



Fiscal Sponsorship Program Manual

The Center for Social Change, Inc. provides Fiscal Sponsorship services to mission-aligned constituents. The services include fiduciary oversight, financial management, and other administrative services. The funds received by the Center on behalf of the fiscally sponsored project must be used for specific charitable activities that further the Center's tax-exempt purpose.

C4SC provides two levels of fiscal sponsorship services:

1. **Comprehensive (Model A)** - For unincorporated groups; program includes full array of financial and operations services. Referred to as Model A.
2. **Funding Partner (Model C)** - For incorporated groups; the group becomes a grantee of C4SC and has a legal, tax and accounting identity separate from C4SC. Referred to as Model C.

The services and the differences in services provided under different contracting mechanisms are listed below.

1. Services & Fees

a. Comprehensive Services (Model A)

The following functions are provided to **Model A** clients as part of C4SC's Administrative Service Fee.

Banking and financial services	Bookkeeping - Paying bills/invoices/deposits/payroll paid with a minimum 72-hour notice. (If monthly bookkeeping requires more than 2 hours per month, additional fees will be charged.)
	Maintaining accurate, up-to-date financial records separately for each fiscally sponsored project
	Accepting committed revenue and tracking restrictions as deemed appropriate by the funder
	Financial oversight of expenditures
	Donor acknowledgment of gifts larger than \$250
	1099 preparation

Grants / Proposals	C4SC reviews grants and proposals for approval
Corporate structure, tax and audit responsibilities	Use of corporate EIN & 501c3
	990 tax returns (as part of C4SC's filings)
	Annual audit is performed on all managed activities
	Maintain non-profit registrations in FL
Human Resources	IRS filing on independent contractors
Insurance	General liability
C4SC membership	Full benefits of C4SC membership
Customer Service	Respond to requests and questions from Project staff within 24 hours.

Administrative Fee Based on Levels of Income	Monthly %
\$1 - \$19,999	10%
\$20,000 - \$49,999	9%
\$50,000 - \$99,999	8%
\$100,000+	TBD
Government Reimbursement Grants (i.e. County, City, State, Federal)	Additional 3%

b. Funding Partnership (Model C)

The following functions are provided to **Model C** clients as part of the Administrative Service Fee.

Banking and financial services	Processing of all deposits
	Issuing donor acknowledgment of gifts larger than \$250
	Maintaining accurate, up-to-date financial records separately for each fiscally sponsored project (If monthly bookkeeping requires more than 2 hours per month, additional fees will be charged.)
Human Resources	IRS filing on independent contractors



Financial management	Oversight of all finances and grants (limited to 2 hours)
Grants / Proposals	C4SC reviews grants and proposals for approval
Corporate structure, tax and audit responsibilities	Use of 501c3
	990 tax returns (as part of C4SC's filings)
	Maintain C4SC non-profit registrations in FL
C4SC membership	Full benefits of C4SC membership
Customer Service	Respond to requests and questions from project within 24 hours.

Administrative Fee Based on Levels of Income	Monthly %
\$1 - \$99,999	7%
\$100,000+	6%
Government Reimbursement Grants (i.e. County, City, State, Federal)	Additional 3%

Please discuss with C4SC immediately if you are planning to pursue federal funding so we can determine an appropriate fee as these grants require far more management and resources.

2. C4SC Membership: All Fiscally Sponsored Clients are required to join C4SC.

C4SC Membership Levels	Monthly Fee
<p>If your project does not need an office or coworking:</p> <p>FS Project Basic Membership Benefits: Access for <i>one person</i> to Member-Only Events & Programs; member pricing on events; member pricing on meeting room/event space; access to member communication platform; promotion on your events to our network. Restrictions: Day pass is required for coworking; 24/7 access not permitted; does not include mailbox services</p>	\$50



<p>If your project needs an office or coworking, refer to Member pricing on our website.</p> <p>Each level includes various levels of conference room usage and access to all of our offerings.</p>	<p>Varies</p>
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3. Additional Fees

<p>Rush Fee</p> <p><i>under 48 hours</i> <i>same day</i></p>	<p>\$50 \$200</p>
<p>HR / Payroll Services</p> <p><i>Fringe Benefit Rate</i> <i>Health Insurance</i></p>	<p>23% of annual salary See rate sheet</p>
<p>Notary Services</p>	<p>\$10</p>
<p>Termination fee</p>	<p>\$200 (if account closed within 60 days of setup)</p>
<p>Website Donation Platform (Qgiv) (additional info is provided about Qgiv later in the manual)</p>	<p>3.95% + \$.30 per transaction</p>
<p>Items like postage and CC fees are passed through the organization at cost</p>	

