

**This document outlines the policies and procedures that should be applied when service units are raising funds for activities, projects, or accepting donations of any kind.**

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## **Service Unit Money-Earners**

A money-earner is an activity organized by a service unit that is planned and carried out by registered adult volunteers with the goal of earning money for Girl Scout-related activities. All adults responsible for the management of a money-earning activity must be registered members, have the required training to be approved volunteers, and have an active background check on file at GSHNJ.

Keep in mind that the vast majority of events at the Service Unit Level are not fundraising events; they are program events that should be designed to run at cost. Management of a service unit money earner should be at the volunteer level including promoting the event, recruiting volunteers, girls, and attendees, and managing the funds.

### **Is there any requirement for a service unit to eligible to have a money earner?**

Yes, a service unit must be in good financial standing and have submitted the most recent Service Unit Financial Report to their Service Unit Support Specialist. The service unit must have at least one troop participate in the Fall Product Program and at least one troop participate in the Cookie Program.

### **What is the difference between money-earning, fundraising, and accepting donations?**

Money-earning is NOT the same as fundraising or accepting a donation. Money-earning is an experience where girls and registered volunteers perform a service or deliver a product to a customer to earn money, and where they learn financial literacy skills in the process. When you fundraise, you are directly asking someone (or someplace) for money and by IRS guidelines for organizations like Girl Scouts, girls may not do this. However if girls are not involved in the planning or execution of a fundraiser, a service unit may host the fundraiser. Donations in the form of products or services are known as ‘in-kind’ donations, and can be requested and accepted as long as some basic rules are followed. Please see the section below for more information on donations.

**Can we use PayPal or another service that allows us to accept funds electronically?**

Yes. The account must be in the name of the service unit and connected to the service unit's bank account which is administrated by a Service Unit Team member who is trained and background checked, such as a service unit manager or service unit treasurer. Using a private account to collect funds is not acceptable.

**Do I need to have a service unit money-earner pre-approved by GSHNJ Staff?**

Yes. Money-earning activities carried out by service unit to raise funds for general purposes such as trips, programs, or service, must be pre-approved by a GSHNJ staff member.

**Who do I send my money-earner approval form to? Who can answer my questions?**

Money-earners are approved by your Service Unit Support Specialist. If you aren't sure who that is, please contact our Customer Care team at [info@gshnj.org](mailto:info@gshnj.org) or 908-518-4400 and you'll be directed to the right person.

**How far in advance do I need to submit a service unit money-earner for approval?**

You will receive a response with approval or recommendations for revisions within ten (10) business days of your Service Unit Support Specialist receiving your form. DO NOT ADVERTISE or PROMOTE your event before receiving a response, as revisions may be required.

**Does my Service Unit Support Specialist need to review my promotional material?**

No, but we're always happy to help if you have questions. However, if you are requesting your Service Unit Support Specialist to send your flyer to neighboring service units, the flyer must follow GSHNJ guidelines.

**Can council advertise our service unit money earner to other service units?**

Yes, you can make a request to your Service Unit Support Specialist to email your event to the surrounding service units. It is highly suggested to check with your Service Unit Support Specialist first to ensure that your activity does not compete with other neighboring service units.

**Can my service unit host an event outside of our service unit?**

Please keep within your service unit's jurisdiction. If you would like to host an event in a neighboring service unit within GSHNJ, please check with your Service Unit Support Specialist first.

**Our service unit event is open to non-members, are there additional requirements?**

Yes, the service unit must purchase additional insurance for any non-member attendees. Please email your Service Unit Support Specialist for instructions.

**Besides the service unit money earner form, is there other paperwork that may be required?**

A Certificate of Insurance (COI) is required for, including but not limited to, contracts, contractor, vendor, program delivery facilitator, transportation, rental agreements, or venue reservations. The COI must be on file prior to the event. In addition, council must sign all contracts. Please inquire with your Service Unit Support Specialist for additional details.

