



North Valley
COMMUNITY
FOUNDATION

Fundraising
Event Guide

Updated 2024



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Fundraising events often are the heart of raising money for charitable causes. Many of the charitable funds under our umbrella hold events – without the hassles associated with reporting requirements established by California and the IRS. This guide is designed to familiarize you and your group of volunteers about what rules affect your fundraising efforts, as well as let you know what we need to properly report the results of your work.

It is important to understand that, for tax and liability purposes, such fundraising is being done under the North Valley Community Foundation. We appreciate your cooperation in fulfilling the following requirements designed to protect fundraising participants, donors and the foundation. Questions regarding any aspect of fundraising are welcome. Email us at clientservices@nvcf.org.

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General Fundraising Requirements



NOTIFY NVCF at least 30 days in advance of any planned fundraising activity or event in order to provide appropriate insurance coverage and approval of allowed functions, including the foundation being named as an additional insured in certain situations. Notification and approval by NVCF includes sale of products (including auctions) and raffles. This is accomplished by going to www.nvcf.org and clicking on the 'Advisor Portal' tab at the top. Then click on the "Use Your Fund" box and then the "Event Request Form" in the "Hosting Events" box. Or simply click here: <https://www.nvcf.org/use-your-fund>.

BANK or investment accounts, lines of credit or credit cards may not be established in the name of the fund.

CONTRACTS

or agreements (facility and other rentals, catering, entertainment, etc.) must be approved by NVCF before signing. Otherwise, the person signing can be held liable for breach of the terms in the contract or agreement.

FUND advisor(s) shall provide an accurate list of all steering committee members and volunteers in leadership positions, including their contact information, prior to conducting any fundraising event and shall update the list per event.

ONLY independent contractors may be utilized in conjunction with services provided to a fundraising activity. Approval of an agreement with an independent contractor shall be obtained from NVCF before services are provided in order to verify that such services would not be classified as being provided by an employee.

EXPENDITURES

related to fundraising activities may only be committed to if there is the ability to pay it from the fund. Any debts or liabilities incurred beyond the fund balance shall be the responsibility of the fund advisor(s). The NVCF Event Request Form is attached for fund advisor(s) to review and initial.

VOLUNTEERS must sign a standard volunteer indemnification and release form, found here.

ADVERTISEMENTS of events or solicitations of donations shall be approved in advance by the foundation and shall include a notation that the fund is "a fund of North Valley Community Foundation, a 501(c)(3) charitable organization." NVCF shall also be included on any mail or email list, including distributions through social media.

Disclosures: Information that must be provided to event participants (IRS Requirement)



A disclosure consists of information that **MUST** be provided to event participants as required by the IRS. A written disclosure statement must be provided to donors of a quid pro quo contribution in excess of \$75. A quid pro quo contribution is a payment made by a donor partly as a contribution and partly for goods or services provided to the donor by the event.

For example, if a donor gives \$100 and receives a concert ticket valued at \$40, the donor has made a quid pro quo contribution. In this example, the charitable contribution portion of the payment is \$60. Even though the part of the payment available for deduction does not exceed \$75, a disclosure statement must be provided because the donor's payment (quid pro quo contribution) exceeds \$75.

The required written disclosure statement must:

- Inform the donor that the amount of the contribution that is deductible for federal income tax purposes is limited to the excess of any money (and the value of any property other than money) contributed by the donor over the value of goods or services provided by the charity.
- Provide the donor with a good faith estimate of the value of the goods or services that the donor received.
- The fund must furnish the statement in connection with either the solicitation or the receipt of the quid pro quo contribution. If the disclosure statement is furnished in connection with a particular solicitation, it is not necessary for the organization to provide another statement when the associated contribution is actually received.



Disclosures (cont.)

Event activities that require disclosure (examples):

- Entry ticket prices to dinners, lunches, breakfasts, performances, golf tournaments, etc., are subject to the disclosure requirement. This should be disclosed on the ticket sold if one is used (the easiest way). Otherwise, when an attendee checks in at the event, they need to be given a disclosure statement in the form shown below.
- Live and silent auctions need to indicate the estimated value of the items being sold. Our spreadsheet provides a column to show fair market value of each item in the auction.
- If any other activity is contemplated where a donor receives something that is valued at less than the price paid, please consult with the foundation for a determination of required disclosures.

What we need from you:

Written documentation of the disclosures provided to participants for each activity at the event.

Suggested disclosure form (below):

DISCLOSURE NOTICE REGARDING CHARITABLE CONTRIBUTION DEDUCTIONS

To our event participants – please note: The contribution that is deductible for federal income tax purposes is limited to the excess of any money paid by you over the value of goods or services provided by us at the event. This includes tickets, entry fees, auction items, etc.

