Fundraising Policy and Procedures

**Introduction**

CPS is a nonprofit organization committed to providing compassionate support to Hancock County cancer patients and families throughout their journey. All donations solicited on behalf of the organization shall be used to further this mission and follow the policies and procedures outlined below.

**Fundraising Policy**

*Overview*

Funds shall be solicited in a respectful manner and without pressure. The Board and Organization staff are knowledgeable about the fundraising process and the roles in the organization. CPS has charged the Agency Administrative Committee (AAC) with developing, evaluating, and reviewing fundraising policies, practices, and goals. The Donor Development Committee is actively involved in the fundraising process and works to involve other committees and Board members in these activities. All Board members and staff support and participate in the total fundraising process including project identification, cultivation, solicitation, and recognition. Staff and Committee Chairs ensure that all administrative support, communications, technology, and finance function to assist in the fundraising needs and efforts. And finally, CPS is accountable to donors and other key constituencies and demonstrate their stewardship through our annual report.

*Type of Fundraising Methods*

CPS participates in the following types of fundraising methods:

* Annual Giving - received through honorariums, memorials and general donations
* Direct Mail - received through newsletter or direct mail solicitations
* Grants - received through foundations, public or private organizations or government agencies
* Special Events - directed by the Events committee; including Third Party Fundraisers
* Major Gifts – gifts for special projects or transformational in nature
* Giving Circle – annual or lifetime membership in Chi Pi Sigma women’s sorority
* Planned Giving - includes multi-year pledges or legacy giving
* In-kind donations - includes items needed for Client assistance, items to be later used for fundraising/event activities.

Donor Bill of Rights

Attachment A – AFP Donor Bill of Rights

Gift Acceptance Policy and Procedures

Introduction

The purpose of this gift acceptance policy is to give guidance and counsel to those individuals within CPS concerned with the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of private sector gifts.

These policies must be viewed as flexible and realistic in order to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with CPS’s mission and policies. Flexibility must be maintained since some gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of the board along with legal counsel and directors if necessary.

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are designed and managed by the Chief Executive Officer in conjunction with the appropriate staff and are subject to approval by the board.

The board, through the finance committee and the Chief Executive Officer, is responsible for the gift acceptance policy. This responsibility cannot be delegated or waived. These policies and authorizations shall be reviewed by the Administrative Advisory Committee on an annual basis or as circumstances warrant.

Policy Statements

Board Acceptance of Gifts

The board shall exercise its public trust, as mandated by statute, in making final decisions for the acceptance of all gifts and grants and for any exception to its policies and guidelines. Gifts and gift instruments may be received by the Chief Executive Officer but can be accepted officially only by the board as managers of the public trust.

CPS shall accept only those gifts the transference and implementation of which shall be deemed consistent with the public laws and/or regulations of the United States of America and the State of Ohio.

In the course of its regular fundraising activities, Cancer Patient Services will accept donations of the following: money, securities, real property, and personal property. Certain types of gifts must be reviewed prior to their being accepted because they will create liabilities or impose special obligations on Cancer Patient Services. The types of gifts that will require review, and the review process, are as follows:

* Gifts of real property - land and/or buildings may only be accepted upon approval of the Board of Directors or its designated committee;
* Gifts of personal property - personal property such as automobiles, furniture, business equipment, may only be accepted upon approval of the Chief Executive Officer;
* Gifts of securities - stocks, bonds, or other securities may only be accepted upon approval of the Chief Executive Officer;
* Restricted gifts - gifts that may only be used for restricted purposes may only be accepted upon approval of the Chief Executive Officer;
* Unusual gifts - gifts that are out of the ordinary, such that they differ significantly from the amounts or types of gifts that are routinely received by the organization, may only be accepted upon approval of the Chief Executive Officer.

Philanthropic Intent

The board shall determine that gifts to CPS are evidence of philanthropic intent, and that the donor’s philanthropy is in accord with the stated mission and goals of CPS. The purpose is to prevent CPS from being an object of philanthropic intent for either designed or innocent avoidance of taxes, prejudiced purposes, or evaluation of gifts without generous, advanced, objective, experienced evaluation.

Ethics

The board shall assure itself that all philanthropic promotions and solicitation are ethical by adopting policies that prohibit CPS personnel from benefiting personally by way of commissions or other devices related to gifts received.

Review Legal Arrangements

Legal counsel retained by CPS shall, as required, review legal documents, contracts, and all donor agreements. CPS shall seek the advice of legal counsel in all matters pertaining to its planned giving program. All agreements shall follow the formats of the specimen agreements to be approved by legal counsel unless counsel has agreed in writing to a change for a specific agreement.