### **What activities ARE acceptable for a service unit to earn money?**

The goals of any money-earner should support local events and activities for your service unit members.

For money earning activities with girl involvement:

Girl Scouts CAN for example:

- ✓ Run a badge-earning event or a skills workshop
- ✓ Host a talent show
- ✓ Produce a Service Unit cookbook
- ✓ Host a sock hop or dance within the community
- ✓ Hold a rummage sale
- ✓ Hold a spaghetti supper or pancake breakfast where girls prepare food, host guests, and clean-up! (must have appropriate food license)
- ✓ Provide gift-wrapping services for the holidays
- ✓ Hold a car wash or a dog wash
- ✓ Sell plants or holiday trees/wreaths but get creative and enhance them with pretty decorated pots, ribbons, or hand-written thank-you cards to make them special.
- ✓ Bagging groceries or gift wrapping for donations (cannot replace employee's reg. position and tips must be suggested)
- ✓ Offer clown activities or face painting at community or school events
- ✓ Community Clean-up events

Girl Scouts CANNOT with girl involvement:

- ✓ *Endorse commercial products:* Girl Scouts USA restricts the endorsement of commercial products by individuals. This includes promoting any company or business by distributing its product or coupons as a Girl Scout or volunteer. Here are some examples that are NOT allowed:
  - Reselling a branded product – like buying in bulk and reselling chips or candy bars, bottled water, or Yankee Candles
  - Hosting product demonstrations (Pampered Chef, Tupperware, etc.) as a 'Girl Scout Night.'
  - Promoting a special timeframe for discount at a business where troops receive a percent of the night's receipts
- ✓ *Ask for money or gift cards:* Direct solicitation for cash or cash equivalents (gift cards) to be used to fund troop activities is not a money earner, however in certain situations may fit the definition of a donation or grant. See below for more information on donations and grants that are allowable.
- ✓ *Participate in 'Shake-a-Can' or 'Canning':* Standing in front of a store, or any other format where they are asking for money without performing a service is not acceptable. Note that this includes having a jar or can on the table when a Girl Scout Product Program booth sale is ongoing to collect cash donations. If donations are offered, they can be accepted but girls cannot solicit for them.

- ✓ *Run games of chance (auctions, cash raffles, tricky trays, cash/prize BINGO etc.):* IRS guidelines prohibit girls from participating in these kinds of activities. Furthermore, the New Jersey State Legalized Games of Chance Control Commission prohibits organizations from hosting games of chance like BINGO or raffles where participants have to exchange something of value for the right to play **unless those games are officially licensed**. Additionally, persons under the age of 18 can only receive tickets or prizes – not cash – if they play a BINGO or raffle-style game. Please note that amusement games are NOT regulated unless they are held and operated at a recognized amusement park, at the seashore or other resort area that would be considered an amusement or entertainment area, or at an agricultural fair, or 4H exhibition. Locally held small-scale carnival-type events would not fit the criteria requiring regulation so if you are hosting fun arcade-style games at a small local event where girls win prizes or tickets, this is permitted.
- ✓ *Directly raise money for other organizations:* Girl Scouts – in their role as Girl Scouts – may not directly raise or solicit money for other organizations. This includes raising money with the sole intention of donating it to another organization like a shelter, school, or charity, and participating in walkathons, telethons, or similar activities where they accept pledges that directly raise funds for other organizations.

For fundraising activities:

Service Unit team members CAN (without girl involvement) for example:

- ✓ Host a restaurant fundraiser where only the adults are involved in the planning and execution
- ✓ Participate in store's community day coupon books or events

Girl Scouts CANNOT:

- ✓ Host the event during the Fall Product Program or Cookie Program.
- ✓ Advertise the event prior to council approval
- ✓ Run a restaurant fundraiser where the volunteers are actively involved in the facilitation or cooking during the event

NOTE: Although a service unit cannot directly raise funds for another organization, they can support that organization by collecting non-monetary donations on their behalf, volunteering at an event, or by raising money to purchase supplies to make items for that organization. A service unit can vote to allocate funds they already have in their treasury to another organization – however that vote must be unanimous.

