# Eagle Scout Service Project Fundraising

**Jeffrey W. Dronenburg Sr.**
**Advancement Committee Chairman**
**Western Shore District, NCAC**

*GTA 9.0.2.10

# What Is The Same?

- **Projects may not be fundraisers**
- **Fundraising is permitted only for securing materials and otherwise <u>facilitating</u> a project**
- **It must be clear to all donors or event participants that the money is being raised on behalf of the beneficiary, and not the BSA**

*GTA – 33088 Guide to Advancement 2011

# What Is Different?

- **How to handle excess funds after the project**
  - OLD: Any funds raised for a project and not used for the purchase of project materials must be returned to the donors
    - (512-927 2009 Printing, pg 2 Limitations)
  - NEW: All money left over goes to the beneficiary
    - (512-927 2011 Printing, pg 18 Limitations on Fundraising)
- **Documenting Donations Received**
  - OLD: Name and amount
    - (512-927 2009 Printing, pg 11)
  - NEW: Description of fundraising efforts, amount collected, amount spent, accounting for shortages/overages, thanking donors
    - (512-927 2011 Printing, pg 18 Limitations on Fundraising)

# What is New?

- **Fundraising Application is part of the Final Plan**
  - Required two weeks in advance of fundraising efforts
  - Do not use Unit Money Earning Application
- **Minimizing fundraising efforts**
  - "To be clear, the BSA *prefers* there not be any fundraising at all; however, it is understood that this is not realistic. In those cases, all fundraising or requests for material donations should be done in a restrained manner similar to simple unit fundraising efforts." (Advancement News, May 2012, Vol. 2, No.4.)
- **Specific guidance that monies raised be handled by beneficiary or unit treasurers** (512-927 2011 Printing, pg 18)
  - "Large-scale fundraising efforts can add complexities in which minors should not be involved. This can be further complicated because funds are raised in the name of the beneficiary and not the BSA." (Advancement News, May 2012, Vol. 2, No.4.)

# What is New? (continued)

- **Fundraising Application approved by 3 individuals:**
  - Beneficiary; Unit Leader; NCAC (not delegated to districts yet)
  - NCAC Approval: ncaceaglefunds@scouting.org
    - or faxed to: 240-395-0610
- **Exception - Contributions from the following do not require use of the Fundraising Application:**
  - Eagle candidate, his parents/relatives, his unit or its chartered organization, parents or members of his unit, or the beneficiary.
- **Guidance on who can sign contracts (e.g. equipment rental)**
  - Adult, personally liable, cannot bind BSA or charter organization

# What is New? (continued)

- **Specific limitations on types of fundraisers**
  - If selling things, must be quality products
  - Must be in keeping with the ideals and principles of the BSA
  - No raffles, Bingo games, games of chance
- **Receipts / Documentation of Gifts provided through the beneficiary, not the BSA**

# AMPLIFYING GUIDANCE

**Application from National Council Advancement Committee**

# Fundraisers are Facilitative

- **The fundraiser is not part of the project**
  - "Eagle Scout service projects may not be fundraisers. In other words, the candidate may not stage an effort that primarily collects money, even if it is for a worthy charity."
  - "Fundraising is permitted only for securing materials, and otherwise facilitating a project."
  - "Because fundraising efforts for an Eagle Scout service project are to be facilitative, and minimized insofar as practical, it is inappropriate to apply the language of the service project requirements to them. The requirements for planning, developing, and giving leadership must be met through the project itself, not through the fundraising element."

    (Advancement News, May 2012, Vol. 2, No.4.)

# Types of Fundraisers

- **Traditional approaches may be considered:**
  - Car washes, selling various products, or hosting an event such as a spaghetti dinner or a yard sale
  - Solicitation of donations or materials
- **Online fundraising may also be considered:**
  - "The BSA does not endorse online fundraising over any other method, nor does it endorse any of the particular online fundraising websites over another. There are several, however, that could be considered, including www.gofundme.com, www.firstgiving.com, and www.creativegiving.com."
    - ⚠ Be aware that these websites do not provide their services for free!

