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| **Boys & Girls Clubs of South Valley** |
| Resource Development Policies & Procedures |
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| **1/27/2012** |
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The following are policies and procedures for the fund development activities of the Boys & Girls Clubs of South Valley. These policies will be presented and approved by the Board of Directors in 2012.

**Board Giving.**

The Board of Directors is the custodian and active legal entity for the Boys & Girls Clubs of South Valley. In order to properly fulfill the role of stewardship required, each Board Member is expected to support the Clubs by giving of their time, talents and resources.

As a member of the Board of Directors of the Boys & Girls Clubs of South Valley, each board member is committed to the vision and work of the organization and is dedicated to carrying out its mission and as such, each member agrees to the following:

* Be active in the determination of policy for the organization.
* Make a personal donation to the Clubs according to their ability to give.
* Make every effort to meet and exceed the board fundraising challenge on an annual basis.
* Share personal and professional networks to leverage additional funds, sponsorships and support for the Clubs.
* Actively participate in the Clubs’ fundraising events such as, the Gala, 454 Club, Golf Tournament and other events.
* Participate in the identification of possible donors to assist the Resource Development Committee.
* Invite individuals to tour the Clubs.

**Donor Recognition.**

1. All donors will be sent a thank you letter and receipt within 5 working days of their contribution.

2. All 454 Club members' and other individual/corporate donors of $1,000 or more during the fiscal year will be recognized in the annual report.

3. A donor recognition wall will be established within the Club and maintained to look professional.

4. Donors of $10,000 or more annually (not cumulative) will automatically be enrolled as a *Jeremiah Millbank Society* member and will receive recognition.

5. Donors of $25,000 or more annually (not cumulative) will receive *Legacy for Youth* recognition.

6. Appropriate recognition items shall be given to donors at the discretion of the Board of Directors.

7. Donors shall not be guaranteed rewards in exchange for their donations such as, a board seat, political support or other assurances.

**Outside Organizations/ Businesses.**

1. The Clubs will permit outside organizations/businesses to conduct fundraising activities that benefit the Clubs, provided that they execute a memorandum of understanding approved by the Clubs prior to the proposed fundraising activity.
2. All outside events should promote the appropriate image of the Boys & Girls Clubs of South Valley.
3. Outside events must comply with all the relevant laws, including the laws of the State of Utah.
4. The Boys & Girls Clubs of South Valley are prohibited from endorsing certain products such as, tobacco, liquor, etc.,

5. Each memorandum of understanding will delineate the responsibilities of the outside organization/business and the Clubs, including a projected amount to be donated, expectations for Clubs involvement, appropriate use of the Clubs name and logo, and a disclaimer for liability.

6. The Director of Development and/or Director of Special Events will be empowered to negotiate and approve all memorandums of understanding with outside organizations/ businesses.

7. Each memorandum of understanding shall be reported to the Board of Directors.

8. Under no circumstances shall the Clubs:

* Endorse any product/ service offered by an outside organization/business.
* Pay any costs associated with a fundraising activity by an outside organization/ business.
* Give an outside organization/ business access to the Clubs' mailing list.
* Permit an organization/ business to advertise in the Club’s newsletter.

9. The Clubs will not sell a sponsorship unless guaranteed 100% of the net proceeds from the sponsorship.

10. The Clubs may restrict the host from selling sponsorships, tables, or tickets to certain individuals and companies because of conflicting interests.

11. After an event, the Clubs will ask for a detailed accounting of the event.

12. The Clubs may hire professional fundraising counsel for the Clubs sponsored fundraising activities with the approval of the Board of Directors.

**Special Events.**

1. It shall be the goal of all events intended as fundraisers by Clubs committees to net 80% or more of the gross income.

2. The Chairperson of the Clubs fundraising events will be approved by and be accountable to the Board of Directors.

3. The location of the Clubs fundraising events shall be approved by the Executive Committee of the Board of Directors.

4. All written materials for fundraising events which are to be sent to the public will be approved in advance by the Director of Special Events and/or the Director of Development and/or Executive Director.

5. When the event involves the sale of tickets or merchandise; a clear statement will be made as to the tax deductibility of the purchase price. This shall be clearly indicated on the ticket, the invitation or in advertisements for the event.

* The event is deductible to the extent that the purchase price exceeds the fair market value of what the purchaser gets in return. This includes the purchase of goods such as auction items.
* The words *Donation, Contribution* and *Charitable Gift* shall not be used except as to that which is tax deductible.

6. Amounts paid for chances to participate in drawings do not qualify as deductible charitable contributions as per the Internal Revenue Service.

