Fiscal Sponsorships

Fiscal sponsorship allows individual artists and emerging organizations to apply for funding normally available only to organizations with 501(c)(3) nonprofit status, thus expanding the range of funding sources available to them. Fiscal sponsorship also allows individuals to make contributions that may be tax-deductible.

A fiscal sponsor is a nonprofit 501(c)(3) organization that agrees to act as a fiscal umbrella for an artist or collective, receiving charitable donations and grant funds on their behalf. Organizations that offer fiscal sponsorship programs may also provide technical assistance during the fundraising process, accounting services, and other project-related assistance. Fiscal sponsors usually charge an administrative fee for their services. Fees tend to range from 5% to 10% of the grant amount, depending on the level of support provided by the fiscal sponsor. The cost of that service should be included in the project expense budget.

Because UMEZ distributes public funds, all cultural investments must be made to 501(c)(3) organizations. Therefore, individual artists or unincorporated collectives and groups applying for a UMEZ Arts Engagement Grant are required to have a fiscal sponsor.