



Important Information for FJC Fiscal Sponsorship Program Participants Related to Operations During COVID-19

Updated December 21, 2020

Main Takeaways

- We are operating remotely and very much open for business.
- FJC is highly discouraging any paper checks or correspondence via US Mail.
- We are transitioning to 100% paperless payment processing.

FREQUENTLY ASKED QUESTIONS

Is FJC operating?

Yes! Due to the pandemic, we transitioned to 100% remote operations in 2020. FJC staff worked tirelessly to put new operations in place that balance our need to keep staff safe and healthy while being maximally responsive to your project's needs.

Is FJC able to process payment requests?

Yes! Please continue to submit payment requests as necessary for your project. Payment requests should be submitted by email (to Hoffman@fjc.org and Tran@fjc.org) or by fax (212-714-0303). Staff are going into our office very infrequently, so if you mail in a request form via US Mail, you may experience delays in processing times.

How are you distributing payments?

We have stopped using paper checks as the primary means of distributing payments. We now make nearly all payments using bank-to-bank transfers (Automated Clearing House, or ACH). In addition to keeping our staff safe and healthy, we believe this is more efficient for vendors, many of whom are also unable to get into their offices to deposit paper checks.

What does this mean for me as a signatory? Will I have to change my processes for submitting payment requests?

No. We don't anticipate any changes to the process from the signatory's perspective. You should continue to submit payment requests as you always have. The main process changes will be from the vendor's perspective.

What is ACH and how will vendors receive their payments?

ACH stands for Automated Clearing House, which is a network that coordinates electronic payments and automated money transfers. ACH is a way to move money between banks without using paper checks, wire transfers, credit card networks, or



cash. If you have ever paid a bill through your bank's online bill pay system (or e-filed your taxes), chances are you have probably used an ACH platform.

To enable our ACH payment system, FJC has set up a master account with a company called Bill.com, a provider of cloud-based software that automates back-office financial operations for small and midsize businesses. We researched a number of cloud-based payment systems, and have chosen Bill.com because it best fits our current systems and provides the highest degree of safety and security for our account holders and grantees.

When a signatory requests a payment to a vendor, FJC will go through its typical approval process. Instead of cutting a check, each vendor will receive an email from us notifying them that they have received a payment from FJC with a link to the Bill.com site. The first time a vendor receives this email, they will need to set up a username and password, and enter their bank account information. (This assumes that they don't already have a Bill.com account, and some vendors might). If they receive subsequent payments, they will need to log in to receive the funds, but they will not need to re-enter their account information unless their bank account changes.

It seems like this would impose additional work for my vendors! What if the individuals or organizations don't open the email or can't figure out how to open the Bill.com account?

We agree this is a change to what your vendors are used to. There may be a learning curve to get up to speed on the Bill.com process, but it's really no different than opening up any online service. It's actually pretty easy. We think the fact that there are funds waiting for the individuals or organizations will be a great motivator.

We also believe in the long run, this will be a better and more efficient system for processing payments. We will reduce the amount of paper, cut down on checks lost in the mail (which happens more often than we'd like), and reduce the number of checks that need to be voided and reissued for various reasons. We will run a report every 30 days to see which payments haven't been accepted and will reach out to every vendor to troubleshoot and help them access their funds. (When checks were our main method of distributing funds, we would go through a similar process for undeposited checks every 60 days).

Is ACH the same as wiring funds?

They are similar electronic payment processes, but they rely on different clearinghouse intermediaries. Wires tend to be faster (same day). ACH transfers can sometimes take up to six business days to clear. Also in terms of fees, ACH payments tend to be cheap for the sender and free for the receiver. Wires can cost both parties.

Can I request that my payments are made by wire?

If necessary, we can issue payments via wire with our customary \$30 processing fee.



Are there any additional fees associated with Bill.com?

None that we will pass along to you or your vendors. FJC will shoulder the cost of our arrangement with Bill.com as part of our cost of doing business, which will be offset by a reduction in postage and other check issuing costs.

What about cybersecurity?

As you can imagine, any changes to our operations means reducing some risks and introducing others. We are very mindful of the risks to security and data integrity in moving to a cloud-based platform. Bill.com is an established company that is compliant with all Federal and state regulations governing financial data. The company undergoes a rigorous Service Organization Controls Report (SOC Report) process that audits and tests their security systems. We are confident that Bill.com is taking aggressive measures to mitigate the risk that data breaches may compromise FJC vendors' banking data.

Bill.com will require vendors to enter banking information, but in most cases will not require any information from donors. (The exception to this statement would be cases where donors choose to use Bill.com as an ACH platform to make donations to FJC).

Can my donors still make donations to my Fiscal Sponsorship Program account by check?

Yes, but we are highly discouraging it. We ask that all cash contributions are sent by credit card, ACH, or wire transfer. Using electronic payments ensures the most efficient crediting of your account and also reduces the risk of our staff's exposure to Covid-19. We are going into our physical office very infrequently, so if your donors send checks, we will deposit them but you may experience processing delays.

For special circumstances, please contact our Program Manager Laura Hoffman by email (Hoffman@fjc.org) or phone (212-714-0001 x7241) and we will assist you.

So, how can my donors contribute to my Fiscal Sponsorship Program account?

If making cash donations, they should be made to your account via credit card, wire, or ACH (bank-to-bank transfer) rather than mailing a paper check.

I have special circumstances or particular hardships related to electronic transactions. What do I do now?

Please contact our Program Manager Laura Hoffman and Program Assistant Gabrielle Tran by email (Hoffman@fjc.org and Tran@fjc.org) or phone (212-714-0001 x7241) and we will assist you.

What's the best way to communicate with FJC?

Although we are working remotely, we are using all our usual modes of communication. We recommend email for routine questions and correspondence. All phone calls and voicemails will be promptly returned.