7. The schedule for public solicitation of cash, goods or services shall be structured as to diminish overlap of solicitation and as such the following schedule shall apply:

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| **Month** | **Gala** | **Golf** | **454 Club** | **Thank-A-Thon** | **Holiday Campaign** | **Year-End Campaign** |
| **January** |   |   |   |   |   |   |
| **February** |  |  |   |   |   |   |
| **March** |   |   |   |   |   |   |
| **April** |   |   |  |   |   |   |
|  |   |   |  |   |   |   |
|  |   |   |  |   |   |   |
| **May**  |  |  |  |   |   |   |
| **June** |   |   |  |   |   |   |
| **July** |  |  |   |   |   |  |
| **August** |   |  |   |   |   |   |
| **September** |  |  |   |   |   |   |
| **October** |  |  |   |   |   |  |
| **November** |  |  |   |  |  |  |
| **December**  |  |  |   |   |   |  |
| *\*Email campaign only* |  |   |   |   |   |   |

8. Special Events will be reported on both gross revenue and net revenue (with detailed accounting for related expenses). Each event will maintain its own report and will be multi-year to show comparison of growth and/or needs for improvement.

Revenue should also include fair market value of all in-kind donations received for each event. This will be a total sum reported for each line item (“auction items,” “raffle prizes,” “donated services”) as these would be expenses we would have incurred without the donation.

*Expenses*: All expenses pertaining to each event will be reported appropriately with amount, vendor and notes explaining changes from previous year. Every expense associated with each event will be reported. (The exception would be staff labor time, which falls under administration). Expenses associated with hiring a consultant specifically for the event period should be reported. Expenses will also include all hard costs associated with each event.

9. The Clubs will endorse new special events only after approval by the board of directors based on the following criteria:

* Profitability;
* Demands on staff time;
* Support and willingness of support group/ volunteers, including board members;
* Marketing and/ or public relations value;
* Fixed cost and budget;
* Conflicts with existing events.

10. The Clubs shall continue to endorse existing events after approval by the board of directors based on whether or not the previously held event met its objectives.

**Gifts of Personal Property.**

1. Gifts of personal property will be accepted if they are useful to the Club or easily saleable. Other factors taken into consideration prior to acceptances of gifts of personal property include transportation costs, storage costs, and cost of selling, maintenance and repairs.
2. Establishment of the value of a gift of personal property shall always be the responsibility of the donor, and must be disclosed to the Club.
3. The tax code requires gifts of personal valued in excess of $5,000.00 to meet certain criteria:
	* The donor shall be asked to pay for an appraisal by qualified appraiser.
	* The Clubs must acknowledge in writing the appraisal which is to be attached to the donor’s tax return.
	* The Clubs must notify the Internal Revenue Service of the sale price of any property gift sold within two years of the date of the gift.
4. The Clubs shall maintain a list of other local charities that accept gift of personal property for those donors whose items cannot be used by the Clubs.

**Gifts of Real Property.**

1. Before acceptance, all offered gifts of real property shall be appraised by a qualified appraisal firm, totally independent of the Club.
	* This appraisal will perform three functions:
		+ Establish the donor’s tax deduction.
		+ Give the Clubs’ controller and auditor a reasonable value at which to carry the asset on the Clubs books.
		+ Establish an asking price for the property.
	* The donor shall be asked to pay for this appraisal since it is deductible to him. The appraisal must be acknowledged by the Club in writing and attached to the donor’s tax return.
	* If the property is to be sold, it shall be listed with a broker or brokers in the area which the property is located for sale at the appraised value.
	* The Clubs should be willing to wait a reasonable period of time to receive an offer in this range.
	* If, because of high taxes or a sizeable mortgage, the Clubs is unwilling to hold the property for a reasonable period and will be forced to cash out as quickly as possible, the prospective donor shall be so informed.
	* If the Clubs is required by law to notify the Internal Revenue Service of the resale price if they property is sold within two years.
2. Properties with mortgages shall not be accepted except:
	* With an independent appraisal, and
	* If the mortgage amounts to 50% or less of the value established by the appraisal.

