Roles and responsibilities should be negotiated and documented in a written agreement. Every sponsorship is different, but these are the basics:

**Fiscal Sponsorship: Who Does What?**

---

**Fiscal Sponsor**

- **tax-exempt status**: Lends credibility of 501(c)(3) status to project
- **fees and funds**: Retains control and discretion over funds
- **requests and reports**: Requests records and reports to fulfill oversight responsibilities
- **communication**: Communicates regularly with project

**Sponsored Project**

- **Contributions**: Has an obligation to disclose to donors that it does not have tax-exempt status
- **Pays administrative fee to and receives flow-through funds from sponsor**
- **Oversight**: Complies with record keeping and reports requested by sponsor
- **Communicates regularly with sponsor**

---

As fiscal sponsors, tax-exempt organizations can provide infrastructure and support for a start-up project or new organization, as well as a home for that organization’s donations.

---

**National Council of Nonprofits**

National voice. State focus. Local impact.

[www.councilofnonprofits.org](http://www.councilofnonprofits.org)