

Four County Community Foundation Donor-Initiated Fundraising Agreement

Thank you for expressing your confidence in Four County Community Foundation (“Foundation”) by establishing a Fund with us. The Foundation is pleased to work with you in helping to develop your Fund.

In establishing a Fund at the Foundation, there may be times when you would like to organize a fundraiser or solicit gifts to raise dollars for the Fund. In addition, there may be times when individual contributors to an Event want to receive a charitable deduction. The Foundation has developed this agreement to help guide Fundraising Groups.

When Fundraising Groups conduct fundraising activities and solicitations on behalf of a Fund, such fundraising is being done on the Foundation's behalf for tax purposes. This activity can raise a number of tax and accounting issues for the donors, the Fundraising Group, and the Foundation. It is important that such activities be conducted under the Foundation's observation and fiscal guidance to ensure that:

- Donors to the Fund remain entitled to the appropriate tax deductions,
- the Fundraising Group is protected from unintended tax consequences to themselves, and
- the Foundation is not exposed to penalties for failing to make required solicitation disclosures or other compliance obligations.

This Agreement is designed to protect donors, the Fundraising Group, and the Foundation. We appreciate your cooperation in fulfilling these requirements.

1. Foundation Approval of Events

All Events require advance written approval from the Foundation. At least 90 days before undertaking any Event, the Fundraising Group must submit a written proposal that includes the following information:

- Fund name,
- Name of proposed fundraising event,
- Proposed date of the event,
- An estimated budget including projected revenue and expenses, and estimated net revenue, and
- Contact person's name, address, phone number, and e-mail address.

Assistance from the Foundation with respect to any of the required information, including but not limited to the estimated budget for the Event, is available upon request. Please allow at least 30 days for Foundation review. Prompt responses by the Fundraising Group to questions and clarifications by the Foundation will ensure timely notification by the Foundation of its decision.

If the Event is approved, the Fundraising Group will be notified in writing (e.g., a writing will consist of an email or letter; neither text nor voicemail communication may be construed as a writing by any party for the purposes of this Agreement) and the Fundraising Group may thereafter proceed in accordance with this Agreement and any other written guidelines set forth by the Foundation.

Activities taken by the Fundraising Group prior to such written approval by the Foundation may result in the Foundation's rejection of the Event and any activities that do not comply with this Agreement or any other written guidelines provided by the Foundation may subject the Fundraising Group to consequences including withdrawal of the Foundation's approval (including the revocation of any permitted uses of the Foundation's name or images), and potential personal liability of the Fundraising Group and its individuals, groups, or agencies.

2. Rejection or Revocation of Approval by the Foundation

The Foundation may reject or revoke approval of an Event if the Fundraising Group:

- Does not appear to have the capacity to run the proposed Event,
- Does not comply with the Donor-initiated Fundraising Agreement or any other written guidelines provided by the Foundation,
- If the Fundraising Group cancels or significantly changes the Event that in any way is contrary to the proposal and written approval by the Foundation in the Foundation's own discretion.

Should the Foundation determine not to approve the Event, the Foundation will send a written notification by email notifying the Fundraising Group of its decision and inviting the Fundraising Group to contact the Foundation if it requires further information about the decision.

The Foundation is not required to disclose the specific reason for its decision not to approve the Event.

3. The Foundation's Responsibilities

The Foundation will be responsible for the management of any and all contributions to a Fund. The Foundation will also comply with the terms of the applicable Fund Agreement, the Foundation's policies and procedures, and all applicable State law with respect to Fund management and its participation in the Event.

4. The Fundraising Group's Responsibilities

The Fundraising Group will retain responsibility for all Events and matters related to the Event, including but not limited to:

- Payment of all costs and expenses,
- Advertising and promotions,
- Staffing,
- Set-up, clean-up, and tear-down,
- Any and all reporting requirements of local, State or Federal law, and
- Any other requirements of every kind such as licensing, tax payments, and liability insurance.

5. Fees and Expenses

The Foundation may assess an administrative fee to the Fund to defray the cost of any additional services required of the Foundation due to the Event. The Foundation will notify the Fundraising Group of any service fees in writing as soon as they are determined by the Foundation.

The Fundraising Group will be responsible for all expenses and will maintain appropriate financial controls and records related to the Event. Expenses must be incurred as set forth in the estimated budget and any expenditures significantly higher (anything greater than or equal to 25% higher than the estimate will be considered significant) than provided in the estimated budget must be approved by the Foundation in advance. The Fundraising Group must provide copies of all invoices and receipts to the Foundation for approval and funding. For donor advised funds, the Foundation will not provide reimbursement of expenses to the Fund's donors, advisors, or related persons as those persons are defined in the Fund Agreement.

