



COMMUNITY FOUNDATION OF NORTHERN COLORADO

Donor Initiated Fundraising Policy

Adopted February 15, 2022

Introduction

Thank you for expressing your confidence in the Community Foundation of Northern Colorado (hereinafter the “Foundation”) by establishing a fund with us. The Foundation is pleased to work with you to develop your fund. The chief responsibility of the Foundation’s development office is to raise endowment through acquisition of major and planned gifts. Unfortunately, the Foundation does not have the staff to operate public fundraising events for its component funds.

After establishing a fund, there may be times when you would like to organize a fundraiser for the fund. Most often the Foundation receives the net income from a fundraiser and does not acknowledge the individual contributors. However, there may be times when individual contributors to a fundraiser would want to receive a charitable deduction. The Foundation has developed this policy to help guide fundraising events and solicitations.

When fundraising groups conduct fundraising activities and solicitations on behalf of the Foundation’s component funds, you must keep in mind that for tax purposes such fundraising is being done on the Foundation’s behalf. This raises a number of significant tax and accounting issues. For example, activities must be conducted under the Foundation’s observation and fiscal guidance to ensure that donors to the fund are entitled to the appropriate tax deductions, to protect the fundraising groups from unintended tax consequences to themselves, and to determine that the Foundation is not exposed to penalties for failing to make required solicitation disclosures.

The requirements that follow are designed to protect donors and groups raising funds for a component fund at the foundation. We appreciate your cooperation in fulfilling these requirements.

Planning a Fundraising Activity

1. Please designate a primary contact person for your fund. Designating one point of contact will allow our staff to communicate with your fund’s advisors in an efficient and effective manner.
2. We encourage public fundraising to take place via a Colorado Gives online fundraising page connected to the Foundation’s Colorado Gives profile. Our staff can meet with you to discuss this process. The credit card processing fee charged on all gifts by Colorado Gives, via the Community First Foundation, will be charged to your fund.
3. As soon as fund representatives begin to formulate an idea for a fundraising activity, please reach out to discuss your concept once it’s developed. Please keep the following special circumstances in mind:
 - a) In general, contributions of services are not tax deductible.
 - b) Rummage sale purchases are not tax deductible.
 - c) Raffle ticket purchases are not tax deductible. Raffles are subject to very strict oversight by the State of Colorado, and the Foundation does not hold a raffle license.

- d) Please be prepared to share detailed fundraising plans, including marketing efforts and anticipated net profit to the fund. Our staff will review all plans prior to approval of any fundraising activity.
4. If the Foundation and/or one of our funds will be mentioned in marketing and promotional materials, our staff must review and approve all such materials in advance of printing and distribution. As you plan your design and copy/print timelines, please allow time for review, approval, and possible changes to your marketing pieces.
5. As you make plans for your fundraising activity, please be aware that the Foundation will not make distributions from a charitable fund to an individual, even if such expenses are reimbursements related to a charitable activity such as a fundraising effort.
6. Please inform donors that checks must be made payable to the Community Foundation of Northern Colorado, with the fund name noted in the memo field. We ask that gifts of less than \$1,000 be made via a Colorado Gives fundraising page.
7. Fundraising activities that could involve “portioned gifts” are generally not permitted and any exception must be pre-approved by the Foundation’s staff. This includes any activity that seeks sponsorships. (A “portioned gift” is one that that involves a donor providing one check or credit card payment that includes both gift and non-gift portions.)
8. The individuals or groups conducting fundraising will retain responsibility for obtaining and paying for any necessary insurance, permits, licenses, approvals, etc. Fundraising events often require certificates of insurance. Fund representatives will contact the Foundation prior to a fundraising event to assess the need to secure liability insurance covering fund representatives and the Foundation. Insurance coverage must be reviewed and approved by the Community Foundation. Fund representatives will provide the Foundation with a certificate of insurance and the Community Foundation will be listed as an additional insured. Fund representatives will be responsible for all losses incurred by events. The Foundation will not be held responsible for such losses.
9. All donations to the fund (checks and cash) and any related documentation should be delivered to the Foundation within one week of the fundraising activity.
10. Cash receipts should be delivered intact to the Foundation. Do not use cash receipts from the activity to pay for any fundraising expenses.

Please contact us with any questions you may have about this policy. We appreciate your support and look forward to working with you.

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