

# **maysles** **DOCUMENTARY** **Center**

**FISCAL SPONSORSHIP HANDBOOK**

**2022**



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## Contact Information

Maysles Documentary Center  
343 Lenox Ave  
New York, NY 10027

Website: [www.maysles.org](http://www.maysles.org)

Fiscal Sponsorship page: [www.maysles.org/fiscal-sponsorship](http://www.maysles.org/fiscal-sponsorship)

Phone: 646-853-1296

Most correspondence is handled through email.

For general and money-related inquiries, requests, and help:

[sponsorship@maysles.org](mailto:sponsorship@maysles.org)

## Welcome

Thank you for choosing Maysles Documentary Center (MDC) as your fiscal sponsor! We know there are many options out there, and we are grateful that you have selected us.

Albert Maysles, our founder, was a pioneering documentarian who believed in the power of film to bring people closer together and make the world a better place. He was a strong advocate for discovery-based filmmaking, social justice, and artistic independence.

MDC puts these values into action. We believe in independently produced documentary films, and it is our mission to use our institutional resources to support them. Fiscal sponsorship is one of the ways we do this.

We are excited to work with you to help grow your film's fundraising potential and ultimately get it out into the world!

## Acknowledgements

We'd like to extend an extra special thanks to Angela Jang of the International Documentary Association (IDA) whose knowledge and experience has helped lay the groundwork for our Fiscal Sponsorship program. Much of what appears in this manual was initially developed by IDA and has been used with their permission. We are grateful for their generosity and ongoing support of the greater documentary filmmaking community.

We'd also like to thank Laverne Berry and Elizabeth Buckley Lewis (Willkie Farr & Gallagher, LLC) for their indispensable legal guidance, the AMDI Task Force for their crucial edits, Nelson Walker for his outstanding writing skills and feedback, and Aliyah Blackmore and Chrissy Griesmer for providing the utmost support in bringing the program to the finish line. We would not be able to offer this program without their hard work and expertise.

## Understanding Fiscal Sponsorship

*Note: We refer to documentary projects throughout the Handbook, but our policies apply to projects of all types.*

Filmmaking is full of challenges, and fundraising is usually one of the first that filmmakers face. Every little bit counts, especially at a film's outset, and it is advantageous to maximize your project's fundraising potential in order to ensure its completion.

This is where fiscal sponsorship comes in. A fiscal sponsorship is a relationship between an artist and a 501(c)(3) non-profit organization. It enables Maysles Documentary Center to extend some of the benefits of our non-profit status to your project for the purpose of fundraising and finding support.

With a fiscal sponsorship from MDC, you are eligible to source funds in new ways. You can receive tax-deductible donations from individual donors and apply for funding from foundations and corporations that support non-profit organizations. You can also receive access to discounted space rental and non-profit rates for certain services.

Although establishing a fiscal sponsorship with Maysles Documentary Center will extend many of the benefits of being a non-profit organization to your project, it does not mean that your project is a non-profit. This is an important distinction. MDC is **the** non-profit. If we sponsor you, it means that we have approved your project as being in furtherance of our mission, and agree to work on your behalf.

Technically speaking, we are a re-granting organization. We accept funds from donors and re-grant them to you based on a trusted relationship and shared set of goals. This is different from being a "conduit" or "pass through". Any funds we receive are under our full control, and we have sole discretion to allocate them as we see fit.

For legal purposes, it is important that you refer to MDC only as a "fiscal sponsor" and nothing else, unless agreed upon in writing.

## International Projects

MDC can sponsor projects by filmmakers based outside of the US; however, contributions are only tax-deductible for US-based donors. The same relationship explained above also applies to international projects -- if we agree to sponsor you, we have approved your project as being in furtherance of our mission and retain control and discretion as to the use of any contributions we receive.

