



### **PIM 2008-002 directed donations**

What are we solving for: On occasion individual teams are given charitable \$s for specific child scholarships or team expenses. Today this money is given to the team and the donor receives no tax deduction. Due to the charitable nature of these gifts MVLA wants to provide the donor the opportunity to receive a tax deduction for the gift through the MVLA 501c3. This PIM provides for directed donation guidance to the MVLA Treasurer per section 2:02:01 d.

### **Policy Interpretation**

- A. Teams may request the MVLA Treasurer setup a directed account under the MVLA 501c3 bank account. The account must be named for a specific Authorized Use of the funds and have an associated target. The target must be greater than \$500. The MVLA board will decide if the account meets the Authorized Use requirements. The account gets established only after MVLA board vote.
- B. Authorized use (Authorized Use) of funds include:
  - a. Player Financial Aid: Account for a child or named children to offset child team expenses, coaches expenses, travel fees related to MVLA team activity, club fees, player equipment or other fees incurred by the child on MVLA team activities. These donations are subject to a 3% administration fee.
  - b. Team expenses: Specific donation to a team for equipment, registration, tournament fee, team travel fees, or any other team expenses related to MVLA team activities. These donations are subject to a 3% administration fee.
  - c. Elite player expenses: Monies donated to support an elite player Olympic Development Program (ODP) expenses or other similar expenses. Qualified expenses may include travel to such programs, program expenses or other expenses related to ODP. These donations are subject to a 3% administration fee.
- C. MVLA will provide all proceeds in the directed account, minus the administrative fee, to the team on team request. The team manager will receive the funds on behalf of the player or team by submitting a signed letter stating the expected expenditure of the funds – matching the original purpose of the account. Any unauthorized use of the funds may result in board action.
- D. All distributed funds must be used for the board approved Authorized Use. Any extra money must be returned to the club for the club general fund.
- E. The donation from a corporation or individual must be to one of the directed accounts.
- F. Any durable equipment purchased with these directed funds is owned by the club. Durable equipment is equipment lasting > 1 year and not associated to an individual (eg. uniform is not durable, but kickback goals are).
- G. MVLA will provide a receipt to the donor with the named Authorized Use on the receipt.
- H. The donor is responsible to determine if the donation is tax deductible, including reducing the deduction for any money directly benefiting the donors child or donor as applicable.