

Aha Projects - Fiscal Models

Aha Projects

Defining Fiscal Models



The mission of Aha Projects (“AHA”) is to support creators through innovative partnerships to solve communities greatest challenges while providing access to the necessary resources and support. AHA utilizes the fiscal sponsorship models to partner with project leaders who have specific goals to solve these challenges.

Below is the full menu of services AHA may provide your project. All of these services are available to [Umbrella](#) (Model A) fiscally sponsored projects, [Canopy](#) (Model A) fiscally sponsored projects. A more limited set of services is available to [Grantor-Grantee](#) (Model C) fiscally sponsored projects.

Financial Management, Bookkeeping and Accounting

AHA provides all bookkeeping and accounting for your project including the management and tracking of all income and expenses. We oversee the auditing process, prepare IRS tax forms, and annual financial statements. AHA staff work with you to ensure that your Project meets funder requirements and follows financial management policies and procedures.

Purchasing and Bill Payments

AHA manages your project’s accounts receivable and payable, assists with making purchases on behalf of your project, and paying bills.

Receiving Funds and IRS Required Donor Acknowledgement

AHA receives all project funds, including grant funds and donations. We manage the IRS-required acknowledgment of donations and support funder required financial reporting.

Contract Management

AHA assists with contracting independent contractors, vendors, and other resources necessary to realize your project. AHA also provides support with contracts related to your project providing services to others.

General Liability Insurance and Insurance Management

Your project is covered by AHA's General Liability Insurance policy. AHA staff will support you in securing special insurances that you require and for providing proof of insurance documentation as necessary.

Fundraising Feedback and Support

AHA provides feedback on your fundraising strategy, grant applications, and grant reports. We provide an online donation and sustainer form and offer the opportunity for your project to sell fundraising products.

Communications

AHA promotes your project through a profile of your project on AHA's website.

Payroll and Human Resources Management

If your project has employees, AHA manages payroll and benefits administration. We also assist with job postings/descriptions, employment letters, and general human resources policies in alignment with AHA's established practices.

Determining which type of fiscal support works for your group is the first step to working with Aha Projects.

1. [The Umbrella Project \(Comprehensive Fiscal Sponsorship Model A\)](#)
2. [The Canopy Project \(Comprehensive Support Similar to Model A\)](#)
3. [Grantor / Grantee \(Model C\)](#)

1. Umbrella Project (Comprehensive Fiscal Sponsorship Model A)

A project or group of volunteers who have come together to dedicate themselves to a mission, or passion project or focus that will impact the community. They have a defined idea and have ideas on how they will be raising funds to support this idea.

Types of Groups:

- Individuals or groups forming a new nonprofit
- For profit business engaging in charitable work
- Pending 501c3 status with the IRS

Having the benefit of becoming umbrellaed, under Aha Projects (“AHA”), means that you can focus on the important parts of nonprofit management like fundraising and providing services. Aha Projects will handle the structure of an organization and coach you along the way to build your own infrastructure.

Benefits:

- Immediately have access to a healthy 501c3 and start receiving donations that are tax deductible.
- No need to have a formal board of directors but can have a dedicated group of volunteers: Project Advisory Board.
- No need to create articles of incorporation and file with the IRS or the State of Nevada.
- Receive periodic reports on your financial status
- Receive general liability insurance through your fiscal sponsor
- No need to file annual taxes
- Let us manage your bills
- Hire Independent Contractors and Employees

Additional Support - Gain access to these tools at no or low cost:

- Web & Email Hosting (Hostinger)
- Design Platforms (Adobe / Canva)
- Access to software as a collective (Monday / Miro)

- Access to file storage (Google Workspace)
- Marketing Platforms (Eventbrite / Mailchimp)
- Payroll (Gusto)
- Donation platform (Givebutter)
- Grant Searching Database (Instrumentl or Insightly) *

2. The Canopy Project (Comprehensive Support Similar to Model A)

An existing nonprofit organization that is reorganizing or **experiencing operational challenges that are endangering their long-term sustainability or tax-exempt status**. A nonprofit that just needs to breathe or pause while it determines its next steps.

