



# COMBAT VETERANS MOTORCYCLE ASSOCIATION®

## CHARITABLE DONATION COMMITTEE SOP

***The CVMA® Charitable Donations Committee is established by the National Bylaws and consists of the State Representatives.***

This is an annual process. To provide a long-term document, the VOTING YEAR represents the year that the National Meeting is held to vote on the CDC submissions. The CALENDAR YEAR represents the year ending 31 December, most recently, prior to the VOTING YEAR.

### **CHAPTER SUBMISSION INSTRUCTIONS**

1. A Chapter may submit one (1) funding request per Calendar Year. All requests for funds will be submitted in writing utilizing the Charitable Donations Request Form. All submissions will be routed to the respective State Representative for submission to the Committee Chair NLT 15 February in the Voting Year.
2. The Fund Request Form must include:
  - Proper documentation of the submitting Chapter and point of contact
  - An accurate name and address of the Charity (sufficient for check writing purposes if approved)
  - The proper Employer Identification Number (EIN) of the Charity which can be verified against the provided name and address
  - Other administrative information about the Charity
  - Brief narratives explaining the Charity and why it should be considered for a National level donation
  - Previous requests for funding from the National Charitable Donation Fund (year and amount– can be zero (0))
  - The total amount raised by the Chapter for this Charity in the most recent Calendar Year and documentation supporting the donation amount (canceled checks or financial statements). The donation from the Chapter must be completed in the CALENDAR year for which current submissions are being considered.
  - The Charitable Donation Committee Veteran Passthrough Worksheet
  - Chapter and State Endorsements
  - *Incomplete forms will be returned to the Chapter via their State Representative*
3. Charity and Request Requirements:
  - The Charity **MUST** be a registered 501(c) organization recognized on the IRS Website
  - The Charity **MUST** have a minimum of 50% of funds which directly support veterans or veteran services
  - For Charities with a passthrough of 50-80%, an exception request must be included
  - For Charities with annual Expenses greater than \$250,000, an exception request must be included
  - An IRS Form 990 **MUST** be available for review for the Charity and must be within the past two years of the submissions (i.e. all 990s must be for Calendar Year -1 or Calendar Year -2) on the IRS Website; if the Charity files a postcard 990-N, the only available document is the year and filing verification on the IRS website; for submission purposes, a screen capture of the IRS page will serve as proof of filing
  - The Chapter may request a **MAXIMUM** of three (3) times the amount raised by the Chapter *during* the closing CALENDAR year or \$10,000 – whichever is less; if the Chapter doesn't donate, three (3) times \$0 is \$0.
4. Resubmission Limitations (per EIN)
  - Approved request – requires a two-year period to elapse prior to additional submissions (i.e. for a 2024 submission, the previously approved request must be in 2021 or earlier)
  - Denied Request – may be resubmitted the following year



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- Second Denied Request - requires a two-year period to elapse prior to additional submissions

### **STATE REPRESENTATIVE SUBMISSION INSTRUCTIONS – CDC SR Endorsement Cover Page**

1. The State Representative will collect all Chapter Donation Request Forms and review for completeness, returning to Chapters for more information as necessary. The State Rep will complete the “CDC SR Endorsement Cover Page” and submit with complete packet.
2. The State Representative will identify any submissions within their state for the same Charity.
  - All submissions for the same Charity will be merged as a single submission
  - The State Representative will create a new Fund Request Form and Endorsement Cover Page
  - The Justification Section in the Fund Request Form will list the Chapters submitting the requests, amounts raised, and amounts requested
  - The total consolidated amount will be list in the Amount Requested section
3. The State Representative will act as a liaison between their Chapters and the Charitable Donations Committee with respect to denial of requests or requirements to reduce requested amounts.
4. State Representatives will provide all submissions to the Charitable Donations Committee Chair NLT 15 February of the voting year.
5. All State Representatives are assigned to the Charitable Donations Committee.

### **CHARITABLE DONATIONS COMMITTEE MEMBERS INSTRUCTIONS**

1. Receive charitable donation request submission(s) as assigned by the Committee Chair NLT 26 February of the Voting Year; review and validates the submission(s). The Chair will provide scoring sheets for Charity request validation.
2. The first step in validating a Charitable Donations Request is the Employer Identification Number (EIN). The Association is unable to disburse funds to an organization that does not have a valid EIN.
  - IRS Link to verify the Charity EIN: <https://apps.irs.gov/app/eos/>
  - Searches can be made using the EIN, Charity Name, City and State
  - The search will return the EIN and Name under which the Charity or Non-Profit is structured within the IRS database
3. Once you have the EIN, you also have the full name of the Charity and can begin the validation process. During the Charitable Donations Committee meeting held in El Paso (2018) it was determined the 990 Form (Return of Organizations Exempt from Income Tax) provides useful information. Review the most recent 990 from the IRS website.
  - If the 990s and financials aren't available, the Charity does not meet requirements for a National donation
  - Some charities will provide information about how their funding is used (graphic depiction or report) within their site – look around
  - Keep in mind this information is self-reported and, although useful, should be verified via the 990s and other 'Charity Watch' type sites
  - Determining how much money the Charity actually uses for Veterans varies and several aspects need to be



