

# Fundraising Policies & Procedures



**Shriners International**

## Introduction

Because Shriners have been the driving force behind Shriners Hospitals for Children®, it has become natural to associate the fez with this charity. However, Shriners International and Shriners Hospitals for Children are separate and distinct legal corporations.

Shriners Hospitals for Children is a 501(c)(3) incorporated in the state of Colorado, and it operates several locations. Its purpose is to provide specialized medical care to children without regard to race, creed, sect or nationality. The treatment is provided regardless of the families' ability to pay. This is the charitable corporation.

Shriners International is incorporated in the state of Iowa, and it presently has nearly 200 unincorporated fraternal associations in several countries. We know them as Shriner temples. This is the fraternal corporation.

Particular attention must be given to all fundraising activities to make certain that such activities comply with the law of the land and that a contributor is not led to believe that his money will be used for the health care system when all or a portion thereof may be used otherwise.

## Types of Fundraisers

There are two types of Shriners fundraisers – charitable and fraternal.

**Charitable Fundraisers** – Where 100 % of the net proceeds benefit Shriners Hospitals for Children. (See pages 3-6.)

**Fraternal Fundraisers** – Where the net proceeds benefit the temple, which in turn may distribute them as it sees fit. For example, profits may be disbursed to the temple general fund, a building fund, to clubs and/or units, to Shriners Hospitals for Children, to local community or Masonic-related projects (DeMolay, Masonic Home, etc.), or any combination thereof. [See pages 6-7].

## Procedures That Apply to All Shriners Fundraising Activities

- All fundraising must comply with the law of the land; that is, the law of the jurisdiction where the activity takes place. This includes national, state or province, and local laws.
- The use of the name Shriners Hospitals for Children is governed by §503.11 of the bylaws of Shriners Hospitals for Children.
- All fundraising is governed by General Order No. 1 as may be issued on that subject by the Imperial Potentate.
- Insurance: Your attention should be directed to that portion of the existing General Order No. 1 pertaining to insurance. Strict compliance is required.
- All contracts must be reviewed and approved by the Temple Potentate after receiving the advice of the temple attorney.
- All fundraising promotional materials (including temple publications) must include a statement indicating the major entity benefited by the funds [Statement of Purpose].

## Statements of Purpose and Disclosure

All fundraising promotional materials must contain a STATEMENT OF PURPOSE. Below are examples for each type of fundraising activity.

### For Charitable Fundraisers:

"Proceeds are for the benefit of Shriners Hospitals for Children."

### For Fraternal Fundraisers:

"Proceeds are for the benefit of ( \_\_\_\_ Shriners) ( \_\_\_\_ shrine club) activities."

Every fundraising activity which is not entirely for the benefit of Shriners Hospitals for Children shall prominently state on all solicitation material, including tickets, programs, documents and electronically transmitted material, the following DISCLOSURE: "Payments are not deductible as charitable contributions."

**NOTE:** All fraternal fundraising materials must include both the Statement of Purpose and Disclosure.

## Charitable Fundraisers

It should be emphasized at this point that no noble (in his capacity as a Shriner), club, unit, organization of nobles, or affiliated or appendant corporations shall engage in any charitable fundraising activity other than for the benefit of Shriners Hospitals for Children.

When a decision is made to conduct a charitable fundraiser, the responsible noble (club/unit president, committee chairman, etc.) must submit a written request to the Temple Potentate having jurisdiction thereof. If he approves, the Potentate must then obtain the written permission from the chairmen of the boards of directors and trustees. This request for written permission shall be sent to the Executive Vice President – Shriners International, Shriners International Headquarters, P.O. Box 31356, Tampa, FL 33631-3356. Final approval for a charitable fundraising activity is effective upon the temple's receipt of a Charity Activity Form. If a request is denied, the Temple Potentate will receive an explanation.

### One hundred percent of the net proceeds from charitable fundraisers must be given to Shriners Hospitals for Children.

