

**Fiscal sponsorship refers to the practice of nonprofit organizations offering their legal and tax-exempt status to other groups, typically for projects related to the sponsoring organization's mission.**

Lincoln Community Foundation will act as fiscal sponsor for projects or programs on a selective basis. Projects must be compatible with LCF's mission, have able and committed leadership, and strong prospects for reaching the stated fundraising goals.

Typically, projects are:

- one-time or short term efforts (1-3 years) where it does not make sense to create a new nonprofit
- ongoing programs in the process of seeking their own tax-exempt status
- facilitation of collaborative grants or programs

# FISCAL SPONSORSHIP

## Fiscal Sponsorship

Lincoln Community Foundation may support and administer a Fiscal Sponsorship for specific projects and programs that benefit our community. A Fiscal Sponsorship provides such projects with eligibility to receive tax deductible contributions from donations and grants by operating as a project of LCF. A fiscal sponsorship may be appropriate for a short-term community-based initiative, a collaborative grants program, or an ongoing program in the process of seeking its own tax-exempt status.

## How does it work?

- Project organizers approach LCF with a detailed proposal for a Fiscal Sponsorship
- LCF reviews the proposal and determines if it is compatible with LCF's mission
- LCF and project organizers create fund supporting the project
- LCF provides tax receipt and acknowledgment to all donors
- Project submits invoices to LCF for payment
- Project organizers can access Fund information online through LCF Portal

## LCF provides the following financial and administrative services:

- Systems to receive all gift types including checks, online donations and gifts of stock
- Acknowledgment/receipting of all gifts
- Record-keeping and reporting of project finances, including income and disbursements/invoice payments
- Support for grant reporting for institutional funders

## Requirements

- Initial contribution of \$10,000 or more to create Fund
- Administrative charges to be determined based on goals, longevity and administrative needs