



# Fundraising Resource Guide

## For-Profit

Enclosed you will find reference material to help you with your fundraising efforts.

### Contents

- Fundraising Frequently Asked Questions (FAQ's) Sheet
  - Reporting Fundraising on LAUP Fiscal Reports
  - Thank You Letter template (for-profit businesses)
    - Sample: Solicitation Letter
    - Sample: Gifts in Kind Solicitation Letter





## Fundraising/Other Earned Income Frequently Asked Questions (FAQ's) (For-profit type entities)

- 1. What is considered to be fundraising income?**  
*Donations/gifts from individuals or corporations, revenues generated from a fundraising event (such as a bake sale, candy sale, walk-a-thon, etc.) and project-specific grants received from foundations.*
- 2. What type of fundraising income should be reported on the LAUP fiscal report?**  
*All fundraising income raised for the benefit of the LAUP program should be reported on the LAUP fiscal report.*
- 3. Are fundraising costs an allowable usage of LAUP funds?**  
*Yes, a reasonable amount of costs incurred to coordinate fundraising activities is allowable. They should be reported on the LAUP quarterly fiscal report. The income generated from fundraising activities should also be reported.*
- 4. When should fundraising expenses and income be reported on the LAUP fiscal reports?**  
*If you report on a cash basis, you should report expenses when paid and income when received.  
If you report on an accrual basis, you should report expenses when incurred and income when earned.*
- 5. Does fundraising income affect my monthly LAUP income?**  
*No, fundraising income does not affect your monthly LAUP income. However we ask that you report it on your fiscal report because your program's overall sustainability is important to us.*
- 6. My organization is a for-profit business: If a donation is received, is the value of the donation tax deductible by the contributor?**  
*Cash, tangible non-cash items and services that are contributed to a for-profit business **are not** tax deductible per IRS guidelines. Cash should be reported as income and tangible non-cash items received by the business should be reported as a gift.*
- 7. When a donation/gift is received, what type of documentation must be provided to the contributor?**  
*For-profit organizations do not need to provide documentation, although it is a best business practice to send a letter of appreciation.*
- 8. My organization is a for-profit business: Can I supply LAUP's Federal Employer Identification Number (EIN) and the 501(c)(3) non-profit status to others asking me for non-profit documentation?**  
*No, LAUP's 501(c)(3) status cannot be used by any other entity for any reason. Your business has its own non-profit or for-profit designation with a unique EIN. Using another organization's EIN as your own is fraud.*
- 9. Can the parents of children currently enrolled in an LAUP program be solicited for donations?**  
*No. However, if a parent chooses to donate without solicitation, then the donation can be accepted.*

**10. Can I ask parents to participate in fundraising activities for my program?**

*Yes! This will help make the fundraiser successful! However, you **cannot** solicit donations or force parents to give anything more than their time to the program. Be respectful in your requests and forthcoming with information about fundraising events.*

**11. How can LAUP help me with fundraising for my program?**

*Field support staff at LAUP can support you in creating a Quality Improvement Plan goal and an Action Plan for your fundraising ideas. They can utilize their resources to provide you with additional information to help support you in planning and executing the event.*

**12. Should I tell others what I am using the funds from the fundraiser for?**

*Yes, telling others involved in the fundraiser what the funds will be used for will help you gain participation from parents and others in the community. For example, if your site is in need of a new playground structure, set up a fundraiser specifically for this item. This will allow for parents and donors to work towards a specific goal. They can help celebrate when the goal is achieved and they will also feel a sense of accomplishment when the new equipment arrives and is installed.*

**13. Is there anything I should do after my fundraiser is complete?**

*Yes, you should send a thank-you letter to everyone that participated in the event. Share with them the benefits to the program as a result of the event; include pictures and other anecdotal stories from the event. Contact your Fiscal Coach if you would like a template for this type of letter.*

**14. Are there requirements on what I can use the money for?**

*Any money collected for LAUP, with LAUP funds, or by LAUP parents should be used for the benefit of the LAUP program and children.*

**15. What can I spend the fundraising and other earned income on?**

*The purpose of fundraising should be to raise funds for the continuous enhancement of the LAUP program quality; this can include additional supplies and materials, excursions, parent engagement, or activities for the children or classroom.*

