

## Fiscal Sponsorships

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# Fiscal Sponsorships

NOIEF Fiscal Sponsorship Program

## FEES

5% of every donation

3% of crowdfunding

50% off office space

## APPLICATION PROCESS

A potential sponsee may apply for sponsorship with NOIEF by sending the Fiscal Sponsorship Manager:

1. a half-page to full-page summary of what their organization does,
2. A half-page to full-page summary of their fundraising plan,
3. a budget for their current fiscal year, and
4. an incorporation confirmation letter/form from the applicable state government (i.e. proof that the sponsee is an incorporated entity from whatever state in which they're incorporated).

NOIEF reviews the application and makes a decision to accept or reject the application. Reasons for rejection include but are not limited to: the sponsee's activities being too partisan, the sponsee's activities not aligning with NOIEF's mission, the sponsee's budget not appearing sustainable based on the fundraising plan, etc. The Fiscal Sponsorship Manager can send applicants examples of successful applications.

## HOW FUNDERS CAN GIVE

### Snail Mail

NOIEF can receive checks at:

Attn: [Name of Sponsee]  
New Organizing Education Fund  
1133 19<sup>th</sup> St NW  
Suite 850  
Washington, DC 20036

On every check, it's very important that the sponsee's name be in the memo line, on a slip of paper, in a grant letter, or whatever. The estimated maximum turnaround time between NOIEF receiving a grant and sending a sponsee their funds is 5 business days unless the check from the funder doesn't clearly indicate that it's for a specific sponsee. If we receive a check intended for a sponsee with no indication that it's for anything other than NOIEF's general funding, we unfortunately cannot guarantee that the payment to the grantee will be made within the 5 business day turnaround time.

### Online

This is only possible if the sponsee has their own payment processor. We will simply provide NOIEF's

This is only possible if the sponsee has their own payment processor. We will simply provide NOIEF's fiscal sponsorship bank account information to the sponsee, and the sponsee can then set up a payment processor account through which to process.

### **Wire Transfer/ACH**

We can accept wire transfers and ACHs, no problem. We will provide the wiring and ACH instructions to the sponsee, who can then provide them to the funder. Wires and ACHs don't come with notes, so the sponsee is responsible for telling the Fiscal Sponsorship Manager whenever NOIEF should expect to receive a wire or ACH on the sponsee's behalf. Otherwise, we have no way of knowing what sponsee the funds are intended for.

### **Notes**

NOIEF does not confirm receipt of any grant to any funder. If the sponsee needs NOIEF to sign a letter that they want to send to a funder, we are happy to sign it and return it to the sponsee. However, we do not proactively send a letter of receipt to any funder of a sponsee.

NOIEF will not help sponsees with fundraising efforts.

NOIEF can't accept in-kind donations, gifts of stock, or gifts from non-US-based entities.

An authorized NOIEF representative should sign all grant agreements, not the sponsee's representatives.

## **HOW NOI DELIVERS FUNDS**

### **Check Mailed via USPS**

Checks are cut once per week, so the maximum time between us receiving funds for a sponsee and us cutting that sponsee's check is 5 business days. Depending on where the sponsee is located in the country, the time it takes USPS to deliver the check could be anywhere from 1 to 10 days.

### **ACH/Wire Transfer**

NOIEF can issue an ACH or wire payment directly to any sponsee's US-based bank account. This is done weekly, on the same schedule as NOIEF's checks, so the maximum time between us receiving funds for a sponsee and us issuing that sponsee's ACH or wire is 5 business days. NOIEF nor NOIEF's bank charges a fee for this service. However, sponsees should be aware that their own bank may charge an electronic funds acceptance fee. Sponsees should speak directly to their own bank to determine whether there is a fee before requesting that NOIEF issue payment this way.

## **NOTES**

Our turnaround time between receiving funds on behalf of a sponsee and sending those funds to a sponsee is a maximum of 5 days. Exceptions can rarely be made if a sponsee needs a check more quickly. In very special circumstances, we may be able to send a check overnight at the expense of the sponsee. This is at the discretion of the Fiscal Sponsorship Manager.

