



Community Giving Foundation

Donor-Initiated Fundraising Policy and Guidelines

Thank you for establishing a fund with the Community Giving Foundation ("Foundation"). We value your confidence and strive to provide you with the best possible service. Core to the Foundation mission is promoting charitable giving. While we provide the charitable tools and fund administration to promote giving, the Foundation does not have the capacity to operate fundraising events for its component funds.

In establishing a fund at the Foundation, we recognize there may be times when you would like to organize a fundraising opportunity to benefit your fund. The IRS has developed strict requirements that impact any fundraising. We have developed this policy to ensure that your fundraising efforts (1) comply with the IRS and other governmental regulations, (2) ensure that donors receive the appropriate acknowledgment, and (3) protect the integrity of the Foundation's nonprofit status and brand identity. This policy, which applies to all current and future Funds, is an important resource and guide to protect you, the Foundation, and donors. Foundation staff are available to help support you through this process so that these guidelines may be followed.

Marketing Materials*

All materials must clearly state the fund's name as the "[Name of Fund], a component fund of the Community Giving Foundation." All fundraising materials must overtly state that funds are being raised on behalf of rather than by the Community Giving Foundation. ****All promotional materials must be approved by the Community Giving Foundation prior to any activity.***

Please reference the below definitions as it pertains to each fundraising scenario.

Solicitations: refers to any time people are tasked by spoken, written, published, or by electronic means to contribute to a fund.

Events: include such activities as receptions, dinners and parties, walks, runs, golf outings, or any competitive activities, sports or entertainment events, or auctions and similar "fundraisers".

Fundraising Coordinators: Individuals or groups coordinating fundraising activity on behalf of a fund at the Foundation.

If requested, the fund advisors (those who established the fund) may be notified monthly about gifts. The Community Giving Foundation will report the names and addresses of donors and overall donation totals, but not individual gift amounts.

The Foundation's EIN or sales tax exemption should not be used for donor-initiated fundraising unless otherwise approved by the Foundation under scenario #4.

If you are contemplating using a third-party fundraiser, you must contact the Foundation office prior to beginning the fundraiser. (State and federal guidelines will be followed.)

Fundraising Scenarios

Fundraising can occur in a variety of forms. Please take note of the guidelines for the following fundraising scenario options:

Scenario #1:

MARKETING ONLY

Solicitation of donations to a fund at the Foundation (direct tax-deductible gifts)

You may promote your fund through various forms of marketing (not events) including brochures, website, information sessions or a request of money through an appeal letter.

A donor may make a gift directly to the fund and should make the check payable to the Community Giving Foundation with the fund Name noted in the memo area. These individual gifts (including cash gifts that are fully documented) can be collected by the fundraising coordinators and forwarded intact, or donors can send them directly to the Community Giving Foundation, 725 West Front Street, Berwick, PA, 18603. Donors will receive a gift acknowledgment letter from the Foundation indicating that the gift is tax deductible.

- Gifts may be made in memory of a loved one, in honor of someone, or in honor of an occasion, such as a significant birthday, anniversary or other achievement.
- Donors can make an online credit card donation through Community Giving Foundation's web site at csgiving.org by searching for the fund name.
- Gifts of stock or other securities may be made directly to the Community Giving Foundation. Contact the Foundation staff to receive transfer instructions.

Community Giving Foundation acknowledges all gifts. The Foundation will provide an acknowledgement to the donors but will require the following information:

- The donor's complete name and address
 - The date of the contributions
 - The amount of the contributions
-

Scenario #2:

EVENT – By Individual/Group (no tax deduction)

Independent fundraising by an individual or group [not a 501(c)(3)] for which donors are not offered a tax deduction.

Gifts to a fund from the proceeds of an event for which donors are not offered a charitable tax deduction may be collected by the fundraising coordinators. Fundraising events staged independently of the Foundation but for the benefit of one of its Funds involve these limitations and responsibilities:

- Need to notify the Foundation regarding your plans at least **30 days** prior to your event so we are aware of your fundraising event in the case of public inquiries.
- All printed and spoken material must clearly state, "The net proceeds of this event will be contributed to the [Name of Fund], a component fund of the Community Giving Foundation."
- May not use the Community Giving Foundation identity, except to reference that net proceeds will be donated to the fund as stated immediately above.
- Individual participants in the event (ticket purchases, sponsors, golf players, etc.) make their payments to the fundraising coordinators, not the Community Giving Foundation or the fund name.
- Event organizers are responsible for obtaining and paying for any necessary insurance, permits, licenses, approvals, etc. or signed contracts. Please note that 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 before proceeding. Fundraising events often require certificates of insurance.
- Expenses of the fundraising event are paid from the proceeds prior to contribution of net gifts to the fund.
- The Community Giving Foundation's tax-exempt number may not be used in connection with the event.

