

LEARNING FOR LIFE      DATE \_\_\_\_\_

Received in Learning for Life service center \_\_\_\_\_  
(Date)

# MONEY-EARNING APPLICATION

Please submit this application to your Learning for Life service center well in advance of the proposed date of your money-earning project. Read the 10 guides on the other side of this form. They will help you in answering the questions below.

(Official stamp)

Post No. \_\_\_\_\_

Group No. \_\_\_\_\_ Participating Organization \_\_\_\_\_

Community \_\_\_\_\_

Submits the following plans for its money-earning project and requests permission to carry them out.

What is your Group/Post money-earning plan? \_\_\_\_\_

About how much do you expect to earn from this project? \_\_\_\_\_ How will this money be used? \_\_\_\_\_

Does your participating organization give full approval for this plan? \_\_\_\_\_

What are the proposed dates? \_\_\_\_\_

Are tickets or a product to be sold? Please specify. \_\_\_\_\_

Have you checked with neighboring participating organizations to avoid any overlapping of territory? \_\_\_\_\_

Is your product or service indirect conflict with that offered by local merchants? \_\_\_\_\_

Are any contracts to be signed? \_\_\_\_\_ If so, by whom? \_\_\_\_\_

Give details. \_\_\_\_\_

Is your Group/Post on the budget plan? \_\_\_\_\_

How much does your Group/Post have in its treasury? \_\_\_\_\_

Signed: \_\_\_\_\_ Signed: \_\_\_\_\_

(Institution Head)

(Advisor/Lead Teacher)

Signed: \_\_\_\_\_

(Chairman/School Principal)

(Address of Chairman/Principal)

**FOR USE OF LEARNING FOR LIFE FINANCE COMMITTEE:** Telephone \_\_\_\_\_

Approved by \_\_\_\_\_ Date: \_\_\_\_\_

Approved subject to the following conditions:

\_\_\_\_\_

\_\_\_\_\_

# 10 GUIDES TO MONEY-EARNING PROJECTS

The way in which a group/post earns money to carry out its program is of great importance in the education of youth. Whenever your group/post is planning a money-earning project, this checklist can serve as your guide. It will be helpful to you as you fill out the application. If your answer is yes to all the questions that follow, it is likely the project conforms to Learning for Life standards and will be approved.

1. Have your group/post committee and participating organization approved your project, including the dates and the methods?

There should be a real need for raising money based on your group/post's program. We should not engage in special money-earning projects merely because someone has offered us an attractive plan. It's important to remember that individual youth are also expected to earn their own way. The need should be over and above normal budget items covered by dues.

2. Does your plan and corresponding dates avoid competition with money-raising efforts and policies of other group/posts, your participating organization?

Check with your Institution Head to make certain that your organization agrees on the dates and type of fund-raiser.

3. Does your plan comply with local ordinances; is it free from any association with gambling; and is it consistent with the ideals and purposes of Learning for Life?

Money-raising projects that include the sale of raffle tickets are in violation of this policy. This question can be answered only in terms of specific proposals. If there is any question of its suitability, contact your local Learning for Life service center for assistance.

4. If a commercial product is to be sold, will it be sold on its own merits and without reference to the needs of Learning for Life, either directly (during sales presentations) or indirectly?

Teaching youth to become self-reliant and to earn their own way is an important part of training our youth.

5. If tickets are sold for any function other than a Learning for Life event, will they be sold by your youth as individuals without depending on the goodwill of Learning for Life to make this sale possible?

6. Even when sales are confined to parents and friends, will they get their money's worth from any product they purchase, function they attend, or services they received from your group/post?

Here again is the principle of value received - a sale standing on its own merit - so that the recipients are not in any way subsidizing either Learning for Life or the participant. Youth must learn to pay their own way and to honestly earn the money to do it. You cannot permit anyone to use the good name of Learning for Life to sell a product.

7. If a project is planned for a particular area, do you respect the right of other Learning for Life group/posts in the same neighborhood?

It's a courtesy to check with neighboring group/posts/clubs or the local council to coordinate the time of your project and to see that you aren't covering their territory. Your service team member can help you with this.

8. Is it reasonably certain that people who need work or business will not lose it as a result of your group/post/club's plan?