### **Reports from NOIEF**

Since NOIEF's fiscal sponsorship program involves the simple regranteeing of funds received, we do not issue regular accounting reports to sponsees. At the sponsee's request, we can at any time send a financial report simply stating how much money NOIEF received on behalf of the sponsee and how much of that money we regranted to the sponsee. All funds NOIEF receives are reported on our 990 and subject to any audits NOIEF performs. Sponsees do not need to complete their own 990s, but they do need to pay their payroll taxes, issue their own 1099s, etc.

### **Reports to NOIEF**

Some funders may request financial reports regarding how their grant/donation was spent. The sponsee is responsible for sending all materials and documents requested by a funder, keeping track of which funders require a report, and the deadlines for the report. NOIEF will provide whatever financial information the sponsee needs to create the report.

### **Additional Services**

In order to provide sponsees with the most streamlined, affordable service possible, NOIEF does not offer additional services like payroll, insurance, directly paying expenses, etc. However, the Fiscal Sponsorship Manager will make all sponsees aware when NOIEF is able to offer additional services like discounts to events or trainings, referral to another fiscal sponsorship group, etc. For example, if a sponsee needs more support than NOIEF provides through our fiscal sponsorship program, there are several organizations we can put sponsees in contact with that offer more services (at higher admin fee

rates, of course).

### The Contract

The standard contract between NOIEF and the sponsee is through January 31st, regardless of what time of year the contract is entered into. It can be re-upped in January to extend from February 1<sup>st</sup> through January 31<sup>st</sup>. It can also be canceled with 30 days notice by either party.

### How A Typical Transaction Works

1. The potential sponsee applies for sponsorship following the guidelines above.
2. NOIEF and the sponsee enter into a sponsor/sponsee relationship upon signing the fiscal sponsorship agreement.
3. The sponsee applies for a grant. NOIEF will provide the sponsee with NOIEF's EIN, IRS determination letter, or whatever corporate documents they need to complete their grant application.
4. The sponsee secures a grant commitment from a funder. The sponsee and funder draft a contract, grant agreement, or MOU to memorialize the agreement they've reached.
5. The sponsee sends the agreement (signed by the funder) to NOIEF for signing.
6. NOIEF signs the agreement and sends back to the sponsee.
7. The sponsee sends the signed agreement to the funder and tells the funder to begin issuing payment to NOIEF through either check, wire/ACH or online by providing them with the correct address or bank information. All the information the sponsee needs can be requested from the Fiscal Sponsorship Manager.
8. NOIEF receives funds on behalf of a sponsee through whatever method the funder issues payment.
9. NOIEF sends a grant letter to the sponsee, notifying the sponsee that NOIEF will be issuing 95% of the grant received. This letter is signed by an authorized representative of NOIEF, and an authorized representative of the sponsee and should keep it for their records.
10. NOIEF reissues the funds to the sponsee within 5 business days of receipt. NOIEF does this by check or ACH, whichever the sponsee prefers.
11. If the funder requests a letter of receipt, the sponsee sends them one. NOIEF will provide the sponsee with NOIEF's EIN, IRS determination letter, or whatever corporate documents they need to draft the letter.

## CONTACT

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*Courtney is NOI's Program and Benefits Manager.*



#### TOOLS

Toolbox Curriculum  
Find Your Polling Place  
Install A Polling Location

#### EVENTS

Training for Trainers  
Advanced New Media  
Training

#### ARTICLES

The Last Tip of the Day  
Make a table of contents  
in your Google doc

#### TIPS

The Last Tip of the Day  
Make a table of contents  
in your Google doc

#### ABOUT NOI

What We Do and Why We  
Do It  
Projects

Gadget	Introduction to SQL	Write killer recommendation letters	Write killer recommendation letters	Contact
Work Forward	Email 101	2014 Most Valuable Organizing Awards	Step outside politics for good content	Donate
New Media Resources	Data BootCamp	Step outside politics for good content	Better emails with limited resources	The Team
	Building to Scale Training	Why I Went to RootsCamp	Avoid the #GivingTuesday hangover	
	New Media BootCamp	Sen. Chris Murphy: I'm coming to RootsCamp	Grammatically correct with clean code	

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