What is a Fiscal Sponsorship Fund?
A Fiscal Sponsorship Fund allows an unincorporated organization (the “Fundholder”) to operate as a 501(c)(3) organization under the umbrella of the Community Foundation of San Joaquin (the “Foundation”). As your Fiscal Sponsor, the Foundation becomes the tax-exempt organization that allows you to receive charitable contributions from individuals, foundations, corporations, and government agencies that may not otherwise be available to you. Under the supervision of the Foundation, these contributions are used exclusively for charitable purposes. The Foundation also provides back office services to your organization (e.g. acknowledgement of tax-deductible donations, invoice payments, bookkeeping and IRS reporting requirements).

How much does the Foundation charge for this service?
The Foundation provides the Fiscal Sponsorship service at an 10% fee taken on all deposits to the Fund. There are typically no other fees associated unless specifically agreed to.

How does it work?
Donations are contributed to the Fund at the Foundation. Donors receive a charitable tax deduction for their contribution. The Foundation will send an acknowledgment letter to all donors for gifts of $250 and above. Governed by the Fiscal Sponsorship agreement, all dollars in the Fund must be used toward a charitable purpose.

What services are provided to Fiscal Sponsors?
- Acknowledgement of all gifts of $250 and above
- Creation and maintenance of accounting records
- Fund statements
- Payment of Foundation-approved invoices
- IRS compliance and reporting requirements (IRS Form 1099s)
- Use of tax exempt status to apply for grant funding (subject to Foundation approval)

Fundraising Events
All fundraising activity must be submitted in writing prior to the activity and approved by the Foundation. All uses of the Foundation’s logo and marketing promotions must be approved in advance by the Foundation. All fundraising materials should make clear, where applicable, that contributions being raised are on behalf of the Fund rather than by the Foundation but that the Fund is a component fund of the Foundation.

The Foundation receives all net income from a fundraiser and it is the responsibility of the Fundholder to provide the Foundation with accurate and detailed information regarding each contribution. It is important that fundraising activities be conducted under the observation and fiscal guidance of the Foundation to ensure that donors receive proper acknowledgment for their donation. This will protect donors from unintended tax consequences to themselves. Any goods or services received by donors in exchange for contributions must be properly documented in accordance with IRS requirements.

Event Responsibilities of Foundation
- Management of assets that are received from donors into the Fiscal Sponsorship Fund;
- Confirm event is in line with charitable mission;
- Provide appropriate acknowledgments to donors; and
- Review invoice documentation and process payment for all expenses
Event Responsibilities of Fundholders
▪ Submit documentation for all event expenses
▪ Collect IRS Form W-9’s from all vendors
▪ Compliance with laws; and
▪ Reporting and other requirements of every kind such as licensing, tax payment and liability insurance (see below) covering the Foundation

Payment of Expenses
The Fundholder will be responsible for all expenses related to fundraising events.

Depositing Checks into Fund
Please follow these steps to ensure timely deposit of checks into Fund:
▪ Checks should be made payable to “Community Foundation of San Joaquin”
▪ Checks should be mailed to the Foundation’s physical address:
  Community Foundation of San Joaquin
  ATTN: <Name of Fund>
  6735 Herndon Place, Suite B
  Stockton, CA 95219
▪ Please do not hold donations for more than 10 days. In nonprofit work, we find that donors appreciate having their donation “put to work” right away. If donation checks are held for too long, it appears that the money is not needed.
▪ Checks are typically deposited into the Fund within 1-2 days after the Foundation receives them

Request for Expenditures from Fund
Please follow these steps to ensure timely payment of expenditures from the Fund:
  1. Request a written invoice from a vendor that clearly itemizes expenses
  2. Fill out an Expenditure Template
  3. If you are requesting payment to a vendor for the first time from the Fund, you must request a current IRS W-9 Form from them to accompany their invoice.
  4. Scan all the information as an email attachment and email to Reyna DeKasha, Director of Donor Relations, at rdekasha@cfosj.org
  5. In the subject line of the email, please type: <Name of Fund> Expense - <Name of Vendor>

How long does it take to get expenses paid from the Fund?
Typically, we pay expenses the same week if invoices and all the necessary documentation are submitted on or before 12pm on Wednesday. Payments are typically sent out on Friday afternoon. If expenses are submitted after 12pm on Wednesdays, they will not be paid until the following week on Friday.