



Policies Regarding Public Fundraising for Component Funds

There may be times when friends or family members would like to contribute to your fund. The fund agreement specifically allows the Foundation to accept contributions from others, and all gifts of \$250 or more are acknowledged in writing.

Occasionally a founding donor or friend proposes a fundraising event to generate support for a fund. Under certain circumstances the Foundation can accept the net income from such an event, but we cannot manage or serve as a fiscal agent for an event.

When a donor or a third party conducts fundraising activities and solicitations for a component fund at the Foundation they are, for tax purposes, fundraising *on behalf of The Minneapolis Foundation*. Generally the Foundation does not recognize individuals soliciting contributions or conducting fundraising events as agents or representatives of the Foundation, nor do these individuals have authority to speak or act on behalf of the Foundation. We appreciate your cooperation in complying with these policies, which are designed to protect donors, the Foundation and you.

Foundation Approval of Events

- A. Before planning a public fundraising event, *you must discuss your intentions with the Foundation*. If your intentions are approved, you may be asked to submit a written proposal to the Foundation outlining the program, event or other effort to raise money for the fund. Whether a written proposal is requested or not, you must obtain advance approval from the Foundation.
- B. If approved, the Foundation may require creation of a separate "Specific Purpose Fund" to receive contributions from your event or solicitation. In such cases the new fund will be subject to the Foundation's current policies for Specific Purpose Funds.
- C. In solicitation or event materials including online communications, all references to the fund and to the Foundation must be approved in advance by the Foundation.

Responsibilities of the Fundraising Group

In addition to the requirements for approval listed above, the fundraising group and/or you must:

- A. Comply with all applicable laws -- federal, state, city and county.
- B. Pay all expenses related to the event or solicitation. You may NOT use the Foundation's tax ID or sales tax exemption for any purchases.
- C. Not provide gift acknowledgement or receipts to donors. This is the Foundation's responsibility and only applies to contributions over \$250. Donors may not receive any benefit in exchange for their contributions, including event admission, meals, etc.
- D. Obtain liability insurance covering an event and the Foundation if required.
- E. Deliver event net proceeds to the Foundation for addition to the component fund.
- F. Cover any losses incurred by the event or solicitation. The Foundation and the component fund will not be responsible for such losses.

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Responsibilities of The Minneapolis Foundation

The Foundation will be responsible for:

- A. The management of such money and property as it may accept for the component fund from donors.
- B. Providing a link for on-line credit card contributions through the Foundation's website.
- C. Grantmaking from the fund for charitable uses in accordance with the governing documents of the fund and the understanding of donors who have contributed to the fund.
- D. Providing appropriate acknowledgment to donors making a direct contribution of \$250 or more.

Payment of Expenses

Expenses of the fundraising event must be paid by you or the fundraising group directly and not from component fund resources.

Designation of Checks and Receipt of Cash

Checks related to the event are tax-deductible charitable contributions to your fund only if:

- 1) they are made payable to "The Minneapolis Foundation,"
- 2) they are designated for your component fund, and
- 3) if the donor has received no benefit in exchange for the gift.

Other event receipts, including tickets for admission, auction purchases, raffles, etc., are not tax-deductible and are the responsibility of the fundraising group.

Donors requiring proof of the Foundation's 501(c)(3) public charity classification may request this directly from the Foundation.

Within 30 days after a fundraising event the following must be provided to the Foundation:

- 1) all net proceeds—checks and cash—from the event or solicitation.
- 2) sample marketing materials, an event program, catalog, or other collateral material, if any.

The Foundation will provide written acknowledgement of receipt of these proceeds to the fundraising group without comment regarding any charitable tax deduction related to their use.

Checklist

- ___ Discussion with Foundation representative regarding fundraising intentions.
- ___ Proposal (if requested) for fundraising program submitted to the Foundation and approved in writing by an authorized representative.
- ___ Insurance secured for an event, if required, listing the Foundation as an additional insured.
- ___ Solicitation materials and/or event promotional materials reviewed and approved by the Foundation before distribution in any medium.
- ___ Net proceeds from any fundraising event delivered to the Foundation within 30 days of event.