

California Arts Council FY19-20 Fiscal Sponsor Policy



Organizations conducting not-for-profit work without a nonprofit tax-exemption status may apply for California Arts Council's (CAC) Arts in Corrections (AIC) program through the use of a Fiscal Sponsor.

Proposing Organization Fiscal Sponsorship Eligibility Requirements:

- Must be an organizational entity; the CAC does not currently accept proposals from individual applicants
- Must have a principal place of business in California
- Must be consistently engaged in arts programs and/or services for two years prior to the time of application

Fiscal Sponsor Organization Eligibility Requirements:

- Must be a nonprofit organization with tax-exempt status under section 501(c)(3) of the Internal Revenue Code
- Must have a principal place of business in California
- Must be consistently engaged in arts programs and/or services for two years prior to the time of application

Relationship between the Proposer Organization and the Fiscal Sponsor Organization:

It is the duty of the proposing organization—not the Fiscal Sponsor organization—to develop and execute the art services and to complete all required reporting. All proposal materials and information, other than the Fiscal Sponsor's IRS Form 990, should be representative of the Proposer organization. This includes the DataArts Funder Report and budget tables (when required), and references to total operating revenue.

It is the duty of the Fiscal Sponsor organization to maintain “discretion and control” of funding received from the CAC. Fiscal Sponsor organizations are expected to maintain close involvement with the proposing organization to ensure that funding is used in accordance with the awarded proposal and contract.

Only under special circumstances may an proposing organization change Fiscal Sponsor organizations after the proposal deadline; this change may not be made without prior approval from the California Arts Council.

Fiscally Sponsoring Multiple Applications:

An organization may act as the Fiscal Sponsor organization for multiple applicant organizations. A Fiscal Sponsor organization may also submit its own proposal as an applicant organization, in addition to acting as the Fiscal Sponsor organization for one or more applicant organizations.

Fiscally Sponsored Proposal Requirements (due at the time of application):

- Legal name of Fiscal Sponsor organization
- Fiscal Sponsor organization's federal EIN
- Fiscal Sponsor organization's executive leader's name, phone number, and email
- Fiscal Sponsor organization's mailing address
- Number of years the Fiscal Sponsor organization has been engaged in arts programming and/or services
- A brief description of the history of the Fiscal Sponsor organization's arts programming and/or services
- An IRS 990, 990-EZ or 990-PF form for the Fiscal Sponsor organization; no other types of 990 forms will be accepted
- Payee Data Record (STD 204)

Fiscal Sponsor Organization Responsibilities:

If a proposing organization using a Fiscal Sponsor organization is awarded a contract for services, the Fiscal Sponsor organization becomes the legal contractor for the contract designated in the State of California Standard Agreement (STD 213). All contractual documents must be signed and approved by a representative of the Fiscal Sponsor organization.

Invoice payments are made payable to and mailed to the Fiscal Sponsor organization. The Fiscal Sponsor organization is responsible for distributing funds to the proposing organization.