

# FUNDRAISING AND NON-FUNDRAISING EVENT GUIDLINES

## Fundraising and Non-Fundraising Event

**Implementation Date:** August 1, 2019

**Update Date:** N/A

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### Summary:

In compliance with federal, state and local regulations, as well as the integrated CSU Administrative Manual (ICSUAM) Section 15000, these guidelines outline the manner and extent in which the university conducts events through the Cal State Fullerton Philanthropic Foundation (CSFPF), specifically related to accepting charitable contributions for a declared purpose from entities solicited on behalf of the university<sup>1</sup>.

CSFPF reserves all rights to restrict the use of its name and protect against misleading representation in solicitations by campus-affiliated organizations through non-fundraising efforts<sup>1</sup>.

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### Usage:

- Authorization to conduct fundraising events
  - Identifying acceptable non-fundraising events and activities
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### Requirements:

- Event Authorization, Appeal Code, & Payment Device Request form must be completed and approved prior to the event planning process.
  - **Fundraising Event** - Supporting documentation should include a goods and services worksheet, budget, Hospitality (D11) form, auction items list, and a draft of solicitation materials.
  - **Non- Fundraising Event and Activities** - Supporting documentation should include a cost recovery worksheet and/or the Hospitality (D11) form if applicable.
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### Definitions:

**Fundraising Events** – conducted for the sole or primary purpose of raising charitable funds where participants make a charitable contribution and a purchase for the fair market value of goods or services with gross receipts greater than \$5,000. Fundraising events may include dinners, dances, door-to-door sales of merchandise, concerts, carnivals, golf tournaments, auctions, casino nights, and similar events. Fundraising events do not include the following:

- Activities substantially related to the accomplishment of the CSUF’s educational purpose, including such activities that receive sponsorships
- Unrelated trade or business activities that generate fees for service.
- Fundraising solicitations and related prospecting activities intended to generate only a contribution (no purchase of goods or services).
- Raffles in which the prizes do not require reporting as taxable income<sup>1</sup>.

**Non-Fundraising Events and Activities** – substantially related to supporting the CSUF’s educational purpose. Non-fundraising events are subject to the following conditions:

- Furthers the educational mission of CSUF and CSU by aiding instructional and service activities that result in cost recovery revenue or expenditures only<sup>2</sup>.
- Cultivating, stewarding, or prospecting activities intended to secure future gifts and other contributions to CSFPF, which ultimately benefits the University.
- Activities intended to generate a contribution with a purchase of goods or services, which benefits the University.
- Unrelated trade or business activities that generate income is strictly prohibited.

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## Process:

### Fundraising Event Approval Steps

An authorized University Advancement designee must approve fundraising events<sup>3</sup> with gross receipts greater than \$5,000. The following approval steps must be taken:

- Download and complete Event Authorization, Appeal Code, & Payment Device Request form and attach the following:
  - *Goods and Services Worksheet* – outlines the contribution and goods or services portion of an event participant’s payment. (**Please note:** payments of \$75 or more must include a written disclosure statement. Failure to make the required disclosure may result in a penalty to the Unit hosting the event.)
    - Calculate good faith estimate of the fair market value of the goods or services using the worksheet
    - Attach all documents supporting the fair market value of the goods or services

- *Fundraising Event Budget* - must sufficiently detail anticipated revenues and expenditures to project net revenue and quid pro quo benefits. Fundraising events with gross receipts greater than \$5,000 are required to report the following revenue and expenditure categories:
  - Gift income (including the fair market value of goods and services provided to the purchaser.)
  - Non-gift income (including the sales of goods)
  - Cash prize expenditures (**Cash prizes are NOT allowed per CSUF & CSFPF policies.**)
  - Rent or lease of property or facility expenditures
  - Food and beverage expenditures (including service fees and taxes for catering)
  - Entertainment expenditures (including expenses for labor and wages)
  - Other direct expenditures<sup>1</sup>.
  
- *Hospitality (D11) form* – **ALL** expenditures related to a fundraising event must be identified under the “Fundraising” category on the form in order to obtain approval from the Vice President of University Advancement (VPUA) or designee. (**Please note: A Unit’s authorize D11 designee must sign the Hospitality form before obtaining a countersignature from VPUA.**)
  
- - Enter total expenses identified on the Fundraising Event Budget in the “Fundraising” category on the Hospitality (D11) form
  - Obtain Unit’s authorize D11 designee signature, if necessary.
  
- *Auction Items List* - Each person who attends an auction should be provided with a good faith estimate of items that will be available for bidding either through a catalog or bid sheets.
  - Complete a list of auction items and attach the completed corresponding Gift in Kind (GIK) forms
  - Must submit a list of auction items and GIK forms **10-business days** prior to the fundraising event.
  
- *Draft of Solicitation Materials* – including, but not limited to invitations, flyers, sponsorship packets, website pages are all acceptable<sup>1</sup>.

### **Non-Fundraising Events and Activities Approval Steps**

CSFPF must approve all non-fundraising events and activities accepting revenue.

- Download and complete Non-Fundraising Event and Activity Authorization, Appeal Code, & Payment Device Request form and attached the following if applicable:
  - *Cost Recovery Worksheet* - detail anticipated revenues and expenditures to project net revenue for cost recovery. Supporting documentation must be included.
  - *Hospitality (D11) form* – Expenditures related to a cultivation or stewardship event must be identified under the “Fundraising” category on the form in order to obtain approval from the Vice President of University Advancement (VPUA) or designee. **(Please note: A Unit’s authorize D11 designee must sign the Hospitality form before obtaining a countersignature from VPUA.)**

**NOTE: Any activities that would expend CSFPF funds for goods or services on behalf of the University, and arrange to be reimbursed by the campus, if circumvention of law or CSUF/CSU policy or procedure<sup>1</sup>.**

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## Resources:

<sup>1</sup>ICSUAM Section 15000 University Advancement:

<http://www.calstate.edu/icsuam/sections.shtml>

<sup>2</sup>ICSUAM Section 13000 Auxiliary Organizations Administration:

<http://www.calstate.edu/icsuam/sections.shtml>

<sup>3</sup>ICSUAM Section 1301 – Guidelines for Implementing CSU Hospitality Policy

(D11): <https://adminfin.fullerton.edu/cp/forms/>