

3.8 Fiscal Sponsorship

These policies support the situation where a donor wishes to support an Imago project, which is not run by IRI, but wishes to make a tax-exempt gift. By acting as a fiscal sponsor, IRI can accept the gift.

The process follows the “Pre-Approved Grant” model for fiscal sponsorship , which can be found in nonprofit literature.

Typically a donor would provide a grant to IRI, and IRI would re-grant those funds to the organization running the project.

The process is set out below:

Donor – the person or organization wishing to make a tax-exempt gift

Project – the activity which the donor wishes to support

Project Organization – the organization which will be doing the work.

1. Usually as a first stage, there would be informal discussions, where the donor might approach IRI and express their interest in supporting the Project Organization
2. The Project Organization provides a proposal to IRI asking for funds for the project. Depending on the amount, this could be a simple letter, simply stating the objectives, how they will be achieved etc; or it might need to be a more complex proposal
3. The IRI Board through its development committee would approve the project as matching IRI’s mission, and agree to seek funding
4. IRI would send a grant request to the donor, describing the project
5. Once the grant is received from the donor, designated for this project, IRI would send the funds on, under the direction of the Treasurer.
6. IRI would provide the donor with an acknowledgment of the donation, for tax purposes