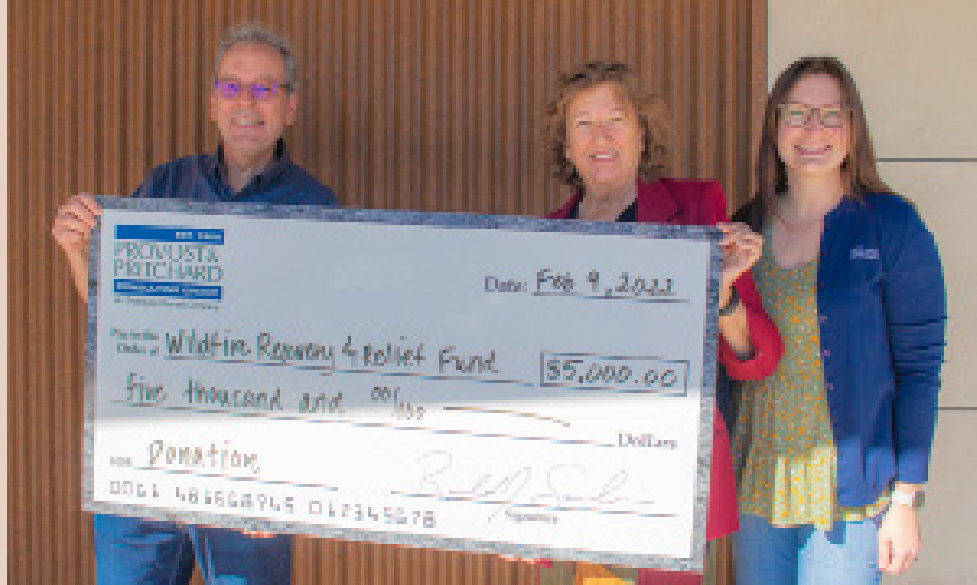
Name of event activity: _____ Date of activity: _____

Amount of payment from participant: _____

Estimated value of goods or services provided: Other information (e.g. auction item number):



Handling of checks and receipts



Methods in which NVCF accepts fund donations :

In person at NVCF:

- Check
- Money order
- Cashier's check

In person at event:

- PayPal reader provided by NVCF

Online at nvcf.org donation link:

- Debit/Credit Card

Online at Classy.org:

- Venmo
- PayPal
- Debit/Credit Card

All money raised through such events shall be paid directly or delivered to NVCF and credited to the fund. Checks shall be made payable to North Valley Community Foundation with a notation of the fund name.

We no longer accept cash receipts. We ask the fund advisor to exchange cash for a money order or cashier's check. Checks, money orders and cashier's checks must be delivered with an accounting of all monies received by category within one week of the event. Cash receipts are not to be used to pay expenses, and then the net cash amount deposited.

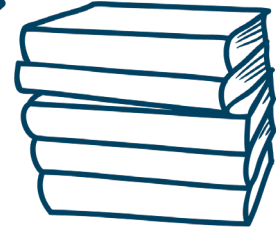
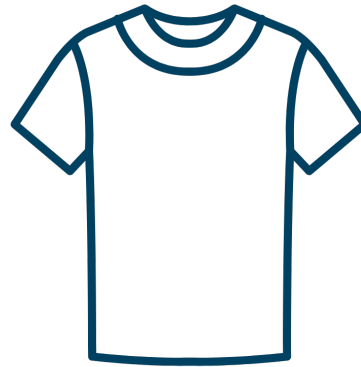
All receipts shall be segregated by categories such as event entrance fees, tickets for dinner or entertainment events, purchases of products such as event shirts, purchase of auction items, etc. Sales of products are subject to payment of sales tax by the fund to the foundation for inclusion in the foundation's filing of sales tax returns.

Payments by credit card at the event can be processed through a PayPal card reader provided by the foundation.

Donations to your fundraiser can also be made via the Classy platform, which accepts PayPal and Venmo transactions, or through the fund's nvcf.org donation link, supported by Stripe.



Sales tax: When does it apply?



Sale of tangible items are taxable. For example, books, hats and t-shirts. Food is both taxable and nontaxable depending on the circumstance and the type of food. See below.

Sales of food “to go”		Sales of food for consumption on-site	
Type of food	Is sale usually taxable?	Type of food	Is sale usually taxable?
Cold food (candy, snack food, produce, etc.)	No. Exception: Tax applies to the sale of cold food when it is a part of a hot food combination package.	Food sold where admission is charged	Yes. Exception: Food sold in a form or size that buyers would not ordinarily eat on-site. For example the sale of a whole pie.
Cold beverages	No. Exception: Tax applies to the sale of alcohol, carbonated beverages and cold beverages sold in hot food combination packages.	Food sold where dining facilities are provided	Yes. Exception: Food sold in a form or size that buyers would not ordinarily eat on-site. For example the sale of a whole pie.
Hot prepared food	Yes. Exception: Tax does not apply to sales of individual hot drinks or bakery goods sold for a separate price.	Meals served at fundraising events	Yes.
Combination packages	Yes. Exception: Application of tax depends on contents of package.		