## Getting Started

Once you have been accepted into the Maysles Documentary Center Fiscal Sponsorship program, you will receive an introductory email with instructions to get you started. You will be given a password to the EXISTING SPONSEES page, where you can access the requisite forms and documents to manage your project, and a unique Project Number.

Before you can begin raising funds, you must become a member of Maysles Documentary Center at the basic level (\$50/year). As part of your membership, you will receive access to free and discounted film screenings, workshops, and discounted space rental. If you'd like to request a membership waiver, please contact us by email with the subject line "Membership Waiver – Your Name."

You will also need to submit your signed Fiscal Sponsorship Agreement, New Sponsee Survey, W-9, Bank Information form, and Project Profile, which are available on the EXISTING SPONSEES page. The Bank Information form and W-9 can be downloaded directly and emailed to us with the subject line "Disbursement Information – Your Name." The Project Profile will appear as a personalized page on our website and allow donors to easily make contributions to your project.

Once we have verified your paperwork, we will notify you that your account has been activated, after which you can begin accepting donations.



## Managing Your Project

This handbook outlines our basic fiscal sponsorship policies and procedures. It should be the first place you look if you have any questions regarding the process. If you need additional help, please contact us by email.

The EXISTING SPONSEES page on our website is the main portal where you can find the documents and forms you'll need to get started. It has a link to the most up-to-date version of this handbook, downloadable PDFs of documents frequently requested by funders, and submittable forms for requesting funds and filing your annual report.

Occasionally, we find the need to update our policies and procedures. We will notify you of any changes via email and keep our website current with up-to-date forms, documents, and information.

## Secondary Fiscal Sponsorship

Under special circumstances, we allow projects to seek secondary sponsorship with another organization. If you believe your project requires a secondary sponsorship, please contact us by email to discuss feasibility and options.

## What Types Of Funds We Accept

**Donations** and **grants** are the only types of funds we can accept in support of a sponsored project.

A donation, as defined by the IRS, is giving cash or property to a qualified non-profit without receiving anything in exchange or return. Funds given as donations to Maysles Documentary Center are tax-deductible as allowed by the law.

A grant is a transfer of funds from a government body, private foundation, or public charity to a qualified organization or individual for a project deemed to be in the public interest. Grants are often conditional and bound by specific contractual terms.

We cannot accept the following types of contributions:

- Cash
- Self-made donations
- Earned Income
- Auctions
- Loans
- Investment funds
- Donations made through gaming activities

### **Cash**

We are unable to accept donations in cash. If you are holding an event and would like to accept tax-deductible contributions on-site, please make arrangements to be able to accept checks and/or credit cards (see Accepting Donations below). You can also direct donors to the PayPal link associated with your project.

### **Self-made Donations**

You can accept donations from friends and family, but any funds you wish to spend on your own project should be spent directly and not donated to MDC.

### **Earned Income**

Earned income includes funds generated by the sale of goods or services, such as download/DVD sales, ticket sales, equipment rental, or the sale of goods. Any earned income your project receives should go directly to your project and is subject to all relevant taxes and regulations.

### **Auctions**

In most cases, funds raised through auctions are not tax-deductible. If you have specific questions about auctions, please contact us before proceeding.

## Loans

You can accept direct loans to your project, but this funding should not be directed to MDC.

## Investment Funds

The law strictly prohibits MDC from accepting any funds where a return or equity is promised. No donors may ever be promised or given any return on donated funds. If you plan on working with investors on your project, please refer to the Working With Investors section in this handbook and contact us.

## Donations Made Through Gaming Activities

MDC cannot accept any donations through raffles, lotteries, or other game-related activities, which are subject to state regulations.

# Accepting Donations

Maysles Documentary Center can accept the following types of donations in support of your project:

- Checks
- PayPal
- Credit Card/Debit Card
- ACH (Electronic Funds Transfer)
- Zelle transfers

## Checks

All checks must be made out to **Maysles Documentary Center** with the Project Title and/or Project Number clearly noted in the check's memo line. Checks should be mail to us at:

**Maysles Documentary Center**  
**343 Lenox Ave.**  
**New York, NY 10027**

If you receive a donation of over \$5000, we will notify you by email. For notification about check donations less than \$5000, please submit a Project Balance Request.

