

## Fiscal Sponsorship

“A fiscal sponsor is a nonprofit organization that provides fiduciary oversight, financial management, and other administrative services to help build the capacity of charitable projects.” (language taken from the National Council of Nonprofits)

A fiscal sponsor can make it possible for an organization to apply for grants without having its own 501(c)(3) designation. Below are several things to be aware of when using a fiscal sponsor to apply for Utah Arts & Museums funding/grants.

- Call the Grants Manager, 801.236.7550, to request a grant portal profile that links the arts organization to the fiscal sponsor.
- Fiscal sponsorship is only allowed for the Cultural Vibrancy Project and OnStage grants.
- The grant application should be written by the organization that will be carrying out the project, heretofore referred to as the “applicant.” The fiscal sponsor must be provided with a copy of the completed application.
- If a project or arts organization is funded, a contract will be issued to the fiscal sponsor. As the financially responsible party, the payment is sent to the fiscal sponsor, who then disperses the funds to the applicant.
- The contract should be signed by the fiscal sponsor. The **address** on the contract should be for the fiscal sponsor. The top line of the **contract** should read: ABC Nonprofit, fiscal sponsor to XYZ Company.
- The applicant is responsible for all activities associated with the application. Fiscal sponsorship is not intended to be a partnership.
- The applicant is responsible to complete the final report. However, if the applicant does not file a final report, the fiscal sponsor is ultimately culpable for being out of compliance and may receive a penalty.
- Fiscal sponsorship does not prohibit the fiscal sponsor from applying for a different grant.
- A single nonprofit can act as a fiscal sponsor for multiple organizations/ UA&M grant application.
- Unless otherwise exempt, all organizations that solicit funds for a charitable purpose are required by Utah law to obtain a Charitable Solicitation Permit through registering with the Utah Division of Consumer Protection. When an organization uses a fiscal sponsor and is a separate organization from the fiscal sponsor, the organization is responsible for holding and maintaining its own Charitable Solicitation Permit. For further information, please contact the Utah Division of Consumer Protection, <https://secure.utah.gov/charities/start.html>.

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- **When you are answering the questions in the application, generally answer on behalf of the project rather than the fiscal sponsor.** Any question that asks about the “organization” should be answered from the point of view of the applying project **not** the fiscal sponsor. We want to know about the group/organization/project that is applying, not the fiscal sponsor. Any question that asks about the “organization” should be answered from the point of view of the applying project **not** the fiscal sponsor.

**Example:** “Describe how your organization engages with underserved populations whose access to arts experiences is limited (e.g., by geography, ethnicity, economics, etc.).

Applicant should answer this from the point of view of the project not from the point of view of the fiscal sponsor. This applies to all organization-based questions.

If you have any questions about this, please contact our grants manager, 801.236.7550.