**Fundraiser Guidelines**  Redeeming Love Christian Embassy

**FUNDRAISING EVENTS GUIDELINES AND PROCEDURES**

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**Additional Resources** For questions and answers:

<http://www.thefundraisingauthority.com/fundraising-basics/>

1. **Guidelines**:

RLCE Fundraising Guidelines and Procedures have been established to provide a framework to protect you, the donors and Redeeming Love Christian Embassy from negative liability and tax consequences.

Fundraising for the benefit of funds for RLCE must receive approval by the Administrative Executive Team Leader. Fundraising expenses cannot be reimbursed to fund advisors, related parties or vendors **for donor advised funds**.

The Board of Directors of Redeeming Love Christian Embassy will consider approval of any legal fundraising events, but reserves the right to deny approval of any proposed fundraising event that is intended to benefit RLCE in its sole discretion, determines that the proposed event is not in keeping with RLCE’s image, values, or mission, or for any other reason the Board sees fit.

RLCE Approval of Events In advance of planning public fundraising events, the Fundraising Team must define each program, event or other effort to raise money for RLCE and obtain prior approval from the Administrative Executive Team Leader. The Fundraising Team must submit the Fundraising Event Application, Budget, and an insurance form, to the Administrative Executive Team Leader prior to publicizing the event.

a. Donors make their checks payable to RLCE.

b. Donors will receive charitable contribution substantiation according to IRS guidelines and the contribution receipting policies of RLCE.

c. All uses of RLCE’s name in advertising and promotion must be approved in advance by the Administrative Executive Team Leader.

d. All fundraising materials should make clear, where applicable, that funds are being raised on behalf of the Ministries of RLCE or for the Building Fund of RLCE.

All fundraisers are on “behalf of the Redeeming Love Christian Embassy”. Therefore, RLCE must ensure that all IRS and State guidelines are followed.

**RLCE would ensure that:**

• Donors to RLCE are entitled to the appropriate tax deduction.

• RLCE is protected from unintended risks and potential liabilities.

**The Fundraising Team must insure:**

• RLCE is protected from unintended tax consequences by placing the word “**donation**” next to on any cost, price or fee charged.

• RLCE is not exposed to penalties for failing to make proper solicitation disclosures.

• The event and its activities are conducted in accordance with all applicable laws and regulations.

When conducting a fundraising event on behalf of RLCE, we appreciate your cooperation in fulfilling the following requirements, which were designed to protect donors, you and RLCE

**Responsibilities of the Administrative Executive Team Leader will be responsible for:**

• The management of money and property it may accept into the account from donors, other contributors and sources.

• Payment of pre-approved event expenses, with proper approval and original receipt.

• Providing appropriate acknowledgments to Donors, consistent with RLCE Fundraising Guidelines and Procedures and IRS Guidelines.

• Obtaining appropriate insurance coverage for the event, subject to RLCE filling out the Event Coverage application. RLCE will be responsible for any additional costs that are incurred to cover the event which will be budgeted in the 25% expenditures rule.

• The Administrative Executive Team Leader is responsible for submitting a Revenues and Expenditure report to the Fundraising Team at the end of the fundraiser once all receipts and expenses are turned in and processed. In addition, we will send a gift report to aid in your reconciliation.

**Responsibilities of the Fundraising Team:**

The Fundraising Team will retain responsibility for all public fundraising events and matters related to them including:

• Submitting a Fundraising Event Application including a budget to the Administrative Executive Team Leader obtaining approval for the event, prior to advertising the event.

• Submitting an insurance event application form detailing all necessary coverage.

• Working with the Administrative Executive Team Leader to ensure appropriate acknowledgement of donors, consistent with RLCE Fundraising Guidelines and Procedures and IRS Guidelines. Ensuring payment of all event costs and expenses.

• Complying with applicable local, state and federal laws.

• Complying with RLCE’s Fundraising Guidelines and Procedures.

• Any losses incurred as a result of the event. Such losses will be paid from available monies in the fundraising teams account assets held at RLCE.