We cannot, under any circumstances accept checks made out to you, your film, or your company, even if you endorse them to us. If we receive a check made out incorrectly, we will notify you. It is your responsibility to contact the donor and reissue the check in Maysles Documentary Center's name.

Due to current restrictions, we are not working from our office and therefore not depositing checks on a regular basis. Until the situation changes, there may be delays in processing check donations and making them available for withdrawal.

### **PayPal**

PayPal is a fast and easy way to receive donations online. MDC will provide you with a personalized PayPal link where donors can make one-time or recurring donations. Your link will be posted on your Project Profile and can also be shared online.

A fee of 2.2% will be charged to your project for each PayPal transaction. You will receive an email notification of any PayPal donations made to your account.

### **Credit Card/Debit Card**

All credit card and debit card donations are processed through your project's personalized PayPal link. A fee of 2.2% will be charged to your account for each transaction, and it is possible that your donor may be charged an additional fee by their credit card provider or bank. You will receive an email notification of any credit card donations made to your account via PayPal.

### **ACH (Electronic Funds Transfer)**

ACH (also referred to as Electronic Funds Transfer or EFT) is a fast and easy way to receive donated funds, especially in an urgent situation. You can find MDC's Bank Information on our EXISTING SPONSEES page. MDC does not charge any fees for incoming wire or ACH donations, but depending on your donor's bank, there may be some fees associated with making a donation by ACH.

For all ACH donations, the donor **MUST** identify your Project Title or Project Number in the payment description – otherwise we won't know to credit the donation to your account.

If you are aware of an incoming donation via ACH, please email the donor name and anticipated amount to us at [sponsorship@maysles.org](mailto:sponsorship@maysles.org).

### **Zelle**

Zelle is another fast and easy way to receive donated funds, especially smaller amounts. There are no fees, but generally a limit of \$5000/day per donor. Please check with your bank for more information.

For all Zelle donations the donor **MUST** identify your Project Title or Project Number in the Message field – otherwise we won't know to credit the donation to your account.

If you are aware of an incoming donation via Zelle, please email the donor name and anticipated amount to us at [sponsorship@maysles.org](mailto:sponsorship@maysles.org).

## **Partially Deductible Donations**

If any good or service is received by a donor in exchange for their contribution to your project, then the donation becomes partially deductible. For example, if a donor gives MDC \$100 and receives an event ticket valued \$40 in return, the donor has made a partially deductible contribution. In this example, the charitable contribution/deductible portion of the payment is \$60.

If you plan to hold any event or conduct any fundraising campaign where donors will be given anything of value in return for a contribution, including dinner, drinks, movie tickets, DVDs, t-shirts, or any other goods or services (even if those goods or services were donated to you at no cost) you must notify our office of the arrangement before sending out invitations or solicitations so we can arrange to handle notification and receipts properly. Failure to do this could result in the contributions you collect being entirely non-deductible for your donors.

If you anticipate collecting any partially deductible donations, please contact us by email to schedule a consultation.

Any time you are soliciting partially deductible donations, the following text must be included in the solicitation:

**TAX-DEDUCTIBLE DONATION**

[PROJECT TITLE] is a fiscally sponsored project of Maysles Documentary Center (MDC), a 501(c)(3) nonprofit arts organization. Contributions in support of [PROJECT TITLE] are payable to MDC. The value of [Description of Goods or Services Received] is [\$XX]. Any contribution above [\$XX] is tax-deductible to the extent permitted by law.

## Matching Gifts

MDC can process and accept matching gifts from businesses when a donor has made an eligible donation. Each company has its own rules and procedures for processing these donations. Please contact the appropriate person at the company, and then reach out to us by email to schedule a consultation.

