



APPENDIX D



Lake Club TLC Giving Circle
Memo of Understanding

This Memo of Understanding, effective on day of 2/20/18, is made by and between the Lake Club TLC Giving Circle and the Manatee Community Foundation (MCF) a qualified 501(c)(3) nonprofit in the state of Florida.

The agreement shall remain in effect unless it is terminated by either party by giving 30 days written notice to the other party. Manatee Community Foundation reserves the right to terminate the agreement should the terms be violated or the conditions not be met.

Giving Circle participants shall not engage in any activities that could jeopardize the Foundation's tax-exempt status, that would result in legal proceedings against the Foundation, or that would damage the Foundation's good name in the community.

It is the intent of Manatee Community Foundation to support Giving Circle activities provided they support the Foundation's mission and are legal and ethical. The Giving Circle will actively work to further the mission of MCF.

In each of the designated areas below, specific duties and responsibilities will be outlined and assigned to either MCF or the Giving Circle during the life of the agreement.

Fiduciary/Financial

Manatee Community Foundation will:

- Provide the 501(c)(3) umbrella for the Giving Circle
- Invest and manage Giving Circle funds
- Collect gifts, deposits and post contributions
- Provide Quarterly reports on the fund
- Charge an annual investment fee of approximately 0.12% SUBJECT TO CHANGE and an annual administrative fee of 1% SUBJECT TO CHANGE.

Giving Circle Members will:

- Track gifts to the Giving Circle and ensure members are paid in full; Chairperson will have access each members' gift amount
- Track donations to the Foundation
- Adhere to Foundation policies and procedures
- Nominate one member to be the liaison to MCF
- Update MCF of new giving circle members

Fund Administration and Support

Manatee Community Foundation will:

- Establish a Memorandum of Understanding (MOU) to accompany the Fund Agreement making explicit the arrangement for dispersal of the funds as well as how the funds will be managed by MCF
- Write and send acknowledgement letters to donors
- Be a resource to the Giving Circle
- Retain gift histories, grant making, and fund statement records of Giving Circle activity
- Provide meeting space for Giving Circle members
- Provide a MCF liaison between the Foundation and the Giving Circle



Giving Circle Members will:

- Develop and maintain group roster
- Develop a mission and operating policies
- Provide Giving Circle leadership
- Schedule meetings and set expectations for participation

Grantmaking

Manatee Community Foundation will:

- Through The Giving Partner, provide giving circle participants a resource to community needs and opportunities
- Provide guidelines for grant making
- Assist in the identification of potential grantees
- Prepare MCF approved grant disbursements based on grant requests advised by the Giving Circle
- Provide examples of grant guidelines, RFPs and grant applications
- Review grantee reports with Giving Circle members if single grant is over \$5000
- Answer grantee questions

Giving Circle Members will:

- Establish annual grant making schedule with input from MCF as needed
- Identify potential grantees
- Design grant guidelines, RFPs and grant applications with input from MCF as needed
- Review grantee reports
- Make photocopies for meetings
- Establish a decision making process
- Review grant proposals
- Make grant recommendations to MCF

Marketing and Communications

Manatee Community Foundation will:

- Include fund name in appropriate MCF materials

Giving Circle Members will:

- Include fund name in all materials consistent with MCF Donor-Initiated Fundraising Policy.
- Abide by Foundation fund raising policies (Gift Acceptance Policy & Donor-Initiated Fundraising Policy)
- Abide by Foundation's standards and policies for publicity and marketing. All published materials must be submitted to the Foundation for approval before publishing.

Agreed to by: Barbara Najmy Giving Circle Lead Contact

By: [Signature]

Date: 2/9/2018

Accepted by: Manatee Community Foundation

By: [Signature]
Susie Bowie, Executive Director

Date: 2/26/2018



Donor-Initiated Fundraising

Adopted by Board of Directors on October 26, 2016

Thank you for establishing a fund with the Manatee Community Foundation. We value your confidence in our organization. You have indicated that you would like to increase the visibility of your fund and raise additional funds for your fund by undertaking some form of marketing, promotion or fundraising. This might take the form of brochures, newsletter articles, posters, information sessions, requests of money through a solicitation letter to friends and associates, or hosting fundraising events such as golf tournaments, lunches, or dinners. The Foundation has developed the following donor-initiated fundraising policy and guidelines to help secure a successful outcome for both you and the Foundation, and to ensure that the Manatee Community Foundation meets all federal, state and local legal requirements with regard to your fund.

There are three (3) ways that you may promote your fund held by the Foundation:

1. Direct, Tax-Deductible Gifts to the Fund

You may promote your fund using various forms of "passive" marketing through newsletter articles, brochures, posters, information sessions, or a request of money through a solicitation letter to friends and associates. When you conduct solicitations on behalf of your fund held at the Foundation, it is important to 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. Because of this the Foundation must approve *in advance* all written or spoken materials related to solicitations to promote your fund, including newsletter articles, letterhead, brochures, website content and media announcements.

