



Veterans of Foreign Wars Ohio Charities

Serving Ohio Veterans & Their Families

8/27/2020

Explanation of Charity Funds

In 2003 when the State of Ohio passed a law allowing instant Bingo (pull tabs) to be sold in Ohio for Fraternal and Veterans Organizations, lawmakers also created mandatory guidelines for how we are to utilize our profits. These guidelines are found in Ohio Revised Code (ORC) 2915.01 thru 2915.13 – also known as ORC 2915. According to ORC 2915, 25% of the net profits (income less expenses) must be given to a 501© 3 organization or a government entity, i.e... Fire dept., school, sports league, town, city, government agency, etc.

The VFW Ohio Charities (VFWOC) was created by the VFW Department of Ohio and received an EIN number from the Internal Revenue Service (IRS), as well as a 501 © 3 tax designation, and is incorporated within the State of Ohio. This differs from the designation for all VFW Posts – which are 501 © 19 organizations, a special code given to Veteran organizations.

Because the VFWOC is a 501© 3, and falls under the guidelines of an eligible recipient of the 25% of net profits per ORC 2915, contracted agents (such as contracted VFW Posts and other organizations) send the required 25% of net profits from ticket sales to the VFWOC. The VFWOC is responsible for applying the 25% towards “charitable purposes” as outlined in the guidelines set forth by the IRS.

For VFW Posts, the VFWOC has decided to, in turn, place 90% of this 25% they receive from you into a charities account at 5th/3rd Bank – an account that is the property of VFWOC, but gives authority to each agent/Post to distribute these funds to charity within your community, contingent upon you following the guidelines put forth by the VFWOC Board of Directors, the IRS, and ORC 2915.

Keep in mind that these funds made available for you to utilize in charitable endeavors via your Post’s 5th/3rd Charities bank account, contrary to what you may have been told, are **NOT!** property of the post, but **belong to the VFWOC**, and the VFWOC is responsible for reporting these funds to the IRS.

Direct monetary donations to a sick, disabled or needy individual or a family who has fallen on hard times, is a justified expenditure of charity funds, provided that this request for assistance is approved by a majority vote of the members present at a regular or special meeting. The minutes of the meeting should contain the name, the regular or special meeting. The minutes of the meeting should contain the circumstances and the amount awarded and to who or whom the check will be written. Ref VFWOC Charities Operations Policy sec. 7 D2.

VFW Ohio Charities
Executive Director

Todd Reveron