

# **Money Earning Requirements for Troops**

The Girl Scout Leadership Experience is centered on empowering Girl Scouts to earn and manage money. Through money earning activities, Girl Scouts acquire essential skills like goal setting, decision-making, money management, interpersonal skills, and business ethics.

Your Girl Scout troop/group is empowered to plan and finance its own activities. This responsibility allows troop members to take charge, set goals, manage a budget, spend responsibly, maintain records, and develop social, marketing, and entrepreneurial skills, with the support of troop leaders and GSNI registered volunteers.

Participating in the Girl Scout Cookie Program and Fall Product Program is a critical opportunity for Girl Scouts to raise funds for their troops and is a requirement for troops that want to earn extra money or raise funds. Troops that were formed after these opportunities have expired for the current year will receive consideration. Troops that take part in these programs usually earn enough funds to avoid the need for additional fundraising, unless they are planning trips or other travel experiences.

# Helping Girl Scouts Reach Their Financial Goals

Earning funds as a part of their Girl Scout Leadership Experience is a great opportunity for young people! Part of the role of troop leaders and other GSNI registered volunteers is to help troop members balance money earning opportunities with other activities they enjoy that have less emphasis on earning and spending money. Keeping this in mind, it is important for Girl Scouts to have a clear plan and purpose for their proceeds from the Girl Scout Cookie Program, Fall Product Program, and other money earning activities. Facilitating Girl Scout-led financial planning includes the following steps:

- 1. **Set goals.** What do Girl Scouts want to do during the year that requires money? In addition to earning money, what skills do they hope to build? What leadership opportunities present themselves?
- 2. **Create a budget.** Use a budget worksheet that includes both expenses (the cost of supplies, admission to events, travel, and so on) and available income (the troop's account balance, projected cookie and fall product proceeds, and so on).
- 3. **Determine how much additional money the troop/group needs to earn.** Subtract expenses from available income to determine how much additional money your troop needs to earn.
- 4. **Make a plan.** The troop can brainstorm and make decisions about its financial plans. Will the Girl Scout Cookie Program and Fall Product Program—if approached proactively and energetically—earn enough money to meet the troop's goals? If not, what additional money earning might offset the difference in anticipated expense and anticipated income? Will more than one money earning activity be necessary to achieve the group's financial goals? In this planning stage, involve troop or group members in the Girl Scout processes (Girl Scoutled, learning by doing, and cooperative learning) and evaluate the value of any potential activity. Have them consider feasibility, implementation, and safety factors.

5. **Write it out.** Once the group has decided on its financial plan, put the plan in writing. The group should also have a written agreement that discusses Girl Scout responsibilities, how money earning funds will be distributed, etc.

# **Money Earning**

Girl Scouts can engage in money earning activities to supplement the funds raised through the Girl Scout Cookie Program and Fall Product Program. Troops can organize activities such as raking leaves, shoveling snow, walking pets, and service-a-thons to raise money. The funds raised through these activities are meant to be used for Girl Scout mission-based activities and should be kept by the troop, not by individuals. These funds need to be properly accounted for in annual financial reporting.

#### Money Earning Progression by Grade Level

As with all Girl Scout activities, troop members progress in their entrepreneurial skills as they get older. More information and examples of the abilities of Girl Scouts at each grade level can be found in *Volunteer Essentials*.

#### **Money Earning Timeframes**

In an effort to preserve the integrity of the Fall Product and Girl Scout Cookie Programs, troops or groups should refrain from additional money earning activities from September 15–October 31 and January 1–March 31.

## **Examples of Money Earning Activities**

- Offer services such as washing windows, raking leaves, or shoveling snow.
- Create and sell a book about your Girl Scout adventures, a comic book about how to make fire, a cookbook, etc.
- Hold a car wash.
- Provide a community meal such as a spaghetti dinner or pancake breakfast.
- Offer tutoring services.
- Host a party for younger children focusing on activities learned in Girl Scouts such as building a robot, hiking, fishing, etc. The event could also include other activities such as clowning or magic tricks.
- Lead Girl Scout games or do face painting at a community event.
- Hold yard sales and/or garage sales.
- Collect cell phones for refurbishment.
- Babysit during special Girl Scout events or community activities.
- Collect used ink cartridges and return for money.
- Offer gift-wrapping services during the holidays.
- Make and sell baked goods.
- Create handmade crafts to sell, such as homemade cards, at craft shows or special events.

