

**PENNSYLVANIA HISTORICAL AND
MUSEUM COMMISSION**

FUNDRAISING POLICIES AND GUIDELINES

Adopted: September 21, 2005

FUNDRAISING POLICIES

I. Background

The Pennsylvania Historical and Museum Commission (PHMC) welcomes and encourages support from individuals, organizations, foundations, corporations, businesses, and other entities that enables PHMC to fulfill its mission to preserve, interpret and promote Pennsylvania's heritage.

PHMC appreciates the generosity of those who make donations to PHMC and those who work through associated non-profit support organizations such as the Pennsylvania Heritage Society (PHS) and the Associates' groups for individual historic sites and museums to raise funds for PHMC programs.

These associated organizations have a long history of enhancing and supporting the educational and interpretive programs of PHMC and increasingly play a vital role in supporting PHMC's mission. In addition to providing volunteer and community support for individual programs, these organizations often undertake fundraising projects and capital campaigns to benefit PHMC's historic sites, museums and programs.

PHMC's fundraising policies and guidelines are intended to serve PHMC and associated organizations as the framework to guide any fundraising activities which benefit PHMC and its programs. Through the application of these policies and guidelines, PHMC seeks to ensure the consistency, integrity and appropriateness of fundraising activities undertaken on its behalf.

General principles that guide all fundraising activities on behalf of PHMC include the following. PHMC and its associated organizations will:

- insure that PHMC maintains control over the content of all exhibitions, programs and activities;
- account for all donations received;
- consider all gift donor information to be public unless anonymity is specifically requested by donor and permissible under Right-to-Know law;
- have dealings only with funders and sponsors with a record of performance that will bring no harm to the PHMC and its associated organizations;
- provide equitable value and treatment at all donor levels;
- operate in a professional manner that maintains a high level of trust;
- seek a broad array of supporters to avoid the appearance of preferential treatment to any individual donor or sponsor;
- not explicitly endorse the relative merits of any individual product;
- insure that PHMC's logos or trademarks are utilized in an appropriate fashion and maintain their integrity;
- provide appropriate recognition for donors and sponsors

II. Authority for Fundraising Activities

PHMC is authorized to accept donations under PA History code (37 PaCS 302). Direct donations may be in the form of cash, securities (common stocks, preferred stocks, bonds), real property (land and improvements are subject to legislative approval), facilities, personal property, and services. PHMC and its associated groups do not normally accept real property as a financial contribution. Financial contributions of securities and real property are generally liquidated in accordance with PHMC guidelines. Gifts of real and personal property of historical or cultural interest are covered under the PHMC collections policy and site acquisition policy.

PHMC and its employees may solicit donations through direct requests for money or in-kind services in accordance with state and federal laws and policies. Applying for grants from public or private entities on behalf of PHMC, seeking funds from a public agency at the federal, state, or local level, identifying the needs of PHMC, explaining the ability of PHMC to accept donations or recruiting volunteers are permitted following PHMC guidelines.

In addition, associated organizations that are authorized through license or agreement with PHMC may solicit and accept donations for PHMC's benefit and undertake specific fundraising campaigns as approved in advance by PHMC.

The Pennsylvania Heritage Society (PHS) is explicitly chartered to engage in fund raising activities to support the programs and activities of PHMC. PHS and site and museum associated groups provide financial, administrative and other support for PHMC and manage special projects on behalf of PHMC.

III. Uses of Funds

Donations may be used to fund any approved PHMC project or initiative subject to PHMC guidelines.

IV. Types of Fundraising Activities

A. Donations

PHMC may receive direct donations through unsolicited gifts and bequests and through donation boxes located at PHMC facilities. PHMC associated organizations may solicit donations through membership programs, annual appeals, special events and other means as described and approved in their annual plan and budget.

B. Grants

PHMC and its associated organizations may apply for public and private grants to support PHMC programs.