## In-Kind/Material Donations

Maysles Documentary Center can accept tax-deductible in-kind material contributions on your behalf, such as equipment. (We are unable to accept equipment *rentals*, however – these constitute a service and cannot be claimed as a deduction.) In-kind material gifts are not subject to the 7% donation fee but do require a \$45 processing fee.

You must notify MDC of any in-kind or material donations by email at [sponsorship@maysles.org](mailto:sponsorship@maysles.org). Please include your Project Title, the donor's name and mailing address, transaction date, item description, and value. It is up to you and/or the donor to determine the fair market value of the goods subject to approval by MDC.

# Crowdfunding

Crowdfunding is an important tool for meeting your fundraising goals. MDC currently has contracts with Kickstarter and Seed&Spark to accept donations in support of our fiscally sponsored projects. All crowdfunding campaigns must be pre-approved by MDC. Please fill out the crowdfunding notification form at least one month prior to launch. After your notification has been submitted and approved, we will contact you to schedule a consultation.

## Fees

In addition to MDC's standard 7% fee, all money received through crowdfunding will be subject to additional fees from your chosen platform. Both Kickstarter and Seed&Spark have a 5% platform fee and may also apply additional credit card fees. Please visit their websites to familiarize yourself with their policies.

## Setting Up Your Crowdfunding Campaign

If you choose to conduct your crowdfunding campaign through MDC, donations are tax-deductible less the value of any goods or services being offered in return. Once you decide on your campaign perks, you will need to assign a market rate dollar value to any tangible goods or services being offered and note it clearly in the "perks" or "rewards" section of your campaign.

For example, if donors making a \$50 donation will receive a reward of a t-shirt (valued at \$10), digital download (valued at \$5), and on-screen credit (intangible value), then \$35 of that donation will be tax-deductible. This amount must be clearly indicated with the pledge value.

In the body of the text describing your project you should include the following information to clarify the tax deductibility of the donation:

### **TAX-DEDUCTIBLE DONATION**

Your donation is tax-deductible. [PROJECT TITLE] is a fiscally sponsored project of Maysles Documentary Center, a 501(c)(3) nonprofit organization. Contributions in support of [PROJECT TITLE] are payable to Maysles Documentary Center and are tax-deductible less the value of any goods or services received, as allowed by law. The value of goods and services offered is noted under each donation level. If you would like to deduct the entire donation, decline the reward at checkout.

## Wrapping Up Your Crowdfunding Campaign

To wrap up your crowdfunding campaign you will need to fill out and send in a partially deductible donation form, which can be found on the EXISTING SPONSEES page of our website. This will allow us to properly receipt your campaign donors. You should include both fully and partially deductible donations on the spreadsheet.

Please note that:

- The IRS requires that we report the mailing addresses for all donations of \$2000 or more. You may need to reach out to your donor for this information.
- For donations originating outside the US, the IRS requires that we report the total dollar amount for each foreign country. Please check with your crowdfunding platform for this information.

Once we receive your spreadsheet, we will prepare and send your donor receipts within 2 weeks. Please let your donors know that their receipt will come from [sponsorship@maysles.org](mailto:sponsorship@maysles.org).

## Fundraising Events and Solicitations

In-person fundraising events, such as screenings and house parties, are a popular way of connecting with donors and raising funds. If you plan to accept tax-deductible donations at your event, please contact us by email to schedule a consultation.

If you are soliciting funds, you must include one of the following pre-approved statements in your solicitation. Please contact us in advance if you would like to use alternate language on any printed materials.

### FULLY DEDUCTIBLE CONTRIBUTIONS

[PROJECT TITLE] is a fiscally sponsored project of Maysles Documentary Center (MDC), a 501(c)(3) nonprofit arts organization. Contributions in support of [PROJECT TITLE] are payable to MDC and are tax-deductible as allowed by law.



