



DRIPPING SPRINGS COMMUNITY FOUNDATION

Fiscal Sponsorship (Program) Fund Guidelines

One of the activities of the Dripping Springs Community Foundation (DSCF) is to facilitate charitable efforts that improve the Dripping Springs community and promote the spirit of philanthropy. DSCF's 501(c)(3) status with the IRS is a valuable asset and programs and organizations that we fiscally sponsor benefit from that tax-exempt status.

By having a Fund with DSCF, donations are tax deductible to the extent allowed by law. Money from fundraisers and sales are accepted, but are not always tax-deductible donations. We also pay expenses to the extent that cash is available in the Fund and for which we receive adequate documentation and authorization. The DSCF must be assured that the nature of the expense is allowable under IRS rules.

All assets held in the Fund legally belong to the DSCF and are reported as such on our financial statements and IRS Form 990. The DSCF does not provide payroll services or file employment tax returns.

- **ACCOUNTS:** All funds will be held at a bank or other financial institution as designated by the DSCF. Organizations are prohibited from maintaining other accounts that serve the same purpose of the fund held by the DSCF on behalf of the organization.
- **FUND ACTIVITY:** Annual statements will be provided to organizations that have a fiscal sponsorship fund with the DSCF. Statements will provide current balances as well as income received and expenses paid during the preceding period.
- **MINIMUM BALANCE:** A minimum balance of \$500 must be maintained at all times.
- **DEPOSITS:** Checks must be made payable to "Dripping Springs Community Foundation", with the Fund name in the memo line and mailed to DSCF, P.O. Box 1684, Dripping Springs, TX 78620.
- **THANK YOU LETTERS AND TAX RECEIPTS:** You will be notified in a timely manner of all donations received by DSCF on your behalf so that thank you letters may be sent by you. Please note that the IRS requires that a receipt be provided for any donation of \$250 or more, indicating whether any goods or services were provided to the donor in exchange for the donation; the Dripping Springs Community Foundation will generate this letter to the donor. This acknowledgement letter will state that your organization is sponsored by the Dripping Springs Community Foundation which is a 501(c)(3) non-profit organization (tax ID #74-2913771). Such letters are not required

for gifts of less than \$250, however, it is our practice to send them.

- **PAYROLL:** The DSCF does not provide payroll services and does not collect or submit payroll taxes. If an outside payroll service is used, the DSCF will submit payment to them if proper documentation is provided on a Request for Payment form.
- **RETURNED CHECKS:** Your account will be charged a \$30 fee for any returned checks, regardless of the reason for the return. You may seek reimbursement from the person who submitted the check, but DSCF will not do so.
- **EXPENSE REIMBURSEMENTS:** Please follow the guidelines set forth below for reimbursements.
 1. Reimbursements may be authorized only by the Fund Advisory Board.
 2. Expense requests must be submitted using the "Request for Payment" Form provided by DSCF. Requests must be made in writing and mailed to DSCF, P.O. Box 1684, Dripping Springs, Texas 78620.
 3. Requests must include receipts or invoices for expenses.
 4. Expense reimbursement checks are issued no less than once a month.
 5. For questions regarding reimbursements, please contact Janet Holland, Treasurer: Janet@loveranchtx.com; 512-496-5112.
- **LEADERSHIP CHANGES.** Your organization must notify the DSCF within seven (7) days of any changes in your designated officers. You must provide proof of election at any time an election has occurred.
- **TAX IDENTIFICATION:** No accounts (vendor, bank, etc.) can be opened using DSCF tax identification number. Detailed record keeping of individual purchases is your responsibility.
- **SPECIAL EVENTS/FUNDRAISERS:** Events require an Event Notification Form to be submitted to DSCF for approval prior to any public notice or publication of the event. Approval is required to ensure that all non-profit rules are followed by the organization. Prior to publication, all flyers, invitations and or announcements to be used must be submitted along with the Event Request Form. Raffles are not permitted.
- **SPECIAL EVENT INSURANCE:** An organization may need to purchase special event insurance naming the Dripping Springs Community Foundation as an Additional Insured. In addition, if alcohol is going to be served, the host organization must purchase liquor liability insurance. Such policies must be submitted to DSCF prior to the event date.
- **REQUIRED REPORTING:** Written reports of project activity must be provided to the DSCF twice a year, by July 31 for the January-June period, and by January 31 for the July-December period, including an evaluation of objectives and goals met or unmet.