#### **Money Earning Parameters**

- If your troop would like to engage in money earning activities, the <u>Money Earning Activities for Troops</u> form must be submitted through GSNI's website at least two weeks before beginning (or publicizing) a money earning activity.
- Troops must have participated in **BOTH** the Girl Scout Cookie Program and Fall Product Program in order to engage in additional money earning. The troop must participate at the minimum levels listed below in both the Fall Product and Girl Scout Cookie Programs.

Fall Product Program	Girl Scout Cookie Program
Minimum 25% of registered Girl Scouts	Minimum 50% of registered Girl Scouts
participate	participate
Minimum \$250 total troop sales	Minimum 240 packages total troop sales

- Troops must follow <u>Girl Scouts of Northern Illinois Volunteer Policies</u>, <u>Procedures</u>, <u>and How-Tos</u>, <u>Volunteer Essentials</u>, and <u>Safety Activity Checkpoints</u> to ensure safety, including appropriate youth-to-adult ratios of approved Girl Scout volunteers.
- The money earning should have a purpose that helps develop skills learned through Girl Scouts
- Girl Scouts must be involved in the development of the budget for the amount of money that is needed.
- Participating members must be able to explain the reason they are earning money.
- Money earning should not exceed the amount the troop needs for their proposed activities.
- The activity should be age appropriate.
- Participation is voluntary.
- Local ordinances and health and safety laws related to the involvement of children in money earning must be observed.
- Arrangements must be made for safeguarding money during money earning.
- Money earned is for Girl Scout activities and is not to be retained by individuals. Girl Scouts
  can, however, be awarded incentives and/or may earn credits from their Girl Scout product
  programs. Funds acquired through group money earning projects must be reported and
  accounted for by the group while following GSNI's procedures.

# **Money Earning May Not**

- Have Girl Scouts asking for cash donations.
- Involve games of chance such as raffles, drawings, or silent auctions. The Internal Revenue Service does not allow children to participate in these activities.
- Endorse "commercial products" (e.g., Thirty-One®, Tupperware®, Candle-Lite®, etc.). "Commercial products" are any product sold at a retail location or that benefits a for-profit organization. Since 1939, youth and volunteers have not been allowed to endorse, provide a testimonial for, or sell such products. Girl Scouts does not allow product demonstration parties where the use of the Girl Scout trademark increases revenue for another business. Any business using the Girl Scout trademark must seek authorization from Girl Scouts of the USA.
- Girl Scouts are not allowed to solicit money on behalf of another organization (such as Relay for Life®, March of Dimes®, etc.) when identifying themselves as Girl Scouts by wearing a uniform,

a sash or vest, official pins, and so on. This includes participating in a walkathon or telethon while in uniform. However, you and your troop can support another organization through Take Action projects. Girl Scouts as individuals can participate in whatever events they choose as long as they are not wearing anything that officially identifies them as "Girl Scouts".

## **Non-Girl-Scout Related Opportunities**

Girl Scouts with regular jobs may choose to donate their earnings to their troop or Girl Scout Bronze, Silver, or Gold Award projects. They should not wear their Girl Scout uniform or act as a Girl Scout representative when they are working their regular job. Once the money is given to the troop, it becomes troop funds and belongs to the troop, not the member who donated it.

#### **Fundraising**

Fundraising involves adults asking businesses, organizations, or individuals for money or in-kind contributions to support troop activities. Youth members are not allowed to fundraise unless they are working on their Girl Scout Gold Award. Sponsors, such as local businesses and organizations, can help ensure that all youth in the community have an opportunity to participate in Girl Scouting. Periodically, troops may plan activities that require larger than usual budgets (e.g., Destinations such as a trip to Juliette Gordon Low's home). In addition, community organizations, businesses, faith-based organizations, and individuals may become sponsors by providing group meeting places, providing activity materials, loaning equipment, or donating money. They may even volunteer their time and talent. Donations of goods and services are called "in-kind" contributions.

Due to strict IRS reporting guidelines and standards, volunteers may not apply for grant funding of any kind. Generally, a grant requires a formal application to be submitted. If you are requested to complete more than a simple donation request form or to submit an IRS Tax Designation Letter, please contact GSNI's Philanthropy Department at fd@girlscoutsni.org.

