

Memorandum

To:

From: Helene Miller

Date:

Re: Fiscal Sponsorship Program / Partnership for Providence Parks (P3)

Developing a *fiscal sponsorship program* is one of the key strategies that the Partnership for Providence Parks offers member groups to support and increase the involvement of neighborhood parks groups throughout Providence.

Please find enclosed:

Sample Fiscal Sponsorship Documents

- 1) Guidelines for Fiscal Sponsorship of Neighborhood Park Groups
- 2) Fiscal Sponsor Agreement Letter
- 3) Sample Donor Acknowledgement Letter
- 4) Sample Reimbursement Voucher Form (document, provided separately)

Guidelines for Fiscal Sponsorship of Neighborhood Park Groups

- 1) Partnership for Providence Parks (P3) offers fiscal sponsorship support to community parks groups on a case by case basis, in situations in which there is no appropriate community-based 501(c)(3) that could otherwise act as fiscal sponsor.

P3's fiscal sponsorship of parks groups is a temporary arrangement, during which time groups can work towards obtaining their own 501(c)(3) designations. For this reason, fiscal sponsorship arrangements will have a specific end date.

If at the end of the sponsorship period a group has decided not to become a 501(c)(3), and there are unspent funds, the group can identify another fiscal sponsor or can continue to work with P3.

- 2) After consultation with P3 staff, a community group needs to make a formal written request to Partnership for fiscal sponsorship. P3 reserves the right to decline a request to act as fiscal sponsor. P3 will subsequently inform the group if the request for fiscal sponsorship has been approved and offer technical support and guidance to reply if necessary.
- 3) P3 must agree to act as fiscal sponsor *before* any potential donor is solicited.

In the event that The Partnership has agreed to act as fiscal sponsor and the group applying has agreed to be sponsored:

- 4) P3 to review any fundraising letters or brochures that are being used by community groups. This applies to special fundraising campaigns as well as materials used for day-to-day fundraising activities.
- 5) The community group will have responsibility for the management and direct supervision of their project(s), with oversight as requested by P3 and as requested by the group.
- 6) The community group will identify, with P3 approval, one community group member who is responsible for reviewing and submitting to P3 requests for expenditure of funds. P3 will work collaboratively with this individual to ensure that all expenditures are made in accordance with the stated purpose of the donations.
- 7) P3 will create an account for the group to track their program donations and expenditures.
- 8) In the event that a report is required by a funder, the community group will have sole responsibility for creating both project and financial reporting. P3 can provide any assistance as requested by the group. Reports must be submitted periodically to P3, which will review them and either approve them or return them with requests for changes and any assistance if requested/ needed. If requested by the donor and with the group's knowledge, P3 will provide a copy of these reports to the donor.
- 9) P3 can charge an administrative fee of 10% for fiscal sponsorship services depending on the terms of the fiscal sponsorship. Interest earned on donations while in P3 custody will be retained by P3 again subject to terms.

Fiscal Sponsor Agreement Letter with Friends of XXXXXX

Date

Contact
Address

Dear XXXX,

This letter is to confirm that The Partnership for Providence Parks (The Partnership) will act as the fiscal sponsor for **XXXXXXX**.

The Partnership's sponsorship of your group is a temporary arrangement. Should your account show no activity for a one-year period, the account will be subject to termination, and all remaining funds in the account can be used by The Partnership for parks-related activities subject to the terms of the fiscal arrangement. In addition, The Partnership's sponsorship of your group will cease, regardless of the level of activity, after a period of two years from the opening of the account at which time you can seek another sponsor or apply to renew your sponsorship by P3.

The Partnership for Providence Parks is a not-for-profit 501(c)(3) organization that works in partnership with the Providence Department of Parks + Recreation.

As your fiscal sponsor, The Partnership for Providence Parks requires a certain level of documentation for all transactions. Towards this end, the following conditions must be met:

All checks in support of your group should be *made payable to*: **Partnership for Providence Parks** and mailed to my attention at the address below. The memo portion of the check should indicate that the funds are to be set aside for **XXXXX**.

