



Donor Initiated Fundraising Policy Guidelines for Fundholders

Thank you for establishing a fund with The Alaska Community Foundation (ACF). At the core of ACF's mission is the promotion of charitable giving. While we provide the necessary tools and administration for fund management to encourage giving, it is important to note that ACF does not have the capacity to operate fundraising events for its component funds. However, ACF recognizes there may be instances where you would like to organize a fundraising opportunity to benefit your fund.

Fundraising activities are governed by Federal and State laws, including Unrelated Business Income Tax laws, IRS regulations, charitable solicitation laws, and alcohol statutes and regulations.

To ensure that your fundraising efforts comply with these regulations and uphold the integrity of ACF's nonprofit status and brand identity, ACF has established the Donor Initiated Fundraising Policy along with the following guidelines. The Donor Initiated Fundraising Policy and Guidelines apply to all current and any future funds, and ACF staff members are available to support the adherence to them.

The Policy and Guidelines cover a range of fundraising scenarios, including but not limited to:

- Independent fundraising by an individual or group [not a 501(c)(3)] conducted on behalf of a Fund where event revenue and expenses are processed by ACF and potential tax deductions for donors exist.
- Independent fundraising by an individual or group [not a 501(c)(3)] for which donors receive no tax advantage.

This policy does not apply to nonprofit organizations with 501(c)(3) status conducting their own fundraising and contributing the net proceeds to their fund at ACF.

Non-Compliance

Failure to comply with ACF's Donor Initiated Fundraising Policy and Guidelines may result in the Foundation refusing to accept the donations and/or direct billing of staff time to the fundholder.

Recommended Event Types

ACF recommends the following events to engage and steward your donors to ultimately increase donations to your fund. All fundraising groups hosting an event to benefit a component fund at ACF must complete the Fundraising Proposal Form. Alternative fundraising methods, approved by ACF, can be undertaken, and are described in the following pages.

- **Appreciation Event**
 - Invite your donors, legacy donors, volunteers, and/or partners to a free, non-ticketed appreciation event. Serve food, beverages, alcohol (with pre-approval from ACF), and use the opportunity to share your mission and express gratitude to your supporters. **DO NOT ASK FOR DONATIONS AT THE EVENT.** Please refer to the section on Alcohol at Events for further details. You could also provide a small token gift for attendees, ensuring that these gifts are free for all attendees. Refer to the section on Token Benefit Gifts for additional details.
- **Education, Inform and Inspire Event**
 - Invite your donors and community members to a free, non-ticketed event where they learn about the impact of your fund and be inspired to get involved. Serve, food, beverages, alcohol (with pre-approval from ACF). Instead let them know that they will receive an email following the event providing them with giving options, but **DO NOT ASK FOR DONATIONS AT THE EVENT.** Ensure the event includes a mechanism for collecting email addresses and/or phone numbers that can be used to follow up with guests.
- **Legacy Giving Cultivation Event**
 - Invite your donors and community members to a free, non-ticketed event where they learn how they can be part of sustaining your fund by making a legacy commitment or a planned gift. Let them know who to contact if they are interested. Ensure the event includes a mechanism for collecting email addresses and/or phone numbers that can be used to follow up with guests.
- **Benefit Concert**
 - Organize a musical event featuring local artists or bands for your community. You may choose to charge a ticket fee or keep the event free with suggested donations. It's important to note that ACF's Donor Initiated Fundraising Policy prohibits the inclusion of alcohol at ticketed fundraising events.
- **Silent Auction**
 - Collaborate with local artists and vendors to hold a silent or live auction where proceeds benefit your fund. Items up for auction could include travel packages, art pieces, exclusive experiences, and services. Please be aware that ACF's Donor Initiated Fundraising Policy prohibits the auction of alcohol.
- **Buy a Brick or Donor Wall Campaign**
 - Promote your fund and publicly acknowledge donors' support by "selling" bricks or plaques with their names. Depending on the level of their donation, contributors may have their names displayed prominently.

