

Artist's Guide to Finding Sponsorship or Not-for-Profit Partner

Connecting with A Fiscal Sponsor

AS AN INDIVIDUAL ARTIST planning to apply for a Project Grant or out-of-school Arts Learning Grant through a sponsor, you can search for a sponsor as you begin preparing for the grant application. The more you know about your project, the better you can better explain to your potential sponsor the nature of the obligations and about the requirements of the funders, in this case, the Arts Mid-Hudson (AMH) and the New York State Council on the Arts (NYSCA). This is particularly important if your sponsor is new to arts funding.

The easiest place to start is with a nonprofit arts, cultural, social, community service, or civic organization that is familiar with you or your work, or one that shares an interest in your project. It may be beneficial to consult your colleagues, especially those who have been through the grants application process as an individual artist. For prospective lists of nonprofit arts and cultural organizations that might serve as your sponsor, call Arts Mid-Hudson, your local Chamber of Commerce, or your public library

Once you identify one or more prospective sponsoring organization(s), find out if that organization is applying on its own behalf for direct funding from NYSCA. If so, they are ineligible to sponsor your project this cycle. Make sure a prospective sponsor is in compliance with any and all obligations for past grants from both AMH and NYSCA. If it has failed to file any of the necessary reports on its past contracts, it may be ineligible for grants in this funding cycle.

If your prospective sponsor has never before submitted a grant application to AMH or NYSCA, it is up to you to make certain that the people involved understand what the sponsorship will require. Your sponsor will need a copy of the Decentralization grant guidelines. In addition, you and your prospective sponsor will want to meet with AMH staff in order to help prepare you for the grant process. Remember: acting as a fiscal sponsor means that the sponsor is extending the legal status as a nonprofit to you. This means that both you and the sponsor are responsible for ensuring accurate and timely reporting, and for adhering to all laws regarding nonprofit practice.

Getting To Know Your Sponsor

Once you have found a few prospective sponsors, you will need to discuss your project together. Now is the time to decide if the chemistry is right, if those involved seem to appreciate the scope of your project, and if there is agreement among you and your potential sponsor as to how things will be managed.

It is important thoroughly discuss the entire grant program management from start to finish. Ask yourself these very important questions:

- ◆ Is the organization run in a professional manner?
- ◆ How many other artists' projects will the organization be sponsoring during this funding cycle?
- ◆ Has the organization ever been a sponsor before?
- ◆ Will the organization be applying for this grant (for itself) this year?
- ◆ Has the organization ever received this grant (for itself) before?
- ◆ What kind of programming does the organization regularly do?
- ◆ Does the organization have the staff to handle this project?
- ◆ Does the organization generally support this art form?
- ◆ With whom will I be directly working with?
- ◆ How active a role does the organization expect to play in this process?

How to Take Care of Your Sponsor Relationship

Although it is important that you are satisfied with your sponsor, it is equally important - and necessary - that a prospective sponsor be satisfied with you and your work. It is imperative to present yourself as professional, creative, well organized and with a unique project that is of the highest quality. It is wise to be prepared for any questions they may have for you. Ask yourself:

- ◆ Is my proposal concise and well planned?
- ◆ Do I meet the grant guidelines and does my project meet the funding criteria?
- ◆ Have I clearly and thoroughly defined the financial needs of this project?
- ◆ Have I thoroughly defined the administrative needs of this project?
- ◆ Do I have a project schedule to present to the sponsor?
- ◆ Can I convince my sponsor of my ability to finish this project?
- ◆ Does my track record show that I can be counted on to file necessary reports and live up to the obligations of the funding I receive?
- ◆ Is this project of the highest artistic merit?
- ◆ How will this project benefit the constituency of my sponsor and of the County?
- ◆ Do I have other means of funding (in addition to this grant) to supplement this project if I do not receive full funding?
- ◆ Have I defined clearly what the obligations and responsibilities will be for both myself and the sponsor?