C. Fundraising Campaigns

Larger programs and capital projects may require more extensive fundraising or capital campaigns. A fundraising campaign is an organized effort to solicit substantial funds for a specific purpose. Only associated organizations authorized by PHMC may conduct fundraising campaigns for the benefit of PHMC.

D. Corporate Sponsorships

PHMC welcomes appropriate and mutually beneficial associations with corporations and businesses for the purpose of supporting its programs and advancing its programmatic outreach. Corporations may be interested in supporting PHMC and its associated organizations for a variety of reasons from good corporate citizenship to the perceived marketing benefit that such support may provide. In all considerations of corporate sponsorships, the benefit to PHMC or its programs must clearly equal or exceed the value received by the corporation.

V. Donor Recognition

Recognizing the generosity of donors is an important component of any fundraising effort and PHMC is committed to thanking donors in an appropriate fashion as outlined in the PHMC guidelines.

VI. Donation Agreements

In certain circumstances, as specified in the PHMC guidelines, a written agreement is required to insure that the terms and conditions associated with the gift are clearly stated.

FUNDRAISING GUIDELINES

I. Authority for Fundraising Activities

All fundraising to benefit PHMC must be authorized in a written agreement. Fundraising activities initiated by associated groups are approved by the PHMC executive director or designee through annual agreements. Additional express approval of the executive director is required in all cases where the proposed fundraising activity involves:

- a campaign in support of a capital project;
- state-wide or national solicitation not described in annual agreement;
- likelihood of significant controversy;
- gift amount in excess of \$100,000.

The PHMC Executive Director or his/her designee reserves the right to decline any gift in support of PHMC and its programs that is inconsistent with the mission and purposes of PHMC and that would not be in the best interest of PHMC. PHMC will not accept a direct or indirect donation from persons or entities:

- that have litigation pending with PHMC;
- that appear to be offering a gift with the expectation of obtaining influence, advantage or preference in dealing with any PHMC program;
- that are directly associated with any product, service or enterprise that would reflect adversely on PHMC's mission and image;
- where acceptance would create a conflict of interest or the appearance of a conflict of interest for PHMC, a Commissioner or an employee;
- where the conditions placed on the donation are inconsistent with the authorized purposes, policies and planning documents of PHMC;
- where the donation is inconsistent with or otherwise seeks to circumvent laws, regulations or policies.

II. Uses of Funds

The following requirements are placed on the use of donated funds:

- Donations will not be used to begin construction or any phase of construction or other project until sufficient funds have been appropriated or secured to complete the work.
- Donated funds may pay the cost of plans or studies as discrete phases of a project.
- Donations may be used to create an endowment to cover specific future costs associated with facility renovation or expansion or for the long-term operating needs of PHMC.
- Donations may be received to purchase items for the collections, subject to review and acceptance by the collections committee and Executive Director.

- Donor restricted gifts will be properly accounted for and applied to the project or purposes designated.
- At the successful completion of a project and after all PHMC responsibilities have been met, any remaining funds contributed for that designated purpose will be considered unrestricted, pending donor notification and approval.
- PHS and other associated organizations may be authorized under agreement with PHMC to carry out approved projects and programs on behalf of PHMC.

III. Grant Applications

Grant applications should specifically designate the recipient and administrator of the grant to avoid confusion. All associated organizations should inform PHMC of plans to submit a grant application in advance and consult with the staff of the PHS to avoid scheduling and coordination conflicts.

A file copy of any grant application to support PHMC programs, submitted by a PHMC Bureau or associated organization should be sent to the PHS. If PHMC is the grantee for federal grants, the Bureau of Management Services should be notified for budgeting review and processing.

IV. Fundraising Campaigns

A request for PHMC Executive Director's approval for a fundraising campaign must include the following:

- recommendation of the bureau director;
- financial goal of the campaign;
- total cost of the project and other sources of support;
- evidence that the project or program is consistent with PHMC priorities and plans;
- description of the fundraising plan, feasibility studies and leadership;
- estimated increases in annual expenses for operations, and maintenance associated with capital improvements;
- expected outcomes and how the project or program furthers the mission or existing goals of PHMC.

