



DONOR INITIATED FUNDRAISING EVENT POLICY

Effective: July 1, 2008

Thank you for your interest in raising money for a fund established at the Community Foundation for Monterey County (CFMC). We are pleased that you wish to hold an event or otherwise solicit money for the fund and further your good work through the Community Foundation. In addition to raising contributions, these events may commemorate a person, event or idea, and can be a means to engage a broader group of individuals in the fund's philanthropic mission.

We have developed the procedures and guidelines below to ensure that your fundraising efforts (1) comply with IRS and other governmental regulations, (2) ensure that donors receive the appropriate acknowledgement, and (3) protect the brand identity of CFMC, including its logo. We are happy to assist you in ensuring that your event complies with the guidelines stated here. We reserve the right to refuse any assets that have been raised in violation of these guidelines.

When we refer to "solicitations" in this policy, it refers to any time people are asked, verbally, in writing, or by electronic means, to contribute to your fund. The term "fundraising events" includes but is not limited to receptions, dinners and parties; sports or entertainment events; golf tournaments; and/or auctions and other similar activities. Please feel free to contact CFMC whenever you have questions about our fundraising event policy. Thank you for your cooperation and for your fundraising efforts.

PROCEDURES

If you are considering a fundraising event, solicitation or project for a fund of the Community Foundation for Monterey County, the following procedures are required **prior to** any public announcement of the event, the Foundation's involvement or the Foundation's receipt of contributions to your fund.

- 1. Discuss your plans in advance with CFMC staff member Christine Dawson, Director of Development at 831.375.9712 x126.** You can call, send a letter or email, or arrange a meeting at your convenience. We recommend that you conduct this meeting at least 90 days in advance of planning of your event or solicitation.
- 2. Get approval for any materials that mention CFMC.** The Foundation must approve, in advance of printing or production, all written or spoken materials (including letterhead, brochures, website content and radio and television

announcements) related to solicitations to promote a Fund. All materials must clearly state the Fund's name as "Name of Fund" of the Community Foundation for Monterey County.

GUIDELINES

These guidelines cover the following fundraising scenarios:

1. Direct, tax-deductible gifts to a fund at CFMC
2. Event/solicitation sponsored by a 501(c)(3) organization
3. Proceeds from an event/solicitation for which donors were not offered a tax deduction

1. Direct, tax-deductible gifts to a fund with CFMC without a fundraising event.

You may promote a fund through various forms of passive marketing including brochures, posters, information sessions, or a request for money through an appeal letter to friends and associates.

In response to those marketing efforts, a donor may make a gift directly to the Fund. In that case, he/she should make their check payable to:

Community Foundation for Monterey County
2354 Garden Road
Monterey County, CA 93940

***The name of the Fund should be placed on the memo line of the check.**

Send it directly to the Foundation (gifts of appreciated assets made directly to the Foundation are also acceptable). He/she will receive a gift acknowledgement letter from the CFMC indicating that the gift is tax deductible. As fund founder or advisor, you will be notified upon receipt of the gift.

2. Event or solicitation sponsored by a 501(c)(3) organization with proceeds to benefit a fund at CFMC.

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

Organizations with their own 501(c)(3) status may sponsor a fundraising event or solicitation promoting their organization and deposit the net proceeds into the organization's fund at the CFMC. The organization will issue its own acknowledgment letters to donors. If you are publicly stating the proceeds will be deposited into a Fund at the Foundation, all printed and spoken material must

clearly state the Fund's name as "Name of Fund" of the Community Foundation for Monterey County.

Organizations should ensure their compliance with all applicable IRS and State of California laws (including California Nonprofit Integrity Act (S.B.1262, if applicable) and regulations regarding solicitation, acknowledgment and tax deductibility of gifts.

3. Proceeds from an event/solicitation for which the fundraising entity is not a 501(c)(3) and does not qualify for offering a tax deduction.

You may make a gift to the Fund from the proceeds of an event/solicitation for which donors were not offered a charitable tax deduction. Fundraising may be conducted by an individual, a group of people, or an organization for the benefit of a fund. Generally, the person or group that plans and executes the fundraiser (for example: dinners; golf tournaments; walk-a-thons; auctions; sales of products or services; requests for money from individuals or organizations through mailings, advertisements, or oral solicitations) makes one lump sum donation (net of expenses) to the fund. Unless the event is sponsored by a qualified nonprofit organization which accepts and acknowledges the contributions, the donor may not take a tax deduction for the contribution.

CFMC will not acknowledge the individual contributors of the dollars, and no one will receive a charitable deduction for participating in the event. A receipt for the net amount received is sent to the organizing group. Any published materials related to the fundraising event should have the following wording: The net proceeds of this event will be contributed to the "Name of Fund" of the Community Foundation for Monterey County.

Guidelines applicable to non-tax-deductible fundraising events

- A. An individual or group that plans and executes a fundraising event may state that the net proceeds will benefit the general purpose of the Fund. If publicly stating the proceeds will be deposited into a fund at the Foundation, all printed and spoken material must clearly state the Fund's name as "Name of Fund" of the Community Foundation for Monterey County.
- B. The individual or group may not use the CFMC's tax exempt number in connection with the event. Contributions made as a result of an event/solicitation will not qualify as a tax deductible gift to the CFMC.
- C. Event organizers are 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.

- D. Fundraising events often require certificates of insurance or signed contracts. When events are sponsored independently of the CFMC, the name of the Community Foundation or the Fund must not appear on any contract or agreement.
- E. Individual participants in the event (ticket purchasers, sponsors, golf players, etc.) make their payments to the organizing individual or group, not to The Community Foundation or the Fund. The organizers may record the contributors' names and addresses and provide a courtesy acknowledgement. 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 or use the CFMC's Tax ID number. Letters may state that "The net proceeds of this event will benefit the "Name of Fund" of the Community Foundation for Monterey County.
- F. The planning group pays all expenses and sends the net proceeds of the fundraiser to the CFMC for addition to the Fund. The Foundation records the gift as coming from unnamed third-party donors. Please note that CFMC is prohibited by law from reimbursing the planning group for its expenses. Therefore, the group must deduct its expenses before sending the net proceeds to CFMC.

**Thank you for your interest in supporting your fund.
If you have questions about this policy, please contact
Christine Dawson, Director of Development at 831.375.9712 x 126.**