Instructions for Schedule G (Form 990)

Supplemental Information Regarding Fundraising or Gaming Activities

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Schedule G (Form 990) and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form990.

General Instructions

Note. Terms in bold are defined in the Glossary of the Instructions for Form 990.

Purpose of Schedule

Schedule G (Form 990) is used by an organization that files Form 990 or Form 990-EZ to report professional fundraising services, fundraising events, and gaming.

Who Must File

An organization that answered “Yes” on Form 990, Part IV, Checklist of Required Schedules, line 17, 18, or 19, or meets the criteria for Form 990-EZ filers described below, must complete the appropriate parts of Schedule G (Form 990) and attach Schedule G to Form 990 or Form 990-EZ, as applicable.

• Complete Part I if the organization answered “Yes” on Form 990, Part IV, line 17, because the organization reported a total of more than $15,000 of expenses for professional fundraising services on Form 990, Part IX, Statement of Functional Expenses, lines 6 and 11e.
  Form 990-EZ filers aren’t required to complete Part I.
• Complete Part II if the organization answered “Yes” on Form 990, Part IV, line 18, because the organization reported a total of more than $15,000 of fundraising event gross income and contributions on Form 990, Part VIII, Statement of Revenue, lines 1c and 8a; or (2) reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, Part I, lines 1 and 6b.
• Complete Part III if the organization answered “Yes” on Form 990, Part IV, line 19, because the organization reported more than $15,000 of gross income from gaming activities on Form 990, Part VIII, line 9a; or (2) reported more than $15,000 of gross income from gaming on Form 990-EZ, Part I, line 6a.

If an organization isn’t required to file Form 990 or Form 990-EZ but chooses to do so, it must file a complete return and provide all of the information requested, including the required schedules.

Specific Instructions

Part I. Fundraising Activities

Complete this part if the organization reported a total of more than $15,000 of expenses for professional fundraising services on Form 990, Part IX, lines 6 and 11e. Form 990-EZ filers aren’t required to include Part I.

Line 1. Check the box in front of each method of fundraising used by the organization to raise funds during the tax year.

Line 2a. Check “Yes” if at any time during the tax year the organization had a written or oral agreement with another person or entity in connection with professional fundraising services. Do not include an officer, director, trustee, or employee who conducts professional fundraising services solely in his or her capacity as an officer, director, trustee, or employee of the organization.

The organization must report all agreements for professional fundraising services regardless of the form of agreement (written or oral). For example, an organization that had a written contract with a business to supply printing and mailing services would report that agreement here if the business also provided the organization professional fundraising services such as strategy on mailing.

Line 2b. If “Yes” is checked on line 2a, list in column (i) the 10 highest paid individuals or entities who were each to be compensated at least $5,000 by the organization for professional fundraising services provided during the tax year, and the business address of each individual or entity.

Column (ii). Enter the type(s) of fundraising activities for which the professional fundraiser performed services.

Report the fundraising activities consistently with terms used by the organization in the management of its fundraising program. For example, if an organization contracts with a single fundraiser to advise on and coordinate all of its direct mail fundraising, it might enter “consults on direct mail program.” If a consultant were hired to perform data analysis for all aspects of an organization’s public solicitation, it might enter “provides database consulting for direct mail, telephone, Internet, and email.”

Column (iii). For this purpose, custody or control means possession of the funds or the authority to deposit, direct the use of, or use the funds. Describe the custody or control arrangement in Part IV.

Column (iv). Enter the gross receipts connected to the services provided by the fundraiser listed in column (i) and received by the organization, or by the fundraiser on the organization’s behalf, during the tax year.

A professional fundraiser can deliver services during the tax year and be properly reported on line 2b but have no gross receipts to report in column (iv). For example, an organization may retain a fundraiser to conduct a feasibility study for a capital campaign. The campaign, if there were to be one, could be conducted in, and produce receipts in, subsequent tax years. Likewise, a fundraiser might be hired to plan and produce programming for a media campaign. Fees would be properly reported in the tax year, but there might be no receipts to report until subsequent years when the programming actually airs. In each case, the organization can properly report a “-0-” in column (iv).

Column (v). Enter the dollar amounts in fees paid to or fees withheld by the fundraiser for its professional fundraising services.

If the agreement provides for the payment of fees and also for the payment of fundraising expenses, such as printing, paper, envelopes, postage, mailing list rental, and equipment rental, the organization must report such amounts paid during the year in Part IV and
describe how the agreement distinguishes payments for professional fundraising services from expense payments or reimbursements. Also describe in Part IV whether the organization entered into any arrangements with fundraisers under which the organization made payments exclusively for such expenses but not for professional fundraising services. If the agreement doesn't distinguish between fees for professional fundraising services and payment of fundraising expenses, then the organization must report in column (v) the gross amount paid to (or withheld by) the fundraiser.

**Column (vi).** Subtract column (v) from column (iv).

**Line 3.** List all states in which the organization is registered or licensed to solicit contributions, or has been notified that it is exempt from such registration or licensing.

