

## **ARTS ENGINE, INC. FISCAL SPONSORSHIP PROGRAM APPLICATION AND GUIDELINES**

The Fiscal Sponsorship program is an important component of Arts Engine, Inc. The Fiscal Sponsorship program is designed for filmmakers who are involved in fundraising for their film or video project and need 501 (c)(3) nonprofit tax-exempt status.

### **What is Fiscal Sponsorship?**

Fiscal Sponsorship is a fundraising tool, an alternative to establishing your own 501 (c)(3) nonprofit corporation. It allows your non-commercial project to apply for funding from organizations requiring that the recipient have nonprofit status.

As your fiscal sponsor, Arts Engine, Inc. serves as the nonprofit tax-exempt umbrella organization that accepts and administers contributions made to your project. Arts Engine is legally responsible for the funds received on behalf of fiscally sponsored projects and must insure that the funds are used for activities as agreed upon between the donor and the recipient, and that the donor reporting requirements are met and in a timely fashion.

Fiscal sponsorship broadens your opportunities of pursuing funding for your project. Arts Engine, Inc. will not infringe on your creative control of your project, nor do we assume any ownership of the rights.

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### **Deadlines and Notifications**

Arts Engine, Inc. accepts fiscal sponsorship applications on a rolling basis. You may submit your project for review at any time. However, you are strongly encouraged to contact Arts Engine, Inc. prior to submitting your application if you have any questions about the application process. All inquiries should be directed to Felix Endara at Arts Engine, Inc.

#### **Mail**

Arts Engine, Inc.  
Fiscal Sponsorship Program  
104 West 14<sup>th</sup> Street, 4<sup>th</sup> Floor  
New York, NY 10011

#### **Phone**

646.230.6368

#### **E-Mail**

felix@artsengine.net

## **About Arts Engine, Inc.**

Arts Engine, Inc. is a 501 (c)(3) organization founded in 2000 to promote media that addresses important contemporary social issues. Arts Engine seeks to enhance public understanding of issues related to public life, such as race relations, equality in the workplace, criminal justice, immigrant rights, religious tolerance, family life, education and cultural differences.

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## **Eligibility & Considerations**

In order to be eligible to apply to the Arts Engine Fiscal Sponsorship Program, you must meet the following criteria:

- Your project must be a film, video or multimedia project.
- You must be a U.S. citizen with a Social Security number or have a production company with a U.S. Federal ID number.
- You cannot be a full-time student.
- The project proposal should reflect the ability to develop a high quality project.

The following review criteria will apply when reviewing your application:

- Relevance of the subject matter and whether the project meets the mission of Arts Engine, Inc., as presented above.
  - Overall quality of the proposal needs to be clearly written and engaging to our review board.
  - Budget that is realistic for the project.
  - Fundraising ability of the project director and his/her identification of potential appropriate sources of funding for the project.
  - Experience of key project personnel associated with the project and their feasibility of completing the project.
  - Distribution potential of the completed project.
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## **Program Benefits**

The following is a list of benefits you will enjoy as part of Arts Engine's fiscal sponsorship program:

- **Nonprofit Status for Fundraising Purposes**

Fiscal Sponsorship gives you the opportunity to apply for grants from foundations and government organizations that can only fund nonprofit tax-exempt organizations. Also, individuals can make tax-deductible charitable donations to your organization.

- **On-going Consultation**

Arts Engine will discuss fundraising plans. We will be available to advise the filmmaker on the proper use of nonprofit funds. Also, Arts Engine will advise you on reporting requirements for granting organizations.

- **Provide Paperwork**

Arts Engine will save you the hassle to obtain various required paperwork. We will provide documents regarding the tax-exempt status, board directors, letterhead etc., as required by potential funding sources

- **Staff Feedback on Work-In-Progress**

Arts Engine offers to send a staff representative to rough-cut screenings in order to provide feedback on the on-going production.