Approval of a fundraising campaign will be based on the following criteria:

- consistency of the program or project with PHMC plans and priorities;
- consistency with applicable laws and PHMC regulations and policies;
- an assessment of any future requirements on PHMC operating budgets;
- overall likelihood of success of the campaign and the program or project.

The proposed campaign will be deemed approved after an agreement is signed with PHMC. The PHMC executive director may make approval conditional on the results of a

satisfactory feasibility study, fundraising plan or other requirements set out in the agreement. A fundraising campaign agreement will include:

- roles and responsibilities of PHMC and the associated organization;
- description of project or program to be funded;
- procedures under which campaign will be conducted, including adherence to PHMC policies;
- procedure for periodic PHMC review and approval of planning, design and construction for capital projects with or without DGS oversight;
- expenditure plan and reporting of all donated funds.

V. Donor Recognition

The following options are available to provide appropriate recognition for donors:

A. Thank You Letters

All donors should promptly receive a letter of appreciation from the recipient organization. The thank you letter serves as the official acceptance of the gift and should express appreciation for the gift as well as acknowledge or articulate any PHMC approved special conditions that might apply. The letter should include the donor's name, date of acceptance and cash amount or nature of the gift. In the case of donated goods or services, the letter should not attempt to place a monetary value on the goods or services.

B. Publicity

Press releases to newspapers, magazines and radio and television media and newsletters and articles in internal publications are ways that PHMC and associated organizations can publicly recognize donors. All such publicity must be approved in advance by PHMC press office.

C. Events

Media events, press announcements, photo opportunities, ground breakings, receptions and other recognition events in which the donor is involved or honored can be used to provide high-profile recognition. All such events must be coordinated with appropriate PHMC personnel.

D. Commemorative Items

Items that might be presented to donors as an expression of appreciation include certificates, prints, photographs, paintings and plaques of nominal value.

E. Mementos

A book, pin or other PHMC-related memento of nominal value may be an appropriate expression of appreciation depending on the nature and significance of the donation.

F. Donor Lists

Lists of annual or campaign donors can be displayed in donor books, web sites, and printed in annual reports and newsletters.

G. Credit Lines

Donors may be credited on items such as information folders, brochures, audio visual materials, and temporary signs. Donor name script and corporate logos may be included when recognition is limited to short credit lines at the end of the material. e.g. “This brochure was made possible through the contribution of (donor name).”

H. Donor Recognition Panels

A large-scale donor wall or panel may be appropriate recognition for major donors to a new or renovated facility, or to a capital or annual campaign or major program. Criteria for such donor panels should be established in advance, including recognition levels, categories of donations and time period for display. Such walls or panels must be approved by and coordinated through PHMC. Design and placement should address issues of flexibility, permanence and appropriateness.

I. Naming Opportunities

In appropriate circumstances, recognition through naming fosters efforts to promote private support for PHMC’s projects and programs. Naming opportunities for spaces within PHMC facilities are associated with fundraising/capital campaigns and are developed as a part of a fundraising/capital plan approved by the PHMC Executive Director.

Facilities, exhibitions, programs and endowments may be named for corporations, foundations, and individuals under the following guidelines.

- A room, wing, floor, gallery etc. can be named for a donor who makes a significant contribution to the cost of that project component. Typically such contribution would be not less than 50% of the cost.
- Additional recognition may be given to the donor in publicity, publications and signage executed in a manner consistent with other architectural and directional signage.

- The naming of a building component or building shall be understood to be for the life of the building or as long as that component retains its original function, unless the donor and PHMC mutually agree upon a specific time frame for a naming designation.
- Donors may underwrite a specific exhibition or exhibition component and receive sponsorship recognition rights for the life of that particular exhibit.
- The naming of a PHMC facility requires the formal approval of the Commissioners.
- Historic buildings and spaces that carry special interpretive significance require special consideration and will not be the subject of naming.
- Historic sites and museums will not be the subject of naming.
- Facilities and programs cannot be named for a person who is an employee of the PHMC.