**We want to hold a service unit money-earner where we are receiving an item from a local organization at a low cost to resell, is that an acceptable money-earner?**

Yes. As long as you are not promoting the organization where you obtained the items, and the items are not branded. Remember that the girls should EARN and LEARN from the experience – so have the girls come up with a way to enhance the product and make it even more awesome, rather than just re-selling it.

### **Can I do a service unit money-earner at any time of year?**

Almost! You cannot sell any ITEM - such as holding a bake sale at a service unit event or selling friendship bracelets - at the same time as booth sales are ongoing for either the Fall Product or Cookie Program. If you wish to earn funds during these timeframes, a Fall Product Booth Sale or Cookie Booth Sale is available to them. You may run a service or activity based money-earner.

### **Can we donate service unit funds we've earned to support another organization?**

Yes. A service unit may contribute a portion of their treasury to organizations or projects they consider worthwhile. A service unit must vote on this decision. Service units cannot however hold a money-earner to directly raise funds for another organization as mentioned above.

### **How do I report the outcome of our service unit money-earner?**

Your annual service unit financial worksheet has a place to report any income from money-earning activities.

### **Can I use kick-starter or another fund-raising site to generate funds?**

No. Girl Scouts cannot directly solicit for cash or cash equivalents (gift cards).

## **Accepting In-Kind Donations and Grant Funding**

In-kind donations are donations of materials, products, or services. Troops and IRMs may solicit and accept in-kind donations. For example, a troop may want to hold a money-earner bake sale; they may solicit a donation from the local grocery store for the brownie and cake mix that they will use to make the baked goods they plan to sell. Grants are typically more complex agreements with an organization who will want to see the outcome of the funds they have donated. Grants may result in money being donated to a troop for a purpose.

### **We want to ask for in-kind donations – can we?**

Yes. Prior to soliciting in-kind donations with a value greater than \$249.99 you must contact the GSHNJ Fund Development department ([funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org)) for approval, to ensure it does not overlap with other initiatives.

### **We want to ask for cash donations to fund a service unit activity – can we?**

No. Girl Scouts cannot directly solicit for cash or cash equivalents (gift cards) to use for funding troop or High Award activities.

### **We want to ask for gift cards to be used as prizes for an event – can we?**

Yes. Gift cards being requested so they can be given as a prize at an event are donations, and you may accept donations as long as any individual donation (money, supplies, or service) is valued at less than \$250. Any individual in-kind donation valued at \$250 or more should be discussed with council prior to accepting the items by contacting [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org) to be sure it does not overlap or conflict with other initiatives. GSHNJ may be able to accept the donation on your behalf.

**We were offered an in-kind donation – can we accept it?**

Maybe. You may accept donations of supplies or services as a service unit as long as any individual donation (money, supplies, or service) is valued at less than \$250. Any individual in-kind donation valued at \$250 or more should be discussed with council prior to accepting the items by contacting [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org) to be sure it does not overlap or conflict with other initiatives. GSHNJ may be able to accept the donation on your behalf.

**Our local hardware store will provide us supplies at a discount, is this acceptable?**

Yes; being offered a discount, coupon, or sale price on an item is acceptable. .

**My company donates money to organizations where employees volunteer - can I accept it?**

Yes. You may accept a donation as long as it is valued at less than \$250. Any donation of \$250 or more should be discussed with GSHNJ's Fund Development department prior to accepting the funds by contacting [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org). Troops are not legal 501(c)(3) entities and cannot provide tax-deductibility of the donation. GSHNJ may be able to accept the donation on your behalf, if your company requires confirmation of tax-deductibility. Please note that approvals are for one instance only, and any additional awards (for example donations made annually) must be re-confirmed before they can be accepted.