# Use of Funds Raised

- **"The [Eagle Candidate should] have a budget proposal that identifies all areas of expense that he has reviewed with the project beneficiary prior to beginning fundraising efforts."**
- **"Funds collected can be used as allowed by the beneficiary for all necessary and reasonable expenses including such things as <u>materials</u>, <u>equipment rental</u>, <u>professional services</u>, and even <u>food and water for volunteers</u> as they assist with the project."**
- **Key is that funds are raised to <u>facilitate</u> a project!**

# ADDITIONAL SUGGESTIONS

**from Western Shore District Advancement Committee**

# Unit Treasurers

- **Impractical to use a School or County Government treasurer, so provision to use unit treasurer is authorized to collect donations on their behalf**
- **All Donations are deposited into the unit account**
- **Check donations should have "*[Beneficiary Name]* Eagle Project" in memo**
- **Receipts should annotate "*[Beneficiary Name]* Eagle Project" in memo**
- **Establish a clear line of accounting in the account ledger to separate from unit funds**

# Use Caution When Fundraising

- **Raise only what's needed to buy the materials list and no more**
- **Bake sales; car washes; etc…**
  - Watch funds carefully and close the event when goal is reached
  - Especially important when using an open donation jar
- **When soliciting for cash donations do so in small groups and only until you have reached your goal**
  - Wide canvassed appeals for donations can generate a lot of money and may greatly exceed project requirements
- **Fundraising in excess can violate "projects may not be a fundraiser" rule**

# Potential Sources of Cash…

- **Best case is for the organization to have a budget for the project or for the organization to raise funds themselves for the project**
  - Most charities have a “Friends Of…” support network that they can reach out to raise funds
  - Churches can collect a designated offering
  - Look for other Stakeholders who have a vested interest in the outcome of the project (e.g. multiple Little League teams using the same ball field)
- **Bank of Mom & Dad can be used as a donor for last minute materials but should be used sparingly and only as a last resort**
  - Personal finances should never be strained in order to facilitate an Eagle Scout Service Project

# Ways to Reduce Budgets

- **IF beneficiary is Tax Exempt (charity, religious institution, etc.)**
  - Tax Identification Number: use the beneficiary's Tax ID number
    - DO NOT USE charter organization's Tax ID number unless they are the recipient of the service project
    - Providing Tax ID number should eliminate sales tax
- **Reduced/wholesale pricing or donations in kind**
  - Stores will likely request a thank you letter
    - Option 1) Forward request to beneficiary treasurer for tax receipt
    - Option 2) If on unit letter head:
      - ***Lead sentence in the first paragraph should read as, "Thank you for your donation of materials to the (organization) for the (name of project)."***
      - ***Recommend both scout and unit leader sign the letter(s) since on unit letterhead***
      - ***May be endorsed by the unit treasurer***

# Donations in Kind – Free Stuff!

- **Usually store returns, damaged, slightly marred, or otherwise unable to sell at full retail**
  - Make sure it’s usable for the project before accepting the donation
  - Don’t take a store’s trash to the landfill for them!
  - Okay to say, “Thanks, but that’s not going to work for my project!”
- **Concrete companies may donate unused excess mix**
- **Construction sites may donate excess materials**
- **Still counts as a donation of materials and must be included on the Fundraising Application**

# Lowe's National Eagle Scout Project Impact Grant

- **$100 Pre-paid Gift Card to pay for materials for *construction-based* projects**
- **Application Cut-off is Dec 31, 2012**
- **More information and Application are online at: http://www.scouting.org/scoutsource/TrailToEagle.aspx**
- *Submit copies of pages 6 through 10 with the grant application to your local council.*
- *Submit any questions regarding the Lowe's National Eagle Scout Project Impact grant via e-mail to lowes.grant@scouting.org or call 972-580-2185.*