POLICY

Eau Claire Community Foundation
For Good. **For Eau Claire.** For Ever.

Created: 2/2008
Approved: 7-22-2010
Revised:

POLICY FOR INDEPENDENT EVENT-FOCUSED FUNDRAISING

I. OVERVIEW:

Event-focused fundraising for the benefit of funds at the ECCF has these benefits and responsibilities:

1. Simplest method for conducting fundraising activities.
2. **Cannot use the ECCF name or name of the fund.**
3. Gifts are usually not tax deductible.
4. Expenses of the fundraising are paid from the proceeds prior to contribution to the fund.

II. INDEPENDENT EVENT-FOCUSED FUNDRAISING:

This is the simplest method for conducting fundraising activities. An individual, a group of people, or an organization without the endorsement, involvement or mention of the ECCF conducts fundraising. Generally, the person or group plans and executes a fundraiser (for example: dinners; golf tournaments; walk-a-thons; auctions; sales of products or services) and then makes one lump sum donation to the component fund. Neither the ECCF nor the name of the fund may be used in connection with the event or activity. Unless the event is sponsored by another nonprofit organization that accepts and acknowledges the contributions, individual contributions are not tax deductible to the donor.

Note on Tax Deductibility:
Contributions to a fundraiser are only tax deductible when they are received and acknowledged directly by a qualified nonprofit organization. Depending on the event, tax deductibility may or may not be a motivating reason for donors to participate. We have often found that donors who participate in fundraising events are not doing so to receive a tax deduction. Donors often believe in the purpose of the fundraiser and will write a check regardless of the tax benefits to themselves.

III. GUIDELINES FOR INDEPENDENT EVENT-FOCUSED FUNDRAISING:

- A person or group plans and executes a fundraising event. Event organizers may state that proceeds benefit the general purpose of the component fund, i.e. cancer research, homeless children, but **may not** use the ECCF name, logo, tax exempt number, or name of the fund in connection with the event.

- The planning group is responsible for obtaining and paying for any necessary insurance, permits, licenses, approvals, etc. Events or activities that include raffles or other games of chance are regulated by state and local governments and must be specifically reviewed and authorized by the appropriate branch of government.

- Fundraising events often require certificates of insurance or signed contracts. When the events are being sponsored independent of the ECCF, the name of the sponsoring organization must be used. The name of the ECCF or the fund must not appear on any contract or agreement. (Note:

volunteers may not sign contracts obligating the ECCF. Such contracts become the responsibility of the individuals who signed.)

- Individual participants in the event (ticket purchasers, sponsors, golfers, runners, etc.) make their payments to the organizing person or group, not to the ECCF or the fund. The organizers may record the contributors' names and addresses and may provide a courtesy acknowledgement. The acknowledgement letter must not include any language stating that the letter serves as an official receipt for IRS purposes or include any reference to tax deductibility or to the contribution being made to the ECCF or to the fund.

- The planning group pays expenses and sends the net proceeds of the fundraiser to the ECCF for addition to the fund. The ECCF records the gift as coming from "third party Donors."

- Direct, tax-deductible gifts to the fund may also be made. When a donor wants to make a gift directly to the fund without participating in the fundraising activity, he/she makes the check payable directly to the fund at the ECCF, marks the check "direct contribution/benefits waived," and sends it directly to ECCF. If the donor indicates that he/she has not received any goods or services (dinner, raffle tickets, round of golf, etc.) in exchange for the donation, he/she will receive an individual acknowledgement letter from the ECCF indicating that the gift is tax deductible.

IV. SUMMARY:

Independent fundraising is the simplest method for those interested in holding special events such as golf tournaments, dinners, raffles, etc. The ECCF will not have to approve the fundraiser, records will not have to be turned in the office, and the ECCF will not need to approve all promotional and printed material in connection with the fundraiser.

Revisions:
This policy was updated on April 4, 2011 with new logo.