**We were offered a cash donation – can we accept it?**

Yes. If, in the process of asking for donations of supplies or services, someone offers you money or a gift card that you can use to purchase the supplies you need, you may accept it as long as it is valued at less than \$250. Any donation valued at less than \$250 can be received directly by you or your service unit. Any individual donation of \$250 or more should be discussed with GSHNJ's Fund Development department prior to accepting the funds by contacting [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org) to be sure it does not overlap or conflict with other initiatives. GSHNJ may be able to accept the donation on your behalf.

**The local print shop produced our annual awards booklet, and they'd like a receipt for their donation. How do I get that for them?**

We can help. Contact GSHNJ's Fund Development department at [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org) for next steps. Troops are not legal 501(c)(3) organizations and cannot provide tax-deductibility of the donation on their own, but GSHNJ may be able to accept the donation on your behalf and provide the receipt.

**Can we apply for a financial grant?**

Yes. You may apply for a grant, but must contact GSHNJ's Fund Development department at [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org) before applying to be sure it does not conflict or overlap with other initiatives or grants. Grants also typically will want proof of 501(c)(3) status and so you'll need to work with fund development to work through the logistics.

**How do I report the receipt of an unsolicited cash donation?**

Your service unit financial worksheet has a place to report any income with a comment field and describes how to document them. Any donations would be reported in this part of the finance tab.

**How do I report the receipt of an in-kind donation?**

In-kind donations do not have to be reported.

**Are there other ways service units can earn money?**

GSHNJ is introducing a new peer-to-peer fundraising platform, and rolling it out with a money earning component for service units. This application allows troops and families to personalize a campaign page, and share it with their friends, families, and communities to rally support that will benefit the council as a whole. Service units who raise \$250-\$999 will receive 10% back at the end of the campaign, and those who raise over \$1,000 will receive 15% back. For more information, please contact GSHNJ's Fund Development Department at [funddevelopment@gshnj.org](mailto:funddevelopment@gshnj.org).

## Service Unit Money-Earning Form

All money-earning projects must meet GSUSA and GSHNJ's policies and standards. The application must be submitted to council ten days prior to advertising your proposed project.

**Note:** Incomplete forms may be returned and may result in processing delays. If you have questions, please consult your Support Specialist.

Service Unit # / Town: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Email address: \_\_\_\_\_ Phone: \_\_\_\_\_

**About your project:**

Describe your project (please be specific): \_\_\_\_\_

How will you be involved in this project? \_\_\_\_\_

Date and location of project? \_\_\_\_\_

What program or activity will this project fund? Dollar goal (income minus expenses): \$ \_\_\_\_\_

**Money Earner MUST meet all of the requirements below:**

The project will not be carried out during the Product Programs.

The project does not endorse/promote any business or involve the sale of commercial items.

The project does not include a game of chance (raffle, drawing, silent auction) or direct solicitation of cash.

The project does not raise money for another charity or organization.

Troop has turned in previous year's finance report to council.

The Service Unit will receive 100 percent of the proceeds earned.

We agree to follow GSHNJ's and GSUSA policies and standards in Volunteer Essentials.

We have contacted council about insurance (if applicable.)

We have contacted council about contracts (if applicable.)

**We understand that this is a request for approval. We will not make any final arrangements until we have received approval from our Support Specialist. If changes occur to this project, we will notify council.**

Adult representative signature: \_\_\_\_\_ Date: \_\_\_\_\_

Adult representative signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Service Unit Money Earner Approval – For council use only**

Group: Registered in current Girl Scout year:  Yes  No

SU Year End Financial Report submitted

Money Earner **approved** as written



Money Earner **approved with the following changes** \_\_\_\_\_

Money Earner **denied** because \_\_\_\_\_

Support Specialist: \_\_\_\_\_ Date: \_\_\_\_\_