

Good Afternoon FHE Coaches & Parents,

I've received a lot of fundraising/sponsorship questions lately and wanted to take this opportunity to clarify some important information with you all.

FHE Sports is recognized by the Internal Revenue Service as a 501(c)(3) nonprofit organization, and it is vital for our organization to protect this nonprofit status. Any unauthorized fundraising activities could put the FHE Sport's nonprofit status in jeopardy.

It is a basic rule of nonprofit tax law that there can be no private benefit received from the activities of a tax exempt organization. As a result, any organization that conducts activities that result in private benefit risks losing its nonprofit status.

Team fundraising provide an opportunity for teams to raise funds to help offset team costs such as team-specific equipment, travel costs, or tournament fees not paid for by the dues. The critical distinction with team fundraising is that any funds raised must be utilized for equal benefit of all members of the team (e.g. gym rental, equipment, uniforms, tournament fees, etc.) and may not benefit any specific player or subset of players.

- Proceeds of fundraising activities must be used to pay the team related expenses such as tournament costs and travel. Teams may also use fundraising proceeds to plan team bonding activities such as pizza parties or team outings. **In no event should any funds raised through team fundraising activities be allocated to the benefit of a single player or a subset of players on the team.** All proceeds of team fundraising activities must be utilized for the benefit all members of the team

Again, the focus of our fundraising efforts should be on activities that will benefit the whole organization or team. Any proceeds raised should be **applied to the team's general budget** as opposed to the account of any particular member.

This also applies to our generous donors & sponsors. Starting today, November 26, 2024, FHE Sports will only be accepting the following two kinds of donations & Sponsorships:

- Team Fund (**TAX DEDUCTIBLE**) – this will be used to offset the overall costs of the sports program you select and will benefit all participants equally.
- Named Recipient (**NOT TAX DEDUCTIBLE**) – all funds will be used strictly for this recipient to cover their personal costs of participating. However, IRS rules prevent us from giving contribution statements for donor directed gifts. **Please write the intended recipients name in the comments section for online donations or on the memo line for donations by check.**

Donors & Sponsors are entitled to placing restrictions on their donations (e.g. choosing a fund/team, purchase of specific equipment, sponsoring a tournament, etc.) but they cannot directly name a recipient. We should be carefully communicating this with our potential donor/sponsors so they can choose the right kind of donation for their business.

Any check or online donations received with a player name in the memo line will be considered a Named Recipient Donation and the donor/sponsor will NOT receive a tax deductible statement.

Online donations can be made through our secure giving link (<https://secure.anedot.com/fhesports/donate>) or by texting **fhesports** to (888) 444-8774 (texts them our giving link)

If you have any questions you can reach out to me.

Humbly,

Kate Sipes

FHE Sports Treasurer

treasurer@fhesports.org