



Policies and Procedures Regarding Fundraising and Special Events for Funds of The Community Foundation for the Greater Capital Region

Purpose

To assure that all fundraising efforts and special events for component funds at the Community Foundation are conducted in compliance with IRS and New York State regulations and Foundation policies in order to protect the fund, donors, and the Foundation.

Overview

Through your fund agreement, you demonstrate agreement to comply with these policies and procedures for the protection of the fund you've created.

All component funds are assets of the Community Foundation and therefore fall under the not-for-profit status of the Foundation. When special events, fundraising activities or solicitations use the Community Foundation name or the name of the fund, the IRS views the event as being conducted by the Community Foundation. Therefore, the Community Foundation is legally responsible for the activity, and it as well as the donor can face serious penalties and liabilities if careful procedures are not followed: donors may be denied a tax deduction, the fundraising group may be unexpectedly subjected to tax on the funds raised, and both the Community Foundation and the fundraising group may be subject to penalties.

Before ANY fundraising activity for any type of fund is begun, Community Foundation approval must be obtained. Please contact Jenna Cuilla at jcuilla@cfgcr.org or 518-446-9638. The Foundation must approve, in advance of printing or production, all materials (including letterhead, brochures, solicitation letters, website content, and radio and television announcements) related to solicitations to promote a Fund.

Contributions can be made to any fund of the Community Foundation at any time.
There are several ways in which gifts may be made to your fund:

Gifts sent directly to the Foundation:

1. Checks should be made payable to *The Community Foundation for the Greater Capital Region* or *CFGCR*, with the name of your fund on the memo line, and sent to CFGCR.
2. Credit card donations are also acceptable. In order to process them correctly, we require very specific information and will provide the appropriate forms, language and process for credit card contributions.
3. Please see the Foundation's *Gift Acceptance Policies* for information on other types of gifts.

A. DIRECT SOLICITATION (MAILING, BROCHURES, WEBSITES, ETC.)

Often, groups that desire to increase the amount of money in a particular fund will consider undertaking some form of marketing, promotion or fundraising to benefit the fund. This may be through various forms of marketing in the name

of the Fund or the Community Foundation through websites, brochures, or direct solicitation letters. Donors will receive a tax deduction for their gift to the component fund of the Community Foundation. The Community Foundation staff will send the acknowledgement.

B. FUNDRAISING EVENTS

The only way a component fund of the Community Foundation may receive money from a fundraising event:

1. The organizer plans the event and collects all the revenue.
2. The net proceeds, after expenses are paid, are forwarded to the Foundation and designated for a particular fund.
3. The Foundation is not able to endorse the activity nor be involved in its planning or execution.
4. The Foundation is not able to acknowledge any charitable portion of the ticket price to individual contributors.
5. No one receives a charitable deduction for participating in the event.
6. The organizer of the event is responsible for obtaining any necessary insurance, permits, licenses, approvals, etc.
7. Individual participants in the event (ticket purchasers, sponsors, etc.) make their payments to the organizer.
8. Payments cannot be made to the fund name.
9. The organizer may record the contributors' names and addresses and may provide a courtesy acknowledgment. The acknowledgement letter may not include any language stating that the letter serves as an official receipt for IRS purposes or include any reference to tax deductibility.
10. The Foundation records the gift as coming from "third party" donors. *This means we do not track or know the names of the individuals or organizations that buy tickets or serve as sponsors because these are not recognized as charitable gifts by the Foundation.*
11. The Community Foundation is not able to process any electronic gifts associated with the fundraiser for tickets or sponsorship.

C. GRANT APPLICATIONS TO OTHER FOUNDATIONS AND FUNDING SOURCES

These are considered fundraising activities and are submitted under the auspices of the Community Foundation. They must be reviewed, approved, and accompanied by a cover letter signed by Community Foundation senior staff. The Community Foundation needs at least two weeks lead-time to review and approve grant applications. It is the policy of The Community Foundation for the Greater Capital Region, Inc. that it will not serve as the fiscal agent for state or federal funds.

D. GAMING & RAFFLES (Includes bingo, lotteries, wagering and other games of chance)

Due to the level of regulation imposed by the IRS and New York State Attorney General's Charities Bureau, component funds of The Community Foundation for the Greater Capital Region are prohibited from conducting raffles or any other fundraising activity in which gaming activities are involved.

E. THIRD PARTY FUNDRAISING (Paypal, Facebook, Amazon Smile and similar)

Please do not establish one of these charitable accounts for your fund. The Community Foundation is unable to accept contributions made via these third-party fundraising sites.