Generally, a fundraising coordinator or group that plans and executes the fundraiser makes one lump sum donation (net of expenses) to the fund. The Foundation will not acknowledge the individual contributors of the dollars, and no one will receive a charitable deduction for participating in the event. A non-tax-deductible receipt or acknowledgement for the net amount received is sent to the organizing person or group.

Scenario #3:

EVENT - By a Charitable Organization with a fund (tax deductible)

Independent fundraising event or solicitation by a 501(c)(3) organization with proceeds to benefit a fund at the Foundation.

Fundraising Groups may make a gift of proceeds from the event or solicitation that is sponsored by a 501(c)(3) organization that has a fund at the Foundation for the benefit of that organization.

Organizations with their own 501(c)(3) status may conduct a fundraising event or solicitation promoting their organization and deposit the net proceeds into the organization's Funds at the Foundation. The organization should issue its own acknowledgment letters to donors. In cases where gifts are sent directly to the Foundation, the Foundation will send a gift acknowledgment indicating the gift is tax deductible.

Organizations should ensure they are in compliance with all applicable IRS (www.irs.gov) and State of Pennsylvania laws and regulations regarding solicitation, acknowledgment, and tax deductibility of gifts (www.dos.pa.gov/).

EVENT – By Individual/Group, not by a Charitable Organization (tax deductible)
Fundraising by an individual or group [not 501(c)(3)] conducted on behalf of a fund
where the event revenue and expenses are processed by the Foundation and the
potential for tax deductions for the donor exist.

This fundraising option requires a request be made to the Foundation by submitting the *Fundraising Event Summary (Attachment B)*, at least **60 days** prior to the event for consideration and approval. This summary provides key information necessary for the Foundation to effectively support fundraising efforts. Without this basic information in advance of a fundraising event, the Foundation will not accept gifts or provide tax receipts for gifts received into a fund. The Foundation is limited to the number of events it helps process annually and additional fees may apply per the Administrative Services and Fees Policy.

Fundraising will be done **on behalf of** the Foundation. Significant tax and accounting issues arise, so it is important that these activities be conducted under the observation and fiscal guidance of the Foundation. This will help to ensure that appropriate tax deduction receipts are provided to donors, fundraising coordinators will be protected from unintended tax consequences to themselves and ensure that the Foundation is not exposed to penalties for failure to make proper solicitation disclosures (*Please use Attachment A – Fundraising Checklist to ensure that all requirements are met*).

The Foundation will be responsible for fiscal support and will:

- 1) maintain charitable solicitation status in Pennsylvania
- 2) provide solicitation language to fundraising coordinators so this may be conveyed on promotional material to solicit participation in fundraising events
- 3) accept gifts (donations or event revenue) and provide appropriate gift acknowledgments and tax receipts to donors
- 4) process payment of all related fundraising costs and expenses to vendors, to the extent funds have been raised
- 5) process distribution of net income for charitable uses, in accordance with the fund agreement or governing documents of the Foundation

The Fundraising Coordinators will be responsible for fundraising activities, and will:

- 1) submit the *Fundraising Event Summary (Attachment B)*, at least 60 days prior to their event, to the Foundation for approval to provide key details for an event
- 2) ensure the following solicitation language is included on event flyers or invitations to meet compliance with PA Dept. of State Business & Charities:
“ ***_____ fund is a component fund of the Community Giving Foundation. The Foundation is a 501(c)(3) nonprofit organization and contributions are tax deductible to the fullest extent permitted by law. Registration and financial information for the Community Giving Foundation are available from PA Dept. of State by calling 1-800-732-0999. Registration does not imply endorsement.***”
- 3) ensure all fundraising material clearly states that fundraising is being done ***on behalf of*** the Foundation rather than ***by*** the Foundation
- 4) disclose tax deductible amount eligible, to note cost of goods and services, on invitations or other printed material
- 5) Obtain necessary certificate of liability insurance coverage for event venue (page 6)
- 6) apply for a small games of chance license if needed. Please note that events or activities that include raffles or other games of chance are regulated by state and local

governments. Please contact the Foundation office prior to beginning this process.
(www.psp.pa.gov/lce/pages/small-games-of-chance.aspx)

- 7) disclose to Foundation if alcohol will be served and if there is need for insurance or a special occasion permit for sale of alcohol
- 8) comply with any ordinances or permit applications related to events in public locations
- 9) comply with state government food handling requirements when activities involve preparation/sale of food
- 10) verify event venue compliance, such as handicap accessibility; parking requirements; and venue liability requirements

For the Foundation to properly acknowledge gift and donations directed to a fund from an event, the Fundraising Coordinators will need to:

- 1) provide the value of goods and services event participants may receive
- 2) direct event revenue to the component fund at the Foundation
- 3) submit fundraising expenses for payment from the fund by the Foundation (if expenses are paid by organizers, can only be reimbursed with evidence of receipt and invoice), donor advised funds cannot reimburse individuals
- 4) maintain appropriate financial controls and records related to fundraising expenses
- 5) adhere to all relevant local, state and federal laws related to fundraising

Revenue

All event revenue should flow through the Foundation when:

- 1) the Foundation's nonprofit status is relied on for the event
- 2) there is a need for the Foundation to provide tax receipting for revenue or in-kind donations or activities related to the event
- 3) there is a need for the Foundation to process event related expense payment.

