



THIRD PARTY EVENT GUIDELINES

The American Lung Association of the Midland States (ALAMS) defines a "Third Party Event" as any fundraising activity by a non-affiliated group or individual, where the ALAMS has limited fiduciary responsibilities and limited staff involvement in the production of the event.

These events may include two types:

- **Non-Affiliated:** This type connects ALAMS with an existing event, activity or program, and a portion or all of the proceeds are donated to the ALAMS.
- **Special Interest:** This is the organization of an independent event specifically designed to raise funds for ALAMS, with all net proceeds go to benefit the ALAMS.

ALAMS is extremely grateful to the many outside persons who wish to organize events to support the research and programs we fund each year. However, only those Third Party Events which meet specific criteria, and legitimately and genuinely benefit the ALAMS, will ordinarily be approved. Each event will be reviewed on a case-by-case basis.

The following are the ALAMS approved guidelines for a Third Party Event. Both the outside party and the ALAMS must agree upon these guidelines. An event application should be submitted for review and approval no later than thirty (30) days before the event takes place (**see exhibit #2**).

PROMOTION

1. The event will be promoted and conducted in a manner to avoid statement or appearance of the ALAMS endorsing any product, firm, organization, individual or service.
2. The ALAMS reserves the right to decline association with any organization or event when it believes that such association may have a negative effect on the credibility of the ALAMS.
3. All Third Party Events should establish a timetable and action plan a minimum of three months before the event. An ALAMS representative should be utilized to aid in the development of committee structure, marketing and deadlines.
4. The official logo of the ALAMS should be appropriately used in conjunction with such an event, but may not be altered in any way. Any use of the ALAMS name and logo must adhere to established standards published in the ALAMS Marketing Guidelines.
5. The ALAMS must review and approve all promotional materials including, but not limited to, advertising, letters, brochures, flyers and press releases prior to production or distribution.
6. Promotional and/or advertisements cannot be purchased with ALAMS funds. Any such advertisement should be the result of underwriting or sponsorship related to the event.

7. The ALAMS reserves the right to participate in similar promotions and other Third Party Events.
8. The ALAMS reserves the right to rescind its approval of or end its involvement in an event if other non-profit organizations are beneficiaries and/or involved in the event without mutual compliance.
9. As per ALAMS policy, any event associated with or receiving funding from organizations who promote the sale of tobacco products cannot receive approval as an ALAMS Third Party Event.

LIABILITY

1. The ALAMS is not financially liable for the promotion and/or staging of a Third Party Event.
2. The ALAMS is not liable for delivering goods, services and/or refunds offered by Third Party Event organizers should the event be cancelled or delayed. Charitable contributions made to the ALAMS are NOT payments for services rendered. The ALAMS will not provide restitution to event participants seeking payment from the event organizer as a result of event cancellation, delay or any other action on the part of the event organizer.
3. Alcohol at such an event should be avoided unless it is believed to be important to the success of the event. Alcohol disbursement should be via a "cash bar" and availability should not be promoted. Restaurant or facility staff should serve attendees and/or participants. Proof of age will be required and signs posted to that effect. Alternative means of transportation should be available to attendees and/or participants.
4. Third Party Event organizers must have participants complete a waiver for release from liability when requested by the ALAMS. Depending on the auxiliary and the extent of the exposure, the responsible parties must have liability/property insurance applicable to the activities of the event.
5. The third party must also provide evidence of a general liability insurance policy with a minimum of \$1 million per occurrence from an insurance carrier with a XV+ best rating or better to the ALAMS. Depending on the extent of ALAMS involvement and the risk associated, the ALAMS must be listed as an additional insured on the third party's insurance policy. The third party event organizers may be involved with various vendors during the event. The vendors must provide evidence of insurance and include the organizers as additional insured.

ACCESSIBILITY

1. All Third Party Events should be accessible to people with disabilities.
2. The event should take place at a location that meets ALA regulations.
3. Third Party Event organizers should promote and make arrangements for any special accommodation needs by participants, volunteers, and/or staff.

REVENUE GENERATION

1. For Special Interest Events, 100% net (minus campaign expenses) income must be remitted to the ALAMS.
2. For Non-affiliated events, a minimum of 50% gross income should be remitted to the ALAMS. However, exceptions may be made depending on the magnitude of the event, or other factors determined to genuinely benefit the ALAMS through its endorsement.
3. All promotional materials must clearly state the name of the organization/group responsible for the event, the percentage of proceeds and/or the portion of the ticket price that will benefit the ALAMS.
4. The ALAMS must receive all net proceeds within 30 working days of the conclusion of the event and/or promotion.

RECORDS

1. The ALAMS should receive a list of targeted sponsors for the event, before they are approached, to minimize overlap with other campaigns.
2. The ALAMS should receive a complete accounting of all funds collected and expenses related to the event.
3. The ALAMS reserves the right to inspect all event financial records.
4. The ALAMS will receive a list of all tangible non-cash contributions to the events.
5. The ALAMS will receive a list of all donors who contributed to the event.
6. Third Party Event organizers will collect names of participants, sponsors and volunteers, mailing appropriate materials as needed. Organizers may coordinate with the ALAMS for assistance.

TAX ISSUES

According to Section 170 of the Internal Revenue Code, the general rule is, "There shall be allowed as a deduction any charitable contribution (as defined in subsection (c)) payment of which is made within the taxable year." Subsection (c) goes on to define the term "charitable contribution" as meaning a gift to or for the use of qualified organizations. To become qualified, most organizations must apply to and be approved by the Internal Revenue Service. If a payment is made to an organization that is a qualified organization, the payment is a charitable contribution.

A difficulty arises when an independent, outside organization wishes to raise money for the ALAMS. If the payments are made to this independent organization and it is not a deemed a "qualified organization" by the Internal Revenue Service, the payments will not be deductible for income tax purposes. If the payments are payable to the ALAMS, then they qualify to the extent allowed by law.

The Third Party Event application form (exhibit #2) must be filed with the ALAMS including the appropriate signatures once these guidelines have been read and understood.

ORGANIZATIONAL ISSUES

The American Lung Association of the Midland States has applied to and been approved by the IRS as a charitable (qualified) organization as defined by Internal Revenue Code Section 501 (c)(3) meaning that contributions to the ALAMS qualify for the maximum charitable contribution deduction under the Internal Revenue Code.