

FY2026 Wayne Metro Seeding Wayne County – A Community Funding Initiative

FIDUCIARY FAQs This document is not legal advice.

Who should use a fiduciary?

If an organization does not have its nonprofit designated 501c3 tax exemption status they may opt to partner with a trusted, tax-exempt organization to act as its fiduciary. Seeding applicants who wish to partner with a fiduciary must submit an executed agreement between their organization and the fiduciary organization.

What is a fiduciary typically responsible for?

1. Typically, the fiduciary is responsible for accepting the funds from the funder and disbursing the funds to the sponsored organization.
2. Typically, the fiduciary is responsible for ensuring that grant funds are expended in accordance with the grant contract or Memorandum of Understanding (MOU).
3. Typically, the fiduciary is responsible for staying in compliance with the terms of the grant contract or MOU.

Who should be a fiduciary?

Note: Wayne Metro cannot act as a fiduciary for the Seeding Wayne County Grant.

1. A trusted, designated 501c3, tax-exempt organization with the capacity and knowledge to successfully manage grant funds.

What are the key elements of a Fiduciary Agreement?

1. Clearly defined roles:
 - a. Who is the fiscal sponsor?
 - b. Who is the sponsored organization?

2. Clearly defined division of responsibilities between the fiduciary and sponsored organizations. (I.e., who is responsible for submitting reports, who is responsible for attending required grant meetings? Who is responsible for responding to requests for information? Who will be responsible for tracking outcomes?)
 - a. What is the fiscal sponsor responsible for in order to remain in compliance with the grant contract?
 - b. What is the sponsored organization responsible for in the terms of remaining in compliance with the grant agreement
3. The agreement specifies the exact date on which it commences and the date on which it terminates.
4. Defined fund disbursement process detailing how and when the fiduciary will disburse funds to the sponsored organization. This will often include what the sponsored organization needs to submit in order to receive payment.
5. An understanding that the fiduciary is liable for the fiscal responsibilities and programmatic compliance of the grant as specified in the grant contract

What role does the funder (Wayne Metro) play?

1. Wayne Metropolitan is not party to or liable for any agreement made between an organization and its fiduciary.

If you don't have a finalized agreement you may opt to utilize the fiduciary template found [here](#)