**Other Gifts, Planned Gifts, etc.**

1. Other gifts include but are not limited to:
	1. Gifts by Beneficiary Designation-
		1. Retirement accounts
		2. Life insurance
		3. Other Financial Accounts
	2. Life Income Gifts—
		1. Charitable Gift Annuities
		2. Pooled Income Funds
		3. Charitable Remainder Trusts
		4. Retained Life Estates
	3. Can also include: business interests and appreciated stock
2. Gifts in memory of deceased persons shall be acknowledged with a formal letters to the donor and family of the deceased.
3. If cumulative gifts for the deceased person exceed $1,000, a family-advised fund may be established.
4. All readily marketable securities shall be sold upon receipt. Exceptions shall be made at the discretion of the Finance Committee.
5. Gifts of bonds which require a holding period shall be accepted and cashed when the holding period has expired. Exceptions shall be made at the discretion of the Finance Committee.
6. Gifts of life insurance will be accepted upon review of the Finance Committee.
7. Each fiscal year, priorities for equipment needs shall be established by the Clubs’ administration with input from Clubs staff. Gifts restricted for projects or equipment not appearing on the approved priority list may not be accepted without the Clubs’ administrative approval.
8. As appropriate, the Clubs will update all materials such as, newsletters, brochures, direct mail appeals, letterhead, annual reports, press releases, event programs, and website to include a *Leave A Legacy* logo with “*Please remember the Boys & Girls Clubs of South Valley in your will, trust or other estate plans*” tag line.

**Naming Rights Policy.**

**I. SCOPE OF POLICY:**

The Boys & Girls Clubs of South Valley has the option to recognize a major gift from a donor by bestowing naming rights to a Club facility, and/or the classrooms/gymnasium/computer labs, etc in recognition of the financial support.

**II. DEFINITIONS:**

The following words will have the meaning ascribed to them herein:

A. “civic or charitable group” shall mean a nonprofit entity, family, or group that has made a substantial contribution to the Club, either through civic involvement, involvement in events relevant to specific Club property, or to the geographical location of specific Club property; or made a financial and/or in-kind donation to support a specific program or Club property. For-profit entities of any type shall not be considered a civic or charitable group.

B. “individual” shall mean a person who has made a financial and/or in-kind donation to support a specific program or Club property.

C. “honorary naming rights” shall mean the naming of Club property to honor the service, commitment, or other type of participation by an individual, or civic or charitable group. Honorary naming rights are addressed as provided in the Boys & Girls Clubs of South Valley’s Honorary Naming Rights Policy.

D. “corporate naming rights” shall mean a mutually beneficial business arrangement between the Club and an external entity (individual, for-profit, or not-for-profit organization), wherein the external entity provides goods, services, or financial support to the Club in return for access to the commercial and/or marketing potential associated with the public display of the external entity’s name on Club property.

E. “Club property” shall mean Club owned or controlled real property.

**III. PROCESS:** The process to establish naming rights for Club property shall be as follows: Club departments, boards or agencies may develop naming rights opportunity plans, in conjunction with the Resource Development Committee or the Executive Committee of the Board of Directors, to be implemented as approved by the Club by resolution. For naming rights not covered by an approved opportunity plan, a philanthropic naming rights plan shall be developed. In developing said plans, or in reviewing nominations for naming rights as provided herein, the following criteria shall be complied with:

A. Naming rights opportunity plans shall establish an aggregate campaign goal. Factors to be considered in development of the goal shall include, but not be limited to, capital costs, annual operating and maintenance costs, and desirability and marketability of the opportunity.

Each campaign goal shall be developed on a case-by-case basis. But generally, naming rights of a classroom is valued at $25,000 in kind/cash contribution.

B. All assets for which naming opportunities will be offered shall be valued as a function of the aggregate campaign goal within the naming rights opportunity plan. Factors to be considered in the valuation of each asset shall include desirability and marketability, exposure associated with the naming of the asset, and relative value as compared with other assets that are part of the campaign.

C. In-kind donations of real property shall be valued at the fair market value of the real property. In-kind donations of personal property shall be valued at 50% of the retail cost of the personal property; provided, however, if the property donated was budgeted for acquisition by the Club, the personal property shall be valued at the Club’s cost to acquire the personal property.

D. All naming rights shall be approved for a specific term, which shall not be longer than the useful life of the property or facility, as determined by the Club, unless otherwise established in the naming rights opportunity plan or in a donor contract approved by the Club and the donor.

E. Naming rights opportunity plans shall establish a review process either by the Resource Development or Executive Committee (the composition shall be identified in the plan) or by department employee(s), and shall be approved by the Board of Directors by resolution before implementation of the plan.

F. The committee shall consider compliance with the established naming rights policy; whether the donation is from a potentially controversial source (e.g. tobacco, alcohol, etc.); appropriate signage; compliance with the required approval process for accepting donations; whether a donor contract is appropriate, and if so, the terms thereof; and any other relevant factors. In addition, the Club may refuse any financial and/or in-kind donation if it is deemed to not be in the best interests of the Club.