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## **How Fiscal Sponsorship Works**

Once your project has been awarded a grant or receives a contribution, the funds are mailed to Arts Engine, Inc. We deposit the funds in our tax-exempt bank account until the Project Director requests them. Within the next 30 days, a check is disbursed in the Project Director's name or the production company's name. Checks are disbursed to one name only.

### **Your Responsibilities:**

- handle your own production accounts
- expend any raised funds on the specific production requirements of the grant
- Upon conclusion of any grant expenditures, or at the end of the calendar year, you must supply Arts Engine, Inc. with an expense report that indicates how funds provided through Arts Engine were spent.
- maintain proper tax records should Arts Engine, Inc. be requested to provide any such records to tax authorities in the event of an audit
- credit Arts Engine, Inc. as a fiscal sponsor in its end credits of the film
- supply social security an/or tax ID information to Arts Engine, Inc. prior to the receipt of any funds

- understand that Arts Engine will report all funds paid to the filmmaker to the Internal Revenue Service and it is his/her responsibility to pay any taxes due on the funds
- In the case that a granting organization/individual produces a check payable to the wrong party, the fiscal sponsorship recipient assumes the responsibility of following up with the granting party to ensure that they make a new check payable to Arts Engine, Inc.

The initial fiscal sponsorship agreement is valid through a predetermined expiration date at which time the sponsorship receiver may seek to renew the fiscal sponsorship.

### **Administration Fee**

In addition to a \$50 application fee, Arts Engine, Inc. will charge a service commission of 6% of all funds made payable to Arts Engine, Inc. Please note that if applying for grants to the National Endowment for the Arts, National Endowment for the Humanities, New York State Council on the Arts, and other similar grants, we will charge a 7% service commission. As soon as funds are made available in Arts Engine's bank account, a check in the amount of 94% (or 93%, depending to the source of the funding as delineated above) of total funds will be made payable to the Project Director or the production company.

Arts Engine, Inc. will issue the Project Director a 1099 Independent Contractor tax form at the end of the year for the entire amount of the grant. It then becomes the responsibility of the Project Director to account for the money as income and expenses for all tax purposes.

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### **Application Process**

The following material must be included in your Application Package to our Fiscal Sponsorship Program:

- **Application Cover Sheet**
- **Project Proposal** guidelines are included below. Please be aware that we want to see exactly what you anticipate sending to funders. If there is a specific grant you will be applying to, feel free to send us the proposal you will use for that funder. However, your proposal must include all the items listed in our Proposal Guidelines.
- **Sample Tape** and statement on how the sample relates to your

current project.

- **\$50 Application Fee**
  - **References**, include a contact list (phone and email addresses only) of two personal or professional references.
  - **Treatment and Script**, Dramatic or Narrative Projects must also submit a treatment and the first 5 pages of your script.
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## **Proposal Guidelines**

The proposal you submit as part of your application package to Arts Engine, Inc. should look exactly like what you anticipate submitting to funders. Your proposal should be typed and written clearly and precisely. The essential parts of any proposal are listed below. While your proposal may differ slightly in format and length, your proposal must address all the questions listed.

### **INTRODUCTION**

Describe why your project is important and sum up what you are trying to do in a sentence or two. This paragraph should also contain a concise description of the project that clearly states the length of finished piece, whether it will be color or black & white, the original format, and the medium of the completed project.

### **PROJECT DESCRIPTION**

This section should include the format and style of your project, content, needs statement and visual treatment. Why is the project needed and how did you become involved with it? Have there been other projects on the same topic? If yes, how is yours different and why is it needed?

### **FUNDRAISING STRATEGIES**

How are you going to fund this project? Give specific names of foundations, corporations and agencies that you will be applying to for your project. Include a comprehensive list of potential donors that specifies the amounts you are planning on requesting from the sources you identified. Be certain to detail any funds you have already received or that are secured. Again, it is very important that you clearly denote whether the funds are pending or received. The total amount listed must add up to or exceed the total amount of your budget. Be sure to explain if you are going to individual donors for solicitations, or if you are planning a fundraiser. If available, please include

information on other projects you have successfully raised funds for and the funders you have received funds from in the past. Applications without a thorough fundraising plan will not be considered. Additionally, if you have not already identified appropriate sources of funding for your project, we strongly encourage you to apply at a later date once you have a complete fundraising strategy.