Drawing Up An Agreement

A Letter of Agreement becomes a contract once it is signed by both parties – therefore it is essential that all important issues are well defined in the Agreement. For example, the New York State Council on the Arts (NYSCA) requires that in Letters of Agreement the questions of artistic control, proprietary rights of the artist, reporting obligations, and method of distributing grant funds are well defined. In addition, if you will be using the sponsor’s facility, services, or other materials for any part of the project, that also needs to be stated in the contract.

Making It Work

The best way to ensure a good working relationship is clear communication, well-defined expectations, and following through on those expectations in a professional manner. Make sure that you come to an understanding about who will sign the contract and who will fill out reports. Agree to keep each other posted on the progress of the project and the funding distribution. Keep track of all receipts and copy them for both parties as well as for all reports. Let the sponsor know in advance about any large expenses, and make arrangements to have the disbursements prepared to avoid glitches. If both parties communicate your expectations listen to those of the other, you will be more likely to have a strong foundation on which to build a long-standing relationship.

Forming the Agreement between an Organization acting as Fiscal Sponsor & a(n) Artist/Group

This document is intended to guide individual artists and sponsoring organizations collaborating on a Project Grant or out-of-school Arts Learning Grant. These grants are administered by the Arts Mid-Hudson (AMH) with funds from the Decentralization Program of the New York State Council on the Arts (NYSCA).

The specific services to be supplied by a Sponsoring Organization are negotiable between sponsor and artist. Some of the services appearing in the sample letter (see attached) are suggested but not required – **however, the following terms MUST be included in all agreements:**

- ◆ Artistic control and proprietary rights must remain exclusively with the artist.
- ◆ AMH/NYSCA funds must be used exclusively on the contracted project.
- ◆ It is required that NYSCA/AMH funding be acknowledged in the screen credits, and promotional material, including press releases and programs. A copy of the funding statement is contained in the AMH contract. The AMH logo must also appear alongside of the funding statement. Failure to do so is a violation of the contract and will affect the artist/organization's eligibility for future Council support.
- ◆ The artist must provide progress reports on the project as required by either the Sponsoring Organization or AMH.
- ◆ Which party (the Organization or the Artist) assumes responsibility for filing the Final Report, including a budget of expenditures and income and narrative progress report.
- ◆ Sponsoring Organizations are expected to provide some support services to the artist, (basic fiscal conduit services – filing and reporting on the application, administrative services, clerical assistance, etc.). The extent of these services must be defined in a **Letter of Agreement** and agreed upon by both parties.
- ◆ The organization must provide the artist with a copy of the Decentralization Grant Agreement (the contract that the organization will sign between themselves and Arts Mid-Hudson) and inform the artist of the contract period (dates).
- ◆ All Letters of Agreement will outline a payment schedule and any requirements for release of monies to the artist or indicate if the payment is to be made in one lump sum.
- ◆ A copy of the Letter of Agreement, signed by the artist and a representative of the organization, must be filed with the original Program Grant application.

In the event that a AMH audit reveals failure by either party to comply with the Contract or the Letter of Agreement, AMH shall have the right to demand and receive from the Sponsoring Organization the return of all grant monies. The Artist must agree to reimburse the Sponsoring Organization for all Grant monies returned.

The attached is a sample letter of agreement between a Sponsoring Organization and Individual Artist for use in applying for an Arts Mid-Hudson grant. You may use this form for your agreement, revising or supplementing as needed.

Sample Letter of Agreement for Fiscal Sponsors

THIS LETTER OF AGREEMENT, between (the "Artist") and (the "Organization") is entered into for the purpose of setting forth the terms of the relationship between the Artist and Organization in connection with a Grant (the "Grant"), received by the "Organization" from Arts Mid-Hudson (AMH) / New York State Council on the Arts (NYSCA). The Grant is to be administered in connection with (Project Title): (the "Project").