Incoming checks related to the event must be made payable to Community Giving Foundation with the fund name and event noted in the memo area, along with donor's event participation (sponsorship level, tickets, etc.) to ensure appropriate acknowledgement of goods and services. Event revenue received in cash should be sent to the Foundation intact with a summary of the donor names/addresses for a tax receipt to be provided (*see Attachment C – Gift Acknowledgment Tracking Form*).

In-kind donations will only be acknowledged by the Foundation when an in-kind donation (*Attachment D*) is submitted to the Foundation.

The event accounting should be delivered to the Foundation within **one week** of the event. If the event organizers prefer to manage the event revenue/expenses independently through a separate checking account, refer to Scenario #2 of this policy.

Payment of Expenses

The Foundation will process payment of fundraising expenses from event proceeds deposited into a fund. The Foundation will not pay any expenses in advance of collecting equivalent receipts and will only cover expenses to the extent that event income exceeds those expenses. It is preferred to process expenses payable directly to the vendor. In cases where event expenses are paid directly by the Fundraising Coordinators to vendors, reimbursement is only possible if the original invoice and a receipt confirming payment are submitted and approved by the fund representative. **Note – donor advised funds are not eligible for expense reimbursement of any kind to individuals.**

When there is an expense payment valued at \$600.00 or more payable directly to an individual for services performed, a completed W9 form will be required prior to any payment. Penalties by the IRS for failure to submit W9 information will be the responsibility of the component fund conducting the fundraising.

The Foundation is exempt from paying PA sales tax (a separate distinction from being a charitable tax-exempt organization). A copy of our Pennsylvania Exemption Certificate will be provided to you when necessary, upon receipt of the event form. The Foundation will not be held liable for losses incurred (expenses exceed revenue) for an event.

Gift Acknowledgments and Tax Receipts

The Foundation will provide appropriate gift acknowledgments/tax receipts to donors when the following information is provided:

- 1) The donor's complete name and address
- 2) The date and amount of the contribution
- 3) The type of contribution, such as check, cash, in-kind (see attachments)

When goods or services are provided to event participants, the tax-deductible portion of their participation fee will be adjusted for the cost of those goods or services. For example, if the cost to participate is \$50.00 and the participant receives a dinner or gift valued at \$25.00, the tax-deductible portion would be \$25.00. The Foundation would provide an acknowledgment letter confirming the full amount of the contribution and specify the portion that would qualify as a tax-deductible gift.

The Foundation is available to assist in determining the goods and services value and how to disclose that on any event marketing materials.

Liability Insurance and Liability for Losses

The Fundraising Group is responsible to determine if a certificate of insurance is needed for the event activity or event venue. The Foundation will determine if a certificate of insurance can be obtained through its umbrella policy. When the fundraising activity is conducted by a group/organization with an EIN#, a certificate of insurance must be secured independent of the Foundation's carrier policy. This will be done at the expense of the fund held by the Foundation. If the event organizer pursues liability insurance independently, the Foundation should be listed as an insured with a minimum of \$1 million coverage.

Revised and Reviewed January 25, 2023: Mam B Maull

Reviewed: _____

Date: _____

Reviewed: _____

Date: _____

Reviewed: _____

Date: _____

Community Giving Foundation

Attachment A - Fundraising Checklist

(to Comply with Scenario #4 - Donor Initiated Event Fundraising Guidelines)

Utilize this checklist to ensure all requirements are met.

