



<b>Fundraising Policy</b>	Policy # 2.1
	Effective Date: 9/22/2016
Approved By WAC Board of Directors	Revision: R Date:

**Purpose:** The Fundraising Policy is to serve as a guide for the Washtenaw Alano Club and its donors by providing policies for accepting, recording and recognizing gifts.

### Definitions:

Gifts:

- Cash
- Non-cash
  - Services
  - Securities
  - Publically traded stocks and bonds
  - Closely held stock
  - Non-cash gifts of personal property
- Estate gifts
- Pledges

Non-individuals:

- Corporations
- Foundations

### Policy:

The WAC seeks to use contributions for the benefit and betterment of the WAC and those who use its services. The AA literature providing guidance to Alano Clubs lists five basic reasons why outside funding of clubs is considered hazardous.

First, of course, is the question of ***influence***. Money talks, even when it doesn't ask anyone to listen. Note that *influence* does not depend upon any malignant intent on the part of the donor. Indeed, we may take it as a given that in most cases the donor sincerely wishes only to support a worthy cause. Nonetheless, it is influence.

The second concern is that of ***temptation***. A large sum of money lying around for the taking can be an irresistible temptation for the spiritually unwary.

Third, dependence upon outside funding means that the role of individual members as the financial foundation of the club is reduced.

Fourth, is the issue of self-responsibility. Clubs provide recovering people an opportunity to assume *adult* responsibilities.

Fifth, assuming adult responsibilities in running our clubs combats the entrenched history of psychological dependence upon others, which is so often a prominent feature of the alcoholic's basic coping strategies.

## **Procedures:**

1. Annual gifts from individuals are not to exceed \$5,000, and will be listed as anonymous donations.
  2. There is no limit on legacy gifts (gifts made through a bequest upon death). Such donations are also anonymous.
  3. Cash donations from non-profit organizations shall not exceed \$3K because we shouldn't be building a cash reserve from any source – it leads to temptation; and because we want to discourage non-profit organizations from advertising that they made a donation to the WAC. Even though we have a strict no quid pro quo policy, if a non-profit advertises a connection with the WAC through its donation, it is confusing to the outside community who might think we have affiliated with a non-profit organization.
  4. Modest cash donations from corporate income streams (e.g., from Kroger or others who allow dedicated participation) are allowed.
  5. United Way donations and Ann Arbor Community Foundation donations, which individuals designate for the WAC, are accepted without qualification.
  6. Upon Board approval, the Club may apply for grants as necessary to fund specific needs (e.g., the need to replace the roof; the need to upgrade the bathrooms). Cash donations from corporate entities are prohibited.
  7. Non-cash donations, \*\* from whatever source, can be accepted provided that the Board reviews the non-cash donation on a case-by-case basis and assesses the donation to determine whether the donor is attempting to obtain influence over the Club's management. Any donation made cannot be used by the donor for advertising purposes.
  8. If someone makes a donation that exceeds any of the established limits, the funds in excess of the limit shall be placed into a restricted Trust fund. Trust funds will be managed by a Trust. The Trustee of the Trust shall be an attorney hired by the Board to administer the Trust. The Trust document shall provide for restrictions on the use of Trust funds. Those restrictions shall be informed by AA principles and shall be subject to approval by the Board.
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**Notes:**

\*Influence is to be interpreted by the broadest, most liberal standard. Any conditional gift is deemed a form of undue influence. Any suggestion of a *quid pro quo* is deemed to be undue influence. Any evidence that a gift is conditioned upon the judgment of the giver that the WAC meets special standards beyond those which are naturally met by virtue of its non-profit status together with awareness of its stated, and historically recognized, mission is to be deemed a form of influence.

Fund-raising efforts which draw support and funds exclusively from the recovering community are presumed to be appropriate. However, significant departures from past practices will be reviewed by the Board to assure that they are consistent with the principles cited here.

\*\* Non-cash (“In-kind”) donations must be subjected to the strictest scrutiny, and held to the highest standards with respect to the need to avoid the faintest color of commercial advantage accruing to the donor. Acceptance of any gift must be conditioned upon clear acknowledgement by the donor that the gift is freely given, without expectation of a *quid pro quo*, commercial advantage or any form of influence. Donors’ right to claim a charitable contribution for tax purposes is, of course, unaffected by these provisions. An example of a donation which would **not** pass this test is if the donor showed by word or action an intent to capitalize upon the donation for marketing or sales purposes.

## Revision log

- **Policy or form number:**

Rev.	Revision Description	Date	Author