

Fiscal sponsorship is a formal arrangement in which a nonprofit organization extends its legal and tax-exempt status to a project or group that aligns with its charitable mission. There are several nationally recognized models of fiscal sponsorship, each offering different levels of support and responsibility.

Assembly for the Arts operates under the Pre-Approved Grant Relationship model, which allows us to support charitable projects while maintaining clear boundaries around operations and liability.

FAQs

What type of fiscal sponsorship does Assembly for the Arts offer?

We use the Pre-Approved Grant Relationship model. This means we do not own or operate sponsored projects. Instead, we receive charitable donations and grants on behalf of pre-approved projects and then regrant those funds to the project.

How do I know if this model is right for my project?

A Pre-Approved Grant Relationship fiscal sponsorship model is a good fit if:

- You need access to 501(c)(3) status for charitable fundraising.
- You want to maintain control over your project's operations.
- You are comfortable managing your own staff, contracts, and earned income.

If you're unsure, Assembly for the Arts is happy to talk through your project's needs and help determine if our sponsorship model is a good fit.

What does the Pre-Approved Grant Relationship model of fiscal sponsorship include?

- **Funding conduit:** Assembly for the Arts accepts charitable donations and grants for your project and regrants them to you.
- **Oversight:** We require regular financial/programmatic reporting and documentation to ensure funds are used for charitable purposes.
- **Autonomy:** Your project maintains its own operations, staffing, and liability.

What does the Pre-Approved Grant Relationship model of fiscal sponsorship NOT include?

- We do not employ staff or manage day-to-day operations for your project.
- We do not sell tickets, merchandise, or other earned income on your behalf.
- We do not accept equity investments or manage business ventures.

- We do not provide legal or financial infrastructure for complex partnerships or productions.

Common Scenarios

Can Assembly for the Arts help with ticket sales or earned income?

No. Under the Pre-Approved Grant Relationship model, your project must handle any earned income activities independently. If you need a sponsor to manage ticketing or other business operations, you may need a direct project model of fiscal sponsorship, which offers more comprehensive support (<https://www.fiscalsponsors.org/>).

Can Assembly for the Arts help with film production or equity investment?

We can support charitable fundraising for film projects, but we cannot receive or manage equity investments. Projects seeking investment or business partnerships should explore sponsors offering direct project model arrangements.

Can Assembly for the Arts help with crowdfunding campaigns?

Yes, we can support charitable fundraising efforts that are shared through crowdfunding-style outreach, as long as donations are processed through our own secure donation infrastructure.

Here's how it works:

- Assembly for the Arts sets up a dedicated donation link or page on our website for your project.
- We provide this link to your project team, who can then share it through their networks, social media, or email campaigns.
- The campaign must clearly state that donations are tax-deductible and processed through Assembly for the Arts.
- We do not use or host third-party crowdfunding platforms like GoFundMe to collect donations.
- Assembly receives the donations and regrants them to your project.
- Your project is responsible for managing outreach and reporting how funds are used.

Can Assembly for the Arts help with applying for grants?

Yes. Assembly for the Arts can submit grant proposals on behalf of your project or receive grant funds awarded to it. However, we do not write grants or guarantee funding. Your project is responsible for initiating and maintaining relationships with funders, including proposal development, communication, and stewardship. When required by the funder, we will submit your application on your behalf using our nonprofit status.

Can Assembly for the Arts help with hiring staff or contractors?

No. Under the Pre-Approved Grant Relationship model, your project is responsible for its own staffing, contracts, and employment arrangements. We do not employ individuals or manage payroll for sponsored projects.

Can Assembly for the Arts help with managing events or productions?

We can support fundraising for events or productions, but we do not manage logistics, ticketing, or contracts. Your project must handle those independently.

Can Assembly for the Arts provide fiscal sponsorship for for-profit ventures?

No. We only support projects with a clear charitable purpose. If your project involves a for-profit business model (e.g., selling products, receiving investment, generating profit), it is not eligible under our model of fiscal sponsorship.

How Assembly's Fiscal Sponsorship Can Work – Sample Project Pathways

Example 1: Community Arts Project Seeking Grant Funding

A grassroots arts group wants to apply for a local foundation grant but doesn't have 501(c)(3) status.

- They apply for fiscal sponsorship through Assembly for the Arts.
- Once approved, the group prepares their grant application materials and provides them to Assembly.
- Assembly submits the proposal on their behalf to the foundation, using its nonprofit status.
- If awarded, the foundation sends the funds to Assembly, which then regrants them to the project.
- The project is responsible for carrying out the work and submitting receipts and reports to Assembly for oversight.

Example 2: Project Applies for Grant Directly

An artist-run initiative identifies a grant opportunity that allows applications from fiscally sponsored projects.

- They apply for fiscal sponsorship through Assembly for the Arts.
- Once approved, the group applies directly to the funder, using additional materials provided by Assembly for the Arts as required by the funder (e.g., IRS nonprofit determination letter, fiscal sponsorship confirmation letter, fiscal sponsorship agreement, etc.).
- If awarded, the grant funds are sent to Assembly, which regrants them to the project.
- The project maintains the funder relationship, manages the work, and submits required reports to both the funder and Assembly.

Example 3: Crowdfunding for a Public Mural

An artist collective wants to raise funds for a public mural through a grassroots outreach campaign.

- They apply for fiscal sponsorship through Assembly for the Arts.
- Assembly for the Arts sets up a dedicated donation page for the project on our website.
- The collective shares this donation link through their social media, email newsletters, and community networks.
- The campaign clearly states that donations are tax-deductible and processed through Assembly.

- Assembly receives the donations and regrants them to the project.
- The collective manages the mural's design, production, and installation, and reports back on how funds were used.

Example 4: Film Project Seeking Charitable Support

A filmmaker is producing a documentary with a strong public education component.

- They apply for fiscal sponsorship through Assembly for the Arts.
- They secure a grant from a nonprofit media funder that requires a 501(c)(3) intermediary.
- Assembly for the Arts receives the grant and regrants it to the filmmaker's project.
- The filmmaker manages all aspects of production and is responsible for reporting outcomes and expenses.
- Assembly does not manage contracts, production logistics, or any earned income from the film.