

You are receiving this email from Community Legal Resources because you are a client or associate of Community Legal Resources. To ensure that you continue to receive emails from us, add klocker@michiganlegal.org to your address book today. If you haven't done so already, click to [confirm](#) your interest in receiving email campaigns from us. To no longer receive our emails, click to [unsubscribe](#).



Connecting Lawyers and Communities

CLR e-Briefs

A legal information resource for Community Legal Resources' clients

November 9, 2004

This edition offers information on two new *Legal Lines* -- one about Fiscal Sponsorships and one about Community Land Trusts -- and a reminder about CLR's upcoming recognition event.

Please note that if you prefer not to receive future issues of CLR e-Briefs you may click on "Safe Unsubscribe" at the bottom of this e-mail.

Fiscal Sponsorships

Visit CLR's website for the *Legal Lines* "[Fiscal Sponsorship and Arts-Related Nonprofits](#)." This *Legal Lines*, prepared by attorneys at Dykema Gossett for use by CLR, explains the concept of "fiscal sponsorship" and then focuses on the use of fiscal sponsorships by arts-

related nonprofits. CLR has assisted several clients considering a fiscal sponsorship and strongly encourages any nonprofit considering such a relationship to seek legal advice.

In the simplest terms, fiscal sponsorship is one entity (the "sponsor") accepting and managing funds for another (the "beneficiary"). All fiscal sponsorships are governed by a written agreement between the sponsor and the beneficiary.

The key benefit of a fiscal sponsorship between a non-profit 501(c)(3) and the sponsored organization is financial. Many grants and larger donors require funding recipients to have tax exempt status, as governed by Section 501(c)(3) of the Internal Revenue Code. Larger organizations typically possess the resources and knowledge necessary to obtain this status, while many small programs do not. Fiscal sponsorship can provide smaller programs (the "beneficiaries") the opportunity to apply for and receive funding from a wider range of funding sources.

There are various benefits and limitations associated with a fiscal sponsor relationship. By understanding these considerations, an entity is better able to determine whether a fiscal sponsor relationship is appropriate. In addition, the fiscal sponsor must also evaluate the costs and obligations of providing sponsorship and the value of supporting the beneficiary program.

The [Legal Lines](#) is available to further summarize this issue. If you have questions regarding fiscal sponsorship, please contact CLR for assistance.

What is a Community Land Trust (CLT)?

Community Legal Resources has undertaken a year-long project to develop legal tools for Community Land Trusts operating in Michigan.

Eventually, a series of tools for Community Land Trusts and organizations considering forming a Community Land Trust will be available on the [CLR web site](#). These tools are expected to be introduced at the May 2005 Michigan Conference on Affordable Housing.

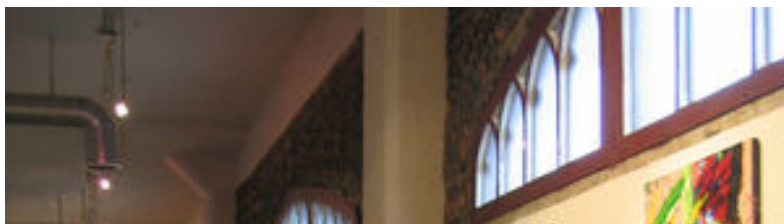
For those of you interested in learning more about the basics of a Community Land Trust, we've prepared a Legal Lines: "[What is a Community Land Trust?](#)"

If you have questions about the CLR Community Land Trust Project, please contact Katy Locker at klocker@michiganlegal.org or 313-964-4130 x226.

Don't Miss the CLR Recognition Event

Connecting Lawyers and Communities: CLR's Sixth Annual Recognition Event

**Come hear about how
volunteer lawyers, and the
nonprofits they serve, are
transforming neighborhoods in**



Detroit and throughout Michigan.

Enjoy complimentary hors d'oeuvres and cocktails. View recent works by Detroit artists on display in 4731's beautifully renovated gallery space.

Special Guest Speakers:

Stacy Fox, Visteon Corporation, Senior Vice- President

Mulugetta Birru, Wayne County Economic Development Director

Tuesday, NOVEMBER 16, 2004

5:30 - 7:30 p.m.

[4731 Gallery](#)

4731 Grand River -- Detroit

Sponsored by:

- **DaimlerChrysler Corporation Fund**
- **Johnson Controls**
- **Michigan State Housing Development Authority**

With questions or to RSVP, please contact Karinda Washington at kwashington@michiganlegal.org or 313- 964-4130 x221.

Contact CLR with any questions or legal needs

Request Assistance

Community Legal Resources (CLR) provides free legal assistance to community-based organizations.

Contact us at 313-964-4130 or visit our [website](#) for more information.



email: klocker@michiganlegal.org
phone: 313-964-4130
web: <http://www.clronline.org>

This publication is intended to provide general information, and is not a substitute for legal advice.

[Forward email](#)

 **SafeUnsubscribe™**

This email was sent to azemboy@michiganlegal.org, by klocker@michiganlegal.org
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

Powered by



Community Legal Resources | 220 Bagley, Suite 900 | Detroit | MI | 48226