

Overview

Unincorporated nonprofit groups or incorporated nonprofit organizations that lack administrative or fiscal capability planning to produce a project (“Project Producer”) may submit an Arts Project Support (APS) grant program application to the Indiana Arts Commission (“IAC”) through a Fiscal Sponsor. A Fiscal Sponsor is an incorporated, nonprofit, tax-exempt organization that provides administrative and financial services in support of a project that it does not produce itself. A Project Producer should choose a Fiscal Sponsor that is eligible to receive IAC funding and has a proven record of administrative and fiscal stability.

- **The IAC reserves the authority to determine if an application qualifies as a Fiscal sponsor project and if the representative organization qualifies as a Fiscal Sponsor.**
- Individual artists may not apply through a Fiscal Sponsor.
- Project Producer and the Fiscal Sponsor must each sign an agreement (e.g., Memorandum of Understanding; Memorandum of Agreement; or a Contract) that explicitly states the responsibilities and obligations of each party. A copy of the signed agreement is required for any fiscally sponsored application and must be uploaded into the IAC online grant system by the application deadline. A template for a Memorandum of Understanding is available for use at the IAC website and is linked in the APS application.
- If a fiscal sponsor project is awarded an IAC grant, the grant agreement is made between the IAC and the Fiscal Sponsor, not the Project Producer.
- The Fiscal Sponsor is legally responsible for all IAC paperwork and reporting, including contract terms, budget modifications, grant agreements, and final reports.
- **Grant payment will be made out to the Fiscal Sponsor, not the Project Producer.**
- **The Indiana Arts Commission is not a party to those agreements and will not arbitrate disputes between parties in grant applications or awards through a fiscal sponsor.**

It is common practice for a Fiscal Sponsor to charge an administrative fee, often a percentage of the anticipated income of the project.

- The Fiscal Sponsor’s administrative fee should be included as an expense item in the project budget on the application. IAC funds may be used to cover the fiscal sponsor fee.

Use of a fiscal sponsor requires pre-approval from the IAC before beginning the application, and the IAC reserves the authority to determine if an application qualifies as a fiscal sponsor project and if the representative organization qualifies as a fiscal sponsor. When the grant

opens, all applicants must complete the eligibility tool. Following submission of the eligibility tool, fiscally sponsored applicants will receive instructions on how to request access to the APS application.

How to Apply with A Fiscal Sponsor

Eligibility and Role Responsibilities

Project Producer: An unincorporated nonprofit group or an incorporated nonprofit organization that lacks administrative or fiscal capability – planning to produce a project (“Project Producer”).

Core responsibilities of the applicant include:

- Creating/updating an account in the IAC grants system that follows these requirements:
 - Applicant Name: Utilizing the following naming convention - Project Producer + (FS [Fiscal Sponsor's Name]).
For example: Clay Guild (FS: 1816 Community Foundation)
 - Contact and Address: Utilize the Project Producer contact and address information, not the Fiscal Sponsor's.
 - Employer Identification Number (EIN): Utilize the Fiscal Sponsor's EIN.
 - Submitting an application and all subsequent forms, including the final report, if funded.

Fiscal Sponsor: A 501(c)(3) nonprofit organization or public entity physically located in the State of Indiana that sponsors the project producer by providing fiduciary oversight, financial management, and other administrative services.

Core responsibilities of the Fiscal Sponsor include:

- Providing the Project Producer with requested organization information for the application process.
- Signing the grant agreement on behalf of Project Producer.
- Accepting and disbursing grant award funds to the Project Producer
- Accepting liability for any penalties or award reductions incurred by the Project Producer

Application Requirements and Instructions:

1. The Project Producer's account within the IAC Grant System must reflect the Fiscal Sponsor's Employer Identification Number (EIN).
2. The grant application should be completed by the Project Producer – the organization that will carry out the proposed project.
 - a. When completing the application, questions should be answered on behalf of the Project Producer, and NOT the Fiscal Sponsor (unless explicitly stated).
3. An agreement between the Project Producer and Fiscal Sponsor must be uploaded in all fiscally sponsored applications. Applications without an agreement will not be considered.

4. If the project is funded, the grant agreement will be between the State of Indiana (via the IAC) and the Fiscal Sponsor. The Fiscal Sponsor will be responsible for signing the grant agreement.
5. Payment will be made to the Fiscal Sponsor.
6. It is the Project Producer's responsibility to complete the final grant report. However, if the Project Producer fails to complete a final report, the Fiscal Sponsor is ultimately liable for being out of compliance and may receive a penalty.

Contact

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