This Letter of Agreement shall continue in force and is binding until such time as all grant monies are distributed to the Artist for the Project as evidenced by the Organization's submission to AMH of a Final Project Report.

The parties agree to the following specific terms and conditions in connection with the performance of the Contract and the use of the Grant:

THE ORGANIZATION AGREES TO:

1. Pay the artist in the following manner: (please initial one below)
 - a) One lump sum after receipt of funds from AMH – **OR** –
 - b) A check for half the entire grant after receipt of funds from AMH and the remainder either at the half way point of the project or at the conclusion of the project – **OR** – Other as described in "Schedule A" attached

If the grant is not paid to artist in one lump sum make sure to attach a "Schedule A" that outlines the payment schedule.

2. List the agreed upon services that the organization will provide. Some of these services **MIGHT** include (initial all that apply):
 - Provide advisory and fiscal services to the Artist
 - Use of the Organization's bulk mailing permit
 - Use of the Organization's tax exempt status in the purchase of supplies and materials
 - Provide reasonable cash advances against pending Grant monies as cash flow permits
 - Use of the Organization's office space and equipment
 - Other:
3. Refrain from making and imposing artistic decisions on the Project, it being understood that artistic control and proprietary rights remain exclusively with the Artist.
4. The Organization will charge % of the Grant for services rendered to the Project. **(Generally accepted administrative fees for these grants are between 5 – 7% of the grant awarded.)**
5. Use all grant monies exclusively on the contracted project.
6. Prominently display AMH funding language alongside the AMH logo on all publicity, advertisements, and acknowledgements as stated in the contract between AMH and the Sponsoring Organization.
7. Provide the artist with a copy of the Decentralization Grant Agreement (the contract that the organization will sign between themselves and the Arts Mid-Hudson) and inform the artist of the contract period (dates).

THE ARTIST AGREES TO:

1. Use all grant monies exclusively on the contracted project.
2. Submit to the Sponsoring Organization and/or AMH, as required, a narrative, and budgetary report of the project detailing use of the grant monies and progress made on the project during the period of the contract.
3. Maintain accurate records of all purchases and disbursements and, upon request, make them available to the Sponsoring Organization and/or AMH for review.
4. Credit the Sponsoring Organization on all publicity, advertisements, and acknowledgements related to the project in the form agreed to between the parties.
5. Prominently display AMH funding language (alongside the AMH logos) on all publicity, advertisements, and acknowledgements as stated in the contract between AMH and the Sponsoring Organization.
6. Request authorization from AMH and the Sponsoring Organization for all substantive changes in the project as originally contracted during the course of the contract in a timely manner.

FINAL REPORTING (check one) The Organization –**OR**– Artist assumes responsibility for filing the Final Report, including a budget of expenditures and income and narrative progress report. If filed by the artist, the Fiscal Sponsor will initial the report forms.

Signature, Name and Title, Sponsoring Organization Date

Signature and Name and Title, Artist or Group Representative Date

Forming the Agreement between an Artist or Unincorporated Group & a Partnering Organization

This document is intended to guide individual artists and partnering organizations collaborating on a Project Grant or out-of-school Arts Learning Grant. These grants are administered by Arts Mid-Hudson (AMH) with funds from the Decentralization Program of the New York State Council on the Arts (NYSCA).

