

POLICY



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Replaces all past public
Fundraising policies.
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POLICY FOR PUBLIC FUNDRAISING

The Eau Claire Community Foundation may choose to provide fiscal and project sponsorship for charitable projects that further the purposes of the Foundation. Sponsorship services include the provision of non-profit status to a project (thus making contributions tax- deductible), the receipting and managing of contributions, and the authorization and payment of grants and expenses from the fund created for the project. Sponsorship services do not include extensive administrative or fundraising support, or financial support.

The primary beneficiaries of sponsorship services are typically new charities without an IRS determination letter and community groups planning a specific, finite project that is clearly charitable in nature and in furtherance of the charitable purposes of the Foundation.

The Foundation will be guided by the following guidelines, which are designed to protect the interest(s) of both donors and the Foundation. The Foundation reserves the right to either accept or decline any fund. It also reserves the right to close out a fund. *The Foundation will consider each situation individually.* Exceptions to this policy may be made in extenuating circumstances and upon approval by the Foundation's Board.

1. The Foundation requests that interested groups complete a detailed application form that includes (a) a description of the project; (b) its purpose, goals, and expected life span; (c) fundraising plans; (d) a list of advisory group members; (e) current and future budgets, bylaws and other organizational documentation; and (f) a concise statement of how the proposed fund meets the charitable purposes of the Foundation. The application should also explain if any feasible alternative is available for the fund, i.e., why does the donor believe it is necessary to use the Foundation as a fiscal sponsor, and what are the alternatives. Applicants are encouraged to discuss their projects and applications with Foundation staff prior to submission.
2. The Board of Trustees of the Foundation will review the application and decide whether to adopt the project as a Foundation project. If the Board so decides, a fund agreement between the applicant and the Foundation will be completed and a fund bearing the project's name established. The project is then accounted for as "*The XYZ Fund, a project of The Eau Claire Community Foundation*" for IRS auditing, financial reporting, marketing, and fundraising purposes. It is requested that groups credit the Foundation - in publications and news releases or stories. Likewise, the Foundation may give the project mention in newsletters and annual reports of the Foundation.

3. Under fiscal sponsorship, the fund will be deemed to be a component of the Foundation and the Foundation is legally responsible for the project's administration, management, and disbursement of funds. Typically, the Foundation assures programmatic oversight by authorizing an existing advisory group to fulfill that function. A roster of the group and minutes of meetings are to be forwarded to the Foundation.
4. When the Board resolves to adopt the project, it retains the right to approve payments from the project fund to carry out the purposes of the project. The project advisory group makes recommendations for the specific expenditures. The Foundation staff reviews the recommendations, and, if staff concurs, authorizes payments.
5. The Foundation prepares receipts and acknowledgments for all gifts to the project fund. If desired, a custom thank-you letter can accompany the acknowledgment. The Foundation will provide regular financial reports to the advisory group.
6. Groups may apply to other funding sources under the auspices of Eau Claire Community Foundation, but the Foundation is not in any way responsible for actual fundraising or for providing financial support for the project. Foundation staff must review in advance all fundraising plans and requests for funding. In addition, all copy used in marketing or fundraising must be approved by Foundation staff.
7. For administrative costs associated with handling a fiscal sponsorship fund, the Eau Claire Community Foundation charges an annual fee, determined on a case- by-case basis, equal to either (1) a fixed amount, (2) an annual percentage, (3) all income and appreciation earned on the funds while they are held by the Foundation, or (4) a combination of the above. Fees are calculated and deducted quarterly. The Foundation reserves the right to modify this fee, should administration of the Fund prove to be more involved than anticipated.

OTHER RESPONSIBILITIES:

1. SOLICITATION AND PROMOTIONAL MATERIALS

All uses of the Eau Claire Community Foundation's name in advertising and promotion must be approved in-writing by the ECCF before the use. The request must be submitted at least sixty (60) days in advance-to allow ample time for review and approval by the ECCF staff and Board.

2. PAYMENT OF EXPENSES

How expenses will be paid must be arranged and approved prior to the event. Submit bills to the Foundation for payment within 30 days after the event. (Please note that expenses submitted after 90 days may be subject to IRS penalties.) Tax Exemption number is confidential.

3. RAFFLE TICKETS and RUMMAGE SALE

Purchases of raffle tickets are not tax deductible. This must be clearly stated on the face of the distribution ticket. Groups wishing to sell raffle tickets must comply with all local, state and federal laws pertaining to the selling of such tickets.

Rummage or garage sale purchases are not tax deductible.

4. AUCTIONS

The ECCF shall review, on a case-by-case basis, any proposed ideas for an auction. The value of each item to be auctioned must be determined in advance and submitted to the ECCF in writing. At that time the deductibility of items will be determined. If an auction is held, the value of each item to be auctioned must be clearly displayed or announced in advance to prospective bidders. **A tax receipt will be issued only for accepted bids over the market value of the item being auctioned.**

5. ALCOHOL

ECCF will not be responsible for the sale of alcoholic beverages. The fundraiser(s) shall obtain all necessary licenses, permits and insurance.

6. CONTRACTS AND AGREEMENTS

The name of the Eau Claire Community Foundation **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.)

7. LIABILITY INSURANCE AND LIABILITY FOR LOSSES

Liability for loss or damage and liability insurance or other insurance reasonably needed in connection with the purposes of the Organization/Agency shall be maintained by the Organization/Agency. The Organization/Agency shall defend, indemnify, and hold harmless ECCF, its officers, trustees, employees, and agents, from and against any and all claims, liabilities, losses, and expenses, including reasonable attorneys' fees, directly or indirectly arising in connection with any act or omission of the Organization/Agency, its officers, directors, employees, or agents.