



BOY SCOUTS OF AMERICA

Finance Support Division

NEW COVER

Product Sales and Policy Issues Manual

BOY SCOUTS OF AMERICA

Product Sales and Policy Issues Manual

© Boy Scouts of America
1325 W. Walnut Hill Lane
Irving, Texas 75015-2079
Phone 972.580.2000 • web site www.fsd.org

Table of Contents

Introduction	3
Commercialism and Advertising	4
Unit Money-Earning Project Guidelines	6
Checklist for Project Approval.....	6-7
Current Policies of the Boy Scouts of America	8
Contributions.....	8
Advertising	8
Commercialism	8
Use of the Uniform.....	9
Gambling.....	9
Local Council Control.....	9
Unit Money-Earning Projects.....	9
Pyramid Sales	9
Product Sales.....	9
Scouting Public Display Activities	10
Raising Funds	10
Council Product Sales Recognition and Critique Meeting Agenda	11
Typical Council Product Sales Timetable.....	12-13

INTRODUCTION

If there is one consistent theme for fund-raising in the Boy Scouts of America, it is that *effective fund-raising must be planned and coordinated using sound fund-raising principles*. These principles include:

- Building a base for annual support
- Cultivating potential donors for major giving through special events, projects sales, and capital gifts
- Offering donors special planned giving vehicles such as outright gifts, bequests, gift annuities, pooled funds, life insurance gifts, and various types of charitable trusts

Most councils follow such a fund-raising plan, and most of their income coming from United Way, Friends of Scouting, fund-raising dinners, camping, special events, and direct mail solicitations. Through these traditional sources, councils have developed a stable base of support. To broaden this base, councils have turned to product sales and sponsored events. Most of these events successfully bring additional operating income to councils.

In 1983, the BSA's National Executive Board broadened its finance policies related to council fund-raising. The board's intent was to provide councils with ways to supplement their basic fund-raising programs, not to provide alternatives to traditional support.

Councils using these fund-raising activities must be aware that:

- Local councils must comply with the terms of the BSA Charter, Bylaws, and Rules and Regulations, and with local and state laws. Councils are responsible to conduct, supervise, control, and approve fund-raising activities that might involve youth members and/or the sale of products to generate income for councils and units.
- The National Council wants local councils to have autonomy for making decisions related to fund-raising methods that are consistent with the principles, standards, policies, and the good name of the Boy Scouts of America.
- These activities are not "easy money." Staff and volunteer time must be valued and weighed against time away from council, district, and unit activities.
- These activities do not create a pool of volunteers for long-term development support.
- Volunteers and the general public may participate in these activities instead of participating in Friends of Scouting campaigns.
- Council leaders *cannot* abdicate their fund-raising responsibilities by allowing the council's budget to be raised on the "backs of youth."

For all these reasons, fund-raising projects can have a short-term positive effect on council cash flow, but a long-range negative effect on council budgeting. This publication will help local councils interpret these policies, and offer guidelines and examples of acceptable promotions and activities.

The Finance Impact Department appreciates the effort of local council staff and volunteers to provide fund-raising activities based on safe, ethical, and accepted principles consistent with the Rules and Regulations of the Boy Scouts of America.

COMMERCIALISM AND ADVERTISING

The Boy Scouts of America has been around for 100 years. The phrases “On my honor,” “duty to God and country,” and our programs based on ethical decision making and moral values are the foundation on which our great movement was built. Commercial enterprises continue to offer goods and services that seek an association with a movement of more than 5 million youth. They see profits to be made, especially with such a large number of “salespersons.”

For that reason -- and to safeguard the integrity of the BSA -- ten guidelines were developed to address commercialism, sales, and promotional policies. They will help you guard against the unlawful use of the name, logos, uniforms, and other symbols that directly represent the good name of the Boy Scouts of America. These guidelines will help your council plan product sales, solicit advertising, and provide a special service to unit leaders and youth members. It's up to you to ensure that these are also consistent with the values and standards of Scouting, your chartered organizations, and that all offered goods and services can stand alone on their own value and reputation.

