

PAPILLION RECREATION ORGANIZATION SPONSORSHIP AND FUNDRAISING POLICY

OVERVIEW:

Papillion Recreation Organization (PRO) is committed to responsible spending of sponsorship proceeds and donations received by this organization to facilitate the youth sports activities under its direction. To that end, PRO shall make every reasonable effort to ensure the handling of funds by this organization are done in a consistent, ethical, efficient manner which follow widely accepted best practices of accounting that protect the not-for-profit status of the organization. This policy will define how PRO may be represented in sponsorship or fundraising efforts initiated by its members or on its behalf. This policy will also define what content is considered unacceptable due to risk exposure. Finally, this policy requires that all fundraising activities be limited to sponsorships and donations. No advertising will be sold by PRO or any PRO sponsored sport or its teams without prior PRO Board approval given the way advertising fees are treated differently by the IRS.

PROCEDURES:

Donated and sponsorship funds raised on behalf of PRO or any PRO sponsored sport and its teams may only be used for the following purposes:

- Team Registrations fees for leagues or tournaments
- Team Gate fees (when paid to a tournament host with the registration)
- Team Lodging and Transportation of players to events more than 50 miles from Papillion.
- Team Uniforms & Accessories
- Team Equipment
- Officiating fees
- Facilities for Team Use
- Payment of wages and/or salaries of PRO approved employees
- Payment of contractor fees for services benefiting PRO or any PRO sport and its teams

All donated and sponsorship funds will be remitted to the PRO Treasurer within 5 business days of receipt. All donated and sponsorship funds raised on behalf of PRO will be retained by the PRO Treasurer for PRO expenses. All donated and sponsorship funds raised on behalf of an individual PRO sport and its teams will be distributed to the PRO sport and its teams once the funds are properly accounted for by the Treasurer. Funds will not be transferred outside of the organization for any reason other than normal payment of expenses incurred by PRO or a PRO sport and its teams. This includes, but is not limited to, situations where a PRO sport and its teams or one or more of its teams decides to sever its relationship with the PRO organization.

All donated and sponsorship funds raised on behalf of a PRO sport and its teams may be distributed to an individual team for any of the purposes outlined above. In the

event a team completes a season without having spent all fundraising proceeds it has received, the team may carry that balance forward to the next season to offset future team expenses, but only if a majority of the team members will be participating in the future season. In the event a majority of the team members are not participating in the future season, or the team has aged out of a sport, funds will be transferred to the general fund of the overseeing PRO sport. At no time may any raised funds be set aside in an account for or for the sole benefit of a single player in accordance with IRS rules governing not-for-profits.

All fundraising and sponsorship activities must be pre-approved by the PRO Board of Directors one month prior to their commencement. All applications for approval will consist of a presentation of the following information:

- Description of fundraiser or sponsorship
- How money will be collected
- How any receipts will be submitted to the PRO Treasurer
- The intended purpose of the funds to be collected

However, the following fundraising and sponsorship activities are exempted from the pre-approval requirement by the PRO Board:

- Team banners
- Concessions at entertainment venues with recognized charity programs
- Restaurant food nights – PRO specific
- Spaghetti, chili, pancake, etc., feeds
- Instructional sport clinics
- For any sport having an individual sport board, the sport's board may approve all other fundraising and sponsorship activities that are expected to generate up to \$5000. If the anticipated amount is above \$5,000, the fundraising and sponsorship activities must be approved by the PRO board.

No donated and/or sponsorship funds may be accepted by PRO or a PRO sport and its teams from any entity representing the tobacco, alcohol, or adult entertainment industry, or any other illegal activity.

No advertising will be sold by PRO or any PRO sponsored sport or its teams without prior PRO Board approval. The PRO Board of Directors reserves the right to prohibit any business advertising it deems, by a majority vote, to be detrimental to the well-being of youth athletes.

At no time shall any PRO sport or team conduct a lottery or raffle without prior approval from the PRO Board of Directors.

All fundraisers and sponsorships shall be coordinated with the PRO Director of Promotions or the person assigned to perform the promotional duties of PRO. The intent is to prevent the over solicitation of local businesses.

A disciplinary hearing may be called upon discovery of any member not in compliance with this Policy.

Approved March 16, 2023