The specific services to be supplied by a Partnering Organization are negotiable between the not-for-profit organization and applicant. A commitment letter must outline the scope of the partnership and each partner's investment or contribution (in-kind and/or cash) towards the proposed project. Some of the services appearing in the sample letter (see attached) are suggested but not required – **however, the following terms MUST be included in all agreements:**

- ◆ Artistic control and proprietary rights must remain exclusively with the artist.
- ◆ AMH/NYSCA funds must be used exclusively on the proposed project.
- ◆ It is required that NYSCA/AMH funding be acknowledged in the screen credits, and promotional material, including press releases and programs. A copy of the funding statement is contained in the AMH contract. The AMH logo must also appear alongside of the funding statement. Failure to do so is a violation of the contract and will affect the artist/organization's eligibility for future support.
- ◆ The Applicant must provide progress reports on the project as required by either the Partnering Organization or AMH.
- ◆ The Applicant assumes responsibility for filing the Final Report, including a budget of expenditures and income and narrative progress report.
- ◆ Partnering Organizations are expected to provide some type of investment or contribution (in-kind and/or cash) towards the proposed project. The extent of these services should be defined in a **Letter of Agreement** and agreed upon by both parties.
- ◆ The Applicant must provide the Organization with a copy of the Decentralization Grant Agreement (the contract that the applicant will sign between themselves and the Arts Mid-Hudson) and inform the Organization of the contract period (dates).
- ◆ A copy of the Letter of Agreement, signed by the applicant and a representative of the Organization, must be filed with the original Program Grant application.

In the event that an AMH audit reveals failure by either party to comply with the Contract or the Letter of Commitment, AMH shall have the right to demand and receive from the Applicant the return of all grant monies.

The attached is a sample letter of agreement between a Partnering Organization and Individual Artist/Unincorporated Group for use in applying for an Arts Mid-Hudson Project Grant or out-of-school Arts Learning Grant. You may use this form for your agreement, revising or supplementing as needed.

Sample Letter of Commitment for Partner Organizations–

THIS LETTER OF COMMITMENT, between (the “Applicant”) and (the “Organization”) is entered into for the purpose of setting forth the terms of the relationship between the Artist and Organization in connection with a grant (the “Grant”), received by the “Applicant” from the Arts Mid-Hudson (AMH) / New York State Council on the Arts (NYSCA). The Grant is to be administered in connection with (Project Title): (the “Project”).

This Letter of Commitment shall continue in force and is binding until such time as all grant activities for the Project are finished, as evidenced by the Applicant’s submission to AMH of a Final Project Report.

The parties agree to the following specific terms and conditions in connection with the performance of the Contract and the use of the Grant:

THE PARTNER ORGANIZATION AGREES TO:

1. Support the Applicant in this project with:

List the services, in-kind donations and/or cash that the organization will provide to the Applicant to accomplish this project. Some of these services **MIGHT** include (initial all that apply):

- Provide in-kind administrative services to the Applicant
- Provide technical services to the Applicant
- Assist in marketing efforts for the Applicant/Program
- Use of the Organization’s office space
- Use of the Organization’s space for performance(s) and/or rehearsal(s)
- Use of the Organization’s equipment
- A contribution of \$ to the project
- Other:

2. Refrain from making and imposing artistic decisions on the Project, it being understood that artistic control and proprietary rights remain exclusively with the Artist.
3. Prominently credit NYSCA/AMH funding (alongside the AMH logo) on all publicity, advertisements and acknowledgements as stated in the contract between AMH and the Applicant.

THE APPLICANT AGREES TO:

1. Use all grant monies exclusively on the contracted project.
2. The Applicant must provide progress reports on the project as required by AMH.
3. The Applicant assumes responsibility for filing the Final Report to AMH, including a budget of expenditures and income and narrative progress report.
4. Maintain accurate records of all purchases and disbursements and, upon request, make them available to the Partnering Organization and/or AMH for review.
5. Credit the Partnering Organization on all publicity, advertisements and acknowledgements related to the project in the form agreed to between the parties.
6. Prominently credit NYSCA/AMH funding (alongside the AMH logos) on all publicity, advertisements and acknowledgements as stated in the contract between AMH and the Partnering Organization.
7. Request authorization from AMH and the Partnering Organization for all substantive changes in the project as originally contracted during the course of the contract in a timely manner.

Signature, Name and Title, Partnering Organization Date

Signature, Name, Artist or Group Representative (Applicant) Date