

## WPLC FISCAL SPONSOR AND PROJECT MANAGEMENT AGREEMENT

This Fiscal Sponsor and Project Management Agreement (the “Agreement”) is made by and between Wisconsin Library Services, Inc. (“WiLS” or “Sponsor”), and the Wisconsin Public Library Consortium (“Project”). WiLS is a Wisconsin nonstock corporation and recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Project is a collaborative project of multiple public libraries systems that are working together to fulfill purposes that are consistent with IRC Section 501(c)(3).

### RECITALS

The Project has been established for the following purposes: the Wisconsin Public Library Consortium was designed to move libraries forward through experimentation, research, and development. The consortium focuses on providing innovative library solutions to benefit all Wisconsin residents.

The Sponsor has agreed to serve as the fiscal sponsor for the Project and to receive grants and donations to be used by Project. The purpose of this Agreement is to set forth the terms and conditions under which the Sponsor will serve as a fiscal sponsor of the Project.

### AGREEMENT

Now, therefore, the parties agree as follows:

- A. The Sponsor agrees to receive grants and donations (the “Funds”) on behalf of the Project and, as agreed from time to time, to transfer Funds to the Project to further its exempt purposes or to make disbursements on behalf of the Project, consistent with this Agreement and the Sponsor’s policies on reimbursement.
- B. Under this sponsorship arrangement, the Sponsor has the ultimate responsibility to ensure that the Project is operated consistent with Sponsor’s tax-exempt status. Authority to manage the Project may be delegated to the Project, but such authority is subject at all times to the control of Sponsor, consistent with the Project purposes. The Project agrees to operate in accordance with Sponsor policies and procedures, including without limitation the following:
  1. All Project revenue derived from grants and donations as well as from web-based platforms such as crowd-funding will be received by Sponsor and managed as a separate fund dedicated to the Project.
  2. The Sponsor will reimburse Project expenditures based upon paid receipts and invoices submitted by the Project. However, upon request and submission of a budget of the Project, the Sponsor may agree to transfer the Project funds, less the administrative fee described in Section D, to the Project in advance of expenditure by the Project.
  3. The Project agrees to provide to the Sponsor detailed financial reports that document the expenditure of the Funds, at least quarterly. The Project also agrees to provide written

program reports in sufficient detail to confirm that the Funds have been used consistent with the Project's exempt purposes.

4. If applicable, the Project agrees that it will provide required reporting to any third-party funding sources on a timely basis and to provide a copy of such report(s) to the Sponsor.
  5. When confirmation of 501(c)(3) status is relevant or requested, the Project shall identify itself as "a project under the fiscal sponsorship of WiLS."
  6. The Project understands the strict prohibition against political activities by 501(c)(3) organizations, which means that the Project cannot engage in any activities that promote or oppose the election or defeat of any candidate for public office; provided, however, The Project may educate the public on issues that are the subject of political campaigns. The Project may not accept political advertisements from any candidate for public office unless the opportunity to advertise is open to all candidates from all parties.
  7. All assets of the Project, including equipment purchased with funds received by the Sponsor and any intellectual property created with funds received by the Sponsor, are the property of the Sponsor, unless one of the following conditions applies:
    - a) the Project is collaborative of other 501(c)(3) organizations or public entities and Sponsor gives permission, in its full discretion, for the transfer of any property to one or more of the organizations or entities involved in the Project; or
    - b) the Project receives recognition from the IRS as a section 501(c)(3) organization or the Project becomes sponsored by or part of another 501(c)(3) organization. In such case, the property will automatically transfer to the 501(c)(3) organization upon termination of this agreement.
  8. If the Project secures services from independent contractors or hires employees, the Project understands and agrees that such persons are the employees or contractors of the Project. Any such relationships shall be made pursuant to a written agreement for independent contractors or a written offer letter for employees, as applicable.
- C. The Sponsor agrees to provide services to the Project as set forth in more detail and for the compensation described in Attachment A, which may be amended from time to time in writing and with the consent of all parties (the "Services"). The Sponsor will perform the Services with care, skill, diligence, and in accordance with industry standards.
- D. To compensate it for the sponsorship services provided under this Agreement, the Sponsor will charge a fee, as set forth in Attachment A. If Sponsor incurs additional expenses, including bank fees, to cover obligations arising from the sponsorship of the Project, the Project understands that additional fees may be charged; however, any such charges shall only be incurred and passed on upon the express consent of the Project.
- E. At Sponsor's discretion, the Project may be required to obtain insurance in which the Sponsor is named as an additional insured. The Project will be responsible for any cost of insurance if a separate policy or rider is required.

F. This Agreement is effective upon execution and shall continue in effect for the term of the Project or when terminated pursuant to Section G, subject to the following:

If, upon review of the Project's financial and program reports, the Sponsor determines that the Project has not complied with the terms of this Agreement, the Sponsor may require the Project to take all actions necessary to bring it into compliance with this Agreement. If the Project fails to take the necessary action and Sponsor believes that its tax-exempt status is jeopardized, the Sponsor may terminate this Agreement and require reimbursement of the Project Funds.

G. This Agreement shall terminate upon completion of the Project, when the Project receives recognition of section 501(c)(3) status from the IRS or becomes sponsored by or part of another 501(c)(3) organization, or when terminated by either party, whichever occurs first. Upon termination, the Project agrees to submit a final report, consistent with the requirements of Section B.3. When terminated for any reason, the parties agree to cooperate regarding the sharing of information or return of property as needed.

H. This Agreement may only be amended by written agreement of both parties.

Executed by the parties below to be effective as of \_\_\_\_\_, 2021

**WiLS**

By: \_\_\_\_\_  
Jennifer Chamberlain

Title: \_\_\_\_\_  
Director

Dated: \_\_\_\_\_

**WPLC**

By: \_\_\_\_\_  
David Kranz

Title: \_\_\_\_\_  
WPLC Board Chair

Dated: \_\_\_\_\_

**Attachment A**  
**Fiscal Services to be Provided by WiLS**

This Attachment A. to the Fiscal Sponsor and Project Management Agreement (the “Agreement”) between WiLS (“Sponsor”), and the **Wisconsin Public Library Consortium** (“Project”) sets forth the terms of Services provided to Project, consistent with Section C of the Agreement.

1. Sponsor agrees to provide the following services to Project:
  - a. Consortium management activities are specified in the Wisconsin Public Library Consortium Project Management Contract, which is set and agreed upon annually between the Sponsor and the Project.
  - b. Performing other tasks, as directed and agreed upon in writing (including email).
2. Project agrees to compensate Sponsor for the Services as follows:
  - a. Compensation for fiscal services is incorporated within the Wisconsin Public Library Consortium Project Management Contract, which is set and agreed upon annually between the Sponsor and the Project.
3. This Attachment A may be amended by the mutual written agreement of both parties.

The undersigned agree to the terms set forth in this Attachment A.

**WiLS**

By: \_\_\_\_\_  
Jennifer Chamberlain

Title: \_\_\_\_\_  
Director

Dated: \_\_\_\_\_

**WPLC**

By: \_\_\_\_\_  
David Kranz

Title: \_\_\_\_\_  
WPLC Board Chair

Dated: \_\_\_\_\_