• Reconciliation of their fundraiser. This reconciliation must be supplied to The Administrative Executive Team Leader for its records within 30 days following the event. RLCE nor the Administrative Executive Team Leader is responsible for reconciling your records for you.

**Legal**

Events that raise money for RLCE are considered by the Internal Revenue Service (IRS) to be events sponsored by RLCE. Thus, RLCE is ultimately responsible and liable for all fundraising events even if they are managed by a team of volunteers. All proper licenses, permits, etc., required by law must be obtained by the fundraising team.

**Non-compliance with Policy and Procedures**

RLCE reserves the right to terminate a current event or deny future events by the fundraising group for failure to comply with the above policies and procedures. Failure to abide by the requirements for liability insurance and liability for losses will result in the denial of future events to the fundraising team.

**Section 2: Fundraising Event Application and Insurance**

As outlined it the Fundraising Event Guidelines, RLCE requires that fundraising events to benefit Ministry Accounts or the Building Fund at RLCE be approved in advance. To receive approval, complete application, budget and insurance forms (see attached sample) must be submitted at a minimum of at least Four weeks in advance if its relating to an event within RLCE congregation (bake sale) or Three months prior to the event that is focused towards the community (Dinner, Auction or Golf Tournament).

The application and budget provide an opportunity to discuss any questions or concerns early on, clarify your expectations regarding the Foundation’s services and fees, ensure adequate liability coverage, and reduce the likelihood of unwelcome surprises in the busy months leading up to your event.. In addition, plan on allowing 4-6 weeks to obtain insurance coverage.

After reviewing your application, Foundation staff will contact you to discuss your application and budget. At this point we’ll be able to determine whether you’ll incur any fees for additional service from the Foundation and whether you will require any additional insurance. The cost of additional insurance will be an expense of your Fund.

**Budget Considerations**

As you plan and budget for your event, it is recommended that at least 70 percent of the organization’s expenses go toward programmatic work and that no more than 30 percent is spent on administration/fundraising. Fundraising events can be labor intensive and expensive and often produce little in the way of net contribution to the charity. A well-organized, thought out event, garnering as many donated resources as possible can help ensure a larger net contribution to your fund. All Budgeted items must be approved in advance by the foundation. Your expense may not be paid if it is not submitted up front.

**Section 3: Publicity, Marketing and Media**

Now that your plan is in place, you are ready to start telling the community about your event. For example, all materials should explicitly state that funds are being raised “on behalf of” Ministry not Redeeming Love Christian Embassy.

An example would be …

”the golf tournament is being held to raise funds on behalf of the El Salvador Missions Trip of Redeeming Love Christian Embassy, which provides scholarships, housing and food to over a hundred orphans.”

**Publicity, Marketing & Media Coverage:**

All publicity materials must be reviewed and approved by The Media and Communications Executive Team Leader, Nelson Salgado, prior to print and public release. All materials should explicitly state that the funds are being raised on behalf of the ministry of RLCE or for its building fund.

**Address**

When printing RLCE’s address, it is proper to completely spell out all of the words as follows: Redeeming Love Christian Embassy 3012 E. Midland Road, Bay City MI 48706

**Approved Use of The RLCE Logo**

Any use of the RLCE’s logo must be approved in advance by Media and Communications Executive Team Leader, Nelson Salgado at [nss5199@yahoo.com](mailto:nss5199@yahoo.com) or (989) 714-1711.

Any advertising or promotional materials created by the fundraising team, or volunteers associated with that team, must make clear that monies are being raised for a ministry of RLCE or Its Building Fund. If using the logo on the Website, it should be linked to RLCE’s Web site at [www.rlce.org](http://www.rlce.org).

**Invitations**

If the fundraising team intends to mail or distribute invitations, solicitations, advertisements, press releases or any other written materials for the event, the text must be approved in advance by Media and Communications Executive Team Leader. If the activity confers benefits, such as meals and beverages, entertainment, greens fees for golfing, etc., a fair market value of the benefit(s) must be determined by the fundraising team. This applies even if the benefits received have been donated. The invitation must include the fair market value of the goods or services to be received by the contributor. In addition, it must be clear to contributors that only the amount over and above the value of goods received may be considered a tax-deductible contribution.