Event Best Practices

Hosting an event can help bring community awareness to your cause and garner support for your fund. Understand who your target audience is and tailor your event to meet their needs and interests. Consider demographics, preferences, and what motivates them to engage with your cause. Below are some recommendations on event best practices.

- Venue and Host
 - Once the fundraising group has decided on the event type, it is crucial that a venue or host with ties to your cause be enlisted to host the event. It is important to note that most funds cannot be used to pay vendors for venue or catering.
- Guest List
 - Invite your community or enlist your host to help curate your guest list. Depending on your audience you may want to extend the invite to people who do not know about your cause or keep the invitation small to just core supporters. You can pull donor lists from your fund portal.
- Invitation
 - Use your preferred invitation method which can be a physical invite, flyer, or e-vite software. Collecting names and email addresses during guest list curation facilitates this process.
 - Send invitations at least four weeks before the event, including details such as Event Date, Time, Location, Purpose, Host information, Dress code, Map and/or parking instructions, and Menu options (light or heavy).
 - Send weekly reminders to those who haven't responded and consider making phone calls if necessary. One week before the event, send a reminder to "yes" respondents reiterating important details. On the event day, send a final reminder to "yes" respondents, providing updates on arrival time and parking instructions/directions.
- Event Program
 - Arrange speakers in advance, following a typical program format:
 - The host welcomes guests.
 - Fundraising group representative provides an overview of the gathering's purpose, your Fund, and updates on your impact.
 - A fund donor or legacy donor shares their contribution reasons and the Fund's significance.
 - A fundraising group representative makes the formal ask.
 - The host closes the program, inviting guests to continue enjoying the company and refreshments until the event's end time.
 - Bring Fund brochures and any other written materials. Consider bringing a small gift for each guest from your community, such as chocolates from a local business or notecards from a local artist.
- Solicitation
 - Make two powerful asks of your guests:
 - What will your legacy be? No actual commitment is necessary on the night of the event; follow up with individuals and couples afterward.
 - Current gift to be made at the event or shortly after, via credit card or a check written out to ACF with your fund name in the memo line. Ensure you have all the materials necessary for donors to make the gift.
- Event Follow Up
 - Schedule an emailed thank you message the morning after the event to attendees and those who couldn't attend. You may consider including an ask for donations in the email.
 - Follow up with ACF staff as appropriate.
 - Assign members of your fundraising group to personally follow up with attendees, thanking them for attending, for their donation if applicable, and asking if they have any questions.

Quid Pro Quo Fundraising

Upon approval of your event, ACF will track specific information in relation to “quid pro quo” contributions, where the donor receives something of value in return for part of their contribution. The IRS calls these “quid pro quo” contributions and mandates a written disclosure statement to be provided to the donor with the donation transaction. The statement:

- Informs the donor of the tax-deductible amount of the contribution.
- Provides the donor with a good faith estimate of the fair market value of the goods or services they received.

Groups interested in fundraising for their fund held at ACF may participate in “quid pro quo” fundraising activities provided they adhere to the Donor Initiated Fundraising Policy and Guidelines. Failure to comply with IRS disclosures may lead to penalties for ACF. Moreover, non-compliance with the policy by the fundraising group may result in ACF’s refusal to accept the donations and/or direct billing of staff time to the fundholder.

ACF requires a four month notice from the event date for all events that will be ticketed or those with a silent/live auction component. The fundraising group must submit a Fundraising Proposal for approval. Only one fund may benefit from the proceeds generated from event ticket sales or auctions. However, auction proceeds can be directed to one fund and ticket sales to another. For events without tickets or auctions, ACF asks the fundraising group to inform staff at least one month prior to the event.