Accurate record keeping is essential.

Sales tax (cont.)



Special events involving food, meals or refreshments:

- Meals served at event: Taxable when you serve the meals, not taxable when another business serves meals (catered event).
- Tickets sold when meals are taxable (not catered) – entire ticket charge is taxable unless: taxable charges listed separately on tickets; and separate records are kept of taxable and nontaxable charges. *Tickets sold but not used are not subject to sales tax – keep good records. We suggest even if ticket price is for attending and meal is catered, put price of meal charged by caterer on the ticket. This gives the ticket purchaser the amount of charitable deduction (ticket price less value of meal received). See also the disclosure requirements on page 5.



Items sold at events through live or silent auctions:

- If the item purchased is a tangible item (set of golf clubs, paintings, potted plants, gift baskets, etc.), the purchase price is taxable. If the item is intangible (gift certificates, airplane ride, use of a cabin, rounds of golf, etc.) the purchase price is not taxable.

We need details of any and all items sold at the fundraising event. We will take care of reporting the sales of taxable items for you and charge your fund for the sales tax expense. But if we don't get accurate information, our default position is to report all proceeds as taxable and charged to the fund.

Use the spreadsheets, provided digitally (found here) or to print at the end of this document, to give us the detail needed and attach substantiation for each category of proceeds received.

Questions regarding sales tax? Detailed rules are in Publication 18 put out by the California Department of Tax and Fee Administration. Go to www.cdtfa.ca.gov/formspubs/pub18.pdf.



Raffles and their very specific laws



Registration of raffles is required by the California Attorney General's office. We have done the registration but need you to comply with the rules.

There is a specific law (PenalCode section 320.5) that allows charities to put on raffles under very specific conditions. The most important ones are:

- We must approve any raffles and need at least 60 days advance notice of the date the raffle begins along with specific information regarding the raffle. See below for what we need.
- No internet sales are allowed. You can advertise the raffle online, but sales must be conducted face to face.
- 90% or more of raffle ticket sales must be used for charitable purposes or distributed to a charitable organization to be used for charitable purposes within California. In other words, no more than 10% of raffle ticket sale proceeds can be used for expenses related to conducting the raffle. Because of this rule, raffle prizes cannot be purchased by you from raffle sales proceeds – they need to be donated. However if you have other sources of funds to purchase prizes, this is allowed - please check with us before purchasing. This also means 50/50 raffles are illegal.
- Results of raffles must be reported to the Attorney General's office. Keep good records.
- Raffle prizes are considered as winnings from gambling and are taxable income reportable to the IRS and Franchise Tax Board if the value of the prize(s) won by an individual is \$600 or greater and exceeds 300 times the cost of the raffle ticket. This last requirement would apply were tickets are sold for \$2 or more. Income tax withholding is also required where the value of the prize(s) won by an individual is \$5,000 or more. That means for winners of \$600 or more, we need the winner's name, address, and social security number to send a W-G form and withholding information to the winner and tax authorities. Contact us if there are questions.

What we need from you:

We need details of the raffle: When does it start and end, what is the cost for tickets including reduced per ticket cost for multiple tickets purchased, where will tickets be sold, and what are the prizes, including their value?

You need to keep track of the number of tickets sold and provide us with total gross proceeds from ticket sales. You also need to provide specific information on any expenses paid from the sale proceeds. If there were raffle costs paid from sources other than sale proceeds, we need to know the amount and source of those costs.

We need information on the winners of prizes that meet the requirements in the last bullet point above.

Finally, we need to know what the raffle proceeds are used for or the charitable organization that receives the proceeds.



VOLUNTEER WAIVER, RELEASE, AND INDEMNITY AGREEMENT
Between
NORTH VALLEY COMMUNITY FOUNDATION
and

(hereinafter "the volunteer")

This document sets forth the responsibilities and understandings of the volunteer and of North Valley Community Foundation regarding volunteer's participation in volunteer programs partially or wholly coordinated by North Valley Community Foundation.

