

Money-Earning Projects: Approval Required

The two money-earning activities pre-approved by GSNorCal are the Girl Scout Product Program - the Fall Product Program (nuts, candies, and magazines) in October/November and the Cookie Program in February/March. Product Programs are first and foremost programs for girls to gain skills in financial literacy and goal setting. No Money-Earning Application Form is needed.

For other non-council money-earning activities, the troop must submit the [Money-Earning Application Form](#) which will be reviewed by your Volunteer Support Manager (VSM, council staff member) for approval at least four weeks prior to your proposed money-earning activity date(s). The document serves as a written plan that incorporates the Girl Scout Program.

Money-Earning Project Requirements

1. Troops are encouraged to participate in the Fall Take Action and Cookie Programs as the foundation of the Girl Scout Entrepreneurship Progression and their primary money-earning activities. *Additional money-earning activities may not be scheduled to take place or marketed to communities during the annual Fall Take Action or Cookie Program dates.*

2. Financial Need

If the troop still needs additional funds to support program activities, they might consider doing an additional money-earning activity. Troops should come up with a budget for their planned projects or trip before engaging in additional money-earning activities.

3. Suited to Girls' Ages & Abilities

Troop money-earning activities need to be suited to the ages and abilities of the girls and consistent with the principles of the Girl Scout Leadership Experience.

4. Project Meets Guidelines

There are a few specific guidelines—some required by the Internal Revenue Service—that ensure that sales are conducted with legal and financial integrity. To that end, consider the information below when having a money-earning activity with your troop.

Examples of Appropriate Money-Earning Projects

Product program is a great way to earn the funds necessary for girls to travel or carry out Take Action projects. If income from the product program isn't enough, however, girls have more options available to them.

Although you cannot resell products, you can offer services, such as the following:

Collections/Drives:

- Recycle Items
 - Christmas Trees
 - Aluminum cans
 - Glass Bottles
- Refurbished Cell Phones

Community Events:

- Provide themed meals, like high tea, Mexican dinner, or an Evening in Savannah
 - If girls are earning money for travel, tie the meal to their destination
- Host a community or service unit event
 - Must advertise that this is a money-earning project by the troop for their specific project
- Bottled water at high school graduation
- Craft fair
- Talent Show; Fashion Show

Service(s):

- Babysitting for holiday (New Year's Eve), service unit, or council events
- Raking leaves, weeding, cutting grass, shoveling snow, walking pets
- Holiday Gift Wrapping
- Talent show; fashion show

Money-Earning Events Which May Not Be Approved

Money-Earning Projects During the Fall Product Program or Cookie Program

Money-earning projects that are scheduled to take place during either of the two council-sponsored product programs, the Fall Product Program and the Cookie Program, will not be approved. Any project that would compete for the same customers/donors/participants as either of the product programs could hurt both efforts. Competing projects could also create negative publicity for the organization, or cause the public perception that Girl Scouting only participates in money-earning activities.

There may be money-earning projects that would not create such a conflict with the product programs. If you believe that is true of your project, please submit the [Money-Earning Application Form](#). A member of our staff will contact you to review the details. A possible exception might be a Girl Scout event for current members that is not open to the public. In these situations, the troop must also be participating in the Fall or Cookie Programs currently in progress.

Games of Chance

Girl Scouts discourages the use of games of chance. Any activity which could be considered a game of chance (raffles, contests, bingo) must be conducted in compliance with all local and state laws. Because raffles are subject to many state and federal regulations, raffles are generally not allowed for troops or service units for raising funds. Because troops and service units are not legal entities, they would not be able to comply with the requirements of the regulatory agencies. If you believe that your situation would be an exception (such as a raffle to benefit the council or council properties), contact the Fund Development Department for guidance before beginning your project at Info@gsnorcal.org. GSNorCal, as a registered non-profit, must apply for a special raffle permit each year with the State Board of Equalization and then report on the event's income and expenses. We are only allowed to file one report each year (with all raffle events listed).