### PARTIALLY DEDUCTIBLE CONTRIBUTIONS

[PROJECT TITLE] is a fiscally sponsored project of Maysles Documentary Center (MDC), a 501(c)(3) nonprofit arts organization. Contributions in support of [PROJECT TITLE] are payable to MDC. The value of [Description of Goods or Services Received] is [\$XX]. Any contribution above [\$XX] is tax-deductible to the extent permitted by law.

## Corporate Sponsorship

Corporate sponsorship can be a valuable source of revenue for some projects, and, in certain circumstances, it may be tax-deductible. If you are seeking corporate sponsorship, it is very important to distinguish between sponsorship and advertising.

Sponsorship as defined by the IRS includes:

*"...any payment made by a person engaged in a trade or business for which the person will receive **no substantial benefit** other than the use or acknowledgment of the business name, logo, or product lines in connection with the organization's activities. 'Use or acknowledgment' does not include advertising the sponsor's products or services."*

– IRS Publication 598

Advertising revenue should not be directed to MDC under any circumstances, as it is always taxable, even for non-profits! Advertising includes:

- Product placement
- Ads for the company or product on the project's website
- Public endorsements of the company or its products
- Inducements to purchase or use the company's products or services
- Mentions of the company's products, services or special deals in any social media

Sponsorships generally include nothing more than placement of the company's name and/or logo within the project's credits and/or inclusion of the sponsor's logo on websites and written material. This content must be controlled by the sponsored project, not dictated by the sponsor.

If you anticipate receiving a corporate sponsorship, please contact us by email to set up a consultation before proceeding. MDC must review any corporate sponsorship agreements in which money will be directed to us.

## Grants from Foundations

One of the main advantages of fiscal sponsorship is the option to access grant opportunities from foundations that are open only to non-profits and not to individuals.

Please note that not all foundations require 501(c)(3) status. If you apply for a grant that accepts applications from individuals, you can apply and accept those funds outside of your fiscal sponsorship agreement with MDC.

Also, be aware that some foundations do not give grants to fiscal sponsors or have other restrictions on the types of organizations they will grant to. Restrictions may include geographic location, budget size, population served, or service area. Before investing significant time in a grant application or letter of inquiry (LOI), it is always advisable that you contact the foundation to verify eligibility.

Once you have verified eligibility, you may begin the application process. The first step is to notify us by submitting a Grant/LOI Notification on the EXISTING SPONSEES page of our website.

Most foundations will allow you to submit your own application but will also require some specific information about us. For your convenience, we have posted downloadable versions of some of the materials frequently requested by grantors on the EXISTING SPONSEES page of our website. Documents include an IRS determination letter (which serves as proof of our 501(c)(3) status), our most recently audited financial statement, IRS 990, list of MDC board members, and an organizational profile with our most recent annual report.

Other documents, such as a personalized letter of support or additional organizational information are available on request. Please allow 5 business days for fulfillment of any documents not included on the EXISTING SPONSEES page. Your project must be active and in good standing before we can fulfill any request.

## **Government Grants**

Most government grant applications do not allow you to submit your own application. If you are considering applying for government funding, please read this section of the handbook carefully and submit a Grant/LOI Notification on the EXISTING SPONSEES page of our website. Once we have received your request, we will contact you to schedule a consultation.

Applying for government funding is an intensive process, and often such grants have extra tracking and reporting requirements. For this reason, projects are required to undergo a review by fiscal sponsorship staff before we agree to sponsor any project for government funding.

We will evaluate your project based on criteria such as funding history, previous government support, qualifications of production team and advisors, the suitability of the grant opportunity, and ability to meet the tracking and reporting requirements for government funds.

Funding for government grants is extremely competitive. They are rarely appropriate for first-time filmmakers or project directors without a proven track record. Sponsorship for government grant applications is never guaranteed, and not all projects will be approved. Please contact us early in the process before devoting significant time to developing an application.

