

Karate Newfoundland and Labrador [the “Organization”]

Fundraising Policy

1. Purpose

The purpose of this policy is to outline ethical and effective fundraising practices for Karate Newfoundland & Labrador and its members. This ensures that all fundraising efforts align with our mission to promote karate in Newfoundland & Labrador and support athlete development, competition, and community engagement.

2. Scope

This policy applies to all the Organization directors, staff, volunteers, athletes, coaches, officials, and members involved in fundraising activities, including sponsorships, donations, events, and crowdfunding efforts.

3. Fundraising Principles

All fundraising activities must adhere to the following principles:

- Transparency: Funds raised must be recorded and allocated solely for their intended purposes.
- Integrity: Fundraising methods must comply with ethical standards and legal regulations including the Organization’s Conflict of Interest Policy.
- Respect: Engagement with sponsors, donors, and supporters must be conducted professionally and courteously.
- Accountability: Financial records must be maintained, and reports must be made available upon request.
- Voluntary: Karate Newfoundland & Labrador will uphold the core values of **Integrity** and **Respect** in all our activities. Participation in fundraising efforts is **strictly voluntary**. Individuals who choose to opt out—whether from a single fundraising initiative or all fundraising activities—will not be eligible to receive any proceeds or benefits from the events in which they did not participate.

4. Approved Fundraising Methods

Fundraising activities may include, but are not limited to:

- Corporate sponsorships and partnerships
- Individual donations and memberships
- Fundraising events (e.g., karate demonstrations, tournaments, raffles, auctions)
- Crowdfunding campaigns
- Sale of branded merchandise (e.g., uniforms, training gear, apparel)

5. Use of Funds

Funds raised will be used to support the initiatives of the Organization and its member dojos, including:

- Athlete training and development programs
- Officials training and development programs
- Travel and competition expenses for provincial and national tournaments
- Facility upgrades and equipment purchases
- Community outreach and youth karate programs

All funds must be received and disbursed through the Organization to maintain integrity and compliance. The Board of Directors may authorize alternative arrangements where deemed practical.

If funds are raised to offset travel, training, or participation expenses for coaches, team managers, staff, or volunteers, those funds must be allocated to the athletes or designated recipients, as per the plan submitted prior to the fundraising effort. Coaches, managers, staff, or volunteers must invoice the athletes or recipients directly—either independently or with assistance from the Organization. Under no circumstances may funds be paid directly to coaches, managers, staff, or volunteers from fundraising proceeds.

Any surplus funds from fundraising activities or corporate sponsorships will be retained by the Organization for future use, in consultation with the Fundraising Committee.

6. Roles & Responsibilities

- Fundraising Committee: Oversees all fundraising activities, prepare applications to the National Sport Fund Trust via Sport NL, ensuring compliance with this policy and ethical best practices.
- Treasurer/Finance Committee: Manages financial records, tracks fundraising revenue, reviews/approves fundraising efforts proposed by the Fundraising Committee, assists with lotto licensing, facilitates applications to the National Sport Fund Trust via Sport NL, and prepares financial reports.
- Event Organizers: Coordinate fundraising events and ensure smooth execution.
- Athletes & Members: Encourage participation and assist in fundraising efforts.

7. Compliance & Reporting

All fundraising efforts must adhere to local, provincial, and national fundraising regulations.

Prior to beginning each fundraising effort, a brief report must be submitted to the Treasurer for approval which outlines the following:

- The method of fundraising to be used in accordance with Section 4 above.
- The proposed start and end dates of the fundraising effort.
- The target value to be raised.
- The specific use of the funds raised which must be in line with Section 5 above
- The method of collecting, accounting, and storing the funds received.
- How the funds are to be distributed once the campaign is complete

Within 30 days of the completion of each fundraising effort, a brief report must be submitted to the Financial Committee for review and approval. This report can be a simple update of the preliminary report approved by the Finance Committee.

An annual report detailing fundraising activities, funds raised, and allocation must be submitted to the Organization Board of Directors by the Treasurer and presented at the annual general meeting of the members.

8. Fundraising Concerns and Complaints Process

Any questions, concerns, or complaints related to fundraising activities should follow this escalation process:

Initial Review:

All concerns should be directed to the Fundraising Committee in writing. The Committee will review the matter promptly and respond with a resolution or request for further information within 15 business days.

Escalation to Board:

If the concern is not resolved to the satisfaction of the complainant, or if it involves a conflict of interest within the Fundraising Committee itself, the matter may be escalated to the Organization's Board of Directors for further review and final resolution.