### **DISTRIBUTION STRATEGIES**

Who is your primary audience and how will you reach them? Describe them in as much detail as possible. What venues, distributors or alternative strategies will you use and why? Funders want to see who will benefit from the work they fund so be sure you are as specific as possible in this section. It is extremely important to include detailed information and avoid generalizations about your audience.

### **BUDGET**

The total budget for your project needs to include all phases of production from pre-production through post-production. What are your crew costs, equipment, etc? Try to be as realistic as possible. Consider the viability of the project and it's fundability. Make sure your budget is consistent with your narrative.

### **PERSONNEL BIOGRAPHIES**

#### *Attachment*

Even if this is a very personal project, film/video production is a group effort. Funders want to know the credentials of those working with you. If you do not have previous experience as director/producer, make sure the rest of the personnel associated with the project are highly qualified. Try to consider how you would feel giving money to someone without a track record, and then plan the rest of your team accordingly to bolster your proposal. Include a comprehensive bio for yourself and all additional primary personnel.

### **SAMPLE TAPE**

The sample tape you include should be a work-in-progress for the project for which you are currently applying for fiscal sponsorship. If you have not made a sample tape, submit a sample of your previous work as a director. (Sample tapes of the producer or director of photography will not be accepted. The tape must be a film/video of the director's work.) The previous work should relate stylistically or thematically to your current project.

Be sure to include a statement on how the sample tape relates to your current project. The sample tape is crucial in the fundraising process and is often required by funders. A strong sample can work to strengthen your overall request

tremendously. At the same time, a weak sample tape will reflect negatively on your abilities as a director and on the quality of the finished project.

### **DRAMATIC OR NARRATIVE PROJECTS**

You must also submit a treatment or the first 10 pages of the script.

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### **Past Arts Engine, Inc. Fiscal Sponsorship Productions**

The Arts Engine, Inc. Fiscal Sponsorship program has provided the 501 (c)(3) nonprofit umbrella to a variety of film and video projects, many of which have gone on to success at festivals like the Sundance Film Festival and markets, getting distribution and/or broadcast.

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### **Additional Questions**

After reviewing this material, if you have any additional questions, please contact Felix Endara, at 646.230.6368 x221.

# ARTS ENGINE, INC. FISCAL SPONSORSHIP APPLICATION

Application Deadline Date: \_\_\_\_\_

Project Title \_\_\_\_\_

Project Director/ Producer \_\_\_\_\_

Contact Org. \_\_\_\_\_ N/A

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone: (W) \_\_\_\_\_ (H) \_\_\_\_\_ Fax \_\_\_\_\_

E-Mail \_\_\_\_\_

Website \_\_\_\_\_

Second Project Director \_\_\_\_\_ N/A

Second Project Director  
Phone & E-Mail \_\_\_\_\_

Description of Project [LENGTH: 1-2 SENTENCES INCLUDING FORMAT, LENGTH AND GENRE]  
\_\_\_\_\_

Stage of Production  Pre-Production  Production  Post-Production  Distribution

Total Project Budget \$ \_\_\_\_\_

Amount Raised to Date \$ \_\_\_\_\_ In-Kind Donations \$ \_\_\_\_\_

Is this your first independent film project? Yes No  
If no, amount for cash raised for previous film/video project: \$ \_\_\_\_\_  
What format do you plan to use to shoot your project? Film Video  
Do you have a company with an EIN number to receive disbursements: Yes No

Please make checks payable to \_\_\_\_\_

EIN or SS#

How did you hear about Arts Engine, Inc.'s Fiscal Sponsorship Program? \_\_\_\_\_