

# Leelanau County 4-H Fund Raising/Donation Policy

11/07

At times, 4-H clubs may find it necessary to raise funds or accept donations to effectively carry out some of their group's planned activities. MSU Extension/4-H recognizes these needs and is willing to approve and support appropriate fund raising projects.

**Accepting donations, soliciting funds or conducting any fund raising activities utilizing the 4-H name and/or emblem must be approved by the MSU Extension/4-H Staff prior to the event or activity.**

## **To solicit funds or conduct a fundraising activity:**

- A. Club members, volunteer leaders and parents should candidly discuss the following:
1. What, specifically, are the funds being raised for?
  2. How much money is needed?
  3. How will you raise the funds?
  4. How will this fundraising event be educational for the members?
  5. Who will fill out the *Request to Raise Funds/Accept Donations* form?
  6. How will you keep track of the funds? Who specifically will do that?
  7. What will you do if you don't raise enough funds? What if you raise too much?
  8. How will you handle it if some members raise less funds or are less active in the fundraising activity than others?
  9. Specifically, how will the funds be spent?
- B. Be aware that:
1. "As an educational youth development organization, MSU Extension/4-H discourages drawings, raffles and various kinds of games of chance to raise money to support our programs. . . . We prefer that those involved in 4-H youth development programs initiate fund-raising efforts in which people receive a product or service" (taken from the *Michigan 4-H Treasurer's Record Book* [4-H 1203], page7).
  2. All the money raised from a 4-H fund raising activity (minus reasonable expenses) must be spent to benefit the 4-H club members involved.
  3. Make sure that no endorsement, or the appearance of an endorsement, of a commercial firm, product or service is stated or implied.

## **To accept donations:**

Club members, volunteer leaders and parents should candidly discuss the following:

1. Why is the donor making this donation to your club?
2. What restrictions is the donor putting on this donation (whether openly stated, implied or not stated, but expected)?
3. How will you use the donation? How will everyone in the club benefit?

4. If the donation is tangible property,
  - a. Who is responsible for the storage and maintenance of the item? Where will the funds come from if there are expenses involved?
  - b. What will happen when the club no longer needs the item?
  - c. What will happen to the item when the club disbands?
5. Who from your club will write the thank you note to the donor?
6. It is important for you to understand that 4-H and Michigan State University are both 501(c) 3 tax-exempt organizations, and therefore donors may receive consideration on their state and/or federal income tax returns for their donation. However, charitable donations add some very specific expectations from the Internal Revenue Service. Note that **if** the donor wants a tax deduction for the donation, they must understand several things:
  - a. the donation is actually to the county 4-H program not to your club (the club is only the “custodian”); the county program then makes the donation available to your club;
  - b. the item cannot be for the benefit of or exclusive use by an individual 4-H member;
  - c. the MSU Extension/4-H office will send them the appropriate form for their tax records; and
  - d. donors are encouraged to consult their own financial advisor.

**The Request to Raise Funds/Accept Donations form must be completed and approved prior to accepting the donation or holding the event/activity.**

- A. Fill out the attached *Request to Raise Funds/Accept Donations* form and return it to:  
MSU Extension/4-H  
Suite 107  
8527 E Government Center Dr  
Suttons Bay, MI 49682  
E-mail: [duvall@msu.edu](mailto:duvall@msu.edu)
- B. Wait for written confirmation that approves your planned activity before conducting any fund raising activities or accepting any donations.
- C. Keep accurate records using the *Michigan 4-H Treasurer’s Record Book* (4-H 1203), available from the MSU Extension office.
- D. Within ten (10) business days after the end of the fundraiser, complete and submit the “Leelanau County Fundraising Report” form to the MSU Extension/4-H office.
- E. If the fundraising activity requires that sales tax be paid, remit the tax to the MSU Extension office within 10 days of the event
- F. Report all income and expenses resulting from the fundraising activity or donation on the *4-H Annual Summary Financial Report* due by October 1.

# Leelanau County Request to Raise Funds/Accept Donations

11/07

This form must be completed, approved, signed and on file at the Leelanau County MSU Extension office prior to a 4-H club conducting any fund raising activities or accepting donations.

4-H Club Name: \_\_\_\_\_

Person Making Request: \_\_\_\_\_ Phone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ Zip: \_\_\_\_\_

**For a fundraising activity**, please address the following questions on a separate sheet of paper:

1. What, specifically, are the funds being raised for?
2. How much money is needed?
3. How will you raise the funds?
4. How will this fundraising event be educational for the members?
5. How will you keep track of the funds? Who specifically will do that?
6. What will you do if you don't raise enough funds? What if you raise too much?
7. How will you handle it if some members raise less funds or are less active in the fundraising activity than others?
8. Specifically, how will the funds be spent?
9. When will you start and end your fundraising activity?

**To accept a donation**, please address the following questions on a separate sheet of paper:

1. Why is the donor making this donation to your club?
2. What restrictions is the donor putting on this donation (whether openly stated, implied or not stated, but expected)?
3. How will you use the donation? Will everyone in the club benefit?
4. If the donation is tangible property,
  - a. Who is responsible for the storage and maintenance of the item? Where will the funds come from if there are expenses involved?
  - b. What will happen when the club no longer needs the item?
  - c. What will happen to the item when the club disbands?
5. Who from your club is writing the thank you note to the donor? Please provide the donors' names and address so that the MSU Extension/4-H office can include them on our donor list.
6. Do the donors want a tax deduction for their donation? If so, we will send them the appropriate form for their tax records.

Signature of Person Making Request: \_\_\_\_\_ Date: \_\_\_\_\_

Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Extension 4-H Youth Staff

***Remember: wait until you receive this form back, signed by the 4-H Youth Staff, before starting your fundraising activity or accepting a donation.***