



End Homelessness Vermont
www.endhomelessnessvt.org

Frequently Asked Questions: Fiscal Sponsorship

Submitted in connection with FY27 Budget Testimony – End Homelessness Vermont

What is fiscal sponsorship?

Fiscal sponsorship is a formal, legal arrangement in which an established 501(c)(3) nonprofit organization provides administrative and financial oversight for another organization or project. It is a well-established and widely used model across the country — one that actually originated at the request of the federal Department of Housing and Urban Development in the 1950s to enable the distribution of funds to local community organizations.

Is fiscal sponsorship legitimate?

Yes. Fiscal sponsorship is a recognized and accepted nonprofit structure used by organizations across the country, including those that receive state and federal government funding.

Can a fiscally sponsored organization receive government funding?

Yes. Fiscally sponsored organizations can receive grants and government funding, including state and federal funding, just as a 501(c)(3) organization would. Funds are received and managed by the fiscal sponsor on behalf of the sponsored organization.

Who is accountable for how the funds are used?

Much like a board of a non profit fiscal sponsor is legally and financially responsible for ensuring that all funds are used appropriately and in accordance with the terms of any grant or funding agreement. This provides an additional layer of oversight and accountability.

Has End Homelessness Vermont received funds that are only available to 501(c)(3) organizations?

Yes. End Homelessness Vermont has successfully received funding through our fiscal sponsor from a wide range of sources, including the Vermont Community Foundation, the Ellison Foundation, the Sunshine Fund, reimbursements from the State of Vermont, private donors, and more.

Is End Homelessness Vermont registered?

Yes. End Homelessness Vermont is registered with the Vermont Secretary of State's office. Documentation is included with this testimony.