



# Donor Initiated Fundraising Guidelines

*Thank you for your interest in raising money for a fund established at Marion Community Foundation. We value your confidence in us and look forward to collaborating with you.*

Marion Community Foundation operates under federal and state laws and must adhere to all applicable requirements. Some of these laws will impact your fundraising and donations.

Because the Marion Community Foundation could be held accountable for donor-initiated fundraising, the guidelines below have been developed to:

- 1 ensure that the donor's fundraising efforts comply with IRS and other governmental regulations,
- 2 ensure that new donors receive the appropriate acknowledgement, and
- 3 protect the brand identity of the Marion Community Foundation, including its logo and intellectual property.

**These guidelines are very important, and we reserve the right to refuse any assets that have been raised in violation of these guidelines.**



## REQUIRED STEPS

If you are considering a fundraising event, solicitation, or project for any fund of Marion Community Foundation, the following are required prior to the Foundation's receipt of contributions:

- 1 Discuss your plans at least 30 days, but preferably 90 days, in advance of your event or solicitation with the Foundation's President and CEO, either by phone call or personal meeting.
- 2 Get approval for any materials that mention Marion Community Foundation or one of its charitable endowment funds. The Foundation must approve, in advance of printing or production, all written or spoken materials (including, but not limited to, letterhead, brochures, signs, website content and radio or television announcements) related to solicitations to promote a fund. The Foundation staff cannot provide assistance in the production of these materials, nor can we handle ongoing administration of websites.  
  
All promotional materials must clearly state that the "net proceeds of the fundraiser will benefit the [Name of Fund] of Marion Community Foundation," and that funds are being raised *for the benefit of* Marion Community Foundation and **NOT** 'on behalf of' or 'by' the Foundation.
- 3 Signed acceptance of these Guidelines.

# DONOR INITIATED FUNDRAISING GUIDELINES

In these guidelines, “solicitations” refers to any time people are asked, verbally, in writing, or by electronic means, to contribute to a fund. The term “fundraising events” includes, but is not limited to, receptions, dinners and parties; sports or entertainment events; and/or auctions and other similar activities. “Fundraising events” specifically excludes any activity that can be construed as gambling (such as raffles).

## These guidelines cover the following permissible fundraising scenarios:

### Direct Gifts to a Fund

You may promote contributions to a fund at Marion Community Foundation through various forms of passive marketing including brochures, posters, information sessions, or a request of money through an appeal letter to friends and associates. In response to those marketing efforts, a donor may make a direct contribution to the Foundation **as long as nothing of value is received** (value includes raffles, auctions, dinners, prizes, participation in events or outings, etc.). Such direct gifts are tax deductible.

In such cases, you may instruct individuals or entities to write a check payable to “*Marion Community Foundation*” and indicate “[Name of Fund]” in the memo. A similar cash gift would also be acceptable; however, **the name and address of the donor who gave the cash must be provided** so we can acknowledge the gift.

Gifts of **appreciated assets** made directly to the Foundation are also acceptable in accordance with Marion Community Foundation’s Gift Acceptance Policy.

Per the above circumstances, **we will issue a thank-you letter** from the Foundation to the donor **acknowledging that the gift is tax deductible**. As the Fund’s initiating donor, you will also be notified upon receipt of the gift.

### Event/Solicitation Sponsored by a 501(c)(3) Charitable Organization with Proceeds to Benefit a Fund

**Organizations with their own 501(c)(3) IRS status** may sponsor a fundraising event or solicitation promoting their organization and deposit the net proceeds into the organization’s fund at Marion Community Foundation.