Your group/post/club should neither sell nor offer services that will damage someone's livelihood. If possible, check with the people who may be affected.

9. Will your plan protect the name and goodwill of Learning for Life and prevent it from being capitalized on by promoters of shows, benefits, or sales campaigns?

Because of Learning for Life's good reputation, customers rarely question the quality or price of a product. Unchecked, the network of Learning for Life group/posts could become a beehive of commercial interest to the neglect of character building and citizenship training.

10. If any contracts are to be signed by your group/post/club, will they be signed by an individual without reference to Learning for Life and in no way appear to bind Learning for Life or the participating organization to any agreement of financial responsibility?

Before any person in your group/post/club signs a contract, he/she must make sure the venture is legitimate and worthy. If a contract is signed, he is personally responsible. He cannot sign on behalf of Learning for Life nor may he bind the participating organization without its written authorization. If you're not sure, check with your local Learning for Life local office for help.

# FISCAL POLICIES AND PROCEDURES FOR LEARNING FOR LIFE & EXPLORING FAQ'S

## **Should our Post/Club have a checking account?**

Yes. Program funds should be deposited in a checking account that requires two signatures on every check unless the participating organization requires other procedures.

## **Does a Post/Club need its own tax identification number? If so, where do we get it?**

The answer depends on the participating organization. Most programs obtain their own tax ID number by completing IRS Form SS-4. The current form and instructions are available on the IRS website ([www.irs.gov](http://www.irs.gov)). The participating organization should be the "responsible party." Contact your participating organization for written permission. Contact your local office for more information.

## **Who is responsible for the finances of the program?**

The program committee is responsible for the finances of the group/post/club, but the assets belong to the participating organization.

## **Should our program consider insuring our program equipment?**

Yes. It is suggested that your program insure its equipment. Remember, the participating organization owns the assets.

## **Can our program deposit funds with the local office?**

Yes. Most Learning for Life offices allow programs to deposit funds to their credit at the local office.

## **What happens to the program funds and equipment should the program dissolve?**

The program committee shall apply program funds and property to the payment of program obligations and shall turn over the surplus, if any, to the participating organization or the local office, as may be agreed upon, pending reorganization of the program or for the promotion of the Learning for Life program.

## **When should our program submit a LFL Program Money-Earning Application?**

For all program fundraising. Approval must be given in advance by the participating organization and the local office.

## **Is our program considered tax-exempt by the IRS?**

Participating organizations vary widely in tax status, but the tax status of your program is the same as that of your participating organization if the participating organization includes the LFL program in its tax status.

## **Does our program need to file annually an electronic postcard 990-N with the IRS?**

The LFL national service center consulted with outside counsel. In their opinion, most programs do not have to file. The only exception is for the very small number of programs that have filed for separate federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

## **Can our program be covered under the LFL's group exemption?**

No. The IRS only allows local offices (and service center trust funds) to be included under the LFL Group exemption

## **Can our program be exempt from state sales taxes?**

Your program may qualify for a number of state sales tax exemptions as a nonprofit organization under your state laws. Check with your own state; this varies widely across the country.

## **A volunteer suggested that our program apply for its own tax-exempt status. Can we?**

LFL programs should not incorporate or apply for their own tax-exempt status. LFL programs are not legal entities.

## **Can we solicit gifts for our program?**

No. Simply put, LFL programs are not permitted to solicit any gifts.

## **Does that mean people can't make gifts to our program?**

Anyone can contribute to an Exploring Post/Club—and many donors don't need or care about charitable deductions.

## **Can gifts go to the local office to benefit our program, then "pass through" the council to us?**

No. Your program "belongs" to your participating organization, not to your local office.

## **My local company has employee volunteerism grants. Can these gifts go to our program?**

Employee incentive awards and volunteerism grants usually can NOT go to an individual program, due to the company's giving restrictions. Corporate donations often can only go to charities that are "501 (c) (3)

## **Can my LFL program credit amounts from fundraising to an individual toward their expenses?**

See the Product Sales Guide for more information.

**Questions? Need more information? Please contact your local office.  
Thank you for all you do for Learning for Life and the young people in your community.**