TEN GUIDELINES FOR COMMERCIALISM AND ADVERTISING

1. Products and/or advertising to be sold and services to be performed must comply with city, county, state, and federal regulations regarding permits, tax laws, environmental concerns, and safety and health issues.
2. A product sale or advertising campaign should be developed by your local council finance committee and then be presented to your executive board for approval.
3. The price of the product, advertising, or service should reflect its fair market value.
4. A local council may *not* enter into any business relationship or contract that uses the BSA logo, insignia, common usage terms, or descriptive marks relating to Scouting unless the relationship or contract conforms to currently accepted procedures and guidelines as established by the National Council, BSA. The contract or relationship must avoid endorsement of any commercial product or venture. The right to permit the use of the BSA's proprietary indicia relating to commercial products and ventures resides solely with the National Council.

What a council can do — Popcorn or candy sales can be organized with executive board approval. Products must stand on their own merit and prices must be competitive in the marketplace.

What a council cannot do — A council cannot authorize any company to put the BSA name, logo, insignia, etc., on its product, unless permission has been granted by the National Council.

5. The use of discount or complimentary commercial coupons is not an approved fund-raising method in the Boy Scouts of America. Use of these coupons signifies a passive endorsement of the product and the BSA prohibits commercial endorsements. The *only* exception to this is if coupons are used in conjunction with Scout show tickets, strictly following the guidelines listed below:
 - a. The discount or complimentary portion must be “attached” to the Scout show ticket.
 - b. There *must not* be any logo, insignia, common usage terms, or descriptive marks related to Scouting printed on or made part of the discount or complimentary coupon.
 - c. Local councils *cannot* use Scout show tickets as wrappers for a commercial product.
6. Advertisers are allowed to “salute” and/or “congratulate” the Boy Scouts and the BSA logo may be used in this type of advertising, *but not on products*. (This form of advertising is usually used for distinguished citizen award luncheons or dinners, Scout shows, and golf tournaments.)
7. The advertisement of a product for sale based on proposed gift, return, commission or rebate back to a local council is not permitted.
 - a. Services or programs presented by commercial ventures, corporations, or individuals directed at the BSA membership and offering a discount to customers or to the council are not permitted. Any program that attempts to take advantage of the BSA membership is not permitted.

Example: A long-distance telephone carrier approaches a local council and encourages it to ask its constituency to switch long-distance carriers in return for a discount to the customer and a “gift” to the BSA local council. This would not be permitted.
8. The local council’s executive board may allow the use of uniforms in a council-wide product sale or event. The use of uniformed Scouts in any other advertising of a commercial product or business is not permitted.
9. BSA membership lists (including unit, district, and council registration; financial supporters; and any others associated with Scouting) cannot be used for commercial or any other unauthorized purpose. The names and information on these records are strictly confidential and cannot be sold or shared with the public.
10. The vendor of a commercial product must provide a certificate of commercial liability insurance naming the local council as being additionally insured in the amounts currently recommended by the Risk Management Service of the national office.

UNIT MONEY-EARNING PROJECT GUIDELINES

The unit leadership in chartered organizations may participate in approved fund-raising projects, provided BSA Rules and Regulations and guidelines are followed. This will help ensure the quality of the product or service, the safety of all participants, and avoid the commercialization of the BSA. Every unit conducting such an activity must submit a Unit Money-Earning Application (Form No. 34427) for approval by the chartered organization and the local council prior to holding the activity.

Whenever a unit is planning a money-earning project, use this checklist as your guide. If you can answer yes to each of the following questions, it's likely that your project will be approved. Reproduce the following checklist and complete it for each proposed project.

CHECKLIST FOR PROJECT APPROVAL

1. *Have your unit committee and chartered organization approved your project, including the dates, location, and timing of the sale?* YES NO

There should be a real need for earning money based on your unit's program. We should not engage in special money-earning projects merely because someone has offered us an attractive plan. Individual youth members are also expected to earn their own way. The unit's needs should exceed the normal budget items covered by dues.

2. *Does your plan and corresponding dates avoid competition with money-raising efforts and policies of other units, your chartered organization, your local council, and the United Way?*
 YES NO

Check with your chartered organization representative to make certain that your chartered organization agrees on the dates. The chartered organization representative can also clear the other dates by calling the council service center.

