

Fiscal Sponsorship Guidelines

The Hudson County Latino Foundation
Enabling Community Development





What is a
Fiscal
Sponsor?



A Fiscal Sponsor is a nonprofit organization that provides **fiduciary oversight, financial management, and other administrative services** to help build the capacity of charitable projects - **Fiscal Sponsorship: a 360 Degree Perspective**



How can a
Fiscal
Sponsor
help me do
more?

Comprehensive Administrative Services

- Corporate entity as a 501c3
- Financial services (Accounting, banking and financial statement preparation)

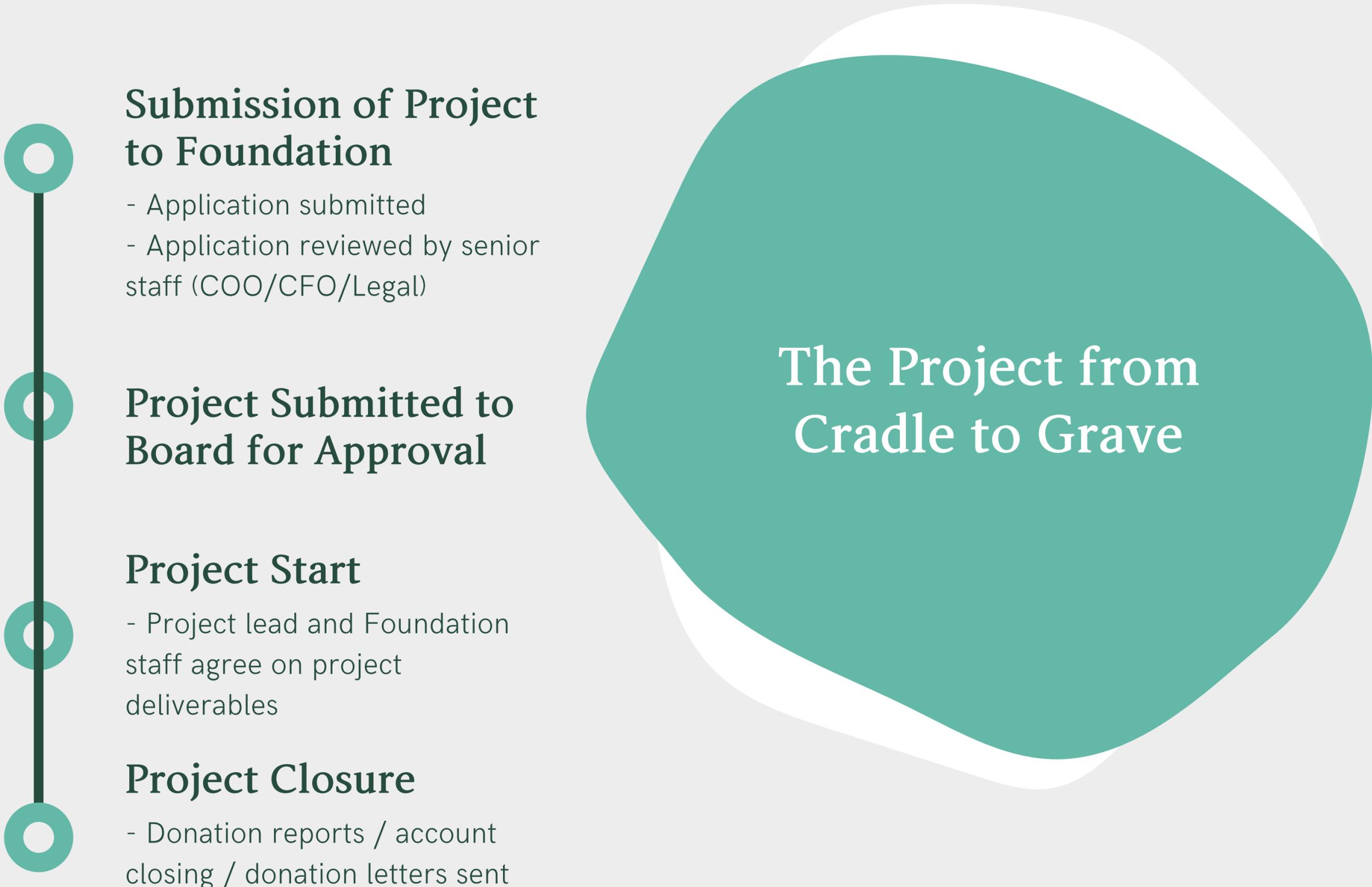
Financial and Compliance Management

- Act as a fiduciary sponsor in an oversight role
- Legal and compliance oversight

Accounting

- May prepare audits when requested by the client
- Process payables and receivables for each project





Submission of Project to Foundation

- Application submitted
- Application reviewed by senior staff (COO/CFO/Legal)

Project Submitted to Board for Approval

Project Start

- Project lead and Foundation staff agree on project deliverables

Project Closure

- Donation reports / account closing / donation letters sent

The Project from Cradle to Grave

The Project from Cradle to Grave



Individual or Entity makes a donation payable to the Hudson County Latino Foundation
(via Check/Cash/Credit Card)



Hudson County Latino Foundation issues a donation receipt to the donor



Hudson County Latino Foundation holds your donations in a "Restricted Account"



Funds are released to you electronically as a grant

Why use a Fiscal Sponsor?

Eliminate Hurdles

- Fundraising
- No need to form a 501(c)3 for a charitable project

Benefits

- Extend the benefits of our 501(c)3 status. You can solicit charitable donations from corporations, grants, private foundations and other sources.
- In other words, you can focus on the important task of running the project.