- 1) All invoices for payment must be original documents, and must be made out to Partnership for Providence Parks. As a nonprofit, we do not pay sales tax.
- 2) All purchases for goods above \$1,000 must be bid out to three different vendors. P3 maintains a list of vendors if the group needs this information.

It is our policy to charge a 10% administration fee for our services. However, due to the nature of your fiscal needs (grants and fundraising activities) the Partnership will not charge a fee presently unless your activity level and needs change accordingly. Please be aware that the Partnership for Providence Parks does reserve the right to renegotiate the administration fee at a later date and as our partner, you may also request renegotiation of any fees or terms of our contract.

Please be aware that it is the responsibility of **XXXXXX** to keep current all contact information with The Partnership for Providence Parks.

Please sign and return a copy of this agreement by email to info@providenceparks.org or mail to:

Helene Miller, Executive Director
Partnership for Providence Parks
11 West Drive
% Recreation Department
Providence, RI 02904

Enclosed for your information a copy of our 501(c)(3) IRS letter of determination. In addition, we are enclosing a copy of The Partnership for Providence Parks tax-exempt form, which you will need to make tax-exempt purchases.

Should you have any questions, please call me at (917) 658-5724. We look forward to working with you and the **XXXXXX**

This Agreement may be modified only in writing signed by both parties.

Partnership for Providence Parks

Friends of XXXXXX

By: _____

By: _____

Helene Miller, Executive Director

% Recreation Department
11 West Drive
Providence, RI 02904

Date: _____

Date: _____



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Revenue
DIVISION OF TAXATION
One Capitol Hill
Providence, RI 02908-5800

CERTIFICATE OF EXEMPTION

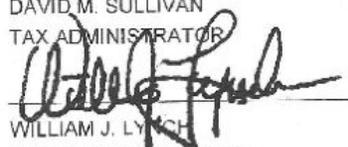
PARTNERSHIP FOR PROVIDENCE PARKS
11 WEST DRIVE
PROVIDENCE, RI 02904

THIS IS TO CERTIFY THAT THE ABOVE-NAMED INSTITUTION HAS QUALIFIED FOR EXEMPTION PURSUANT TO THE PROVISIONS OF THE RHODE ISLAND SALES AND USE TAX ACT, CHAPTER 18, TITLE 44, OF THE GENERAL LAWS OF 1956, AS AMENDED, AND IS ACCORDINGLY EXEMPT FROM THE PAYMENT OF THE SALES TAX ON SALES MADE TO IT AND FROM THE USE TAX ON THE STORAGE, USE OR OTHER CONSUMPTION OF TANGIBLE PERSONAL PROPERTY BY IT.

THIS CERTIFICATE DOES NOT EXPIRE AND IS GOOD FOR THE EXISTENCE OF THE ORGANIZATION.

DAVID M. SULLIVAN
TAX ADMINISTRATOR

BY:


WILLIAM J. LYNCH
CHIEF REVENUE AGENT
FIELD AUDIT SERVICE

Sample Acknowledgement Letter

June 1, 2020

Sample Donor
123 Narragansett Blvd.
Providence, RI 02905

Dear Ms. Donor:

As fiscal sponsor for the Friends of *Example Park*, the Partnership for Providence Parks is delighted to acknowledge your generous gift of \$____, which we received on May XX, 2020. Your generous donation will be used in support of the Friends of Example Park's programming *(be more specific if necessary – ideally this is for general support of the Friends)*.

The Partnership for Providence Parks provides support and resources for groups seeking to transform their neighborhood parks into thriving green spaces that reflect the needs and character of the community. Through The Partnership, member groups are encouraged and supported in working collaboratively with city government. The City and the public are brought together so that everyone can make the most of their neighborhood park.

Your crucial support helps make Providence parks better programmed, cleaner and greener, and helps make parks a better resource for everyone in the community. Thank you again for your support of Providence parks and public spaces!

Sincerely,

Helene Miller
Executive Director
Partnership for Providence Parks

Partnership for Providence Parks is a tax-exempt organization under section 501(c)(3) of the federal tax code. Because you are receiving no goods or services as part of this gift, it is tax-deductible to the full extent of the law. Please retain this acknowledgement letter for your records.