Expenses for operating the event must be actual, and no labor charges can be made for volunteer work by Shriners and/or their families.

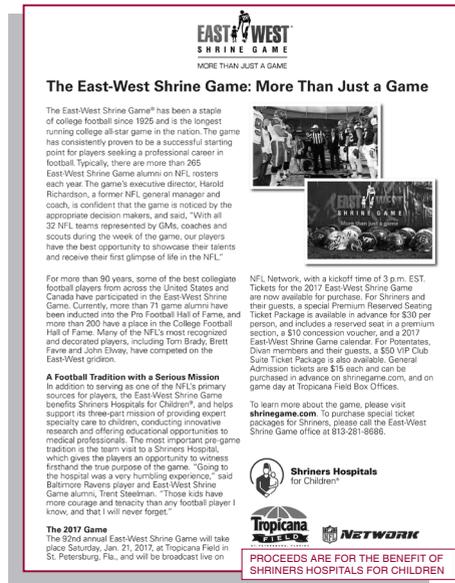
Under certain conditions, existing General Order No. 1 allows the use of a portion of funds raised for the hospitals to be used for the temple's Shriners Hospital Patient Transportation Fund. [See "Special Purpose Funds" section of General Order No. 1 for complete details.]

All solicitation materials, tickets, programs and documents, including all electronically transmitted materials, must include factual information (Statement of Purpose) regarding use of the proceeds. [See figure 1.]

Information about our health care system (obtainable from the marketing and communications department), such as patient success stories, facts and figures, photos or other appropriate material, may be used in programs for **charitable** fundraisers. [See figure 2.]



**Fig. 1:**  
Sample ticket  
for charitable  
fundraiser



**Fig. 2:**  
Sample insert  
for charitable  
fundraiser

The temple shall report the results of each charitable fundraising activity within 60 days of the activity to the Executive Vice President – Shriners International on the charity activity form provided to the temple. A temple that fails to remit the net proceeds within 60 days of the activity, without having been granted a written extension by the chairmen of the boards of directors and trustees, for good cause shown, shall be assessed interest at the legal rate allowable in the jurisdiction of the activity, or the amount earned on the net proceeds, whichever is higher, retroactive to the date of the activity.

The temple shall maintain detailed financial records of all fundraising activities involving nobles, clubs, units, organizations of nobles and affiliated and appendant corporations for a period of seven years. Details of all revenues and expenditures shall be maintained in such financial records.

## State Solicitation Laws

Some states have solicitation laws that may require Shriners compliance. Temples must have their attorney review such laws. By way of example, the State of Florida requires that the following statement be included in all printed solicitation materials, receipts, written confirmation, or reminders of contributions soliciting charitable contributions for Shriners Hospitals for Children. The statement must be conspicuously displayed in all capital letters.

SHRINERS HOSPITALS FOR CHILDREN IS DULY REGISTERED WITH THE STATE OF FLORIDA AS REQUIRED BY ITS SOLICITATION OF CONTRIBUTIONS ACT. THEIR REGISTRATION NUMBER IS CH433. A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE DIVISION OF CONSUMER SERVICES BY CALLING TOLL-FREE 1-800-435-7352 WITHIN THE STATE, OR VISITING THE DEPARTMENT'S WEBSITE AT FLORIDACONSUMERHELP.COM. REGISTRATION DOES NOT IMPLY ENDORSEMENT, APPROVAL OR RECOMMENDATION BY THE STATE.

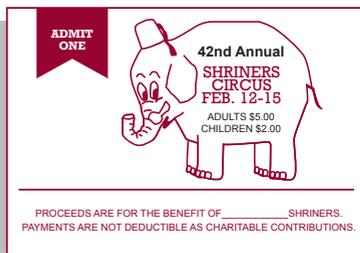
### Fraternal Fundraisers

No noble (in his capacity as a Shriner), club, unit, organization of nobles or affiliated or appendant corporations, shall engage in any fundraising activity without the express written consent of the Potentate of the temple having jurisdiction thereof.