*Fundraising income should not be used for any home related expenses (BUOH); owners' or teaching staff salaries or stipends; licensing violations fees; daycare insurance; loans.*

**16. How frequently can I have fundraisers?**

*The frequency of the fundraisers should be determined as needed by your program. However, fundraising expenses should not be excessive. Talk to your Fiscal Coach about costs and a budget. He/she can help guide you in the planning process.*

**17. If my fundraiser is held at a location other than my site, am I required to purchase additional liability insurance?**

*Yes, you should contact your insurance company to find out what your current policy covers and if they offer additional insurance that you can purchase for the event. You should also check the venue's insurance requirements and obtain the proper insurance.*

**18. If my fundraiser involves selling tangible items, do I have to pay sales tax?**

*Yes, contact State Board of Equalization (BOE) to apply and obtain a Seller's Permit. The BOE offers free classes and seminars on sales and use tax as well as online courses. Visit [www.boe.ca.gov](http://www.boe.ca.gov).*

*The BOE has free publications available for your reference:*

*Publication 51, Guide to Board of Equalization Services*

*Publication 73, Your California Seller's Permit*



# Reporting Fundraising on LAUP Fiscal Reports

## FOR CENTER AND SCHOOL DISTRICT PROVIDERS:

The images below are from the LAUP Center Quarterly Fiscal Report, Detailed Fiscal Report – Pg2

LAUP ID Number:		
Number of LAUP Classrooms:		
Number of LAUP Sessions:		
Accounting Basis:		

**Note:** You may round amounts to the nearest dollar.

	July 2009	August 2009
Total LAUP Children Per Center		
Total Children Per Center		
<b>LAUP Funding</b>		
Excess Carryover		
Current LAUP Funding		
LAUP Parent Investment Fees		
Fundraising Income		
Interest Income		
<b>1 Total Income</b>		
In-kind Donations - 501(c)(3) Only		
Please Specify		
	July 2009	August 2009

**Fundraising Income:** Enter the amount of fundraising income generated.

**In-kind Donations – only for non-profits**

**Other Expenses - Fundraising:** Enter the amount of fundraising expenses incurred.

Other Expenses	July 2009	August 2009
Accounting Fees		
Dues and Subscriptions		
Fundraising		
Insurance		
Internet		
Legal Fees		
Licenses		
Mileage		
Mortgage		
Office Supplies		
Postage		
Printing/Copying		
Publications/Ads		

## FOR FAMILY CHILD CARE (FCC) PROVIDERS:

The images below are from the LAUP FCC Quarterly Fiscal Report, Summary Page – Pg3

	A
Number of preschool children	-
Total number of children in care	-
1 Current LAUP Funding	
2 Net Carry Forward	
3 Total Parent Investment Fees	
Fundraising Income	
5 Interest Income	
<b>Total Funding for LAUP</b>	-

**Fundraising Income:** Enter the amount of fundraising income generated.

The image below can be found on the LAUP FCC Quarterly Fiscal Report, Transaction Detail – Pg2

**Fundraising Cost:** Enter the amount of fundraising expenses incurred.

Total Amount Paid	LAUP Percentage (%)	LAUP Expense	Expense Category
175 \$	100 LAUP Hours 50.00%	50 \$	Dedicated teaching staff
		\$	
		\$	Equipment- Computers
		\$	Equipment- Office Equipment
		\$	Equipment- Other
		\$	Equipment- Outdoor
		\$	Books
		\$	Fundraising Cost
		\$	Mileage
		\$	Office Supplies
		\$	
		\$	



## Example: Thank-You Letter template (for-profit businesses)

- *If your company is a for-profit business, then use this template. Gifts are not tax deductible by the contributor.*

(Your Name)

(Title)

(Company Name)

(Street Address)

(City, ST Zip Code)

(Date)

(Contributor Name)

(Title)

(Company Name – if applicable)

(Street Address)

(City, ST Zip Code)

Dear (contributor name):

Thank you for your generous gift in support of (preschool name).

We care deeply about giving our preschoolers the best environment possible to learn and play. Your support will allow us to continue on with this mission. The donation you made helps make it possible for preschoolers to start with the right foot forward in their academic journey. We are honored you chose our classroom to give to, and by doing so, have shown a real commitment to the belief that a year of high-quality preschool can put all children on the path for life-long success.