3. *Does your plan comply with local ordinances, avoid any association with gambling, and is it consistent with the ideals and purposes of the Boy Scouts of America?* YES NO

Money-raising projects that include the sale of raffle tickets or other "games of chance" violate this policy. This includes any activity where value is not guaranteed by purchasing a ticket. For example, cake raffles are not allowed but cake auctions are ok.

4. *If a commercial product is to be sold, will it be sold on its own merits and without reference to the needs of Scouting, either directly (during a sales presentation) or indirectly?* YES NO

Teaching youth members to become self-reliant and earn their own way is an important part of training our youth members. The official uniform is intended to be worn primarily for use in connection with Scouting activities. However, the executive board of the local

council may authorize wearing the uniform in connection with council-sponsored product sales programs.

5. *If tickets are sold for a function other than a Scouting event, will they be sold by youth members as individuals without depending on the name or goodwill of Scouting to make this sale possible?*
___ YES ___ NO

Youth members in uniform in the name of Scouting may sell tickets for such things as pack shows, troop suppers, circuses, expositions, and similar Scouting events.

6. *Even if sales are limited to parents and friends, will buyers get their money's worth from any function they attend or goods and services they receive from your unit?* ___ YES ___ NO

Again, this is the principle of value received — a sale standing on its own merit — so the recipients are not in any way “subsidizing” either Scouting or the member. Youth members must learn to pay their own way and honestly earn the money to do it. You cannot permit anyone to use the good name of Scouting to sell a product.

7. *If a project is planned for a particular area, do you respect the right of other Scouting units in the same neighborhood?* ___ YES ___ NO

It's a courtesy to check with neighboring units or the local council service center to coordinate the time of your project and to see that you aren't covering their territory. Your unit commissioner or service team member can help you with this.

8. *Is it reasonably certain that people who offer similar goods or services will not be unduly affected as a result of your unit's plan?* ___ YES ___ NO

Your unit should neither sell nor offer services that may significantly damage someone's livelihood. If possible, check with the people who could be affected.

9. *Will your plan protect the name and goodwill of the Boy Scouts of America and prevent it from being capitalized on by promoters of shows, benefits, or sales campaigns?* ___ YES ___ NO

Because of Scouting's good reputation, customers rarely question the quality or price of a product. Unchecked, a Scouting unit could become much more interested in commercial interests than its true purpose of character building and citizenship training.

10. *If any contracts are to be signed by your unit, will they be signed by an individual without reference to the Boy Scouts of America, and in no way appear to bind the local council, the BSA, or the chartered organization to any agreement of financial responsibility?* ___ YES ___ NO

Before any person in your unit signs a contract, he or she must make sure the venture is legitimate and worthy. If a contract is signed, he or she is personally responsible. A contract cannot be signed on behalf of the local council or the Boy Scouts of America, nor may an individual bind the chartered organization without its written authorization. If you are not sure, check with your local council service center for help.

CURRENT POLICIES OF THE BOY SCOUTS OF AMERICA

CONTRIBUTIONS

Bylaws of the Boy Scouts of America, Article XI, Section 1, Clause 2: *Contributions shall be solicited in the name of the Boy Scouts of America only through or by the authority of the Corporation, and shall be limited to the National Council or chartered local councils, in accordance with these Bylaws and Rules and Regulations of the Corporation. Youth members shall not be permitted to serve as solicitors of money for chartered organization units, for the local council, or in support of other organizations. Adult members and youth members shall not be permitted to serve as solicitors of money in support of personal or unit participation in local, national, or international events. Youth members, however, are permitted to secure sponsors for council or district activities approved by the executive board. These approved activities may result in financial support for the local council in accordance with the Bylaws and Rules and Regulations of the Corporation.*

ADVERTISING

Rules and Regulations of the Boy Scouts of America, Article IX, Section 2, Clause 5:

(a) Advertisements for placement in Scouting publications and other media, in addition to meeting the standards in general use by publishers of high-grade periodicals and other advertising media, must:

- (1) Relate to a service or product which could reasonably be foreseen to render some service to the audience of the advertisement, or relate in some way to the purposes of the Boy Scouts of America, and*
- (2) Merit the purchase price of the article or service offered in the advertisement.*

(b) No advertisement will use or display any logo, insignia, terms in common usage, or descriptive marks relating to Scouting without confirming to all currently accepted procedures and guidelines as established by the National Council, Boy Scouts of America, and interpreted in the local council policy guidelines for advertising and commercialism.