#### **Before Contacting a Potential Sponsor**

Before working with a potential sponsor, please contact your Membership Engagement Specialist. GSNI may already be working with the business or organization on a GSNI-wide donation, and it is important that we work together. We can also give you guidance on the availability of some sponsors and other tips that could strengthen your ask. GSNI has relationships with many organizations and may also know of reasons not to connect with certain organizations.

When collaborating with other organizations, keep these guidelines in mind:

# • Avoid Fund Raising for Other Organizations

Girl Scouts are not allowed to solicit money on behalf of another organization when identifying themselves as Girl Scouts by wearing a uniform, a sash or vest, official pins, and so on. This includes participating in a walkathon or telethon while in uniform. However, you and your group can support another organization through Take Action projects. Girl Scouts as individuals are able to participate in whatever events they choose as long as they're not wearing anything that officially identifies them as "Girl Scouts".

# • Steer Clear of Political Fundraisers

When in an official Girl Scout capacity or in any way identifying yourselves as Girl Scouts, your group may not participate, directly or indirectly, in any political campaign or work on behalf of or in opposition to a candidate for public office. Letter-writing campaigns are not allowed, nor is participating in a political rally, circulating a petition, or carrying a political banner.

# • Be Respectful When Collaborating with Religious Organizations

Girl Scout groups must respect the opinions and practices of religious partners, but no youth member should be required to take part in any religious observance or practice of the sponsoring group.

## • Avoid Selling or Endorsing Commercial Products

"Commercial products" is any product sold at a retail location or that benefits a for-profit organization. Since 1939, youth and volunteers have not been allowed to endorse, provide a testimonial for, or sell such products.

#### **Financial Contributions**

Businesses and organizations may donate to GSNI to benefit individual troops or service units. For these contributions to reach your troop, donations must be made to GSNI and include a restriction for troop use. GSNI will make an ACH credit directly to the troop account after processing and clearing. GSNI will ensure the sponsor receives a thank you letter meeting IRS requirements. Girl Scouts may also show their appreciation by sending thank you cards, inviting the sponsor to a meeting or ceremony, or working together on a Take Action project.

All donation checks must be made payable to: Girl Scouts of Northern Illinois (GSNI).

#### **In-Kind Contributions**

In-kind donations are goods or services, other than cash, that are to be used by troops for Girl Scout mission-based activities. Examples of in-kind gifts include:

- Space for a meeting or event
- Program supplies
- Food
- Camping equipment

To properly document an in-kind contribution, the <u>In-Kind Donation Form</u> should be submitted to GSNI's Philanthropy Department. GSNI will ensure the sponsor receives a thank you letter meeting IRS requirements. The contribution can also be recognized locally by having Girl Scouts send thank-you cards, inviting the sponsor to a meeting or ceremony, or working together on a Take Action project.

#### **Girl Scout Gold Award Projects**

Girl Scouts working on their Gold Award project may need additional funds to complete their projects. According to GSUSA's Blue Book of Basic Documents policy, Solicitation of Contributions, youth members may not engage in any direct solicitation for money except for Girl Scout Seniors and Ambassadors who may solicit donations of cash or in-kind goods for Girl Scout Gold Award projects, provided they have secured prior written permission from the GSNI Director of Philanthropy. In

addition, Girl Scouts must abide by all GSNI policies and procedures concerning Gold Award fundraising.

### Internal Revenue Service (IRS) Compliance and Troop Accounts

GSNI cannot control, change, or influence IRS requirements. Non-compliance with IRS requirements is a risk management issue that may affect GSNI's tax-exempt status and the tax-exempt status of other Girl Scout councils nationwide.

- Once money is received into the troop bank account, it no longer belongs to individual members.
- Cash-based accounts may not be kept for or distributed to individual members.
- All benefits provided should relate to supporting the Girl Scout mission; decisions should be based on our tax-supported philosophy regarding what is mission-related. For example, camp, travel, and Girl Scout events are mission-related. Scholarships to an outside organization would not be mission-related.
- A business or individual may not receive a tax deduction for money given directly to troops or an individual Girl Scout, as they are not considered a charitable nonprofit. The Girl Scouts of Northern Illinois Tax ID number may not be used in this capacity by these businesses or individuals.
- Donations may be made to GSNI and include a restriction for troop use when the donation is made. GSNI will make an ACH credit directly to the troop account after processing and clearing.
- Troop monies cannot follow a youth member if they leave GSNI.

For any questions, please email us at <u>customercare@girlscoutsni.org</u>, and your Membership Engagement Specialist person will contact you.