RLCE will supply letterhead, envelopes, or other official stationary for correspondence and/or solicitations. Submit copies of all promotional materials and media coverage.

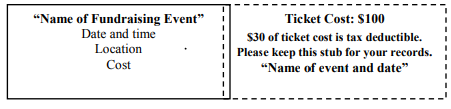
**Section 4:** **Tickets and Tax Requirements**

Printing and selling tickets is likely toward the top of your event planning to-do list. Careful design of the tickets with the appropriate language required by the IRS can spare you and RLCE lots of work and cost. On a portion of the ticket that the donor keeps, you must make the appropriate quid pro quo disclosure. Noting this disclosure on the ticket is the simplest way to inform the donor regarding what portion of the ticket price qualifies as a tax deductible contribution.

For example, if a donor gives $100 to attend a dinner event where the donor receives a dinner valued at $30 and a money clip valued at $20, then the tax-deductible amount is $50.

**Again, this must be printed on something that the donor can keep as a record, not something they hand to you at the door.**

Making this disclosure requires that you determine a fair market value for the goods and services you are providing at the event. In this case, the $30 value for the dinner could be determined from a bid from the caterer. The money clip was purchased for $20 at a local shop. To satisfy IRS requirements, you must keep a written record of how you determined these values. Here is a sample ticket with the language you should use. Submit mock-up ticket for approval prior to printing.



**Submit SAMPLE ticket and attach a brief explanation of how you determined the fair market value.**

**Section 5: Securing Donated Goods and Services**

3 in-kind contribution form or an original with two copies

Often individuals and businesses are willing to contribute goods and services for a community event. To ensure donors have the tax information they need for their gift and to reduce RLCE processing costs, a 3-ply in-kind contribution form must be used.

Print off this form and then have printed in non-carbon triplicate. The donor must then receive one copy of the form once it is completed. The foundation will keep one and one is retained for your records. Some important points to remember:

• **It is the donor’s responsibility to value the item contributed.** The person receiving the contributed item should not determine the value. If donors have trouble valuing items, encourage them to find comparable items using the Internet or other resources.

• **Every item must have a value** **– “priceless” is not acceptable**. A value of priceless will not allow the donor to take a tax deduction for the contributed item. Also, if the item is part of a silent auction, the buyer will not be able to take a tax deduction for any amount paid over the value of the item.

The donor’s copy of this form is for tax reporting purposes and does not replace a personalized note from you. You may also send the donor a personal thank you note for their contribution, however, such correspondence SHOULD NOT contain the value of the item contributed nor any reference to the tax terms “no goods or services were received…”

**Submit copy of all In-kind Contribution forms for donated items to the Administrative Executive Team Leader,** Tammy Clarke [fathers**\_**eyes02@hotmail.com](mailto:fathers_eyes02@hotmail.com) (989)-980-2799

**Section 6: Sponsors**

**3-ply sponsorship form**

You may also consider asking local businesses to sponsor your event. Many sponsorships are structured as a quid pro quo; a company offers to sponsor your event and you offer them something in return.

For example, a “Platinum sponsor” for a golf tournament may provide $10,000 in sponsorship and in exchange receive 4 event tickets and 12 rounds of golf over the next year.

**Again, to ensure donors have the tax information they need for their gift and to reduce RLCE processing costs, the 3-ply sponsorship form must be used. Print out this form and have it printed in carbonless triplicate. The donor must be given one copy of the completed form, one copy goes to the Administrative Executive Team Leader and the third copy is retained for your records. One sheet per sponsor.**

Some important points to remember:

• It is your responsibility to list the value, on the form, the items the sponsor will receive in return for their sponsorship.

• Generally, there is no value for advertising in the event brochure or name placement at the event.

The donor’s copy of the form is their receipt for tax reporting purposes and does not replace a personalized note from you. You may also send the donor a personal thank you note for their sponsorship.

**Submit sponsorship form if applicable.**

**Section 7: Special Considerations for Silent Auctions**

3-ply bid sheet Silent auctions involve significant in-kind contributions, so be sure to read Section 5: In-kind Donations describing the process for documenting these contributions.

