



Supporting Charitable Projects

The Community Foundation of the Ozarks serves as a fiscal sponsor for projects that align with its mission and vision. The CFO's fiscal sponsorship program works with mission-driven organizations, groups, projects and collaborations that do not have 501(c)3 tax-exempt status and want to advance charitable causes and uplift their communities.

The CFO's objective is to provide fiduciary oversight, financial management and other administrative services to help build the capacity of charitable projects. Extending the CFO's 501(c)3 status to your project supports fundraising efforts, including the ability to accept charitable contributions. The CFO's efforts help launch confident and competent organizations that understand the nonprofit landscape and have viable plans to operate independently.

WHY EXPLORE A FISCAL SPONSORSHIP?

The fiscal sponsorship program offers a way for a charitable project to attract donors even when it is not yet recognized as tax exempt under IRS Code Section 501(c)3. The fiscal sponsor serves as the administrative "home" of the charitable project. Charitable contributions are received by the fiscal sponsor, which then grants them to support the cause. As a fiscal sponsor, the CFO provides infrastructure and support for a group, startup project or new organization, as well as a home for the organization's donations.

HOW DOES FISCAL SPONSORSHIP WORK?

A fiscal sponsor is a nonprofit that extends its legal, 501(c)3 tax-exempt status, oversight and nonprofit best practices to charitable projects that align with its mission. These projects may be a new idea to address a community need, a one-time event, or a small-scale ongoing need that doesn't warrant the establishment of a new nonprofit. We provide two options to meet our partners' needs:

- **Model A fiscal sponsorship** for community groups and projects without a legal entity
- **Model C fiscal sponsorship** primarily for grantmaking purposes to projects and groups that are part of a legal entity.

This packet is meant for general information purposes only. The CFO's guidelines, policies and procedures contain more details and will be referenced.

ELIGIBILITY REQUIREMENTS

A fiscally sponsored project and its activities **must**:

- Be led by an advisory committee with a majority of those committee members being non-family members
- Follow the CFO's policies and procedures and fiscal sponsorship general guidelines
- Follow fundraising guidelines from the CFO, IRS and any federal, state and local laws and regulations that may affect these activities
- Fall within the CFO's current insurance coverage, as determined by the CFO's insurance broker, or be able to pay for additional insurance coverage
- Notify the CFO at least 60 days prior to applying for grants (excluding grants from CFO affiliates)

A fiscally sponsored project and its activities **must not/may not**:

- Receive or request government funding, including grants or contracts (See "Other options for Fiscal Sponsorship" on page 2)
- Provide a duplication of community services
- Attempt to influence legislation as a substantial part of its activities
- Participate in any campaign activity for or against political candidates
- Be organized or operated for the benefit of private interests
- Inure to the benefit of any private shareholder or individual (in regards to the project's donations)
- Present unacceptable levels of liability for the CFO
- Provide any child care/daycare services where volunteers are responsible for the care of another person
- Build, renovate or repair any residential or commercial housing facilities



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STEPS TO BECOMING A FISCALLY SPONSORED PROJECT AT THE CFO

Step 1 — Partnership Assessment: Review the entire fiscal sponsorship information packet and all information this packet links to in order to determine if your project aligns with the CFO missions, meets eligibility requirements and is the right fit for your project. Project leaders and/or advisory committees that are undecided on pursuing fiscal sponsorship or starting their own 501(c)3 can reach out to the CFO to discuss their situation.

Step 2 — Application Review and Feedback: Once you feel confident your project is a good fit, complete the online application by scanning the QR code or going to cfozarks.org/fsform. The CFO reviews applications monthly. Please



submit your application by the fourth Tuesday of the month for your application to be reviewed the following month. The CFO may contact you during the preliminary review of applications to request more information.

Step 3 — Onboarding: Approved applicants will be notified and asked to submit a new fund form to open the fund.

Step 4 — Orientation: During this final phase, you'll participate in an orientation.