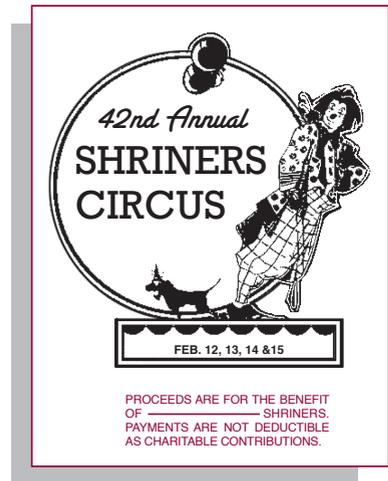
There can be no representation, expressed or implied, that the proceeds will be for the benefit of Shriners Hospitals for Children.

The Temple Potentate shall carefully examine all phases of the advertising, promotion and solicitation to determine that it complies with §335.3 and §503.11 of the fraternal and charitable bylaws and that there is no representation, expressed or implied, that would lead a reasonably prudent person to believe that the proceeds will be for the benefit of Shriners Hospitals for Children. If the Potentate is in doubt, he must receive the opinion of the Imperial Potentate who, after consultation with the director of temple accounting, shall make the final determination.

When the Potentate gives his written consent for a fraternal fundraising activity, a copy of the same shall be mailed to the Executive Vice President – Shriners International. Further, any printed materials pertaining to the fundraising activity shall be sent to the Executive Vice President – Shriners International if so requested.



**Fig. 3:**  
Sample ticket  
for fraternal  
fundraiser



**Fig. 4:**  
Sample program  
cover for fraternal  
fundraiser

All promotional material, tickets, programs and documents must contain a Statement of Purpose and Disclosure. [See figure 3.] Information about our health care system may be used in programs for fraternal fundraisers provided that each contains the appropriate Statement of Purpose and Disclosure.

This information must appear in a conspicuous location using lettering bold enough to be easily read. Programs and other 'booklet' type materials must include the Statement of Purpose and Disclosure on the front cover or the first page. [See figure 4.]

The Statement of Purpose and Disclosure should also be included as a part of each fundraising activity advertised in temple publications.

The temple shall maintain detailed financial records of all fundraising activities involving nobles, clubs, units, organizations of nobles or affiliated or appendant corporations for a period of seven years. Details of all revenues and expenditures shall be maintained in such financial records.

### Further Information

If you have any questions regarding the procedures for fundraising, you are to communicate with:

Executive Vice President – Shriners International  
Shriners International Headquarters  
P.O. Box 31356  
Tampa, FL 33631-3356  
813-281-0300

## **Charitable Fundraiser Checklist**

- Has written permission been obtained from the Temple Potentate and chairmen of the boards of directors and trustees?
- Has the Temple Potentate reviewed and approved any necessary contracts?
- Has the appropriate insurance been obtained?
- Has the Temple Potentate examined all solicitation and promotional material to assure compliance with Shriners law?
- Have federal, state/province and local laws been complied with?
- Has there been compliance with The Revenue Act of 1987 (if the temple is located in the United States)? (See General Order No. 1)
- Has a "Statement of Purpose" been included on all tickets, solicitation material, programs and all other promotional material?
- Has the charity activity form been completed and returned to Shriners International Headquarters within 60 days of the activity to avoid an interest penalty?

## **Fraternal Fundraiser Checklist**

- Has written permission been obtained from the Temple Potentate?
- Has a copy of the approval been sent to the Executive Vice President – Shriners International?
- Has the Temple Potentate reviewed and approved any necessary contracts?
- Has the appropriate insurance been obtained?
- Has the Temple Potentate examined all solicitation and promotional material to assure compliance with Shrine law?
- Have all federal, state/province and local laws been complied with?
- Has there been compliance with The Revenue Act of 1987 (if the Temple is located in the United States)? (See General Order No. 1)
- Have a "Statement of Purpose" and "Disclosure" been included on all tickets, solicitation and promotional material, including temple publications?