



Indy Arts expands civic discourse by increasing access to independent voices

Expo for the Artist & Musician • [Newsdesk.org](http://Newsdesk.org) • Fiscal Sponsorship

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## Indy Arts — A Nonprofit Producer's Co-op Frequently Asked Questions

Q: *What is a producer's co-op?*

A producer's co-op is an association of independent producers (in our case, producers of journalism, media and culture) who share business services that sustain their work, but which are otherwise unrelated to the work itself. These are typically operational needs such as accounting, insurance, taxes, benefits, facilities, marketing, branding, etc. There are two other types of co-op:

- Consumer's co-ops (such as REI, the sporting goods retailer), in which patrons of a particular industry are all co-owners, receive dividends, and vote on governing bodies
- Worker-owned co-ops (such as Rainbow Grocery or Arizmendi Bakery), in which employees make collective decisions about hiring, firing, and company policies

Q: *Are there any historical precedents?*

Not in media, to our knowledge. Producer's co-ops are most commonly found in the agricultural sector, enabling regional groups of independent producers — dairy farmers, for example, or coffee bean growers — to share services such as accounting, marketing and distribution.

Q: *Really? What about the Associated Press?*

The AP is a nonprofit consumer's co-op owned by the member news companies that also are its biggest customers. The governing board of the AP, elected by this membership, includes the News Corporation's Rupert Murdoch and the Tribune Company's Sam Zell.

Q: *So how does this work for Independent Arts & Media? What are your co-op services?*

Our core service is fiscal sponsorship, which enables us to receive tax-deductible donations and regrant them to independent producers that share our values and noncommercial mission. Fiscal sponsorship is a formal relationship requiring compliance with IRS tax codes. To ensure program integrity, we provide bookkeeping and donor acknowledgment for funds received, and review sponsoree project budgets, invoices and receipts to confirm funds have been used as intended.

Indy Arts takes an administrative fee of 7%; barring any issues of IRS compliance regarding candidate and legislative endorsements, we are committed to each project's editorial autonomy.

Q: *Is there a big picture here? Or do you just handle donations?*

It's all about the network! All sponsored projects are synergistic in their support of free expression, open inquiry and the public's right to know, providing remarkable cross-promotional and resource-sharing opportunities. We currently support all projects through our own listserv, Web sites, media services and events, including fundraisers. Our growth opportunities include:

- Membership programs, fundraising, promotions, distribution and syndication
- Viral/WOM/social-media networks for dialogue, fundraising, promotions, distribution