4. Professional Consulting Services

<p>Bookkeeping (over 2 hours/mo)</p>	<p>\$35/hr</p>
<p>Grant support: research, writing, grant application review, budget development, grant management</p>	<p><i>A proposal will be prepared upon request, which will include a project rate.</i></p>
<p>Marketing (strategy, fundraising campaigns, social media or print) <i>A proposal will be prepared upon request which will include a project rate.</i></p>	<p>TBD</p>
<p>Technical / Computer Support</p>	<p>\$50/hr</p>

5. Expectations of Fiscal Sponsored Projects

- a. Comply with federal, state and local tax and insurance requirements
- b. Operate within the non-profit mission and vision of C4SC.
- c. Comply with all third-party grant conditions. If you have questions about the conditions of a particular grant, please work with the funder to get them answered.
- d. Remain in control of third-party fundraising activities. Projects may only engage with third-party fundraising activities after confirming that these activities comply with legal and ethical standards. Funding received that does not meet these requirements may be returned, and the Project may be subject to termination of sponsorship.
- e. Model C only: Carry General Liability Insurance. C4SC may, at its discretion, require additional insurance to be held by the Project. C4SC can refer the Project to an insurance broker, or the Project can source and select its own.
- f. Review monthly financial statements in a timely manner.
- g. Generate reports to the Finance Manager:
 - i. Models A: Submit monthly programmatic progress report on the accomplishments of your project due by the 15th of each month.
 - ii. Model A & C: In addition, submit monthly financial report on expenses incurred against funds received by C4SC due the 15th of each month. File annual programmatic reports with C4SC on October 15 or the nearest weekday. Reports should include financial projections for the upcoming calendar year, an outline of any major upcoming activities and any updates on the Project.
- h. Pay all fees as described in this Program Manual.
- i. Respond to C4SC requests in a timely manner.
- j. Acknowledge C4SC's fiscal sponsorship with logo and URL on all materials, website and social media.
- k. Alert C4SC promptly of potential risks or material changes to the Project (e.g., an upcoming event, pending layoffs, threat of legal action against the Project, etc.)
- l. Alert C4SC immediately of accidents or incidents in connection with the Project.
- m. Abide by C4SC governance policies, policies in this manual, the fiscal sponsorship agreement and Employee Handbook (if project staff are employees of C4SC). All policies can be found in Dropbox.
- n. Attend an exit interview if Project leaves C4SC's fiscal sponsorship program.
- o. Abide by Administrative Procedures as described on following pages.

6. Billing of Fees

- a. Administrative fees are calculated monthly based on funds received in that month.

- b. The administrative fees and fees for additional services are collected on the 10th of the month for the preceding month in which funds are received by C4SC on behalf of the Sponsored Program. Funds will be deducted from (check one):
 funds on account or credit card on file.
- c. If Project is in a pre-funding stage and has no funds on account with C4SC:
- i. Membership dues are collected by credit card on file
 - ii. Any services provided are billed for and fees are collected by credit card on file
 - iii. Once Project receives funding, fees will go against their account
- 7. Grant Writing:** All projects are expected to prepare and write their own grant proposals, in accordance to the funders' requirements, using C4SC as the primary grantee. All grant proposals must be reviewed and signed off by the Director. Administrative fee allows for two reviews of each application and requires that Project makes necessary revisions. If review requires more time, additional fees may be incurred. Please allow for a minimum of 5 days to review application. Requests less than 5 days will not be considered. (Note: Some funders may have a limit for how many fiscally sponsored projects can apply to their grants.)
- 8. Marketing & Online Fundraising Campaigns:** All project marketing and fundraising campaigns must receive approval from C4SC Director. Materials must utilize the C4SC badge as provided in the Fiscal Sponsor Portal. Please refer to our [Branding Kit](#) for specifics. Should Project need specific marketing consultation, C4SC's marketing team is available for an additional fee
- 9. Qgiv Platform:** C4SC uses a fundraising platform called Qgiv. Projects can have their own donate page hosted on our website using Qgiv. Projects can have admin access to Qgiv to customize this page or C4SC can assist with this set up, provided requests are manageable. If you choose to use Qgiv, please note the following:
- a. Please allow 3 – 4 business days for changes to be made.
 - b. Processing fees are 3.95% + \$.30 per transaction which includes:
 - i. 2% (+1% for AMEX) merchant processing fee
 - ii. 1.95% for Qgiv platform/tool use
 - iii. For larger clients that are processing closer to \$1 million+ annually, processing fees can be negotiated with Qgiv
 - c. A donor checking the GiftAssist box during donation process offsets processing fees by increasing the total donation amount.
 - d. Our Qgiv representative is very responsive and can assist with other technical questions.
 - e. Qgiv fundraising tools include:
 - i. Text Giving Live-cast for live event 'asks'



- ii. Text Marketing just added to send messages/engagement out (95% open rate in first 3 minutes)
- iii. Auction Platform will launch June/July 2019

10. Contracts: Any contracts for Model A projects must be presented to the C4SC Director for review and signature. Please provide a one-week notice.

