

Choosing a Fiscal Sponsor

Selecting the right partner for your project

1. Determine Your Needs

Start by outlining your project's scope and what you're looking for in a fiscal sponsor.

Mission & Objectives

- What is your project's mission and goals?
- Is this a short-term project or long-term initiative?

Support Needs from the Sponsor

Do you have these needs?

- Grant Administration (e.g., grant writing, reporting)
- Fundraising (e.g., access to donors, strategic guidance)
- Legal Support e.g., contract review, compliance help)
- Operational Support (e.g., HR, payroll)
- Financial Management (e.g., accounting, budgeting, reporting)

2. Research Potential Sponsors

Gather information before you meet.

Experience and Reputation

- Have they sponsored similar types of projects?
- Have they faced legal or financial issues?
- What do current or formerly sponsored projects say?

Services & Capacity

Review their website and public materials for:

- Mission
- List of included services
- Fee structure
- Sample sponsorship agreement
- Staffing structure and contact info

3. Evaluate Your Options

Ask focused questions of potential sponsors to assess fit.

Control & Ownership

- What rights and assets does your project retain?
- How much independence will you have?
- Will you be a separate legal entity?

Legal and Insurance

- How are taxes and audits handled?
- Does the insurance the sponsor carry meet City requirements?
- Who owns project funds and property?

Fees & Included Services

- What is the admin fee (flat or percentage)?
- What's included—and excluded—in that fee?

Financial Management

- How are funds tracked and reported?
- Can you access real-time or regular reports?
- How do you request disbursements and what is the turn around time?

Contract Terms

- What happens if the relationship ends?

Staffing & HR

- Will the sponsor hire staff for you?
- Do they handle payroll, benefits, and HR issues?

Responsiveness & Support

- How quickly do they respond to requests?
- Do they assist with fundraising, grant writing, or compliance?

Legal Standing & Compliance

Confirm the organization is in good standing with:

- California Franchise Tax Board
- California Secretary of State
- California Attorney General Registry of Charities and Fundraisers
- Not Suspended or Debarred in SF