If we approve your application, we will provide a timeline for pre-approving your documents and delivering them to us. In most instances, we require all final materials to be sent to us at least 5 business days before the grantor's deadline. We cannot guarantee the ability to meet last-minute requests.

### **State and Local Government Grants**

State and local government opportunities for sponsored projects are very limited. However, if you identify a state or local government grant that is a good match for your project, and you have verified your eligibility with the granting agency, please contact us by email. We will review the opportunity with you, look at the requirements involved and decide whether or not to proceed with the application.

Please note that most grants from State Humanities Councils are independent and not considered direct Government Grants. You may apply to such grants yourself; however, we may still need to be involved in the application process. If you have a question about the status of a grantor, please contact them to find out their policies.

### **Federal Government Grants**

We are also open to working with federal funding agencies, such as the National Endowment of the Humanities (NEH) or the US Department of State. Unfortunately we cannot support applications to the National Endowment for the Arts (NEA), as they are not currently accepting applications from fiscal sponsors.

Each government agency has its own requirements and guidelines. If you have identified an opportunity that you believe is a good match for your project, and you have verified eligibility with the granting agency, please contact us at least 6 weeks before the deadline. We will review the application with you, look at the requirements and deadlines involved, and decide whether or not to proceed.

### **National Endowment for the Humanities (NEH)**

The National Endowment for the Humanities has five grant opportunities that may be appropriate for independent documentary projects:

- Media Projects: Production Grants
- Media Projects: Development Grants
- Media Projects: Short Documentaries
- Digital Humanities Advancement Grants
- Digital Projects for the Public

If you are interested in applying for one of these opportunities, you are required to notify us at least 6 weeks in advance of the deadline. If we agree to sponsor your project for one of these grants, we will go over a specific delivery schedule and guidelines for getting the required materials to MDC.

Completed materials will be due a minimum of 10 business days before the application due date. NEH applications are extremely demanding, so please do not invest significant time in an application without talking to us first!

## **Managing Your Project**

The EXISTING SPONSEES page on our website is the main portal where you will manage your account. It contains the forms you will need to request disbursements, access your account information, and submit your annual report.

## **Disbursements**

MDC accepts and holds all funds that you have raised through your fiscal sponsorship. You can request a disbursement of funds whenever you have current or upcoming expenses, or when you need to reimburse yourself or your company for funds you have already spent. For upcoming expenses, we recommend that you only request money that you believe will be spent within a 3-month time period, unless extenuating circumstances apply, such as extended travel.

MDC maintains control and discretion over the use of all funds at all times and reserves the right to either modify or deny the transfer of fund requests. Your project must be in good standing, meaning your membership is current, you've filed a W-9, and you are up-to-date on all reporting.

To withdraw funds, you must fill out a Funds Request found on the EXISTING SPONSEES section of our website. Funds requests are generally processed on Fridays. Occasionally due to staff schedules or other circumstances beyond our control, disbursements may be delayed.

If you have an urgent situation requiring a faster turnaround time, please contact us before submitting your request. We do our best to accommodate such situations, but cannot guarantee expedited service and reserve the right to apply a rush fee.

Please note, it often takes 5-7 business days for any donations made to your project to be cleared and available for withdrawal.

Upon your withdrawal, MDC will deduct 7% of the withdrawal amount from your account to cover administrative fees.

We currently offer the following methods of disbursement. Bill Pay or ACH/Electronic Funds Transfer is preferred, and if you submit your bank information, we can keep it on file for easier disbursement:

- Bill Pay
- ACH (Electronic Funds Transfer)
- Zelle
- International Wire Transfer
- Check

### **Bill Pay**

Bill Pay is a service offered by our bank that automatically allows for your disbursement to be sent to you as a check. In order to activate Bill Pay, you will need to send us your payee name and mailing address. Payment will be cleared in 1-5 business days, and your check should arrive within 5 business days after that. All Bill Pay disbursements are free.

