

Fiscal Sponsorship

Stafford County Economic Development (EcoDevo) has the ability to accept and manage donations on behalf of another entity if the purpose of the funds is aligned with our mission and fits within the scope of our 501(c)3 nonprofit status.

What is it?

A fiscal sponsorship agreement can be a way for a person or group that is not organized as a nonprofit to apply for grant funding or receive tax-deductible donations for a specific project or program. Fiscal sponsorship can also benefit nonprofit organizations that haven't yet obtained their own tax exemption or that are smaller and don't have the organizational capacity to independently acquire and manage the funding.

EcoDevo must adhere to IRS policies or could lose its 501(c)3 status. This is why projects are vetted and an agreement signed. The IRS requires that EcoDevo, as the sponsor, have complete discretion and control over the funds, and holds EcoDevo legally responsible to see that its payments to the project are made to further EcoDevo's tax-exempt purposes.

What does it look like?



A local resident worked for a corporation that had a matching program for its employees' charitable contributions. The individual wanted to sponsor playground improvements in Hudson during a time when the Hudson Community Club was raising funds for that purpose. The corporate donation had to be distributed to a 501(c)3 nonprofit and the Hudson Community Club is not a 501(c)3 nonprofit. The EcoDevo board made the determination that the playground improvement project was of broad community benefit consistent with the mission of EcoDevo. The individual made a charitable contribution to EcoDevo, the corporation matched that amount by making a contribution to EcoDevo, and the entire amount was given to the Hudson Community Club for making playground improvements.

An individual wanted to sponsor the cost of refurbishing the fountain in St. John City Square, which was \$30,000. The individual wanted to use money from their IRA and provide it directly to the charitable purpose so that it would not be recognized as taxable income. The IRA could not distribute to a City since it was not a charitable organization, but could it distributed to a 501(c)3 nonprofit. The EcoDevo board determined that this was of broad community benefit consistent with the purpose of EcoDevo. EcoDevo accepted the donation and then gave it to the City of St. John for refurbishing the fountain.



An individual wanted to see a mural painted in St. John, and was willing to pay the cost. EcoDevo owned a lot that was an ideal location for the mural. There was also a grant opportunity through Kansas Creative Arts Industry Commission that could double the initial contribution. The EcoDevo board determined that the goal of the proposal was consistent with the mission of the organization. EcoDevo as a 501(3) nonprofit applied for and received the grant. EcoDevo managed the donation and grant funding for this project.

EcoDevo has an application process for groups and individuals that want to submit a proposal for fiscal sponsorship. The EcoDevo board reviews all applications to determine whether the proposed sponsorship is aligned with our mission and the IRS approved purposes of EcoDevo. The EcoDevo board meets on the second Tuesday of the month at 7:00 AM.

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