

Roles and responsibilities should be negotiated and documented in a written agreement. Every sponsorship is different, but these are the basics:

Fiscal Sponsorship: Who Does What?

Fiscal SPONSOR

Sponsored PROJECT

tax-exempt status

Lends credibility of 501(c)(3) status to project

Has an obligation to disclose to donors that it does not have tax-exempt status

Receives and acknowledges charitable contributions

contributions

Builds and maintains relationships with donors

fees and funds

Retains control and discretion over funds

Pays administrative fee to and receives flow-through funds from sponsor

Requests records and reports to fulfill oversight responsibilities

oversight

Complies with record keeping and reports requested by sponsor

communication

Communicates regularly with project

Communicates regularly with sponsor

As fiscal sponsors, tax-exempt organizations can provide infrastructure and support for a start-up project or new organization, as well as a home for that organization's donations.



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