

Questions

(Frequently Asked Questions)

We're neighbors with an idea for a project. Can QVNA help us?

Q 1. A few residents and I want to raise funds for a project that we think will benefit the neighborhood. Should we consider becoming a Fiscally Sponsored Group?

Yes. You should consider becoming a fiscally sponsored group. Depending on the scope of your project, you may also want to consider applying for a Community Grant.

Q 2. What is fiscal sponsorship?

Fiscal sponsorship is a way that a nonprofit can help small groups fundraise for charitable purposes that further the nonprofits' mission. The mission of QVNA is to provide community stewardship, advocacy, and service to help improve the quality of life for Queen Village residents. Examples of current and past groups fiscally sponsored by QVNA:

- **QVK9.** This group raises funds to maintain the dog run at Mario Lanza Park.
- **Friends of Moyamensing Point.** This group raises funds to beautify and maintain this 2nd and Christian pocket park; and to fund its annual Phestivus event.
- **Friends of Nebinger.** This group raised funds to improve the educational experience of students of George W. Nebinger Elementary School.

Q 3. How can fiscal sponsorship help our group?

QVNA's fiscal sponsorship program can help in two ways:

1. **Direct fundraising:** Tax-exempt donations are attractive to donors. Since IRS rules say that donations to individuals are "not deductible," but donations made to tax-exempt organizations (like QVNA, which is a 501(c)(3) nonprofit) are deductible. QVNA's fiscal sponsorship program allows for a Group's charitable fundraising without going through the process of establishing its own 501(c)(3).
2. **Third-party grants:** Some grant makers will only disburse money to organizations that have been formally recognized as being tax-exempt under the IRS. QVNA's fiscal sponsorship may allow you to apply for those grants and have a place to house them.

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Q 4. How does a fiscal sponsorship work?

QVNA's fiscal sponsorship program is based on guidance from the IRS, which considers projects and programs that support our mission as "charitable work" on behalf of QVNA. Here's how it works:

1. You provide QVNA with a one-year Action Plan that outlines your project, how it relates to QVNA's mission, and how your group plans to accomplish it. After your Action Plan has been approved by QVNA's Board of Directors, your group will be asked to sign a Fiscal Sponsorship Program Agreement.

Once signed, you become a fiscally sponsored group. The Agreement will need to be re-signed each year that the fiscal sponsorship continues.

2. You fundraise for your project. Examples include events (like dinner parties and carnivals), asking for donations from friends and family, and applying for grants from corporate foundations.
3. As a result of your fundraising, monetary donations or grants are made payable to QVNA. On acceptance, QVNA deposits the money in a restricted account earmarked for the group's project.
4. You carry out your Action Plan for the project (QVNA's "charitable work"). Project-related expenses that you would like to be paid/reimbursed from the restricted account, need to be submitted to QVNA on a "Request for Funds."
5. You provide QVNA with a progress report by the date mutually agreed upon.
6. Fiscal sponsorships are renewed each year based on the Board's approval of your Action Plan for the new year.

Q 5. How long does a fiscal sponsorship last?

That depends on your scope of work. The signed Agreement is for one year, but some projects may be multi-year; therefore, the Agreement can be renewed annually.

Q 6. Does QVNA charge a fee to fiscally sponsor a group?

Unlike many fiscal sponsors, QVNA generally does not charge a fee. However, we will pass on fees charged by third parties like PayPal or the bank.

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Q 7. **Where can I find all of the documents that are involved in having a fiscal sponsorship?**

QVNA's website provides the Fiscal Sponsorship Policy (which includes the content needed for the Action Plan and Progress Report), the Agreement, the Request for Funds form, and the FAQ. You'll find it at QVNA.org/fiscal-sponsorship-program.

Q 8. **What is the difference between QVNA's Fiscal Sponsorship Program and its Community Grant Program?**

These are two completely different programs.

The Fiscal Sponsorship Program allows a Group to fundraise. Under certain circumstances, a Group can apply for third-party grant funding. Funds are donated to QVNA and are earmarked for the Group's project. It is designed for groups that want to fundraise from many sources (such as events, PayPal, mailings, grants etc.) and offers donors the opportunity to make tax-deductible contributions because the donation is made to QVNA (which the IRS recognizes as a charitable nonprofit organization). If your group is accepted into the Fiscal Sponsorship Program, donations you raise for QVNA will be earmarked for your project. You'll find more information at www.qvna.org/fiscal-sponsorship-program.

The Community Grant Program is a potential source of funding for a Group's project. In Board-approved years, QVNA will budget funding for community-centric projects. If a Group can complete its project within one year, it should consider applying for a Community Grant. You'll find more information at www.qvna.org/community-grants.

Q 9. **If I have questions, who do I contact?**

QVNA's mission is to provide community stewardship, advocacy and service to help improve quality of life for Queen Village residents. If your Group's project can help advance QVNA's mission, please call us at 215-339-0975.