Purchasers of silent auction items must receive individual disclosure statements in accordance with the IRS quid pro quo rules if they pay $75 or more for an item. Regardless of the value of an item, to ensure donors have the tax information they need for their gift and to reduce the processing costs on RLCE, a 3-ply bid sheet must be used. This form qualifies as a disclosure statement when it is given to the purchaser as a receipt for the item. Donors must get copies of forms for each item for their tax records.

Ask the Administrative Executive Team Leader for this standard silent auction bid form. This form must be printed out and then published on carbonless triplicate.

**Section 8: Payment of Expenses**

**Expenses and Payment of Expenses**

The Fundraising Team will be responsible for all expenses and maintain appropriate financial controls and records related to fundraising events.

The Fundraising Team will establish a budget for submission with the event application to The Administrative Executive Team Leader prior to all events. How expenses will be paid must be discussed prior to the event with the Administrative Executive Team Leader. Regardless of whom pays for expenses, invoices and/or original receipts must be provided to the Administrative Executive Team Leader for our record keeping.

You must submit to the Administrative Executive Team Leader in advance, your expected Expenses, the Vendor you are planning to use and an approximate cost. All Vendors must be set-up in our system and a W-9 needs to be provided in advance.

**It is the responsibility of the Fundraiser Team Member to provide the following:**

• Budget with all your expenses listed

• Vendors that will be used

• W-9

• Original Invoices with proper approvals.

We will not take faxed copies without approval directly from vendor nor pay any invoice without proper documentation. It is the responsibility of the Fundraising Team to ensure payment of this invoice was made by the Administrative Executive Team Leader. Inevitably, there will be times when you pay cash for odds and ends related to your event. RLCE will pay event expenses or reimburse authorized event staff for event expenses, provided the proper documentation is maintained and submitted. Use the Requisition form to submit expenses to be paid. Some important points to remember:

• Original receipt or invoice must be submitted – copies or other documentation will not suffice for IRS purposes.

**Submit original receipts and signed, completed Requisition form.**

**Submit W-9 Forms for all vendors.**

**Section 9: Submitting Event Revenue**

Designation of Checks and Receipt of Cash Checks related to the event must be made payable to Redeeming Love Christian Embassy. All proceeds, checks and cash, must be delivered to the Administrative Executive Team Leader along with an accounting of all monies received within one week after the fundraising event. Cash receipts from the event are not to be used to pay expenses, and then the net cash amount deposited.

**Tax Requirements and Acknowledgements**

The IRS has strict acknowledgement requirements that impact any fundraising. If the steps outlined below are not taken, donors will be denied a tax deduction, RLCE might be subject to taxes on the funds that are raised, and may be subjected to penalty.

**Tax Requirements and Acknowledgment:**

The IRS requires RLCE to provide a receipt for contributions exceeding $75, when goods or services are given in exchange for that donation. The Fundraising Team will determine the fair market value of the goods or services received by the contributor. As an example: a donor gives $100 to attend a dinner event where the donor receives a $40 dinner and a “thank you” gift valued at $15. The donor’s tax deduction ($45) is equal to the contribution ($100) less the value of the goods/services ($55). Noting on the ticket the tax deductible value of the donation is a typical method for disclosure.

Similarly, the IRS requires RLCE to provide a contemporaneous written acknowledgment of contributions of $250 or more. The acknowledgment must provide the amount contributed, the date of the contribution, and a description and fair market value of the goods and services provided in exchange for the contribution. If contributions are collected by the Fundraising Team, a complete listing of all donors and sponsors with addresses, amounts and type of the contributions, and a description and fair market value of all goods or services furnished to the contributor should be forwarded to the Administrative Executive Team Leader. This information must be submitted no later than one week following the event.

**Contributions of goods or services**

Contributions of services, while appreciated, are not generally deductible. Contributions of goods (in-kind contributions) may be deductible to the extent allowed by law. The donor must use RLCE’s three-part in-kind contribution form to provide RLCE with the appropriate information for receipting purposes. The donor must provide a good faith estimate of the value of the item contributed – the value will not be provided on the acknowledgement, only the description of the item donated.