- Auction
 - Fundraising groups may host an auction to raise money for their fund held at ACF. Interested groups must fill out the Fundraising Proposal Form at least four months prior to the event. ACF staff will provide auction software to track items, bids, and provide proper donor receipts. A template will be provided for accurately recording auction items.
 - The following information is required for each item at least one week before the event.
 - Item Name
 - Item Description
 - Item Value
 - Minimum bid, buy it now price, and raise amounts
 - Provide the donor’s name and contact information
 - A maximum of 15 auction items are allowed. If the fundraising group accepts items after the one-week deadline, those items will not be available for online bidding but can be auctioned via a paper bid sheet and recorded after the event.
 - The auction bid sheet must display the fair market value of the item and a statement that only the amount paid above this value counts as a charitable deduction.
 - A 3-part carbon copy receipt; original for the donor, a copy for the fundraising group, and a copy for ACF’s financial records must be provided for every auction item.
 - Payment can be made online, and a QR code should accompany the bid sheet linking to the online bid platform. Cash and check payments are accepted, with the fundraising group responsible for matching donor payment information with items won.
 - After the event, the fundraising group will provide ACF staff with the final bid sheets, including winning bidder contact information and payment methods beyond credit cards.

- Ticketed Events
 - Fundraising groups may host ticketed events to raise money for their fund held at ACF. Interested groups must complete the Fundraising Proposal Form at least four months prior to the event. ACF staff will provide ticketing software to track tickets, attendance, and provide proper donor receipts.
 - Tickets may be sold online and/or via paper tickets. Ticket Information must include:
 - Ticket Value
 - Ticket Price
 - Disclosure Statement
 - Donations in Lieu of Admission fee may be considered 100% tax deductible if there is no “quid-pro-quo.” If the event organizers allow someone to attend who donates below the suggested donation amount or nothing at all, the donation made in lieu of admission can be considered tax deductible.
- Alcohol at Events
 - Due to Alaska State Laws, ACF generally does NOT allow fundraising groups to:
 - Sell tickets to an event where alcohol is served.
 - Include the sale of alcohol as part of a fundraiser.
 - Include alcohol as an auction item or prize give-away.
 - Fundraising groups must contact ACF to discuss options for events where alcohol will be served.

Merchandise

ACF’s Donor Initiated Fundraising Policy prohibits the sale of merchandise for profit to benefit a fund at ACF unless the items are donated and not paid for by the fundraising group. However, items given away or token benefit gifts are handled differently under IRS rules and are detailed below.

Token Benefit Gifts

Before offering a Token Benefit Gift, the fundraising group must inform ACF of the gift value.

A Token Benefit gift may be provided in exchange for a donation if the following requirements are met:

- ACF determines the gift item is not substantial according to Revenue Procedures 90-12 and 92-49 AND adjusts for inflation using Revenue Procedures 2009-50. ACF will inform the donor of the deductible amount of the gift on the receipt letter.
- The gift item must be VALUED at less than 2% of the donation or less than \$50 in value – whichever is lower. Additionally the item is considered low cost if the production cost is less than \$5, as determined in 1987 and adjusted for inflation every subsequent year.. (In 2023, this threshold is \$13.45.
 - For example, ACF could produce magnets that cost \$2.50 to make, retail for \$5, and send them to donors who give \$250 or more. This breakdown satisfies IRS Revenue Procedures 90-12 and 92-49, adjusted for inflation. However, if ACF gives the same magnet to a donor who gives \$100, they must inform the donor that their donation is only tax deductible up to \$95.
- If the gift is substantial, meaning the value of the item exceeds the above requirements, then the fundraising group must inform the donor before the donation is made of the value of the Token Benefit Gift and the amount of their contribution that is tax deductible.

The IRS Procedures do not govern items given out for free at events or to donors as long as there is no exchange for goods and services for a donation. (i.e. Gifts are available to all regardless of whether a donation is made or not.)

Out of State Non-Ticketed Cultivation Events

Before proceeding with an Out of State Cultivation or Fundraising event please refer to The Alaska Community Foundation's Donor Initiated Fundraising Policy for the most current ACF guidelines on fundraising for a component fund of ACF.

