



OneOC: Fiscal Sponsorship

You focus on strategy, program development and fundraising, and we'll take care of the rest.

Comparing Fiscal Sponsorship and Nonprofit Options

	501c3 Public Charity	Private Foundation	OneOC fiscally-sponsored projects
Getting Started	Application process is three-step: applying for incorporation with the state and for an EIN with the federal government, and finally submitting IRS Form 1023. Often takes 3-9 months for IRS approval	Process is the same as 501c3 Public Charity	Submit sponsor application. Can take just a day or two
Government Documents	Requires articles of incorporation and bylaws	Requires articles of incorporation and bylaws	Fiscal sponsor agreement
Governance	Board of Directors	Board of Directors	Advisory Committee
Control and Independence	Your nonprofit, as a corporation, is independent and autonomous	Your foundation, as a corporation, is independent and autonomous	Sponsor has ultimate control, but much authority is delegated to Advisory Committee and project staff
Cost	Application (filing) fees \$750-1,000. Attorney fees can be additional	Same as 501c3 Public Charity	Sponsor fees range from 6-15% of revenue
Annual Forms	IRS Form 990, state forms	IRS Form 990-PF, state forms	Progress reports to sponsor
Public Support Test	Required by IRS to maintain 501c3 status, your nonprofit must demonstrate that one-third revenue is derived from public support	Not applicable	Not applicable
Donations & Deductions	Cash donations are deductible up to : 50% of Adjusted Gross Income (AGI)	Cash donations are deductible up to : 30% of Adjusted Gross Income (AGI)	Cash donations are deductible up to : 50% of Adjusted Gross Income (AGI)



Donations & Grants Payable	Donations are made directly to your nonprofit	Donations are made directly to your foundation	Donations supporting your project are actually made to the sponsor, and managed in your project account
Grant Distributions	No minimum distribution requirements.	You are required to distribute at least 5% of your assets annually	No minimum distribution requirements
Donation Recognition	Make grants with full public recognition or complete anonymity at your option.	Grants typically must identify your foundation as the source. Annual tax returns are open to public viewing	Make grants with full public recognition or complete anonymity at your option
Administering Day-to-Day Operations	You are responsible for all administration, staffing, legal, and financial management, including balancing books, keeping records and preparing tax-returns	You are responsible for all administration, including managing assets, grants management, balancing books, keeping records and preparing tax-returns	Sponsor manages project's administration including bookkeeping and accounting, employment and human resources, grants, legal, records, etc.
Who Raises Money	Your nonprofit	When applicable, your foundation	Your project, using sponsor's IRS status
Who Owns Assets	Your nonprofit	Your foundation	Sponsor, from your project account
Who pays the bills	Your nonprofit	Your foundation	Sponsor, from your project account
What about taxes	Generally, no taxes	Up to 2% excise tax on investment income each year, and restrictions on self-dealing	Generally, no taxes
Insurance	Your nonprofit pays for insurance coverage	Your foundation pays for insurance coverage	Project covered by sponsor's general liability, D&O, as well as individual insurance for staff
If project fails	Must dissolve corporation, do government filings, etc.	Must distribute assets to a viable nonprofit, dissolve corporation, do government filings, etc.	Sponsor closes project account
If project succeeds	Corporation grows	Foundation grows	Project may emancipate on its own and transfer assets and liabilities to its own separate nonprofit

OneOC acknowledges public information provided by Adler & Colvin, San Francisco, CA



Why Choose Fiscal Sponsorship?

Think how much more time you could devote to the issue that ignites your passion if only those nagging business issues didn't keep getting in the way.

Think of OneOC as an incubator and outsourcing firm that handles the operational headaches. We provide all the financial, human resources and other core functions nonprofits desperately need, but often lack. But don't make the mistake of thinking we just provide these services only to small start-ups. Our full suite of business services are also in demand among mid-size and larger community projects, too.

You can count on us for:

Easy set up.

You can set up a fiscally-sponsored project with OneOC in as little as a day.

Lighter administrative burden.

For your fiscally-sponsored project, we coordinate all the day-to-day operations, from financial management to insurance, legal and HR and IRS filings.

Verifying charities' tax-exempt status.

Greater privacy.

Your OneOC fiscally-sponsored project is confidential. With a private foundation, all contributions and distributions are public record.

No annual reporting requirements.

With a OneOC fiscally-sponsored project, we do all the work. Reports are our business.