Reimagining Our Sector

Fiscal Sponsorship Internationally

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Embrace an opportunity fiscal sponsors have internationally.

Consider organizational readiness factors to accept, manage, and support the community in stewarding international funds.

Review practical considerations including cultural competence, risk, and compliance when fiscally sponsoring foreign activity.
More than three in ten adults around the world donated money to charity in 2020.

More than three billion people helped someone they didn’t know in 2020.

More people donated money in 2020 than had done so in the last five years (31%).

Global Giving Trends: Growth of Generosity Around the Globe

Most generous countries in 2021

CAF World Giving Index 2021
Global Giving Trends: Access to Funding

- Governments are committing to provide more funds to local organizations directly
- Capacity to manage large funds is limited
- Oversight at the government and funder levels continues to be high
- International organizations continue to be among the largest US based nonprofits
International Work:
Could take many shapes, sizes and complexities…
Readiness Factors to Provide International Supports: Impact and Mission

- Is this opportunity mission-aligned?
- Do we need board approval to undertake international activities?
- Did we complete an appropriate vetting process to make sure our partners are legitimate and well-aligned with our mission and vision?
Readiness Factors to Provide International Supports: Values and Working Relationship

- Do we have a shared understanding of how the work contributes to the mission of the sponsor?
- Do we have a shared understanding of the nature of the fiscal sponsorship relationship including where different decision making authorities sit?
- Do we have cultural competencies, norms, and values that these partners bring?
- Will we need additional language expertise to partner well?
- Do we have to translate our current tools and systems into different languages to make sure our partners could fully relate to us?
Readiness Factors to Provide International Supports: Human Capacity and Systems

❖ Do we have the knowledge, capacity, and expertise to provide support to an organization operating internationally?
❖ Do we have the expertise to work with the funders that provide support to this organization?
❖ Do we have service-level expectations around timing of monetary transfers so any downside to fluctuations in exchange rates don’t feel arbitrary or subjective?
❖ Do we understand and have a way to meet all compliance needs?
❖ How are we going to assure that we meet anti-terrorism financing and other international financing-related requirements?
❖ Do we have international legal support if the need should arise?
❖ Does our current insurance cover activities internationally? Will we offer travel and emergency evacuation insurance?
❖ Do we have systems to manage international funds and address the higher potential for fraud?
Readiness Factors to Provide International Supports:
Financial Model & Capitalization

- Do we have availability to receive and issue payments internationally?
- Increased operational complexity leads to increased administrative costs. How are we planning to absorb those?
- Do we have connections with other partners that work in similar environments? How can we build those connections?
What roles can fiscal sponsorship play on the global stage to make a difference?

❖ Be the philanthropic arm of the international organization, and issue grants to the prime organization (Model C).
❖ Provide comprehensive services to organization that provide support globally, but mostly in the US (Model A).
❖ Provide comprehensive support to organizations that have on-the-ground activities in different countries (Model A with multiple country operations).
❖ Partner with other organizations that manage activities in a particular country and play a central role in shared fund management.
❖ Be the grantmaker for and capacity builder of organizations based in different countries.
❖ Help establish fiscal sponsors in other countries.

❖ What other approaches have you seen?
The success of international work depends on partnerships and collaborations.
Closing Reflections
Four Things to Embrace

❑ **Know yourself and where vulnerabilities exist** (present or future).

❑ **Know what you’re great at and where you want to go with your work.** Does this approach feel right for you, your community?

❑ **Be ready to invest time and other resources.** Remember that not all change requires financial capital, but every change requires “sweat equity”.

❑ **Think about resources broadly** (time, relationships, systems, buildings, stuff), not just money. Vision and drive always lead, money follows.
We are grateful...