Guidelines for Incidental Fundraising for External Charities

To implement MCCCD’s Institutional Value of “Community: We value all people—our students, our employees, their families, and the communities in which they live and work. We value our global community of which we are an integral part.” student and employee groups may choose to support external charities. MCCCD supports fundraising for charities by its students and employees so long as they are consistent with the law and financial restrictions imposed on MCCCD.

General Comments

Cash and Checks. Generally speaking, MCCCD may not create a check payable or otherwise transfer funds from its account to a charitable agency in order to transfer donations raised by students or employees to that agency. That applies even to charitable entities such as the Maricopa Community Colleges Foundation. That type of transfer is considered a gift of public funds in violation of the Arizona State Constitution Article 9, Section 7. MCCCD has made a modest exception to this prohibition for charitable funds raised by student groups. The exception applies on to those specific funds raised and to the specific charity for which they are raised. See the discussion under the heading “Student Groups.”

The simplest way to avoid the problem is to ensure that checks are made out to the charitable agency and not MCCCD or a college. Additionally, cash collected should not be deposited into MCCCD accounts. Essentially, MCCCD should not be expending public funds or look as though it is spending those funds to generate donations for a charity.

Non-cash Items. Non-cash charitable activities such as food or clothing drives sponsored by students or employees are fine, subject to the caveat that, if sponsored by employees, the activities are subject to the criteria specified under the heading “Employees.”

Student Groups

MCCCD’s Administrative Regulation 1.16.7 (Official Functions) provides:

Student groups may make modest contributions or donations or purchase items to donate to third parties for charitable purposes but only if they use funds raised by them for that purpose. Other funds may not be used. For such contributions or donations, completion of the “Official Function Form” is at the discretion of the MCCCD entity. Contributions and donations of MCCCD funds or items purchased with MCCCD funds are otherwise prohibited.

Use of MCCCD Funds. MCCCD funds may not be used to subsidize fundraising expenses or to increase donations. But, under appropriate circumstances, a college may provide reasonable “seed” funds for the initial fundraising expenses (such as the purchase of raw materials) so long as the fundraiser is expected to generate enough funds to pay the college back before any funds raised are forwarded to the charitable agency.

Cash and Checks. The charity of choice should be identified in any advertising and the advertising should direct that checks for donations should be made out to the charitable agency. As noted under “General Comments,” it is the better practice not to deposit donated cash or checks from a student fundraiser into MCCCD accounts. But if those types of deposits cannot be avoided because, for instance, a check is made out to a college, funds must be deposited into an Agency fund account and a payment generated from that account to the charity.

Sale of Student-Created Items. When students create something like artwork or pottery through the course of MCCCD instruction, the students may choose to sell their work for a designated charity and donate the
proceeds (i.e., Empty Bowls by many art departments). In those instances, the same guidance relating to the collection and deposit of checks and cash applies. Any employees who sell the student-made items on behalf of students should do so on his/her own time. (See the heading “Employees.”)).

**Employees**

*Fundraising Generally.* Administrative Regulation 1.16.7 (Official Functions) specifically provides as an example of something that does not meet the definition of an “official function” charitable contribution or donations of MCCCD resources except as noted above under “Student Groups.” However, MCCCD supports limited employee fundraising that meets the criteria described here. This guideline should not be interpreted to authorize MCCCD employees acting as a single individual to use MCCCD resources for their own personal favorite charities. The fundraising permitted here involves groups of employees banding together for a particular charity.

Employee fundraising activities are more restricted than those of students. Unlike student fundraisers, employee time and use of MCCCD resources are subject to legal and fiscal restraints on MCCCD as a public entity as well as to the need to reduce risk, such as making sure that an employee’s activities are covered by MCCCD’s worker’s compensation coverage. To ensure that those activities don’t run afoul of those limitations, any fundraising should, in the words of MCCCD’s insurance coverage, be “calendared, sponsored and supervised.” That means that there must executive level approval for it in advance.

*Incidental Work Time.* Additionally, the time an MCCCD employee spends on fundraising activities must be incidental or minimal. The best practice is for an employee engaged in active fundraising to do so on the employee’s own time (i.e., at lunch, before/after normal work hours, on personal or vacation time or on weekends). As approved by the Chancellor or a college president, a limited exception to this guideline is time spent on behalf of the United Way or of charitable agencies that exist solely to support MCCCD programs, such as the Maricopa Community Colleges Foundation and the Friends of Public Radio Arizona. Development officers at the colleges whose primary activities are to raise funds for the Foundation and the College are also exempted from this restriction. Additionally, staff at KJZZ, KBAQ and Sun Sounds are also exempted since those radio programs are almost entirely funded from revenue that they raise for the non-profit charities that exist solely to support them.

*MCCCD Funds.* MCCCD dollars may not be used to pay for materials or services for these fundraising events. An historical exception has been the small budgets that each college president is given to support MCCCD United Way activities. Any checks collected during the fundraising must be made payable to the charity and cash donations provided directly to the charitable agency. MCCCD will not be able to generate checks from its accounts for charities for employee fundraising activities even charities such as the Maricopa Community Colleges Foundation. MCCCD Foundation Fundraising. Note that fundraising for the Maricopa Community Colleges Foundation should be coordinated with Foundation staff in advance. This is especially true for significant fundraising events. Since MCCCD and its colleges cannot underwrite the expenses for events to raise funds for the Foundation, the Foundation will agree to bear the upfront expenses on a reimbursement basis but only if Foundation staff are active participants in the planning for the event.

*Use of MCCCD Technology.* Employees need to review MCCCD’s administrative regulations on electronic communications (Administrative Regulation 4.3) and on technology resource standards (Administrative Regulation 4.4) before conducting marketing for any charitable fundraiser to ensure that the marketing is within those standards. Employees will not be permitted to send a fundraising e-mail out to all MCCCD employees under those standards. The exceptions are for the following: annual or semi-annual appeals for the United Way, the Maricopa Community Colleges Foundation, and the Friends of Public Radio Arizona. Note
that if you use your MCCCD computer and e-mail account to make an on-line contribution to the Foundation or the Friends, you will likely receive notices about subsequent fundraisers as a member or someone who has contributed in the past. Those notices are not the annual or semi-annual fundraising appeal notices that are sent to all MCCCD employees.

**College/DO Marketing Departments – Student or Employee Fundraising.**

Marketing efforts for fundraising by colleges and DO marketing departments should also be limited and incidental in nature. It is appropriate for college marketing departments to assist in the student learning process when marketing fundraising efforts. See MCCCD’s administrative regulations on electronic communications (Administrative Regulation 4.3) and on technology resource standards (Administrative Regulation 4.4).