The volunteer and North Valley Community Foundation agree as follows:

1. The volunteer performs the service of the volunteer's own free will, without promise, expectation, or receipt of remuneration. The volunteer is not an employee or agent of North Valley Community Foundation for any purpose and the volunteer's services are not controlled nor mandated by North Valley Community Foundation.
2. If the volunteer is under the age of 18, the volunteer may only participate in volunteer service with the express written consent of the volunteer's parent or guardian.
3. The volunteer understands and agrees that it is possible that the volunteer may be injured or otherwise harmed during volunteer service due to accidents, acts of nature, the volunteer's negligent or intentional acts, or the negligent or intentional acts of others; that while North Valley Community Foundation has taken some steps to reduce the chances of injuries or harm to the volunteer, that North Valley Community Foundation has no control over most risks, and, thus, cannot and does not guarantee nor take any responsibility for the safety of the volunteer or the volunteer's property while the volunteer is engaged in volunteer service; and that the volunteer must take full responsibility for himself or herself and assume the risk of harm or damage while serving by taking all necessary and reasonable precautions and acting in a manner that will help protect himself or herself and his or her property.
4. The volunteer agrees to waive and release from any and all potential claims for injury, illness, damage, or death which the volunteer may have against North Valley Community Foundation that might arise out of the volunteer's service and to hold North Valley Community Foundation harmless there from.
5. The volunteer agrees and understands that injuries or losses to others, such as co-workers or the person(s) being helped, may occur as a result of the volunteer's negligent or intentional acts during volunteer service, and that to avoid such harm, the volunteer must exercise care and act responsibly in serving others.
6. If any injury or loss to another does occur due to the volunteer's intentional actions or due to volunteer's negligent actions arising outside of the scope of the volunteer's activities, the volunteer must accept the liability for and repair, or make reparations for, the harm done.
7. North Valley Community Foundation is not providing the volunteer with insurance coverage for any injuries, conditions, or losses to the volunteer arising out of volunteer activities, except that North Valley Community Foundation does provide liability insurance coverage on all North Valley Community Foundation vehicles used during service projects.
8. The volunteer must maintain his or her own primary medical insurance and the volunteer's own automobile liability insurance when driving a non-North Valley Community Foundation vehicle to cover potential medical and other costs related to the volunteer service; and the volunteer is also encouraged to maintain property and life insurance coverage while serving as a volunteer.
9. All costs for injury or loss above the coverage provided by the volunteer's insurance are the volunteer's personal responsibility.

10. In projects where the volunteer will be transporting others in a non-North Valley Community Foundation owned vehicle, the volunteer may be required to provide proof of automobile insurance in order to participate.
11. Since volunteers are not North Valley Community Foundation employees, North Valley Community Foundation does not provide worker's compensation coverage for injuries or illnesses to the volunteer arising out of volunteer activities.
12. North Valley Community Foundation will provide you with a legal defense, upon your request, in response to any claim or action brought against you, arising out of your volunteer service in a program that North Valley Community Foundation helps coordinate, where you were acting in good faith and reasonably believed you were acting within the scope of the volunteer activity, and the act in question was not an intentional or knowing act constituting illegal, willful, or wanton misconduct. However, North Valley Community Foundation will not defend you in any case where the injury resulted from your operations of a non-North Valley Community Foundation motor vehicle, vessel, aircraft, or other vehicle for which a pilot or operator's license is required or where the suite is brought by an authorized governmental officer to enforce a federal, state, or local law.
13. In legal actions in which North Valley Community Foundation provides your defense, North Valley Community Foundation will pay for reasonable attorney fees, judgments, settlements, or other expenses directly related to your defense only up to the limits presently stated in the appropriate State statutes, one time only per volunteer. North Valley Community Foundation will control the defense and you must reasonably cooperate and comply with North Valley Community Foundation decisions and procedures.

By signing below, the parties confirm that they have read, understand, and consent to the terms of this waiver agreement.

 Volunteer

 Printed Name

 Name of Charitable Fund at NVCF

 Date

 North Valley Community Foundation
 Representative Signature

 Printed Name

 Date

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Name of event activity: _____ Date of activity: _____

Amount of payment from participant: _____

Estimated value of goods or services provided: Other information (e.g. auction item number):

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CREATIVE SERVICES



BRANDING

Logo Design

\$500

- Consultation on desired concepts and colors
- Includes three design options
- Two revisions

PDF/PRINT

Trifold Brochure

\$300

- Logo
- Fund purpose and information on how to donate, with QR code.
- Two revisions
- Wording and images provided by client
- Ready-to-print 8 1/2 by 11 file provided

Flier

\$200

- Logo
- Fund purpose and information on how to donate, with QR code
- Two revisions
- Wording and images provided by client
- Ready to print 8 1/2 by 11 file provided

Fund Business Cards

\$150

- QR code
- Two revisions
- Ready-to-print file provided

*Print costs not included

SOCIAL MEDIA

Social Media Channel Buildout

\$150

- Branding
- Banners
- Logins
- Options: Facebook, Instagram, LinkedIn, X, Threads and YouTube
- *Price per channel