Fiscal Agent agree to determine in advance how funds will be disbursed. It may make sense for the Fiscal Agent and Grantee to formalize this understanding either briefly below or with a more formal agreement stating how money will be disbursed. The parties might decide, for example, that money will only be disbursed when the Grantee provides instructions in writing on Fiscal Agent vouchers and accompanied by a receipt or invoice.

In the space below, summarize the method of disbursement upon which the Fiscal Agent and Grantee have agreed (if a formal agreement exists, please attach):

7. The Fiscal Agent and Grantee agree to formally designate an employee or member to act as a liaison with the other party if it hasn't done so already. These individuals will then coordinate the Grantee and the Fiscal Agent relationship.

Name of Fiscal Agent Representative

Name of Grantee Representative

8. Both the Fiscal Agent and the Grantee will maintain copies of all financial records relating to the project. (Fiscal Agents should check with their accountants and lawyers to determine how long such records should be maintained.) For the purposes of the Neighborhood SUCCESS, records shall be retained for one year after the end of the grant term.

9. The Fiscal Agent and Grantee will determine what kind of public recognition the Fiscal Agent wants for its role, if any.

10. In the event that issues arise between the Fiscal Agent and the Grantee, the Neighborhood SUCCESS should be notified as soon as possible.

Maintaining receipts and invoices, maintaining a designated and segregated account or line item or its equivalent and good, clear records are all basics of appropriate nonprofit fiscal management. These procedures apply to all Grantees with or without a Fiscal Agent.

Name of Grantee Organization

Name of Fiscal Agent Organization

Project Name (please print)

Name of Fiscal Agent Representative (please print)

Name of Grantee Representative (please print)

Title of Fiscal Agent Representative

Signature of Grantee Representative

Signature of Fiscal Agent Representative

Date

Date