CONCLUDING A FISCAL SPONSORSHIP

Some projects come to a natural conclusion when groups receive 501(c)3 status from the IRS. Other projects are ongoing. All projects must remain in good standing and adhere to the CFO's processes and obligations outlined in the fund agreement. The CFO reserves the right to end the fiscal sponsorship of a project at any time.

For a project that receives its 501(c)3 status, it may remain with the CFO as an agency partner, receiving some of the same benefits and services as a sponsored project.

If you have questions at any point in this process, please reach out. Contact Ashley Walden, VP of Community Impact, at awalden@cfozarks.org or 417-864-6199

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OTHER OPTIONS FOR FISCAL SPONSORSHIP

If your project plans to pursue government funding or already has government funding, we recommend working with **Network for Strong Communities** as your fiscal sponsor. NSC currently accepts projects with these income streams. NSC also supports fiscal sponsorship and management for:

- Organizations that are acquiring a 501(c)3 status and need to receive charitable contributions in the application period
- Organizations and collaboratives that are funded by private and government sources
- Community initiatives where a backbone function is needed as an objective project manager.

For more information about Network for Strong Communities, contact Emily Garrison at emily@nscnow.org or 314-961-7604.



Roles & Responsibilities

The fund agreement allows the Community Foundation of the Ozarks to act as your fiscal sponsor and is the prevailing legal document. All rules and conditions codified here are further clarifications.

The CFO Provides:

- Acknowledgement of all gifts
- Creation and maintenance of accounting records
- Access to an online donation platform
- Access to Fund Manager, a fund management portal, for up-to-date balance and transactions
- Ability to accept complex gifts
- Quarterly fund statements
- Payment of Foundation-approved invoices
- IRS compliance and reporting requirements (990 and 1099 reports)
- For Model A projects, use of the CFO's tax-exempt status to apply for non-governmental grant funding (subject to pre-approval by the CFO)
- General liability insurance for some events (some events may require additional insurance)
- Legal counsel as needed; to be paid by the fund
- Investment oversight

Fiscally Sponsored Project Responsibilities:

- Follow the CFO's policies and procedures and fiscal sponsorship general guidelines
- Maintain an active advisory committee (with a majority of members that are not family) and fund advisors for approvals and submit in writing any changes related to fund advisors
- Notify the CFO 60 days in advance of any fundraisers or events, complete the fundraiser form and follow CFO guidelines for fundraisers.
- Use sales tax certificate to all vendors for any goods and services provided
- Include tax-deductible disclaimer on all fundraising materials and website
- Meet with the CFO at a minimum of once a year
- Submit the required annual report to the CFO. This includes a report on the past year and plans for the upcoming year including the annual budget and project activities
- Maintain a minimum balance of \$1,000 to cover monthly maintenance fees and/or direct expenses

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Contributions & Distributions

FUND & INVESTMENT TYPE

Non-endowed funds are available for fiscally sponsored charitable projects. These funds are not permanent, and the entire balance may be disbursed for the charitable project's expenses.

- **Minimums:** \$2,500 to open a new fund, \$1,000 to maintain
- **Earning:** Non-endowed funds are invested in the CFO's Cash Pool. This investment strategy preserves capital and maintains liquidity. Assets in the Cash Pool are managed by Guaranty Bank, which sets a monthly interest rate for the pool, and are fully insured through the FDIC and Insured Cash Sweep network program. Go to cfozarks.org/investments for the Cash Pool's recent interest rate.
- **Accessibility:** Non-endowed funds keep assets fluid rather than tying them up in an endowed fund, which has a spending policy.
- **Administrative Fee:** As stated in the fund agreement, all funds with the CFO are subject to the administrative fee of the CFO. The administrative fee for non-endowed fiscal sponsorship funds held in cash is currently 1.15% annually based on the fund's balance with the fee assessed monthly.