COMMERCIALISM

Rules and Regulations of the Boy Scouts of America, Article IX, Section 2, Clause 7:

(a) No member of the Boy Scouts of America, chartered unit, chartered local council, or any officer or representative of the Boy Scouts of America shall have the right to enter into a contract or relationship of a commercial character directly involving or obligating the National Council, Boy Scouts of America, unless duty authorized by the National Executive Board.

(b) A local council may not enter into a contract or business relationship that uses any logo, insignia, terms in common usage, or descriptive marks relating to Scouting, unless the relationship or contract conforms to currently accepted procedures and guidelines as established by the National Council, Boy Scouts of America. The contract or relationship must avoid endorsement of any commercial product or venture.

(c) Subject to the above, chartered organizations, unit leaders or youth members shall not be restricted from earning money to obtain their own unit equipment, provided that all approved procedures for doing so are followed, including prior approval by the governing local council.

USE OF THE UNIFORM

Rules and Regulations of the Boy Scouts of America, Article X, Section 4, Clause 6: *The official uniforms are intended primarily for use in connection with Scouting activities as defined by the National Executive Board and their use may be approved by local council executive board for council events or activities under conditions consistent with the Rules and Regulations of the Boy Scouts of America.*

GAMBLING

Rules and Regulations of the Boy Scouts of America, Article XI, Section 1, Clause 1:

(e) Gambling. Any fund-raising project designated to benefit chartered organization units, districts, local council, or on a national basis which involves games of chance, lotteries, sale of raffle tickets, bingo, or could be construed as a gambling activity, is not permitted.

LOCAL COUNCIL CONTROL

Rules and Regulations of the Boy Scouts of America, Article XI, Section 1, Clause 1: *(c) Local Council Control. Subject to the general rules and regulations adopted by the National Council or Executive Board, local councils shall control the raising and expenditure of all funds for local Scouting work in their jurisdiction.*

UNIT MONEY-EARNING PROJECTS

Rules and Regulations of the Boy Scouts of America, Article IX, Section 2, Clause 3: *Units may conduct money-earning projects only when the projects have been approved by the chartered organization and the local council and are consistent with the principles set forth in these Rules and Regulations.*

PYRAMID SALES

Rules and Regulations of the Boy Scouts of America, Article XI, Section 1, Clause 1: *(h) Pyramid Sales, Multilevel Marketing. Any fund-raising projects on a unit, council, or national basis which are in the nature of pyramid sales or multilevel marketing are not permitted.*

PRODUCT SALES

Rules and Regulations of the Boy Scouts of America, Article XI, Section 1, Clause 1: *(f) The National Council will not engage in a product sale at the National level.*

SCOUTING PUBLIC DISPLAY ACTIVITIES

Rules and Regulations of the Boy Scouts of America, Article IX, Section 2, Clause 4: *Local councils may approve the sale of tickets for the public display of Scouting activities, such as merit badge shows, circuses, rallies, and demonstrations, when (a) the nature of the program or function offers a value commensurate with the purchasing price of tickets offered for sale, (b) the sale of tickets is not used as an indirect method of defeating the purpose of article IX, section 2, clause 7 of these Rules and Regulations, and (c) the participation of youth members in the sale of tickets for such affairs is confined to their parents and friends and does involve methods similar to those used in the sale of tags or other general solicitation.*

RAISING FUNDS

Bylaws of the Boy Scouts of America, Article X, Section 1, Clause 1: *All money raised by or received for the benefit of the corporation or a unit under its jurisdiction and all property acquired by the corporation or such a unit shall be deemed to be received or acquired for the benefit of Scouting as interpreted and promoted by the Boy Scouts of America, in accordance with the Rules and Regulations and procedures from time to time adopted by the Boy Scouts of America.*

Bylaws of the Boy Scouts of America, Article X, Section 1, Clause 2: *Subject to the Rules and Regulations of the Boy Scouts of America, the corporation shall control the raising and expenditure of all funds for local Scouting work within the territory of the corporation. The necessary expenses of the corporation shall be met by funds secured by solicitation or otherwise in accordance with the Rules and Regulations of the Boy Scouts of America pertaining to the raising of funds for Scouting purposes.*