### **ACH (Electronic Funds Transfer)**

ACH (sometimes referred to as Electronic Funds Transfer or EFT) is a streamlined way to receive your funds. It usually takes 1-2 business days for our bank to process requests, and the money will be deposited directly into your account. All domestic ACH transfers are free, but some banks may charge fees for incoming deposits, so please contact your bank to learn more about their policies.

In order to receive ACH transfers, you must set up your project's bank account in our system. This can be done by submitting a Bank Information form on our EXISTING SPONSEES page. It takes 4-5 business days for bank account verification, and during that period we cannot send any funds to you, so please plan accordingly when setting up your bank account.

If there are any changes to your bank account, please resubmit the Bank Information form indicating the changes.

### **Zelle**

Zelle is another streamlined option for receiving disbursements of \$5000/day or less per donor. It allows for an easy transfer of funds to your bank account using an associated email address or phone number. All Zelle transfers are free and will be deposited directly into your account the moment we process the request -- all we need is the email address or phone number associated with your account.

If you are interested in receiving disbursements through Zelle, please contact your bank or financial institution to learn how to set up your account.

### **International Wire Transfer**

MDC can provide international wire transfers for filmmakers with non-US bank accounts. All international wires have a \$25 fee, and your bank must accept the funds in US Dollars. You may incur an additional fee if funds must be transferred to an intermediary bank before reaching your bank. Please contact your bank to learn more about their incoming wire fees and policies.

### **Check**

MDC can also write you a check. There is no fee and no limit on the amount; however, processing time is longer than for other disbursement methods. Checks are usually mailed out at the end of the week. Under most circumstances you should receive a check within 10 business days. If you would like us to use Fed-Ex for expedited service, please provide us with an account number and we will mail it to you at your expense.

You are also welcome to pick up your check at our office. We are located at 343 Lenox Avenue between 127th and 128th streets. Please check in with our staff before dropping by, as we are currently operating limited hours.

## Request Your Project Balance

You can request up-to-date information about your account by submitting a Project Balance Request form on the EXISTING SPONSEES page. Your project balance update will provide donation information (including the donor name, address, and donation amount), your withdrawals, and any other fees you've incurred while in our program. All offline and online donations will be included.

## Reporting

All active projects are required to complete at least one annual report a year, whether you have received funds from us or not. Annual reports are due February 15<sup>th</sup> each year. You will receive a financial summary of all your withdrawals by January 31<sup>st</sup>, two weeks before the report is due. You will need this information to complete the annual report.

Proper recordkeeping is essential. MDC is legally responsible for all funds that come through the Fiscal Sponsorship program. As a sponsored project, you are legally and contractually responsible for reporting back to us on exactly how any funds you receive are spent on your project.

In addition to reporting, you are required to maintain access to your receipts, invoices, and other financial records. Although we do not directly request them for the annual report, we may ask you for them at any time. The budget that was approved with your application should be your guide for what is and isn't an approved expense.

## Annual Report Requirements

We will notify you by email to inform you when your annual report is due. All annual reports must be completed using the submission form on the EXISTING SPONSEES page. The form will include the following fields:



**Project Information:**

Your Project Title, Project Number, and contact information.

**Project Update:**

You will be asked for a project status report and to detail any changes since your acceptance to the program, or since your last annual project report was filed. You will also be asked to list funders you've applied to, grants you've received, and other funding you've received outside of your fiscal sponsorship that totals over \$5000 from any single source. The status reports should consist of a detailed narrative describing the current phase of production, recent project-related activities, future plans, and any changes to project personnel, project goals, and/or budgets since your application or since your last project report.