**Quid Pro Quo Payments** - When a donor purchases an item at a fundraising event and pays more than $75, RLCE is required to provide the donor with a written disclosure. The donor may be entitled to a tax deduction for the difference between the price paid and the value of the item purchased.

**For dinner ticket** - The value of the dinner and the charitable portion MUST be disclosed on the portion of the ticket that the donor retains. RLCE will not furnish acknowledgements for dinner tickets. The Words Suggested DONATION amount must appear on any ticket.

**For silent auction items** - The Fundraising Team should use the three-part silent auction bid form, which provides the donor all the information they will need to comply with IRS acknowledgement rules. No other acknowledgement will be provided by RLCE.

**For other types of fundraising event purchases** - RLCE will need the following information to appropriately acknowledge the donor:

1. Value of item(s) purchased a. NOTE – a value of “Priceless” will be considered to be the same value as the purchase price – the donor will receive no tax deduction.

2. Description of items(s) purchased

3. Purchase price paid for item(s)

4. Name, address, and telephone number of donor

In all cases, the Fundraising Team is responsible for determining the fair market value of items sold or received at the event. RLCE will provide appropriate disclosure language for the event and related activities (silent auctions, dinner tickets, etc.). The required disclosure language on these items will serve as the required written disclosure for donor tax purposes. **The Fundraising Team is responsible for ensuring the required quid pro quo disclosures are made on items such as silent auction bid forms and dinner tickets.**

**Cash Donations**

Donors who contribute to the event and receive nothing in return will need a written acknowledgement from the Fundraising Team in order to claim a tax deduction for the contribution. RLCE’s policy is to provide appropriate acknowledgement to the donors, but will require certain detailed information in order to do so. Specifically, the Fundraising Team will need to provide RLCE (The Administrative Executive Team Leader) with:

1) The donor’s complete name and address.

2) The date and amount of the contribution.

**Receiving Cash**

Per the RLCEs’ Fundraising Event Guidelines, all checks must be made payable to RLCE. Checks and cash along with all supporting documentation (forms, etc.) should be sent to us within one (1) week after your event along with your contribution form. The Fundraising Team will process receipts for all contributions, where the donor did not receive any goods or services in return, except where noted below. For large fundraisers, we request a contribution form and checks on a weekly basis.

For cash contributions, the Fundraising Team will need the donor’s complete name and address, the amount and date of the contribution.

It is critical that all proceeds are forwarded to us. Cash receipts should not be used to pay expenses of the event.

**Submit completed contribution form along with payment.**

**Fundraiser Checklist**

This is a list of what you should make sure you have completed during all three parts of the fundraising process. This checklist is a great way to help you build up a time line for a fundraiser.

 Start at the Beginning, Not in the Middle!

* Do you have something specific you are raising funds for?
* Have you decided when the fundraiser will be?
* Have you picked a fundraiser?
* What will be your fundraising profit?
* Is it high enough that you will raise a good profit?
* Did you decide on a few important KPIs? (Key performance Indicators)
* Are these KPIs ones you will actually be able to reach?
* **Submit W-9 Forms for all vendors.**
* **Submit original receipts and signed, completed Requisition form.**

 Time to Fundraise!

* Do you have advertising for your fundraiser?
* **Submit sponsorship form if applicable**
* **Submit copy of all In-kind Contribution forms for donated items to the Administrative Executive Team Leader**
* Are you continuing to advertise if your fundraiser takes place over a few weeks?
* Is the fundraising going well?
* Does each person volunteering know what they are doing?
* Is it high enough that you will raise a good profit?
* Are you getting the word out to all possible audiences/customers?

 The Final Wrap Up

* **Submit completed contribution form along with payment.**
* Were all of your KPIs (Key performance Indicators) met?
* Was your profit what you expected it to be?
* Did you make a list of went poor and also what went well?
* Did you thank all of your volunteers, and maybe the participants as well?
* If you ran a catalog-style fundraiser, have all the people received their items?
* Have you compiled a document of tips for future fundraisers?