11. Project Separation: C4SC takes pride in helping projects get off to a strong start. For any number of reasons, there may come a time when a fiscal sponsored project graduates or chooses to separate from C4SC. Please follow these steps to close your account.

Please notify C4SC:

- If the Project files paperwork with the IRS or State authorities seeking 501(c) status
- Upon receiving a 501(c)(3) determination letter from the IRS (please provide a copy of the letter in its notification).
- With a 60-day advance notice of the date it intends to officially separate.

Should 501(c)(3) status be approved by the IRS within 60 days of entering into a contract with C4SC, an early termination fee of \$200 will apply.

C4SC makes best effort to ensure a smooth transition and works closely with the Project to agree on a workable timeline, the transfer of any grants earmarked for the Project and any other items that need closed out or transitioned.

12. Project Termination: If a project is unable to meet the obligations of being a sponsored Project, the Agreement shall terminate. Either Sponsor or the Project may terminate the Agreement on 60 days' written notice to the other party, so long as another nonprofit organization is willing and able to sponsor the Project. The balance of assets in Sponsor's restricted fund for the Project shall be transferred to the Successor at the end of the notice period. Refer to Termination section in Agreement.

C4Sc will follow the process below to end the Sponsorship relationship:

- C4SC will send an email alerting the Project to any breach in the Sponsorship agreement or these policies and requiring a remedy by a specified date.
- A second email will be sent and/or phone call made reminding Project of the breach, requiring a remedy by the date specified and alerting Project of possible sponsorship termination.
- Should the Project fail to remedy the breach by the deadline, C4SC shall provide 15 days' written notice to the Project of C4SC's intent to terminate the fiscal sponsorship relationship





- The Project will be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed termination

13. Sexual Molestation Policy

All project staff and volunteers will abide by the C4SC Sexual Molestation Policy. See separate attachment.

Administrative Procedures
Instructions, Deadlines and Turnaround Times
MODEL A

The section explains key processes for Projects along with important deadlines and turnaround times for specific requests.

1. Account Setup
 - a. Once a project has been approved for Fiscal Sponsorship, Finance Manager will schedule an on-boarding call between the Project and C4SC to discuss procedures and answer any questions by the Project.
 - b. All projects will be given access to C4SC's Fiscal Sponsor Portal ("Portal"), an online system that houses relevant FS documents and online forms.
 - c. If your project has employees, the individual staff members will have a scheduled orientation to review C4SC's employee handbook, collect employment documents, and review and answer any benefits related questions. Please see the Portal for Employee Manual.
 - d. If your team members will be set up as independent contractors, they will need to meet with C4SC to complete paperwork and review Contractor Manual.

2. Donations and Deposits
 - a. Cash Donations are received electronically via the C4SC website only or by check or money order mailed to C4SC's Finance Manager.
 - b. Donor Acknowledgment Letters: C4SC will provide donor acknowledgement letters via email for all gifts received greater than \$250. Projects are encouraged to also send their own acknowledgements as part of proper donor engagement.
 - c. Checks must be payable to "Center for Social Change" or "C4SC" with the name of the Project in the check memo. Checks made out to the Project or to you will be returned.
 - d. When delivering checks for deposit, the Project is responsible for providing the relevant information for each check donation. Please provide all information using the [Check Deposit Form](#) located on the portal.
 - e. Checks are photocopied, deposited in C4SC's account, and securely stored electronically by C4SC along with other relevant deposit records.
 - f. C4SC will notify Projects by email when donations, corporate matching donations, and third-party grant/donation checks are received. If the Project knows a check or corporate matching donation is being sent directly to C4SC, please notify the Finance Manager to ensure fast and efficient processing.
 - g. In-Kind Donations in the form of tangible items (such as furniture, food and beverages for special events) should be delivered directly to the Project. As soon



as the Project knows it will be receiving an in-kind donation, it should notify the Finance Manager and provide C4SC with the donor's contact information, a detailed description of the donation and a monetary valuation of the tangible item so that C4SC may prepare the donor acknowledgment letter. Note that in-kind donations may require special handling and bookkeeping. Any added fees would be discussed with the Project before the work is started.