Marion Community Foundation will not bear any responsibility for the costs of the event or solicitation and may not be named as a party in any contract for goods or services. **The organization (not the Foundation) will issue its own acknowledgment letters to donors.** If it is publicly stated that 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 Marion Community Foundation."**

Organizations should ensure their compliance with all applicable IRS and Ohio state laws and regulations regarding solicitation, acknowledgment and tax deductibility of gifts. Marion Community Foundation *cannot* accept any contributions to the event or solicitation made payable directly to Marion Community Foundation. For this category of event or solicitation, the **funds must be paid to the sponsoring 501(c)(3) organization and that organization will then send a donation to Marion Community Foundation.**

## Proceeds from an Event/ Solicitation for which Donors Were Not Offered a Tax Deduction

Fundraising may be conducted by an individual, group of people, or organization for the benefit of a Fund. Such event organizers may **make a gift to the Fund from the net proceeds of an event/solicitation** (for example: dinners, golf tournaments, walk-a-thons, auctions, sales of products or services, or advertisements) for which donors were not offered a charitable tax deduction.

The event organizer that plans and executes the fundraiser makes one (or more, if necessary) lump sum donation (net of expenses) to the Fund. The Marion Community Foundation will not acknowledge the individual contributors and no one will receive a charitable deduction for participating in the event. A simple receipt for the net amount received is sent to the event organizer.

Any published materials related to the fundraising event should have the following wording: "The net proceeds of this event will benefit the [Name of Fund] of Marion Community Foundation, but funds are not being raised by or on behalf of Marion Community Foundation and no portion of your donation is tax deductible."

Marion Community Foundation will not accept any contributions to the event or solicitation made payable directly to Marion Community Foundation. For this category of event or solicitation, the funds must be paid to the sponsoring individual, group, or organization and that individual, group, or organization will then send a payment of net proceeds to Marion Community Foundation.



*Fundraising is the gentle art of teaching  
the joy of giving.* – Hank Rosso

# NON-TAX-DEDUCTIBLE FUNDRAISING

**1** 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 Marion Community Foundation." The Foundation will not accept contributions from the net proceeds of a political fundraising event or solicitation.

**2** The individual or group may *not* use the Foundation's tax exempt number in connection with the event. The publicity materials must not include any indication that a contributor will receive any tax deduction.

**3** Event organizers are responsible for obtaining and paying for any necessary insurance, permits, licenses, approvals,

and all other costs of the event. Marion Community Foundation will not be responsible for paying any costs associated with the event. 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.

**4** Fundraising events often require certificates of insurance or contracts with providers of goods and services. When events are sponsored independently of the Foundation, the name of the Foundation or the Fund must not appear on any contract or agreement.

**5** Individual participants in the event (ticket purchasers, sponsors, golf players, etc.) make their payments to the event organizer, *not* Marion Community Foun-

ation 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. Letters may state that "**The net proceeds of this event will benefit the [Name of Fund] of Marion Community Foundation.**"

**6** The planning group pays all expenses and sends the net proceeds of the fundraiser to Marion Community Foundation for addition to the Fund. The Foundation records the gift as coming from unnamed third-party donors or anonymous donors. Marion Community Foundation is prohibited by law from reimbursing the event organizer(s) for expenses; therefore, the group or person must deduct expenses before sending the net proceeds to Marion Community Foundation.

## NOTE ON TAX DEDUCTIBILITY

Contributions to a fundraiser are only tax deductible when they are received and acknowledged directly by a legally qualified not-for-profit organization. There are specific regulations regarding raffles and there is no charitable deduction for raffle tickets purchased or for items purchased at or below value at auction. Depending on the event, tax deductibility may or may not be a motivating reason for

donors to participate. Donors who participate in fundraising events often are not doing so to receive a tax deduction. Donors believe in the purpose of the fundraiser and will make a contribution regardless of the tax benefits to themselves. Donors should contact their personal financial, tax, or legal advisor for advice on their specific tax situation.

If you have questions about these guidelines, please call Marion Community Foundation at 740-387-9704.



## Mission

*To continually improve the Marion area community through philanthropy, leadership & civic engagement*

## Vision

*A generous, educated, healthy, collaborative & vibrant community*



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