CPS shall encourage donors to seek their own counsel in matters relating to their bequests, life income gifts, tax planning, and estate planning. All legally binding documents involving gifts over $\_\_ shall be prepared and/or reviewed by counsel retained by the donor, to avoid any conflict of interest or undue influence. Alternatively, a donor may sign a document prepared by CPS, releasing CPS from any liability, and waiving any conflict.

Professional Fees

While CPS is happy to offer assistance to attorneys and other professional advisors by providing specific language to be used in charitable giving instruments, it cannot pay any attorney’s or advisor’s fees associated with this work.

Unacceptable Gifts

CPS reserves the right to refuse any gift that is not consistent with its mission. In addition to and without limiting the generality of, the following gifts will not be accepted by CPS:

* Gifts that violate any federal, state, or local statute or ordinance
* Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest and property
* Gifts that are financially unsound
* Gifts that could expose the CPS to liability

Stewardship

CPS will be responsible for good stewardship toward its donors by following these guidelines:

* All gifts will be acknowledged within the required, or otherwise reasonable, period of time.
* All gift acknowledgment letters/receipts will be prepared by the Chief Executive Officer or his or her designee.
* Gifts to CPS shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP) or the National Council on Planned Giving (NCPG).
* Files, records, and mailing lists regarding all donors and donor prospects are maintained and controlled by CPS. Maximum use will be made of information and contacts that members of the board, various volunteer groups, or the staff have with potential donors. Written reports of interviews and solicitations will be maintained in the donor prospect file and/or computer.
* This information is confidential and is strictly for the use of CPS board and staff. Use of this information shall be restricted to organization purposes only. Donor has the right to review his or her donor fund file(s).
* Should the gift be restricted; CPS will provide the donor with a narrative and financial report detailing the activities made possible by their support. This report will be submitted to the donor within 30 days of the completion of the underwritten activities.
* Gifts to CPS and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition societies. All donor requests for confidentiality will be honored.
* Names of donors will not be provided by CPS to other organizations, nor will any lists be sold or given to other organizations.

Conflict of Interest

The CPS board will assure itself that CPS personnel are circumspect in all dealings with donors in order to avoid even the appearance of any act of self-dealing. The board will consider a transaction in which the employee has a “material financial interest” with a donor an act of self-dealing. In reviewing self-dealing transactions, the board shall consider financial interest “material” to an employee if it is sufficient to create an appearance of a conflict. In each case, this will be a question of fact.

The board will examine all acts of self-dealing including, but not limited to prohibition against personal benefit. Those individuals who normally engage in the solicitation of gifts on behalf of CPS shall not personally benefit by way of commission, contract fees, salary, or other benefits from any donor in the performance of their duties on behalf of CPS. (The definition of individuals includes each of the categories of employees of CPS. Individuals are further defined to include associations, partnerships, corporations, or other enterprises in which a member of the staff holds a principal ownership interest.)

Conformity to Federal and State Laws

The board will assure itself that fundraising activities comply with local, state, and federal laws.

Gift Valuations

CPS shall follow accepted guidelines for the valuation of gifts such as stock, real estate, personal property, and life insurance that require specific methods of valuation for the protection of both the donor and CPS. Gifts of art, furniture, books, stamps, coins, and other collections must have values assessed by properly accredited independent appraisers retained by potential donors for appropriate gift tax credit. CPS shall acknowledge receipt of such properties but must not verify values.

Required Reporting of Gifts to the Internal Revenue Service

Should CPS sell, exchange, or otherwise dispose of any gift (other than checks, cash, or publicly traded stocks or bonds), within two years after the date of the gift, CPS will furnish the Internal Revenue Service and the donor with a completed Form 8282.

Board Member Fundraising Policy

CPS recognizes that board members contribute in many valuable ways — not only

funds, but information, professional guidance, and in-kind resources. Therefore, each board

member is asked to complete the following pledge form (as also stated in the board member

job description), which will facilitate the organization’s fiscal planning and eliminate repetitive

requests.

See Attachment B – Board Pledge form

Sponsorship Policy and Procedures

Definition

A sponsorship is a mutually beneficial exchange whereby the sponsor receives value in return for cash or goods or services-in-kind provided to the organization. The relationship requires a formal written agreement or confirmation setting out the terms of the sponsorship, including any recognition to be provided to the sponsor and must be signed by an authorized member of the sponsor and by CPS’s Chief Executive Officer or designee.

Tax receipts are not issued to sponsors. Sponsorships are usually considered business expenses and not charitable donations. They are typically funded from corporate marketing budgets. Sponsorships must comply with the organization’s policy on conflict of interest. The organization reserves the right to refuse or decline any offer of sponsorship at its absolute discretion or to negotiate with the sponsor concerning any aspect of a proposed sponsorship.

