



Guidelines for Fiscal Sponsorships

Arts Project Support (APS)

For-profit entities and individual artists are not eligible to apply to the APS program under a fiscal sponsor.

Overview

All grant monies awarded by the Indiana Arts Commission (IAC) must pass through a 501(c)(3) organization. Fiscal sponsorship makes it possible for an organization without a 501(c)(3) designation to apply for a grant. An organization without 501(c)(3) status can apply if it:

1. is eligible (see “Applicant” under “Eligibility and Role Responsibilities”), and
2. finds a 501(c)(3) organization willing to sponsor its application by serving as a fiscal sponsor.

Important Considerations:

- Fiscal sponsorship is not intended to be a partnership. The Applicant is responsible for all activities associated with the application.
- Organizations cannot serve as a fiscal sponsor to more than one applicant/grantee in a fiscal cycle, without pre-authorization from the IAC. However, a fiscal sponsor can be an applicant/grantee in the same grant program.

Eligibility and Role Responsibilities

Applicant: A non-501(c)(3) organization, working toward a 501(c)(3) designation or functioning as a **nonprofit group**, seeking funding to carry out an arts project or activity. For-profit entities and individual artists are not eligible to apply to the APS program under a fiscal sponsor.

Core responsibilities of the applicant include:

- Creating/updating an account in the IAC grants system that follows these requirements:
 - Organization Name: **Use the following naming convention** - your organization's name + (“FS” + Fiscal Sponsor's name).
For example: Clay Guild (FS: Nonprofit Services).
 - Contact and Address: **use the Applicant's contact and address information**, not the Fiscal Sponsor's.
 - FEDID or TAX ID: **use the Fiscal Sponsor's FEDID** or TAX ID.
- Submitting an application and all subsequent forms including the final report if funded.

Requests for alternative formats (large print, braille, ASL, etc) can be sent to the IAC's accessibility coordinator Stephanie Haines at shaines@iac.in.gov

- Finding a fiscal sponsor and providing the IAC with all required information for the fiscal sponsor to receive grant payment if funded.

Fiscal Sponsor: A 501(c)(3) nonprofit organization, or public entity, physically located in the state of Indiana, that sponsors the applicant by providing fiduciary oversight, financial management, and other administrative services to help build the capacity of charitable projects.

Core responsibilities of the fiscal sponsor include:

- Signing required documentation and providing sponsored organization with requested organization information including: EIN, profit and loss statement, and Memorandum of Understanding.
- Accepting and distributing grant award on behalf of the sponsored organization.
- Accepting liability for any penalties or award reductions incurred by the sponsored organization.

Requirements and Instructions

1. The Applicant grant system account reflects the Fiscal Sponsor's EIN Number (also known as Tax ID or FEDID).
2. **The grant application must be written and submitted by the Applicant.** This is the organization that will be carrying out the proposed project.
 - a. When completing the application, questions should be answered on behalf of the Applicant/project, and NOT the Fiscal Sponsor (unless otherwise explicitly stated).
3. **The Applicant is required to upload the Fiscal Sponsor's** most recently completed, full fiscal year, **profit and loss statement** into the application.
4. **A Memorandum of Understanding (MOU) between the applying organization and Fiscal Sponsor is a required upload** in all fiscally sponsored applications. Not sure what an MOU is? [Click here to learn more about MOUs](#) or [click here to view a sample MOU](#).
5. The Applicant must obtain approval from the Fiscal Sponsor before submitting the grant application.
6. **If the arts project is funded, the grant agreement will be between the Funder (the IAC) and the Fiscal Sponsor. The Fiscal Sponsor will be responsible for signing the grant agreement.** A copy of the completed grant agreement will be uploaded to the document section of both the Applicant and Fiscal Sponsor's dashboard.
7. As the financially responsible party, **payment will be made to the Fiscal Sponsor**, who then disperses the funds to the Applicant.
8. **It is the Applicant's responsibility to complete the final grant report.** However, if the Applicant fails to complete a final report, the Fiscal Sponsor is ultimately liable for being out of compliance and may receive a penalty.
9. **The Fiscal Sponsor may charge a small administrative fee** which should be included in the Applicant's budget.

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Direct questions about fiscal sponsorship to:

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