3. Disbursement Procedures
 - a. Expenses to be paid from a Project's fund must be submitted using the Accounts Payable Form on the FS portal and include copies of all backup documentation (invoices, receipts, etc.) uploaded to the FS portal.
 - b. If the request is approved, expenses are paid weekly unless there is a more urgent need.
 - c. Expenses are generally paid electronically via ACH or check.
 - d. C4SC can reimburse the Project Lead (as an individual) for expenses which have already been paid via ACH or payroll with the proper documentation via the Portal.
4. Payroll and benefit management: Refer to [Employee Handbook](#) for payroll process.
5. Credit cards: Projects may use C4SC's credit card for online purchases only if there are funds available in your account to cover the credit card expense immediately. Projects must fill out the [Credit Card Request Form \(coming soon\)](#) on the Portal with 72 hours' notice.
6. Communications:
 - a. Email requests will be responded to within one business day of receipt. Depending on the nature of your request, it may take longer for the request itself to be completed.
 - b. Emails received after 5:00 p.m. EST or on a holiday will be considered received on the next business day.
 - c. Emergency requests requiring less than 48 hours response from C4SC may be subject to a \$50 rush fee.
 - d. Emergency requests for same day processing from C4SC may be subject to a \$200 rush fee.



Administrative Procedures Instructions, Deadlines and Turnaround Times MODEL C

As a Model C project, C4SC and the Project are separate legal, tax, and accounting entities. As such, C4SC expects the following from its Model C projects:

- While C4SC will manage administration of any charitable funds the Project raises and files all federal tax documents related to charitable fundraising, the Project is responsible for maintaining its own financial records along with any and all tax filings and payments at the state and local levels. We advise Projects to consult with local counsel on state and local requirements.
- C4SC oversees the project's particular restricted fund and as a grantee, the Project must use these funds solely for its intended purpose and repay to C4SC any portion of funds that are not spent.
- C4SC is not responsible for Project's grant reporting, programming or operations. These operations, as well as incurred liabilities to third parties, are the ultimate responsibility of the Project.
- No one in a Project is considered an employee or independent contractor of C4SC.
- Any Intellectual Property developed by the Project belongs to the Project. C4SC makes no claims to that work, nor will C4SC attempt to exert editorial control over the Project.
- Reporting all earned income directly to the IRS including the revenue accepted and received through C4SC. C4SC will also provide IRS Form 1099s to Projects that have been directly disbursed funding, as required by law.

The section explains key processes for Projects along with important deadlines and turnaround times for specific requests.

1. Account Setup: Once a project has been approved for Fiscal Sponsorship, Finance Manager will schedule an on-boarding call between the Project, and C4SC to discuss procedures and answer any questions by the Project.
2. Donations and Deposits
 - a. Cash Donations are received electronically via the C4SC website only by check or money order mailed to C4SC's Finance Manager.
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- c. Checks must be payable to "Center for Social Change" or "C4SC" with the name of the Project in the check memo. Checks made out to the Project or you will be returned.
 - d. When delivering checks for deposit, please provide all information using the [Check Deposit Form](#) on the Portal.
 - e. Checks are photocopied, deposited in C4SC's account, and securely stored electronically by C4SC along with other relevant deposit records.
 - f. C4SC will notify Projects by email when donations, corporate matching donations, and third-party grant/donation checks are received. If the Project knows a check or corporate matching donation is being sent directly to C4SC, please notify the Finance Manager to ensure fast and efficient processing.
 - g. In-Kind Donations in the form of tangible items (such as furniture, food and beverages for special events) should be delivered directly to the Project. As soon as the Project knows it will be receiving an in-kind donation, it should notify the Finance Manager and provide C4SC with the donor's contact information, a detailed description of the donation and a monetary valuation of the tangible item so that C4SC may prepare the donor acknowledgment letter. Note that in-kind donations may require special handling and bookkeeping. Any added fees would be discussed with the Project before the work is started.
3. Disbursement Procedures
- a. All requests for monies from a Project's restricted fund must be submitted via the FS portal using the Accounts Payable Form. Copies of all backup documentation (invoices, receipts, etc.) must be uploaded to the Portal.
 - b. If the disbursement request is approved, monies are disbursed within 72 hours.
 - c. We cannot guarantee the timely disbursement of late requests.
 - d. Disbursements are generally paid electronically via ACH or check.
 - e. C4SC can reimburse the Project for expenses which have already been paid by the Project via ACH or check. No monies will be disbursed without all documentation having been submitted.
 - f. If FS membership fees are deducted from your account, a balance of the remaining contract term must always remain in the account at the time of any disbursements.
4. Communications:
- a. Email requests will be responded to within one business day of receipt. Depending on the nature of your request, it may take longer for the request itself to be completed.
 - b. Emails received after 5:00 p.m. EST or on a holiday will be considered received on the next business day.
 - c. Emergency requests requiring less than 48 hours response from C4SC may be subject to a \$50 rush fee.



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- d. Emergency requests requiring same day processing from C4SC may be subject to a \$200 rush fee.

----- *Please initial here* that you agree to the policies and procedures as stated in the Program Manual.