**Financial Report:**

Whether or not you have received funding, you are required to provide the following financial information:

- Funds disbursed by MDC during the current reporting period
- Remaining unspent funds
- Amount raised from all sources to date
- Funds disbursed over the life of the project
- Current budget total
- Updated budget (if it has changed since your last submission)
- Most recent line-item budget.
- Cost report. Provide a detailed list of project-related expenditures. You must account for all funds you've received since your last project report was filed. For example, if you have received \$10,000 from MDC since your last report, you must list a *minimum* of \$10,000 in corresponding budget-related expenses. Every expenditure listed should correspond to an individual receipt or invoice. Be specific. *Vague or general descriptions alone, such as "cash" or "production expenses" are not adequate.*

## Grant Reporting

In addition to our reporting requirements, any foundations or governmental grantors you are working with may have their own requirements. You will be responsible for fulfilling these reporting requirements. MDC will provide an up-to-date financial report on request and additional information if necessary.

Remember, when you are dealing with grantors, you are representing MDC in addition to your own project. If we become aware that you are not staying on top of your funders' reporting requirements, we will freeze your account until you are back in good standing with funders, and if there are repeated incidences of delinquency, we reserve the right to close your sponsorship.

## Legal Entities and Business Structures

Whether you have filed official business documents or not, the moment you begin accepting funds through fiscal sponsorship, you are operating as a business.

Although it is not required, we highly recommend that you establish yourself as a business. Most projects in our program accept funds through LLCs (Limited Liability Companies), but we also work with Unincorporated Sole Proprietorships or Corporations. In some cases, we will support unincorporated individuals. Each of these entities carries different responsibilities and requirements. The IRS has a description of each of these business entities, along with tax information on their website [here](#).

If you're an international project, we advise you to consult with an accountant/lawyer with knowledge of business entity law for your country and municipality.

While we will do our best to offer general advice whenever possible, unfortunately, we are not qualified or able to offer any specific advice on legal questions. You should consult a lawyer and/or accountant to help you make decisions about what type of business is right for your individual situation.

## Banking

You are not currently required to have a separate bank account for your project, but we strongly recommend it. Keeping track of finances for tax and reporting purposes is much easier with a dedicated account. If you are managing your project as an unincorporated individual, you can still speak with your bank about getting a separate business banking account just for your project.

## Taxes

You are responsible for reporting all income, including money received through fiscal sponsorship, to the IRS. If you have set up your project as a business and have been diligently keeping track of the money received and spent on project-related expenses, you shouldn't owe any taxes on the money we send you, except for what you will owe on your project-related salary. However, we cannot guarantee that you will have no tax liability. Every situation is different, and you must speak to your own qualified tax advisor to discuss your personal circumstances.

If MDC sends funds to you within the calendar year, we will issue you the proper documentation for your taxes no later than January 31<sup>st</sup>, and will also provide up-to-date account information as needed.

We strongly advise you to consult a tax professional before requesting a release of funds. While we'll do our best to point you in the right direction, our staff is not qualified or legally permitted to answer tax questions or give advice on tax-related matters.

## Working With Investors

For some filmmakers relying exclusively on donations, grants, and other sources of nonprofit funding can be limiting. Some filmmakers choose to also pursue investors for their documentary projects in order to meet the challenges of the current funding landscape.

While the financial incentives are clearly different for donors and investors, in most cases an interest in furthering the artistic, educational, or charitable goals of the project is also paramount for investors in documentary projects. It is not incompatible for a project to have both an overriding charitable purpose in line with MDC's mission and an interest in pursuing a return on investment for the filmmaker or third parties.

If you are planning on or interested in working with investors, please contact us for more information.

## Crediting MDC as your Fiscal Sponsor

In any instance where you publicly acknowledge Maysles Documentary Center as your fiscal sponsor -- including but not limited to end roll credits, websites, and printed materials -- you shall credit our role as follows:

**Fiscal Sponsorship provided by Maysles Documentary Center**

OR

**Fiscal Sponsorship provided by**



You can download MDC logos and credits from our [EXISTING SPONSEES](#) page.

## Closing Your Fiscal Sponsorship

To close your fiscal sponsorship please contact us by email and we will provide you with the necessary steps. You will be asked to submit a final report and provided with a letter stating that the relationship ended in good standing.