HOW TO GIVE TO THE FUND

Charitable contributions can be made to the fund in a variety of ways:

- Check
- Cash
- Credit cards and eChecks — cfozarks.org/donate
- Wire transfers
- Stock/appreciated securities
- IRA charitable rollover
- For all other types of gifts, including real estate and bequests, please contact the CFO for guidance and directions.

To Contribute via Check or Cash

- Make check payable to "Community Foundation of the Ozarks" or "CFO"; the memo line should include the name of the fund to which you are contributing.
- Mail check to the CFO at: Community Foundation of the Ozarks, P.O. Box 8960, Springfield, MO, 65801
- Cash gifts can be mailed to the CFO with the name of the fund noted, but this is not recommended.

HOW TO REQUEST A DISTRIBUTION

The CFO makes distributions to support your program weekly.

Submit the request via email, letter or fax.

- Email: The address of your CFO fund steward
- Written request: Community Foundation of the Ozarks, P.O. Box 8960, Springfield, MO 65801
- Fax: 417-864-8344

Guidelines for Distributions

- The CFO makes distributions from your fund to organizations classified by the IRS as 501(c)3 nonprofits, recognized houses of worship, schools, incorporated government entities or vendors to support charitable programming.
- The CFO can make direct payments from your fund to a vendor which has invoiced your project. To pay a vendor, the project leader must complete the online payment request form and supply required documentation: an invoice for items or services purchased that reflects your program's charitable purpose and follow CFO policy; and a completed W-9 is required before the CFO can disburse the payment to the recipient. Any contracts must be reviewed and signed by the CFO prior to issuing payment.
- The CFO can reimburse individuals from the project fund for expenses incurred for the project. To reimburse an individual, the project leader must complete the online request form and supply the required documentation and invoice or receipt for items or services purchased that must reflect your program's charitable purpose and follow CFO policy.

If you have questions about these guidelines, please contact Rachel Tripp, Community Impact Manager, at rtripp@cfozarks.org or 417-864-6199.

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Project Leaders & Fund Manager

Providing charitable resources for donors, nonprofits, agency partners and communities requires not just collaboration, but also a strong financial and donor management system. Fund Manager, the CFO's online donor portal, provides access to features and information for your charitable fund. Make gifts, request grants, find statements and more — all in Fund Manager.

ORIENTATION

The CFO requires that new project leaders attend an orientation session on Fund Manager. These are held monthly. Contact Ashley Walden at awalden@cfozarks.org or 417-864-6199 to find an orientation session, or if you have any questions.

ACTIVATING YOUR FUND MANAGER ACCOUNT

You will need to activate your account before you can log into Fund Manager. Contact support@cfozarks.org to request an activation email.

Fund Manager How-To Guide: cfozarks.org/howto

- **Overview of Fund Manager:** This simple, easy-to-use portal gives fund advisors and authorized fund contacts access to several features through the simple navigation menu.
- **How to login to Fund Manager for the first time:** You'll need to activate your account through a quick and simple process. The CFO will send you an email when you are linked to a charitable fund. The email will come from no-reply@fcsuite.com and include "Fund Advisor Online Access" in the subject line.

- **Tab definitions for fund advisors:** Once you log into Fund Manager and are on the home page for a fund, you can navigate through the tabs at the top of the page to review information available to you as the fund advisor. You will find a summary of information for each tab.
- **How to request notifications for gifts and grants:** Do you want to know whenever a gift is made to, or a grant is paid from a fund that you advise? We can set up email notifications.
- **How to create reports of fund history:** A report of the full history of gifts, grants, expenses, and non-gifts for a fund can be generated using Fund Manager.
- **How to find the direct link for donations to your fund:** Do you want to encourage others to donate to a fund? Finding the direct donation link for a fund is fast and easy.
- **How to update your profile information:** While logging into Fund Manager, you can update the information that the CFO has on file for your individual profile easily.
- **How to read your statement:** The statement is split up into two main sections. This guide walks you through each section.

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