

# FUNDRAISING POLICY



## **LOMITA RAILROAD MUSEUM FOUNDATION**

Policy #202

Adopted on: Mar. 13, 2019

Modified: \_\_\_\_\_

## **Fundraising Policy**

### **1. OVERVIEW**

In order to maximize our abilities to raise private funds, all fundraising efforts must be coordinated through the Foundation Fundraising Committee. The purposes of this coordination are:

- To avoid conflict and duplication of efforts in the fund raising programs.
- To maximize the contributions from each donor.
- To provide continuity or understanding of and support for funding needs.
- To ensure that all gifts are properly acknowledged and
- To ensure that accurate records of all gifts are maintained.

### **2. GUIDELINES FOR FUND RAISING ACTIVITIES**

The following guidelines apply to any person or program seeking to establish a fund raising program in the name of Lomita Railroad Museum from individuals, business, industry, foundations, community organizations or others:

- 2.1. During the development phase of the fund raising activity it is necessary to involve Fundraising Committee to ensure that the Foundation can support the program and will be able to accept the gifts that result. Please refer to the Foundation Gift Acceptance Policy.
- 2.2. All printed material connected to the fund raising activity must be approved by the Foundation to ensure compliance with IRS regulations.
- 2.3. Clearance must be obtained from the Foundation Fundraising Committee or its Chair before pursuing formal discussions with any potential donor for any kind of support from private sources.
- 2.4. Contributions must be sent directly to the LOMITA RAILROAD MUSEUM FOUNDATION. Please note that all checks must be made to the Lomita Railroad Museum Foundation. For restricted donations, donors should indicate, via the memo line on their check or in a transmittal letter, the purpose for which their gift is to be used.
- 2.5. Upon receipt of these gifts, a receipt in the form of a thank you letter will be sent to the donor on behalf of the Foundation's Board of Directors. This document has the required substantiation statement on it.

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- 2.6. If donors receive a pro bono goods or services for their donation (i.e., a meal), only the difference between the donation and the value of that goods or services is what may be deducted from the donor's taxes<sup>1</sup>. The amount of any goods or service must be provided to Foundation staff prior to any donations being solicited or invitations sent. Note that certain items are considered to have no commercial value (for example, a mug with the Museum logo), and therefore do not reduce the amount a donor can deduct.
- 2.7. Donations will be put into the appropriate Foundation account. Where there is not an existing account that meets donor restrictions, one will be established.
- 2.8. The Lomita Railroad Museum Foundation has a legal and moral responsibility to ensure that all restricted gifts are spent as the donor specifies; therefore, all regular financial reports to the Board must include expenditures charged to each restricted account.
- 2.9. Donors require periodic reports on how their donations have been spent. The Foundation needs to provide these reports and to ensure that they are accurate and timely.

### 3. FUND RAISING ACTIVITIES

Fund raising and solicitation programs included in the above stated policies and procedures include but are not limited to:

- 3.1. Plans to raise funds on an annually recurring basis
- 3.2. Special fund raising efforts or events applying to Lomita Railroad Museum
- 3.3. Cash or equipment donations
- 3.4. All private Foundation proposals
- 3.5. In-kind gift solicitations
- 3.6. Sponsorship
- 3.7. Museum Gift Shop

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<sup>1</sup> This does not include meals where all food is donated, such as at the Tea.