Confidentiality & Fairness:

All complaints will be addressed in a confidential and respectful manner. The Organization will strive to ensure fair and timely resolutions in keeping with its core values of Integrity and Respect.

9. Summary of Provincial Regulations on Lottery Proceeds for Travel Costs¹

In July 2024, the Government of Newfoundland and Labrador introduced revised Lottery Licensing Regulations that affect how amateur sport organizations may use lottery proceeds to fund travel costs. Karate Newfoundland & Labrador will ensure full compliance with these updates in all applicable fundraising efforts.

The following summarizes key provisions:

- **Eligible Travel Expenses:**

Funds raised through licensed lottery initiatives may be used to cover direct travel costs for athletes and a reasonable number of coaches or chaperones attending sanctioned tournaments or competitions. Eligible expenses include:

- Meals
- Accommodation

¹ These provisions are based on the [Newfoundland and Labrador Regulation 32/24 – Lottery Licensing Regulations \(Amendment\)](#) and the [Government of Newfoundland and Labrador's official announcement](#) issued on June 4, 2024.

- Commercial airline and bus transportation
- Other travel-related costs incurred through recognized third-party vendors

- **Ineligible Expenses:**

- Mileage for personal vehicles is not eligible for reimbursement
- Travel to invitational or exhibition tournaments that are not sanctioned by the appropriate Provincial Sport Organization (PSO)
- Travel to events not representing Newfoundland & Labrador or Canada

- **Approval for Interprovincial and Out-of-Province Travel:**

Lottery proceeds may be used for travel to interprovincial tournaments or competitions **only if the event is sanctioned by the appropriate PSO**. The team must be representing Newfoundland & Labrador in an official capacity.

For out-of-province travel, funding is permitted if the team is representing Newfoundland & Labrador or Canada at a sanctioned event, or if athletes have been selected by the PSO to participate in training or competition.

Travel to out-of-province invitational tournaments is **not eligible** for lottery funding.

- **Required Documentation:**

All lottery-funded travel must be supported by:

- PSO-issued sanction letter for the event
- Tournament or competition itinerary
- Proof of eligibility, such as SportNL certification
- Third-party commercial receipts for all travel expenses

The Treasurer and Fundraising Committee will oversee compliance with these regulations, ensure proper documentation is collected, and offer support to member dojos and participants seeking funding for approved travel initiatives.

10. Eligibility Requirements for Lottery Licensing

Karate Newfoundland & Labrador will ensure that all lottery-based fundraising activities (e.g., raffles, draws, games of chance) comply with the eligibility criteria outlined in the *Lottery Licensing Regulations (Amendment), Newfoundland and Labrador Regulation 32/24*, effective July 2024.

10.1 Organizational Eligibility

Organizations applying for a lottery licence must meet the following criteria:

- Be a registered non-profit or charitable organization operating in Newfoundland and Labrador
- Be actively engaged in amateur sport development
- Be recognized by Sport Newfoundland and Labrador or the appropriate Provincial Sport Organization (PSO)

- Operate under a constitution or governing document that outlines its purpose and structure
- Provide public benefit and no personal gain to members from lottery proceeds

10.2 Activity Eligibility

Lottery proceeds must be directed toward eligible initiatives that:

- Advance amateur sport and athlete training
- Support access to sanctioned competitions and coaching
- Enhance community involvement and public interest in sport
- Align with the organization's charitable goals

10.3 Ticket Sales Restrictions

To maintain compliance with licensing regulations and federal law:

- Tickets may only be sold to individuals physically located within Newfoundland and Labrador at the time of purchase
- Online ticket sales must include geo-location verification to ensure buyer eligibility
- Sales must be restricted to residents of Newfoundland and Labrador

10.4 Licensing Application Requirements

- Service NL is recommending that applications be submitted a minimum of eight (8) weeks prior to the intended ticket sales start date
- Recurring events may qualify for a two-year licence
- Annual events require a full application every five (5) years, with yearly notification of prize amounts and draw dates

10.5 Oversight

The Treasurer and Fundraising Committee will oversee all lottery licence applications and ensure compliance with eligibility, reporting, and use-of-funds regulations.

11. Review & Amendments

This policy will be reviewed periodically to ensure effectiveness and alignment with the Organization's mission. Updates may be made as needed with approval from the organization's governing body.

Policy History	
Approved	August 3, 2025
Next Review Date	August 3, 2026
Revision Approval Dates	