Types of Groups:

- 501c3 with revoked or pending status with IRS
- Existing nonprofit organizations with a board of directors, staff, and contracts
- Nonprofit with a dissolving board, volunteers and or staff turn-over

A Canopy Projects Partner receives all the same benefits as a Comprehensive Fiscal Project, but keeps their 501(c)3 status intact as they utilize services from AHA and other service providers to rebuild and strengthen the nonprofit operations.

Benefits:

- Keep your 501c3 status in tact and file a \$0 income tax return each year
- Combine your funds and financial oversight with AHA Projects
- Pause operations or reconfigure your staffing to fit the needs of your purpose/mission
- Organization becomes a project of AHA Projects and is afforded all the safeguards
- Receives insurance coverage (D&O and General Liability)

Additional Support - Gain access to these tools at no or low cost:

- Web & Email Hosting (Hostinger)
- Design Platforms (Adobe / Canva)
- Access to software as a collective (Monday / Miro)

- Access to file storage (Google Workspace)
- Marketing Platforms (Eventbrite / Mailchimp)
- Payroll (Gusto)
- Donation platform (Givebutter)
- Grant Searching Database (Instrumentl or Insightly)*

3. Grantor / Grantee (Project Based Fiscal Sponsorship Model C)

With grantor-grantee fiscal sponsorship, the project remains independent from AHA and is responsible for managing its own tax reporting and liability issues. The fiscal sponsorship relationship is funding-specific. AHA receives the contributed funds such as grants and tax-exempt donations on behalf of the project and distributes those funds to the project to realize the project's purpose.

Types of Groups:

- Individuals or group working on a project such as a mural, documentary film, event
- An LLC or company creating a charitable activity
- A group access government grants

AHA administrative support services are limited to those necessary for receiving and overseeing the funds:

Benefits:

- Receiving funds and distribution of donor tax letters
- Accounting and compliance related to receipt of contributed funds
- Fundraising feedback and support

For Aha Projects to consider your project for grantor-grantee fiscal sponsorship, the project should:

- Align with AHA's mission
- Have a proven track record of success in supporting the community

- Comply with the guidelines for exempt activities under section 501(c)(3) of the Internal Revenue Code.
- Be a state-registered nonprofit, 501(c)(3) organization, LLC, or sole proprietorship
- Have an established system for bookkeeping and accounting

Additional Support - Gain access to these tools at no or low cost:

- Marketing Platforms (Eventbrite / Mailchimp)
- Donation platform (Givebuttr)
- Grant Searching Database (Instrumentl or Insightly)

	Comprehensive (Model A)	Grantor-Grantee (Model C)
<i>Project Leadership</i>		
Mission, vision, and programming	You lead.	You lead.
Communications and promotion	You do this	You do this
<i>Financial Management</i>		
Budgeting and financial decision making	You lead and manage this.	You lead and manage this.
Bookkeeping and accounting	We do this.	You do this.
Contributed revenues (tax-exempt for the donor)	We receive and track these.	We receive and track these.
Earned revenues (not tax-exempt)	We receive and track these.	You receive and track these.
Paying bills and expenses	We make payments following your instructions.	You pay all of your bills.
Tax reporting and compliance	We do this.	You do this.
<i>Fund Development</i>		

Donor and funder relationship management	You do this.	You do this.
Fundraising (donor campaigns, crowdfunding, etc.)	You do this with our input.	You do this with our input.
Grant applications and reporting	You do this with our input.	You do this with our input.
IRS required donation letter and other fundraising compliance	We do this.	We do this.
<i>Insurance and Risk Management</i>		
General Liability Insurance	We obtain and manage.	You obtain and manage.
Workers' Comp Insurance (when applicable)	We obtain and manage.	You obtain and manage.
<i>Employment</i>		
Selection of personnel (contractors and employees)	You lead, in coordination with AHA.	You do this.
Hiring of personnel	We do this.	You do this.
Contract management	We do this.	You do this.
<i>Ownership</i>		
Intellectual property	You own.	You own.
Supplies and equipment	We own	You own.
Real property, vehicles, etc.	Must consult with AHA.	You own.

Adapted from Cultureworks Philadelphia