VI. Corporate Sponsorships

All corporate sponsorships over \$5,000 must be documented and approved by the PHMC executive director. The nature of the relationship and the specific roles of both PHMC or its associated organization and the sponsor should be clearly defined, have a defined time frame, preferably a term of 12 months or less and conform to general guidelines for all fundraising activities.

The following additional guidelines also apply to corporate sponsorships:

- The content of a PHMC exhibition, program or activity is within the sole discretion of PHMC.
- No sponsor's products or services (i.e. cars, computers, machinery, etc.) can be displayed at a PHMC facility or public event unless related to an interpretive exhibit or program or part of ongoing museum store operation.
- A sponsor may not state or imply PHMC endorsement of the sponsor's goods or services.
- No sub-sponsorship or transfer of rights or benefits to another entity is allowed. All sponsors must have a direct relationship with PHMC or its associated organization.
- PHMC must approve, in advance, all sponsor materials, advertisements and other information promoting the relationship, exhibition or program.
- All naming opportunities must conform to any existing PHMC agreements, contracts or policies.
- Approved use of PHMC logos and trademarks must conform to PHMC policies and guidelines.
- PHMC will not approve an advertisement or other public material which depicts illegal, inappropriate or irresponsible activities or those incompatible with PHMC mission and purpose.

- PHMC will encourage corporations and businesses to use their advertising to communicate positive messages about how the public can participate in supporting PHMC's mission.

Specific benefits offered to corporate sponsors by PHMC, PHS or associated groups depending on the amount of support may include:

- Credit lines
- Recognition at events
- Web links
- Membership in PHS or associate organization corporate membership program
- Joint publicity
- Corporate image advertising
- Marketing opportunities
- Exclusive sponsorship in a business category (e.g. media sponsor)
- Recognition in annual reports and publications
- Naming opportunities and plaques
- Passes and behind the scenes tours
- Facility use discounts

Corporate Sponsorships may fall into the following categories:

A. Philanthropic Sponsorship

A Philanthropic Sponsorship involves corporate support in which the primary benefit to the sponsor is traditional donor recognition through press releases, donor plaques, etc., with no promotional or marketing rights associated with their contribution.

B. Marketing Sponsorship

In a Marketing Sponsorship, the sponsor makes payments in cash or provides in-kind services in return for marketing rights that allow the sponsor to obtain a direct marketing benefit from its association with PHMC. Depending on the level of sponsorship, a marketing sponsorship may include advertising that promotes the corporation's association with PHMC or a sponsored activity, or promotion of the corporation's products and services in association with the sponsored activity. Marketing sponsorships typically involve advertising expenditures and promotional activities from the corporation's advertising or marketing department.

C. Cause-Related Marketing Sponsorship

Cause-Related Marketing Sponsorship uses the name and imagery of the PHMC to promote a corporation's products when the corporation engages in a sales

campaign offering to support the PHMC “cause” with the purchase of a product or service. Cause related marketing should only be undertaken when there is a close alignment between the product that is the focus of the campaign and the mission of the PHMC.

D. Media Sponsorship

A Media Sponsorship provides PHMC with opportunities to promote its exhibitions or programs at no cost to PHMC through public service announcements, and donated advertisements in newspapers, magazines, radio, television or the Internet.

VII. Donation Agreements

A donation agreement must be approved by the PHMC executive director and the associated organization in the following circumstances:

- the amount of the gift exceeds \$100,000;
- the gift has significant or long term restrictions;
- the gift establishes an award or prize in which the PHMC is either a named sponsor or administrator;
- the donation involves a corporate sponsorship of more than \$5,000;
- the gift is a pledge to be paid in multi-year installments;
- the gift is for multi-year or ongoing in-kind services.