We are always looking for good people to help foster our goal of serving young children. If you would like to hear more about opportunities to become involved, please call (program director or other representative's name) at (XXX) XXX-XXXX. Thank you again. You are making a world of difference.

Sincerely,

(Your Name)





Jane Jones, Program Director  
ABC Preschool  
654 Sunny Lane  
Los Angeles CA 90011

Dear Community Member,

Thank you for your tireless support of *ABC Preschool*. Through fundraisers, parent-teacher meetings, school sports, after-school activities, and everything else that happens in the course of a school year, you have shown your commitment to giving our children the best possible education. As we partner with you here at *ABC Preschool* for the education of our children, I want you to know, that your commitment does not go unnoticed.

It is partly because of the busy lives we all lead that I am writing. As you know, *ABC Preschool* customarily has a fundraiser in the first part of the school year to pay for things that are not fully covered by the school budget: art and music classes, field trips, science fairs, and so on.

I wish I could tell you that we are raising money for a new program, or a special event. The reality is that we are raising money to simply continue the great programs we have been able to offer in the past: namely art and music classes, field trips and our annual science fair.

And partly out of consideration for you and your valuable time, we have decided to ask if you could contribute \$20 over the course of the next 3 months to help make up for where the state budget has fallen short.

Like I said, we've considered many options, but in the end, we felt the easiest and most convenient way to raise the needed money would be to just lay it at the community members' feet and ask if we can all work together to share this burden.

"Many hands make light work," so the saying goes. If everyone in our community can give an extra \$20, we will have enough for all programs and extracurricular activities to carry on through the year.

I want to end this letter by thanking you again. Thank you for taking the time to read it, and whether you are able to give or not, know we deeply appreciate your dedication to our children and school.

Sincerely,

*Jane Jones*, Preschool Director

Note: *Include personal quotations from people who have benefited from your fundraising in some way, or people who are in need and will be served by your efforts. Place these quotes at the top, the bottom or in the side margins of the letter – maybe even in a different color – for maximum impact.*



Jane Jones, Program Director  
Bard Graduate Center  
123 Mulberry Ave.  
Los Angeles CA 91001

December 1, 2011

Mr. John Smith  
456 Rexford Dr.  
Los Angeles CA 92001

Dear Mr. Smith,

As we approach the end of the year and I think back on the months that have passed, I realize that there is so much good news to share about the Bard Graduate Center. Today the BGC remains the only institute of its kind in the country, one wholly dedicated to studying the cultural history of the material world. Our degree programs, research projects, and exhibition program work together to suggest a new field of questions at the crossroads where decorative arts, design history and material culture studies meet. We are proud of the work we do in drawing attention through our high-quality presentations, but we couldn't do it without the support of friends like you. In this uncertain economic climate, your support is ever more important and meaningful.

I ask you today to consider making a contribution to the BGC, so that we can continue to provide scholarships for students, organize world-class exhibitions, publish scholarly catalogues, and offer the public a rich variety of educational programs. In the past, you have generously contributed to the BGC and we hope that you will consider renewing your support again.

Many of our students choose the BGC over other prominent graduate programs because our unique approach allows them a deeper understanding of material culture. A cornerstone of the BGC's mission is to examine the decorative arts from historical, cross-cultural, and multidisciplinary perspectives; to think critically and contextually about objects and design; and to recognize and evaluate objects of aesthetic, social, and cultural significance.

Another important reason the Bard Graduate Center attracts the finest students in the world is our ability to grant financial assistance. The BGC is committed to helping students whose personal resources would not otherwise allow them to continue their education at the graduate level. Demonstrating this commitment, the BGC aims to award scholarships and fellowships to at least 75% of our students. Your contribution today means that the BGC can help more students achieve their academic goals.

I hope you find the time this year to enrich your life by learning more about the decorative arts: visit the BGC and tour an exhibition, attend a lecture or symposium, or explore a catalogue. Thank you for considering a gift to the Bard Graduate Center.

With all best wishes for the New Year,

*Jane Jones*

P.S. Don't forget to visit our current exhibition, *Dutch New York between East and West: The World of Margrieta van Varick* on view through Sunday, January 3, 2012.