

GUIDELINES AND LEGAL REQUIREMENTS FOR UCONN DEPARTMENTS/ORGANIZATIONS AND STUDENT ORGANIZATIONS SEEKING TO RAISE MONEY FOR DISASTER RELIEF EFFORTS

The University is aware that many departments/organizations and student organization members have been moved by the devastation caused by the recent disasters. In order to help these departments and student organizations carry out fundraising activities in a way that upholds the policies of the University as well as the laws of Connecticut, the following guidelines have been developed. In addition, legal requirements for fundraising have been included.

PLEASE DON'T BE INTIMIDATED! Whether you need just a little help or a lot, we can help you figure out how to financially manage your fundraisers and make your ideas come to life! Please contact us at miguel.colon@uconn.edu.

There are two major sponsor-types of fundraising activities:

1. fundraisers that are sponsored only by University departments or student organizations
2. fundraisers that are co-sponsored by University departments or student organizations **and** outside entities (like a business or off-campus organization)

A. FUNDRAISERS THAT ARE SPONSORED ONLY BY UNIVERSITY DEPARTMENTS OR STUDENT ORGANIZATIONS

- Create your fundraising plan / program
 - Assistance is available in Community Outreach if you want help or advice with planning.
- Community Outreach can review your plan to ensure that it is programmatically and financially sound, and complies with applicable laws and University policies.
- Student organizations with accounts in the Business Office need to comply with Student Activities' event planning policies. For information, see http://www.studentactivities.uconn.edu/bo_event_support.html
- If you want to advertise your program on the Community Outreach/Disaster Relief website, you need to turn in a fundraising program plan form to Community Outreach *before you implement your plan*.
- If you have already completed a program but want to share the results of your fundraising efforts, please fill out the fundraising form—just in the past tense.

B. FUNDRAISERS THAT ARE CO-SPONSORED BY UNIVERSITY DEPARTMENTS OR STUDENT ORGANIZATIONS AND OUTSIDE ENTITIES (SUCH AS BUSINESSES OR OFF CAMPUS ORGANIZATIONS)

1. If your fundraiser is co-sponsored with an outside entity, that entity must either: a.) register with or b.) claim exemption with the Department of Consumer Protection (DCP)
 - a. Outside entities that are eligible to request (claim) an exemption from DCP registration are:
 - i. Any duly organized religious corporation, religious institution or religious society;
 - ii. Any parent-teacher association or educational institution, the curricula of which in whole or in part are registered or approved by any state or the United States either directly or by acceptance of accreditation by an accrediting body;
 - iii. Any non-profit hospital licensed under the laws of Connecticut or another state;
 - iv. Any governmental unit or instrumentality of any state or the United States;
 - v. Any person who solicits solely for the benefit of an organization described in (a) through (d) above; and

- vi. Any organization which normally receives less than fifty thousand dollars (\$50,000) in contributions annually provided such organization does not compensate any person primarily to conduct solicitations.

Examples of a program that could claim exemption:

Norwich Ministries, a non-profit, is holding a Five K walk. Student organizations are co-sponsoring. Norwich Ministries would need to claim exemption.

- b. An organization falling within one of the categories (i.) through (vi.) from B. 1. a. (above) is not automatically exempt. Exemption must be claimed by filing form CPC-54 – Claim of Exemption Form Registration at http://www.ct.gov/dcp/lib/dcp/pdf/charities/cpc54_claim_of_exemption_rev_nov10.pdf
2. If you think your fundraiser will raise **more than \$50,000** or the outside entity receives more than \$50,000 in charitable contributions per year, or compensates any person primarily to conduct solicitations, the outside entity must register with DCP. Registration is made by filing form PCUREG-01 – Charitable Organization Registration Application available at: http://www.ct.gov/dcp/lib/dcp/pdf/forms/initial_charity_application2011.pdf along with an annual \$50.00 registration fee and requires a financial report of the organization’s most recent fiscal year as well as information about the organization.

For additional information regarding compensating a person primarily to conduct solicitations or hiring a professional fundraiser, refer to the Connecticut Solicitation of Charitable Funds Act at <http://www.ct.gov/dcp/cwp/view.asp?a=1654&q=441268>

3. Commercial Sales Promotions

A possible source of funds for departments/organizations or student organizations is the offer by a commercial enterprise to donate to the organization a portion of the revenue derived from the advertised sale of a product or service. The objective for the commercial enterprise is to increase product sales by being identified as supporting a charitable cause. For the department/organization or student organization, it is a source of revenue to donate to the relief efforts.

Example of a program that would need to file with DCP:

A local pizza restaurant will give a portion of their sales to the charitable organization, and a partnering student organization will promote the restaurant’s efforts.

The Connecticut Solicitation of Charitable Funds Act refers to these joint ventures as charitable sales promotions. A business, which the Act refers to as a Commercial co-venture, that engages in a charitable sales promotion must have a contract with the student organization and file a copy of it with the Department of Consumer Protection prior to the start of the sale. The Act specifies certain provisions that must be in the contract. They are:

- a. a description of the goods or services to be offered;
- b. the geographic area in which the sale will occur and the time frame in which it will occur;

- c. a provision for a final accounting by the co-venture to the department/organization or student organization;
- d. the date and the manner in which the benefit is to be conferred on the department/organization or student organization; and
- e. the manner in which the name of the department/organization or student organization (and the name of the organization the funds will be given to toward the Haitian relief efforts, i.e. American Red Cross) is to be used in the promotion, including any representation to be made to the public as to the amount or per cent per unit of goods or services purchased or used that is to benefit the student organization (and the name of the organization the funds will be given to toward the Haitian relief efforts. In this regard, it is important to note that the Act requires this kind of benefit disclosure in all advertising relating to the sale.

4. For additional information on the Connecticut Solicitation of Charitable Funds Act go to:

<http://www.ct.gov/dcp/cwp/view.asp?a=1654&q=285170>

Important clarification:

Not all programs in which student organizations/University departments work with organizations or businesses require the groups/departments to work with the Department of Consumer Protection. Here are some examples of programs in which student groups/departments in some way work with outside organizations/businesses, but are NOT required to file with the Department of Consumer Protection:

A pizza place donates pizza for a student organization to give away as refreshments at a fundraising dance, sponsored by the student organization. The pizza place is not a co-sponsor—the owners are just donating pizza.

A candy company donates candy for a student organization to sell. The candy company is not co-sponsor--the owners are just donating the candy. The money that the student organization raises will be donated to Oxfam.

A restaurant lets a student group use their space, for a flat amount, to hold a fundraising event. The restaurant is not a co-sponsor, it is just the venue.

A student organization buys t-shirts from a company. The company is not a co-sponsor—it just sold the student group the t-shirts. The student organization decorates the t-shirts and sells them. The proceeds are donated to Partners in Health.

A vacation company pays a student organization to hang up posters advertising the company's spring break packages. The group receives a flat amount to do this work. The student organization gives the money they make to the Red Cross.