Where appropriate, the Foundation may provide tax acknowledgements allowing donors to deduct reasonable expenses incurred in connection with the Event.

6. Advertising and Promotional Materials.

All uses of the Foundation's name in advertising and promotion must be approved in advance by the Foundation. All fundraising materials should make clear, where applicable, that funds are being raised *on behalf of* rather than by the Foundation.

7. Designation of Checks and Receipt of Cash

Checks related to the Event must be made payable to the Foundation with a notation that identifies the Fund. Expenses must be paid by check or credit card, not cash. Cash receipts must be delivered to the Foundation as received; expenses may not be netted from cash proceeds. Within seven (7) business days after the Event, all proceeds must be delivered to the Foundation along with an accounting of all monies received and spent for the Event; however, cash proceeds from raffle sales must be delivered to the Foundation (and deposited by the Foundation) within two (2) business days of the Event in order for the Foundation and the Fundraising Group to remain in compliance with applicable law.

8. Tax Requirements and Acknowledgements

Strict IRS requirements and state charitable solicitation laws impact any fundraising. If the steps outlined below are not taken, donors will be denied a tax deduction, members of the Fundraising Group might unexpectedly find themselves subject to tax on the contributions received, and the Foundation or the Fundraising Group could be subjected to penalties.

Donors who contribute an amount large enough to trigger tax or other disclosure law (typically \$250 or greater) will receive a written acknowledgement from the Foundation in order to claim a charitable deduction for the gift. The Foundation must receive the following information in order to comply with the law:

- The donor's complete name and address,
- The date and amount of the contribution,
- Whether the contribution was in cash or check, and
- A detailed description of any goods and services provided in exchange for the contribution.

In-kind contributions of auction or door prize items will be acknowledged if a description is given and the value exceeds the amount set forth by law. No value will be assigned by the Foundation. Raffle tickets are

not deductible and this must be stated clearly on the face of all distributed tickets. Rummage sale purchases are similarly not deductible.

Contributions of services, while appreciated, are generally not deductible.

If the Fundraising Group provides goods or services in exchange for a donation, certain disclosures are required. For example, if the Fundraising Group provides dinner in exchange for an entry ticket, the donor may only deduct the excess of the ticket price above the fair market value of the dinner. This limitation on the deduction, known as a "quid pro quo disclosure" must be disclosed at the time of solicitation if the contribution is greater than the requisite amount as set forth by law. Disclosure on the event ticket is a typical method for making this disclosure.

The Foundation will work with the Fundraising Group to determine any fair market value amounts and the appropriate disclosure language for the Event. The Fundraising Group is responsible for ensuring the required quid pro quo disclosures are made and any all approvals are requested timely to the Foundation prior to printing or releasing any applicable Event material, including Event tickets or invitations.

9. Liability Insurance and Liability for Losses

The Fundraising Group will maintain liability insurance sufficient for the Event. In all cases where liability insurance is required, the Foundation must be added as an Additional Insured. A copy of the insurance rider showing the Foundation as an Additional Insured for the date(s) of the Event, must be given to the Foundation 30 days prior to the Event.

The Fundraising Group will be responsible for all losses incurred by the Event. The Foundation will not be held responsible for such losses under any circumstance. Under certain situations involving extremely large gatherings or gift amounts, or other circumstances that the Foundation may at its discretion determine, the Foundation may require the Fundraising Group to purchase a letter of credit or provide a written personal guarantee covering the Foundation for any losses or liability.

10. Legal Considerations

The Fundraising Group is not authorized to bind the Foundation to any contract or agreement. Any contract that must be signed by the Foundation should be provided to the Foundation with at least a 14-day review period.

All notices, publications, and materials whether in paper or electronic form for the Event must identify the Fund that will benefit from the Event.

Nothing in this Agreement supersedes any term or requirement of the Fund Agreement.

Agreed as of the last date signed below:

Fund Name: _____

Signed:

X _____
Fundraising Group Representative

Printed Name

Date

Signed:

X _____
Executive Director, Four County Community Foundation

Printed Name

Date

Donor-Initiated Fundraising Proposal Form

The Fundraising Group may submit this completed form or may email the information requested in this form to the Foundation Executive Director.

Date of Proposal: _____

Contact Person: _____

Name _____

Address

Phone Number: _____

Email Address: _____

Facebook/Instagram Page where the Event will be published:

Any website where the Event will be published:

Name of proposed Event:

Summary of the Event:

Proposed date of the Event: _____

Proposed location of the Event:

Number of invited guests or anticipated attendees: _____

Will Tickets be sold for the Event? Yes No

On an attached sheet, please provide:

- a summary of any licensing required for the Event (e.g., public gathering permits, liquor licensing, raffle licensing, local law enforcement notification/approval), and
- a budget with estimated expenditures by line item and anticipated revenues by revenue type.