**Part II. Fundraising Events**

Complete this part if the sum of the amounts reported on Form 990, Part VIII, lines 1c and 8a, exceeds $15,000, or if the sum of the amounts reported on Form 990-EZ, line 6b and the line 6b parenthetical exceeds $15,000. List only fundraising events with gross receipts greater than $5,000 that the organization conducted at any time during the tax year.

List the two largest fundraising events with gross receipts greater than $5,000 each in columns (a) and (b). In column (c), enter the total number of other events with gross receipts greater than $5,000 each and report revenue and expenses from these events in the aggregate. If no events other than those listed in columns (a) and (b) exceeded the $5,000 threshold, enter “None.”

Report revenue and expenses attributable to gaming in Part III, rather than in Part II.

**Revenue**

**Line 1.** Enter the total amount the organization received from the two largest fundraising events with gross receipts greater than $5,000 each in columns (a) and (b) during the tax year without subtracting any costs, expenses, or contributions received in connection with the fundraising event. Enter in column (c) the total amount the organization received from all other events with gross receipts greater than $5,000 during the tax year without subtracting any costs, expenses, or contributions received in connection with the events. Enter the sum of columns (a), (b), and (c) in column (d).

**Line 2.** Enter the total amount of contributions, gifts, and similar amounts (including the total value of noncash contributions) received by the organization for fundraising events in columns (a) and (b) during the tax year. Enter in column (c) the total amount of contributions, gifts, and similar amounts received by the organization from all other fundraising events with gross receipts greater than $5,000 during the tax year. Enter the sum of columns (a), (b), and (c) in column (d).

**Line 3.** Enter the gross income (gross receipts less contributions) from events listed without reduction for catering, entertainment, cost of goods sold, compensation, fees, or other expenses. Enter the total of columns (a), (b), and (c) in column (d).

**Direct Expenses**

Enter the expense amount in the appropriate column (a) through (c) for events with gross receipts greater than $5,000 each. Enter the total of columns (a), (b), and (c) in column (d).

**Line 4.** Enter the total amount paid out as cash prizes.

**Line 5.** Enter the fair market value of the noncash prizes paid or given out for each fundraising event.

**Line 6.** Enter the expenses paid or incurred for the rent or lease of property or facilities.

**Line 7.** Enter the expenses paid or incurred for food and beverages. Include all direct expenses such as catering.

**Line 8.** Enter the expenses paid or incurred for entertainment, including direct expenses for labor and wages.

**Line 9.** Enter the amount of other direct expense items for fundraising events not included in Part II, lines 4 through 8. The organization should retain in its records an itemized list of all other direct expenses not included on lines 4 through 8. For labor costs and wages, include the total amount of compensation paid to fundraising event workers or paid independent contractors for labor costs.

**Line 10.** Add lines 4 through 9 in column (d).

**Line 11.** Subtract line 10 from line 3, column (d). If line 10 is more than line 3, column (d), and the result is less than zero, enter it in parentheses.

**Part III. Gaming**

Complete this part if the organization reported more than $15,000 from gaming on Form 990, Part VIII, line 9a, or Form 990-EZ, line 6a.

Treat all bingo as a single event for column (a) and all pull tabs as a single event for column (b). Include all revenue and expenses for progressive bingo, instant bingo, and event bingo in column (b).

Include in column (c) all other types of gaming not included in column (a) or (b).

Complete Part III for each type of gaming conducted.

**Revenue**

**Line 1.** Enter the gross revenue (gross receipts less contributions) for each type of gaming conducted without reduction for cash or noncash prizes, cost of goods sold, compensation, fees, or other expenses. Enter the total of columns (a) through (c) in column (d).

**Line 2.** Enter the total amount paid out as cash prizes.

**Line 3.** Enter the fair market value of the noncash prizes paid or given out for each type of gaming conducted.

**Line 4.** Enter the expenses paid or incurred for the rent or lease of property or facilities.

**Line 5.** Enter the amount of other direct expense items for gaming not included on lines 2 through 4. The organization should retain in its records an itemized list of all other direct expenses not included on lines 2 through 4. Mandatory distributions should be shown on line 17.

The itemized list of direct expenses should include the following. • Labor costs and wages, including the total compensation paid to gaming workers or independent contractors for labor costs.

• Employer’s share of federal, state, and local payroll taxes paid for the tax year for gaming workers, including social security and Medicare taxes, state and federal unemployment taxes, and other state and local payroll taxes.

• Excise taxes, including any wagering tax paid with Form 730, Monthly Tax Return for Wagers, and any occupational tax paid with Form 11-C, Occupational Tax and Registration Return for Wagering.

**Line 6.** If substantially all of the organization's work in conducting a type of gaming is performed by volunteers, check “Yes” and enter the percentage of total workers who are volunteers for each type of gaming conducted. The percentage is determined by dividing the number of volunteers for each type of gaming by the total number of workers for that type of gaming, both paid and unpaid.

**Line 7.** Enter the total of lines 2 through 5 in column (d).
Part IV. Supplemental Information

Use Part IV to provide the narrative explanations required, if applicable, to supplement responses to Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b. Part IV may also be used to supplement other responses to questions on Schedule G (Form 990). In Part IV, identify the specific part and line number that each response supports, in the order in which those parts and lines appear on Schedule G (Form 990).