

SOCIETY POLICY

SOLICITATION AND ACCEPTANCE OF FUNDS

I. PREFACE

Society By-Law B4.4.4 states, No grant, gift or bequest to the Society shall be accepted until it and any restrictions thereon have been approved by or under the authority of the Board of Governors. Upon receipt, such grants, gifts and bequests shall be invested and used for the Society's purposes and in accordance with any restrictions thereon mandated by the donor and approved by or under the authority of the Board of Governors.

II. PURPOSE

- A. To provide for the coordination of fundraising activities.
- B. To prevent excessive solicitation of funds from any one source.
- C. To state the requirements for accepting funds.

III. POLICY

All major fundraising approaches to companies and foundations and other potential donors for support of ASME projects (including projects involving ASME and other entities) must be coordinated through and approved by the ASME Executive Director's office.

IV. DEFINITION AND SCOPE

- A. Major fundraising efforts of the Society fund activities that do not fall within the normal programs and budgets of the Society. The threshold amount for a major fundraising effort is \$5,000.
- B. Smaller projects which do not extend beyond the unit making the solicitation and are budgeted at less than \$5,000 do not have to be coordinated through and approved by the ASME Executive Director's office. For sections and student sections these might be appeals for restricted contributions in support of specific activities (meetings, science fairs, etc or regional projects that are restricted in scope and implication to the particular geographic area where the appeal is being made to local companies or to branches of a larger company). Closely related projects may not be disaggregated for purposes of attempting to circumvent the definition of major fundraising efforts.
- C. A gift should be deemed "unrestricted" only if there is no donor-imposed restriction on the management, investment or purpose of the property being donated. A restriction on purpose would include any restriction requiring that such property be

held for a particular programmatic purpose and/or for the purpose of being an endowment fund (whether in support of general operating purposes or in support of a specific programmatic purpose) and/or otherwise limiting ASME's unfettered use of the gift or the earnings thereon.

V. PROCEDURE

- A. Project descriptions and fundraising plans must have the voted approval and endorsement of the appropriate committee, board and sector before they are sent to the ASME Executive Director's office. If the project involves more than one sector, board, or committee, then all units concerned must approve the project description and fundraising plan. An example of such a project is one initiated by a technical division but requiring local fundraising.
- B. Requests for approval must be sent by the sectors to the ASME Executive Director, who shall respond within three weeks on whether they have or have not been approved. The ASME Executive Director shall refer those requests to the Philanthropy Committee which, in his or her judgment, he or she believes warrant Committee action. A written explanation shall be provided with each rejection of a request or referral to the Committee.
1. Student sections, sections, subsections, local groups, operating boards and committees are to submit requests to the Group Engagement Committee.
 2. Technical divisions and technical subdivisions are to submit requests to the Group Engagement Committee.
 3. All other boards and committees (for example, one reporting directly to a sector) are to submit requests to the senior vice president (of the appropriate sector).
- C. Each proposal must include a description of the proposed project and a detailed fundraising plan. Each project should be self-sufficient and no expenses should be obligated until it is clear that enough money is available to pay all expenses. If enough money is not obtained, the project should be canceled, unless the technical division or section or other unit of ASME has resources of its own which can be used to cover the deficit.
- Some government jurisdictions require organizations to register in order to conduct fundraising campaigns among its citizens. ASME staff will assist the proposal writer to see if registration is needed or is already in place for the jurisdictions whose citizens are being solicited.
- D. The project description must include the following:
1. Title of project
 2. Responsible committee, board, or sector

3. Responsible staff member
4. Scope of the project
 - a. Goals of the Society to be served
 - b. Specific objective(s) of the project
 - c. Plan for carrying out the project
 - d. Budget for carrying out the project
 - e. Date of beginning and completion
 - f. Reporting procedure
- E. The fundraising plan must include:
 1. Timetable
 2. Preliminary list of potential donors
 3. Explanation of why those particular potential donors are being solicited
 4. Sample letter to be sent to the potential donors
 5. Sample thank you letter. The letter must include the value of any goods or services that are received as part of the contribution (for example, the value of a meal that is part of a fundraising gala) as well as other statements that may be required or recommended to comply with federal tax laws.
- F. Informational copies of the project description and fundraising plans must be sent to the chairs of non-involved councils and other managing directors after the project is approved.
- G. All units are to keep records on both exempt and approved fundraising efforts and to report annually through their appropriate sector to the ASME Executive Director identifying solicitation purposes, dollar levels and organizations providing support. The results of fundraising should be included in the group's financial reports, and this requirement should be detailed in the group's operation guide.
- H. Funding for an award, scholarship, or project named after an individual must come from the individual himself or herself or his or her family except as otherwise authorized under the provisions of Section V.B. Personal contributions from the employers or friends of the individual may also be made once such an award is established by the individual or his or her family.

Many individuals make significant volunteer contributions to ASME. Sufficient funds are not available to recognize all those worthy of having an award, scholarship or project named in their honor. As such, segregated funds from an ASME unit may not be used to endow an award, scholarship or project named after an individual.

However, if an ASME unit develops a unique case to solicit funds in the name of an individual, the unit may submit it under the provisions of Section V.B. of this Society Policy for consideration.

- I. The following guidelines for accepting grants, gifts, and bequests apply:
1. The Managing Director of Philanthropy may accept an unrestricted grant, gift or bequest to ASME of cash or publicly traded securities in an amount up to \$500,000.
 2. The ASME Executive Director may accept an unrestricted grant, gift or bequest to ASME of cash or publicly traded securities in an amount up to \$1,000,000.
 3. The Philanthropy Committee may accept an unrestricted grant, gift or bequest to ASME of cash or publicly traded securities in excess of \$1,000,000 up to a limit of \$5,000,000 if recommended by the ASME Executive Director.
 4. The acceptance of a restricted grant, gift or bequest of cash or publicly traded securities will be subject to the same thresholds for acceptance as stated above if the restriction is one for which the Board of Governors expressly authorized funds to be raised.
 5. The acceptance of any other grant, gift or bequest (including any charitable remainder trust, regardless of the assets being used to establish it) will require approval by the Board of Governors.

Responsibility: Philanthropy Committee

Adopted: June 14, 1985

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