Alcohol Served or Given as Prizes at Adult-Only Events

Alcohol is not permitted at an event where the main objective is girl program. If girls are present where alcohol is served at an adult-only event (sponsored and run by adults), they must be supervised by an adult who is not consuming alcohol and who is responsible for the girls' safety and well-being.

GSNorCal's insurance carrier must be notified in advance if alcohol will be served at your event.

Please notify the Risk Management Department at Insurance@gsnorcal.org at least two weeks in advance and indicate:

- Date of the Event
- Where the Event will be Held
- The name & description of the event
- The name and contact information for the event organization or person responsible for the event
- How many adults are expected to be in attendance
- What kind of alcohol is being served
- Who will be serving the alcohol (for example, a caterer or vendor, etc.)

GSNorCal's insurance policy **only covers events if prior approval has been obtained from the insurance carrier**. There are many local, state, and federal regulations involved, and several specific permits required when alcohol might be served or given as any sort of prize (auction or any type of prize) at any adult event. Contact Info@gsnorcal.org for guidance before planning begins for such an event. ***In addition to placing the council in legal jeopardy, you may also be held personally liable if laws are inadvertently broken.***

Silent Auctions

Silent auctions are only allowed in very limited circumstances. Ultimately, GSNorCal has to pay sales tax on those purchases.

If your troop or service unit would like to hold a Silent Auction:

- You must first get permission from the Fund Development Department (info@gsnorcal.org).
- You must document the money-earning income on your Troop or Service Unit Finance Report.

- Records must be maintained:
 - To account for the fair market value of each donated item.
 - If your troop is audited, you must provide a more detailed report of your event's income and expenses.
 - Buyers may only claim the amount they pay over the fair market value of the item as a tax-deductible gift. If the buyer wants tax acknowledgment for their donation above the fair market value, the troop or service unit must contact the Fund Development Dept. and they will produce an acknowledgment letter.

Why does it seem like other local non-profits do auctions all the time, and don't have to follow the same rules?

Auctions are much more complicated behind-the-scenes than what we see happening at community events, and most people have no idea that silent auctions usually show a net revenue loss on paper because the items are often re-sold for less than fair market value. However, since GSNorCal is a large non-profit, our IRS filing requirements are different from what smaller non-profits file. Our fundraising event reports are also different based on our IRS tax filing status.

Girl Scouts is also a strong national brand, and we want to make sure we are protecting our non-profit status and being fully compliant with the IRS and local state laws. That means we also have to report our losses and pay owed sales tax. If we get caught avoiding that payment, we might have to pay penalty fees, too. Auctions are one of those activities that are a lot of work for little return on investment (time and money).

Money-Earning for Award Projects

Funds raised by girls who are earning their Gold, Silver, or Bronze Awards are to be deposited in the troop bank account. These funds must be restricted for the girls' award project only. The troop treasurer and/or troop leader are responsible for managing and accounting for the money of the troop or individual Gold, Silver, or Bronze Award girl, which requires accountabilities to the girls, their parents and GSNorCal.

Sometimes girls earning their Gold, Silver, or Bronze Awards need additional financial resources to complete their projects. A troop may decide to devote a portion of the troop's treasury to an individual girl's project, but it must be a decision by the girls in the troop. The group must also decide on the method of deposit or disbursement of funds to support an individual girl's project. These discussions should be documented by the troop leader should any questions come up later.

Money-Earning by Independently Registered Girls

Independently registered girls, sometimes referred to as Juliettes, can and are encouraged to participate in the Product Programs. Girls can earn badges, girl rewards, and gain support for their award project, travel, or other program activities. To participate, girls are buddied with a troop in their service unit. Some service units have a special troop designed for independent girls while other service units buddy them with a standard volunteer led troop. This buddy system is only for the duration of the product program. The registration of the independent girl is not changed; she does not join the troop.

Girls can request financial support from the buddy troop—some portion of the troop earned proceeds resulting from the girl's participation in the product program. Girls never receive troop

proceeds directly; troops do. The girls in the troop must vote to support the girl's program activity. The amount of support is decided on by the troop and should not be directly reflective of the troop proceeds contributed by the girl's sale.