Florida law **requires** the following standard disclosure in every solicitation, confirmation, receipt, or reminders of a contribution:



THE MANATEE COMMUNITY FOUNDATION, INC. IS A REGISTERED 501(C)(3) NON-PROFIT CORPORATION. A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE 1-800-435-7352 (or 1-800-352-9832 en Español) OR GOING ON THE DEPARTMENT'S WEBSITE WWW.800HELPLA.COM. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL, OR RECOMMENDATION BY THE STATE. ONE HUNDRED PERCENT (100%) OF THE DONATION IS RECEIVED BY THE MANATEE COMMUNITY FOUNDATION, REGISTRATION #SC-10648.

Further, all materials and logos must clearly state that the fund is a "component fund of the Manatee Community Foundation, Inc." The Foundation will allow potential donors to use credit cards for payment. A statement indicating that "your credit card purchases will be listed on your statement as a charge by the Manatee Community Foundation, Inc." must be placed adjacent to the location for the credit card number and expiration date on such solicitation.

In response to the solicitation and/or marketing efforts, a donor may make a gift directly to your fund. In that case, he or she should make a check payable to the **Manatee Community Foundation** with the name of the fund in the "memo line", and send it to the **Manatee Community Foundation**, 2820 Manatee Avenue West, Bradenton FL 34205. Gifts of appreciated assets (i.e., stock) and credit card gifts made directly to the Foundation may also be accepted by the Foundation.

2. Independent Fundraising by an Exempt Organization

Organizations with their own federal tax-exempt status may sponsor a fundraising event or solicitation promoting their organization and deposit the net proceeds into a fund that has been established for their benefit at the Foundation. The exempt organization issues its own acknowledgment letters, and the donors receive a charitable tax deduction for their gifts because the sponsoring organization has its own charitable tax-exempt status. If publicly stating the net proceeds will be deposited into a fund at the Foundation, all printed and spoken material must clearly state that the fund is "a component fund of the Manatee Community Foundation, Inc."

3. Independent Fundraising by an Individual or Non-Exempt Organization



The Manatee Community Foundation is unable to assist with any kind of public fundraising event that relies upon the use of the Community Foundation's tax exempt status in order to offer contributors a charitable deduction for their participation. However, you may make a gift to your fund from the net proceeds of an event or solicitation for which donors were not offered a charitable tax deduction. Fundraising may be conducted by an individual, a group of people, or an organization without the endorsement or involvement of the Foundation. Generally, the person or group that plans and executes the fundraiser makes one lump sum donation of the net proceeds from the event to the component fund. Unless the event is sponsored by another tax-exempt nonprofit organization (501(c)(3) organization) which accepts and acknowledges the contributions/donations, the donor **may not** take a charitable tax deduction for the contribution.

Additional Guidelines Applicable to Non-tax-deductible Fundraising

- If publicly stating that the net proceeds will be deposited into a fund at the Foundation, all printed and spoken material must clearly state that the fund is a "component fund of Manatee Community Foundation."
- You may not use the Manatee Community Foundation's tax-exempt number in connection with the event. Contributions made as a result of your event/solicitation will not qualify as a tax-deductible charitable gift to the Foundation. It should be noted, that contributions to a fundraiser are only tax deductible when they are received and acknowledged directly by a qualified nonprofit organization.
- You are responsible for obtaining and paying for any necessary insurance, permits, licenses, approvals, etc. Event or activities that include raffles or drawings by chance are regulated under Florida law and must comply with Florida Statute § 849.0935.
- Fundraising events often require certificates of insurance or signed contracts. When events are sponsored independent of the Foundation, the name of the Foundation or the fund **must not** appear on any contract or agreement. Volunteers may not sign contracts obligating the Manatee Community Foundation.
- Individual participants in your event (ticket purchasers, sponsors, golf players, etc.) make their payments to the organizing individual or group, **not** to the Manatee Community Foundation or to the fund. You may record contributors' names and addresses and provide a courtesy acknowledgment. The acknowledgment letter must not include any language stating that the letter serves as an official receipt for IRS purposes or include any reference to tax deductibility or to the contribution being made to the Manatee Community Foundation or to the fund.
- You pay expenses and send the net proceeds of the fundraiser to the Manatee Community Foundation as a contribution to your fund. The Foundation records the gift as coming from you or your organization.



The Donor-Initiated Fundraising policy and guidelines are not a substitute for expert legal, tax or other professional advice tailored to your specific circumstances, and may not be relied upon for the purposes of avoiding any penalties that may be imposed under the Internal Revenue Code or Florida law. If you have any questions about this policy or these guidelines, please contact Betsy Pennewill, Corporate Counsel at (941) 955-3000 or betsy@cfsarasota.org.

Acknowledged and Agreed to by Donor

[Donor Name] Barbara Hajmy

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Phone: 941-705-1158

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