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reviewed (including salaries, location expenses, fundraising costs, etc.) via the Passthrough worksheet

4. Check sites which address the credibility of Veteran Charities (some provided by CDC Members here)
  - <https://charitycheck101.org/>
  - <https://www.charitynavigator.org/>
  - <https://www.guidestar.org/search>
  - <https://www.charitywatch.org/> (excellent information, but charges a donation fee to see *all* charities, financials, and ratings – some ratings are available at no charge)
  - If links are found on a search site, information may be available to include financials and other reports.
  - Note: not all charities will provide all the desired information and the charity search engines are only as good as the data available.
  
5. Be skeptical if no verification for the Charity can be found. An option is also to directly contact the Charity (or have the requesting Chapter do it) to obtain copies of their financial activities. 990s MUST be located on the IRS website. If the charity submits a postcard 990, additional research is NECESSARY to determine passthrough.
  
6. The intent of this review/validation is to verify what a charity has reported financially as well as to determine if the chapter making the request is fully aware of the charity's background. The list above contains multiple search methods, none of which are endorsed by CVMA. Also do not expect them to contain all information regarding a charity.
  
7. Complete the CDC review sheet and add comments supporting your initial recommendation on the charity(ies) you are reviewing. Previous committees determined the following four criteria as critical to determining whether a Charity should be recommended to move forward through the donation process:
  - Matching Funds Request – how much has the Chapter raised this year in support of this charity
  - Veteran Only Charity – is this charity established for the support of veterans or does it include outlets for community or specific population support
  - Financial Pass Through – how much of the monies expended actually reach the intended recipients (Veterans)
  - Established National and/or State Funding – does the charity operate under a grant or budgetary funding from a National or State source
  
8. Provide the completed scoring sheet(s) to the Committee Chair NLT 19 March of the Voting Year
  
9. Vote on the submitted requests once posted in the CDC Forum
  - “NO” votes REQUIRE an explanation by the voting State Reps
  - Example for “NO” vote: Charity has exception requests for both passthrough and expenditures in excess of \$250,000. With a passthrough of 55% and annual expenditures of \$750,000, an additional donation of \$10,000 would be a miniscule impact overall.
  - “YES” votes – explanations are optional
  
10. The Committee members are responsible only for recommending approval (or denial) of requests. The Committee members may also recommend to increase or decrease the amount requested. The Committee's recommendation does not guarantee approval for funding but rather that the funding request may be presented to the Full Members at the National Meeting for a vote to approve funding.



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### CHARITABLE DONATIONS COMMITTEE CHAIR INSTRUCTIONS

1. Preside over the forum and ensure milestones are met throughout the annual Charitable Donation Committee Process.
2. Act as Liaison between the Committee and the National Treasurer to receive the budget for Committee consideration for all submissions and total funds available
3. Preside over the forum voting and keep a record of all approved and disapproved requests.
  - A tally scoresheet shall be maintained for transparency of voting results
  - All funding requests require a simple majority vote to be approved by the Committee for further consideration by the full members at the National Meeting
4. Preside over the Charitable Donations Committee meeting (if) held during the National Convention
5. Present the compiled requests that have been approved to the National Body during the National Meeting
  - NPRES will motion for the funding to be approved by the present voting Full Members of the CVMA at the National Meeting
  - The approval of funding lies solely with the full members present and voting during the National Meeting
6. Upon approval from the National Body, the National Treasurer will initiate the disbursement of funds
  - The Chair will provide to the National Treasurer the name and address for each charity approved as well as the address for the State Representative responsible
  - State Representatives will deliver the checks to Chapters for further delivery to the charities

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### TIMELINE

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- **NLT 1 October** – Charitable Donations Committee Chair posts Charitable Funds Request Form and SOP to SR Forum and Chapter Officer Forum on the National Website.
- **1 December – 14 February** – Chapters prepare Charitable Funds Requests and submit to their SR
- **15 February** – SR review, consolidate as necessary, and submit Charitable Funds Requests to Committee Chair
- **26 February** – CDC Chair completes consolidation of requests, assigns charity reviews to State Representatives, and posts list of received Charitable Funds Requests to forum.
- **26 February – 19 March** – SR review Charitable Funds Requests, score and return to Committee Chair.
- **25 March** – Charitable Donations Committee Chair posts requests to forum (by name).
- **25 March – 10 April** – SR vote to approve or deny recommendation on forum. CDC Chair requests voting threads on forum to be locked thru National Webmaster. (Voting ends 10 April at 2359 Pacific Standard Time)
- **16 April** – Charitable Donations Committee Chair posts final report on recommendations on forum.
- **31 August** – All checks MUST be presented and cleared, any check not presented will be cancelled and a new check issued