Pre-Event:

- ☐ Review the Foundation's Donor Initiated Fundraising Policy.
 - ☐ Complete and submit the Foundation Fundraising Event Summary Form (*Attachment B*) **60 days** prior to the anticipated event date. (Submit via email to Christine Orlando: corlando@csgiving.org)
-

Marketing Materials:

- ☐ Ensure event materials include the PA Dept. of State solicitation language as follows:

"The Community Giving Foundation is a 501(c)(3) nonprofit organization and contributions are tax deductible to the fullest extent permitted by law. Registration and financial information for the Foundation are available from PA Dept. of State by calling 1-800-732-0999. Registration does not imply endorsement."
 - ☐ Ensure all event materials include this statement:

"_____(Name of fund)_____ is a component fund of the Community Giving Foundation and funds are being raised on behalf of the Community Giving Foundation."
 - ☐ Provide the tax-deductible portion of the registration, noting the cost of goods and services. This must be reviewed with the Foundation and disclosed on the event flyer or invitation
 - ☐ Provide a copy of event promotional material (flyer/invitation) before printing or distributing.
-

Licenses, Permits, & Insurance:

- ☐ Verify with event venue the need for liability insurance coverage.
 - ☐ Obtain a small games of chance certificate if event includes small games of chance.
 - ☐ Obtain the proper licenses/permits if event involves serving/sale of alcohol.
 - ☐ Pursue proper compliance with city ordinances and secure appropriate city permits for events held in public locations.
 - ☐ Comply with state government food handling requirements if event involves preparing/selling food.
-

Gift Tracking & Expenses:

- ☐ Use the Foundation's gift acknowledgment tracking form (*Attachment C*) and gift in-kind (*Attachment D*) format structure to submit event proceeds to ensure participants receive appropriate gift acknowledgment/tax receipt.
- ☐ Provide W9 form to any individuals who will be paid for services in value of \$600 or more. This form must be submitted to the Foundation prior to any payments made, otherwise the Foundation will withhold 28% of the payment request per IRS Regulations.

Community Giving Foundation

Attachment B - Fundraising Event Summary

(to Comply with Scenario #4 - Donor Initiated Event Fundraising Guidelines)

*This information should be submitted to Community Giving Foundation, 725 W. Front Street Berwick, PA 18603
(submit via email to Christine Orlando/corlando@csgiving.org)*

Before undertaking a fundraising event/project to benefit a component fund of the Community Giving Foundation (Foundation), please complete and submit the following information:

Name of the Event: _____

Name of fund it will support: _____

Type of Event: _____

Date of Event: _____

Event Venue/Address: _____

Fundraiser Coordinator/Contact Name: _____

Contact Phone #: _____

Organizer Contact Email: _____

Organizer Contact Address: _____

By submitting this event summary form, I am certifying the following *(please initial each line below)*:

_____ I have received, reviewed, and will comply with the Foundation's Donor Initiated Fundraising Policy.

_____ I will provide a draft copy of our event promotional material used for accepting gifts before material is printed.
(Note – use of the Foundation's name/logo requires pre-approval.)

_____ I will provide the value of goods and services event participants may receive for the event.

Signature: _____ Print Name: _____

Event Summary Details	Yes	No
Do you want event participants to receive tax acknowledgments/receipts provided for event donations?		
Will your event venue require a certificate of insurance?		
Will the event include a game of chance?		
Will there be alcohol at the event?		
Does event promotional material meet state solicitation requirements?		
Would you like the Foundation to help promote your event?		

What would you like everyone to know about your event? Provide information about your fund or cause that will help us – and you – promote it:

Community Giving Foundation

Attachment C – Gift Acknowledgement Tracking Form

(to Comply with Scenario #4 - Donor Initiated Event Fundraising Guidelines)

This information should be submitted to Community Giving Foundation, 725 W. Front Street Berwick, PA 18603

Fundraising Coordinator

Name: _____

Address: _____

fund Name: _____

Donor Name	Donor Recognition	Mailing Address	Phone	Email	Donation Amount	Date of Donation	Donor Wishes to be Anonymous (YES or NO)

Attachment D

Community Giving Foundation

725 West Front Street, Berwick, PA 18603

P 570-752-3930 • F 570-752-7435

IRS 501(c)3 EIN 23-2982141



IN-KIND DONATION FORM AND RECEIPT: To Be Completed by Donor

Fund Name: _____ Date: _____

Event Name: _____

Description of item/services (include quantities): _____

- Donor's Estimated Fair Market (FMV) value: \$ _____
(The Estimated Fair Market Value must be completed by the donor. The Foundation cannot place a FMV amount or interpret the value of any non-financial donations).

Or

- Total of Attached Copies of Receipts: \$ _____

Individual or company name: _____

Contact name: _____

Name to appear for public recognition purposes: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Email: _____

Signature: _____ Date: _____

Upon the Foundation's processing, a copy of this receipt will be provided to the donor to serve as the gift acknowledgement.

To be completed by Foundation Staff:

Date received: _____ Staff Signature: _____

All contributions are administered through the Community Giving Foundation, a 501(c)(3) organization, and are tax deductible to the extent provided by law. For gifts of \$500 or more, the Internal Revenue Service requires donors to file IRS Form 8283 and comply with its regulations pertaining to non-cash charitable contributions. IRS regulations require us to state that no goods or services were provided in consideration for your gift and the Foundation has