- It's important to note that each state has its own requirements for fundraising activities, and it is crucial to adhere to local and federal laws.
- In many states, nonprofits must register with the state before any fundraising can take place. ACF, as the nonprofit entity which your fund is part of, will complete the registration process when necessary and provide fundholders with links to information on pertinent regulations.
- Because of the additional work involved, Affiliates and other fundholders planning to fundraise in person outside Alaska must notify ACF staff at least four months in advance of the event.
- Out-of-state fundraising efforts may be subject to additional fees and additional reporting requirements.
- Affiliates and other fundholders planning to fundraise in person outside Alaska must notify ACF staff at least four months in advance of the event date.

Hosting an Event Out of Alaska Best Practices

- Host
 - When organizing an out of state event, it is essential to find a homeowner or host who has ties to the local community.
 - Request the host's assistance in coordinating catering and beverages.
 - Note that certain cities may require a special license for serving alcohol at fundraising events. The caterer is usually familiar with the necessary requirements.
 - Clarify responsibilities between the host and Affiliate/Fund representatives prior to the event. Determine whether the host will cover the catering/beverage expenses or if reimbursement will be arranged.
 - It is a nice touch to bring a small gift from Alaska for the host and program speakers.
- Guest List
 - Consult with your host to determine their preferences regarding the guest list. Some hosts may leave it up to you, while others may want to curate the list from their own contacts or your initial list.
 - Create the guest list by reaching out to individuals in the area who have ties to your fund, community, or Alaska. This may include former Alaska residents or individuals who have conducted business in or have family ties to your community/fund. Collecting names and email addresses is particularly important.
- Invitation
 - Utilize Greenvelope or other e-vite software to send invites and track the RSVP list. Collecting names and email addresses during guest list curation facilitates this process.
 - Send the invitation at least four weeks before the event, including the following details:
 - Event Date, Time, Location
 - Event purpose
 - Homeowner/Host information

- Dress code
 - Map and/or parking instructions
 - Light or heavy menu options
 - Send weekly reminders to those who have not responded. Consider making phone calls if necessary.
 - One week before the event, send a reminder to those who have RSVP'd "yes," reiterating important details.
 - On the event day, send a final reminder to "yes" respondents, providing updates on arrival time and parking instructions/directions.
- Event Program
 - Arrange your speakers in advance. A typical program for ACF follows this format:
 - Homeowner/Host welcomes guests.
 - An Affiliate/Fund representative provides an overview of the gathering's purpose, your Affiliate/Fund, and updates on your impact.
 - A fund donor or legacy donor shares why they contribute and what the affiliate means to them.
 - An Affiliate representative makes the formal ask.
 - Homeowner/Host closes program with invitation for all to continue to enjoy each other's company and food and beverage until X:XX (end time of event.)
 - Bring Affiliate/Fund brochures and any other written materials.
 - It is also a nice touch to bring a small gift for each guest from your community like a box of one or two chocolates from a local business or notecards from a local artist.
- Solicitation
 - Two powerful asks of your guests:
 - What will your legacy be for (Affiliate town/Fund/Alaska)
 - No actual commitment necessary night of event
 - Follow up with individuals and couples after event
 - Current Gift to be made at event or shortly after
 - Via credit card on your donation page
 - Via check written to ACF/Fund name
 - Ensure you have pens (for check writers)
 - Consider using a QR code to directly link a guest to your donation page. ACF's Communication can assist you.
- Event Follow Up
 - Schedule a Greenvelope or email thank you message to be sent the morning after the event.
 - Send one to the attendees and a separate email to those that couldn't attend.
 - You may include a fundraising ask in the email.
 - Assign advisory board members/volunteers to personally following up with all attendees after the event thanking them for attending, thanking them for their donation if applicable, asking them if they have any questions.