Fiscal Sponsorships

Are great for...

Individuals

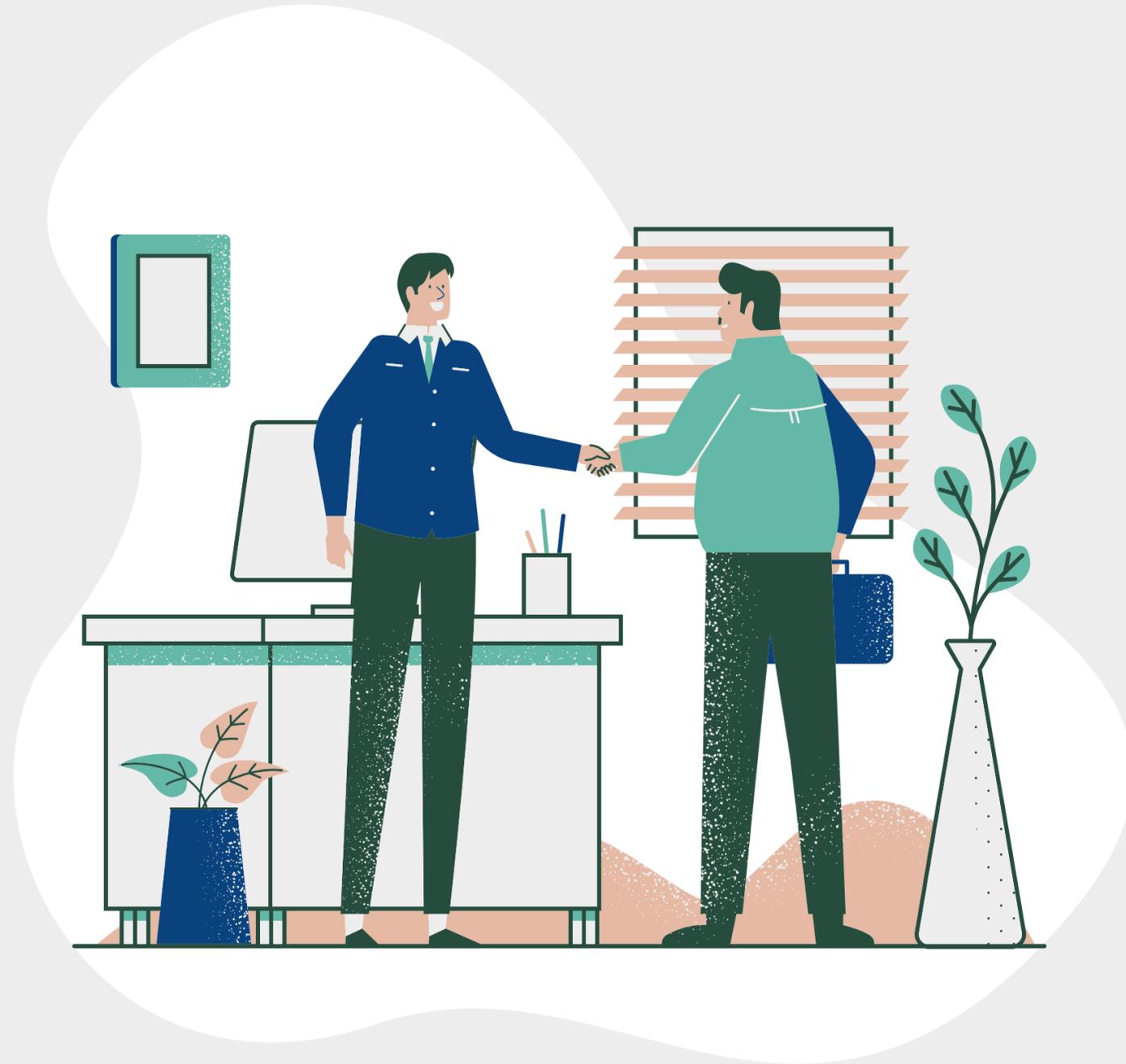
People who want to make a difference but do not have the background or experience

New or Small Organizations

Organizations with "training wheels" that want to try something before investing heavily on a project

For-Profit Entities

Companies that want to seek investors and nonprofit donors who want to make a donation



Administrating Your Project

Fees

All fiscal projects will have an administrative fee which varies on the dollars raised.

- \$0 to \$150k (7% fee on checks and grants)
- \$150k to \$500k (6% fee on checks and grants)
- \$500k to \$1 mil+ (4% fee on checks and grants)

Potential Savings

- Cost of maintaining fiscal managements
- Oversight of funds

Due Diligence

- Provide fiscal letters for grant applications
- Ability to provide letters for crowdfunding campaigns





Competitive Advantages



Intellectual Property

You maintain ownership of your work

Hands on Approach

Local nonprofit means we care about your project and have a vested interest in our communities

Assistance with Fundraising

Speak to our team about customized fundraising strategies

Year-End Reporting

The Foundation does not withhold taxes from grant awards or other taxable income, but is required to report all grant awards as "other income" to the IRS on the form 1099-MISC. Grant recipients will be asked to complete a W-9 IRS Form.

Contact Us

David Miranda
Chief Operating Officer
david.miranda@hclatinofoundation.org

Johann Cabe
Chief Financial Officer
johann.cabe@hclatinofoundation.org

Walter D. Santiago, Esq.
General Counsel
walter.santiago@hclatinofoundation.org

www.hclatinofoundation.org