Sponsorships do not imply endorsement of products or services by the organization. A sponsorship does not automatically imply any exclusive arrangement with the organization. CPS’s Chief Executive Officer, in concert with the marketing and communications division, is responsible for determining whether a sponsorship will be solicited and/or accepted based on an assessment of the best interests of the organization and the wishes of its members. CPS’s Chief Executive Officer may refuse any sponsorship deemed at variance with the organization’s mission, goals, policies, and best interests.

It is important that any sponsorship arrangement involving CPS should:

* Be unambiguous and clearly understood by all parties.
* Avoid any real or perceived conflict of interest.
* Avoid real or implied endorsement of a commercial product.
* Avoid partnerships with inappropriate individuals and organizations.
* Receive appropriate approval (see below).
* Be fully accountable to CPS’s board.

General Principles Governing Sponsorship

* There must not be preferential treatment as a result of sponsorship, for example an expectation that a company will get favored treatment by CPS over a competitor.
* Where appropriate, sponsorship should be arranged after publicly calling for expressions of interest to ensure there is no disadvantage to any individual or business.
* Individual staff should not receive any substantial benefit from association with sponsors. Any commissions, substantial gifts, or other financial benefits should be brought to the attention of a supervisor.
* CPS must retain control over any sponsored program and sponsors should not have any input into operational matters relating to a project they have sponsored.

Who Can Be a Sponsor?

• Sponsorship arrangements will only be with individuals or companies held in high regard.

• Sponsorship should be avoided with any industry or organization that has a real or perceived conflict of interest and does not support the way CPS staff perform their duties.

• The sponsoring organization’s policies and procedures will be in concert with the corporate philosophy of CPS and not likely to cause embarrassment to CPS.

General Guidelines

In order to ensure editorial integrity, CPS has established the following principles to guide the acceptance and display of sponsorship advertising in association with its content:

* All sponsorship or advertising shall comply with the laws and regulations of the United States, including the Food and Drug Administration (FDA).
* CPS shall have sole discretion for determining sponsors and the display of sponsor advertising. All sponsored programs will be recognized as such.
* Acceptance of sponsorship advertising shall in no way indicate CPS’s endorsement of the sponsor’s products and/or services.
* CPS shall review all sponsorship and advertising claims to therapeutic benefit and reject any unsubstantiated claims. CPS will not knowingly advertise any forms of products or services that are harmful to health.
* Sponsors shall not dictate the form or substance of any content appearing on a sponsored program for CPS.
* CPS shall be directly responsible for communicating and ensuring compliance of its sponsorship advertising policy to all of its participants.
* The CPS sponsorship policy will be available on CPS’s Web site.

Major Gifts Procedures

Major gifts are inspired gifts that have a significant transformational impact on the agency. For CPS, a major gift is $2,500 or more made as a single cash donation or a multi-year pledge.

Indiana University Lilly School of Fundraising has developed an 8 step Solicitation process for Major Gifts. Cancer Patient Services has adopted this process for major gift donations. The steps are:

1. Identification – Identification of prospects, including research strategies and information management
2. Qualification – Applying the Linkeage, Ability and Interest principles.
3. Development of strategy – Determining steps needed to cultivate and ultimately solicit the donor; including timelines, process, and involved parties.
4. Cultivation – Participating in relationship building activities
5. Solicitation and Negotiation – Making the ask using material including case for support
6. Acknowledgment – Method for recognizing donor for their gift
7. Stewardship – Accountability of donated funds and reporting
8. Renewal – Starting the cycle all over again.

Third Party Fundraisers

Organizations and businesses in the community will be encouraged to hold events to support our organization. These fundraisers must follow the third-party fundraising guidelines. All interested Third Party groups should complete a Third Party Fundraising Toolkit and submit to the CPS office. The Third Party Fundraiser and sponsoring organization must align with the mission and values of Cancer Patient Services. If the Third Party group would like support from the organization, CPS will make reasonable effort to accommodate the requests, subject to availability of the Organization’s staff and resources.

See Third Party Fundraising Toolkit for process and support materials.

In Kind Gifts

The purpose of this policy is to ensure that Cancer Patient Services accepts gifts in kind that support the mission, are consistent with its policies, and are properly accounted for and acknowledged.

A gift in kind is an item such as equipment, software or a product that a donor voluntarily transfers to Cancer Patient Services without charge or consideration.

Only Cancer Patient Services’ Chief Executive Officer and board of directors have the authority to accept in kind gifts.

Donors must complete a gift in kind form that included the name of the donor, a description of the item(s), the retail value of the item(s) provided by the donor, and permission to publicly recognize the donation.

Once accepted, the donated item(s) becomes the property of Cancer Patient Services, which retains the right to dispose of a gift in kind as it sees fit, unless another arrangement has been made with the donor.