Bylaws of the Boy Scouts of America, Article X, Section 1, Clause 3: *Neither the corporation nor any unit under its jurisdiction shall have any authority to bind the Boy Scouts of America to any financial obligation whatever.*

**COUNCIL PRODUCT SALES RECOGNITION
AND CRITIQUE MEETING AGENDA**

Participants: Council, district, and zone volunteer leaders and professional staff members

Responsible: Council chairman and Scout executive

Purpose: Recognition, evaluation, and critique of all aspects of the product sale program, to include plus (+) and minus (-) review of the total program.

Suggested Agenda

Time	Item	Responsible
5 min.	Opening ceremony	Recognition committee and staff
20 min.	Recognition of all key volunteers (during meal)	Council chairman
20 min.	Critique meetings (Hold separate meetings to review and discuss success and problems of the major elements of the program)	Committee chairman
	Council plan and support	Council chairman
	Public relations and communication	Committee chairman
	Ordering, warehousing, distribution, and delivery	Committee chairman
	Recognition plan and incentives	Committee chairman
	District plan and support	District chairmen
	<ul style="list-style-type: none"> • Organization • Units' reaction - why they did or did not participate • Effectiveness of: <ul style="list-style-type: none"> - District kickoff - Recognition - Timetable, time of sale, etc. 	
30 min.	Reports from the critique groups and discussion to develop suggestions for improvement	Committee chairman
5 min.	Closing remarks Adjournment	Council chairman

(All reports are to be in written form for compiling and are to be redistributed to key leadership within 10 days of this meeting.)

TYPICAL COUNCIL PRODUCT SALES TIMETABLE

By Date	Date	Item/Event or Activity	Responsible
-120 to 150 days	_____	Executive board approval	Scout executive
-120 days	_____	Chairman recruited Contracts signed Training/organization and orientation of staff members and key volunteers	Assigned staff member Scout executive Key staff members and volunteer chairman
-110 days	_____	Promotion teams recruited and publicity secured District chairman recruited Begin internal publicity in council newsletter, etc.	Council volunteer chairman Council volunteer chairman Publicity chairman
-100 days	_____	Training meeting for district sales chairman Identify target areas	Council volunteer chairman Council volunteer chairman
-90 days	_____	News releases and announcements to media Announcements to all units and commitment cards District personnel recruited	Publicity chairman District chairmen District chairmen
-75 days	_____	All units contacted for participation; roundtable announcements	District chairmen
-60 days	_____	District/unit sales training and organization meeting	District chairmen
-45 days	_____	Units select chairmen for unit sales	District chairmen
-35 days	_____	District sales orientation training, meeting for all units, and assignments	District chairmen
-25 days	_____	Special media kits/ packets delivered	Publicity chairman
-14 days	_____	Media coverage begins Follow-up with unit participation and orders to be placed	Publicity committee District and zone chairmen
-5 days	_____	Kickoff meetings in districts and selected communities	District chairmen

0 day	_____	Sales start	
0 to 15 days	_____	Units and youth members take orders	Unit chairmen
+15 to 17 days	_____	Units collect all orders from youth members	Zone chairmen
+17 to 18 days	_____	All orders from units mailed or collected to be mailed or taken to the council service center	Unit and zone chairmen
+18 to 20 days	_____	Intensive follow-up to units to complete orders	District and zone chairmen
+20 days	_____	Council order placed Delivery locations determined and assignments made	Scout executive District chairmen
+30 to 32 days	_____	Product delivered to specific locations	Product vendor
+32 days	_____	Units receive products and receipts written for all transactions	District zone chairmen
+32 to 40 days	_____	Units and youth members deliver and collect for product	Unit leaders
+45 days	_____	Units complete all reports and send them and money to council	Unit leaders
+46 days	_____	Follow up on tardy units	Zone chairmen
+46 to 50 days	_____	Follow up and collect from tardy units	Zone chairmen
+50 days	_____	Final payments to vendor from council	Scout executive
+60 days	_____	Recognition and critique meeting	Council chairman