WEST VIRGINIA CODE: §29-19-8

§29-19-8. Limitations on activities of charitable organizations.

No charitable organizations subject to this article may solicit funds from the public except for charitable purposes or expend funds raised for charitable purposes not stated in its solicitation materials.

All registered charitable organizations and their professional fund raisers and solicitors are required to disclose in writing: (1) The name of a representative of the charitable organization to whom inquiries can be made; (2) the name of the charitable organization; (3) the purpose of the solicitation; (4) upon request of the person solicited, the estimated percentage of the money collected which will be applied to the cost of solicitation and administration or how much of the money collected will be applied directly for the charitable purpose; and (5) the number of the raffle, bingo or other such state permit used for fund raising.

Every printed solicitation shall include the following statement: "West Virginia residents may obtain a summary of the registration and financial documents from the Secretary of State, State Capitol, Charleston, West Virginia 25305. Registration does not imply endorsement."

The disclosure statement shall be conspicuously displayed on any written or printed solicitation. Where the solicitation consists of more than one piece, the disclosure statement shall be displayed on a prominent part of the solicitation materials.

Organizations applying for registration shall be reviewed according to the following standards:

(a) Charitable organizations shall include in each solicitation a clear description of programs for which funds are requested and source from which written information is available pursuant to section thirteen of this article. Expenditures shall be related in a primary degree to stated purpose (programs and activities) described in solicitations and in accordance with reasonable donor expectations. For purposes of this section, reasonable donor expectation requires that a charitable organization shall not expend funds in ways that are not apparent to a donor from the text of the presentation as being obvious or potential uses for his contribution. The reasonable donor expectation standard shall apply to all expenditures made by the charitable organization when compared to the solicitation materials used.

(b) Charitable organizations shall establish and exercise controls over fund-raising activities conducted for the organizations' benefit, including written contracts and agreements and assurance of fund-raising activities without excessive pressure.

(c) Each charitable organization shall establish an independent governing board which shall oversee the expenditures, policies, programs and purposes of the charity's activities. The

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independent governing board shall not delegate its oversight control or authority to any other person(s) or organization.

(d) Members of the independent governing board and officers of the organization shall avoid transactions involving conflict of interest on their part. A charitable organization may enter into transactions involving parties related by blood, marriage or business association only if: (1) Where a majority of the independent governing board has survived disqualification over conflicts of interest to approve the action; and (2) where the related parties or potential conflict is fully disclosed in the application for registration; and (3) where the transaction is fair and reasonable for the organization.

(e) No charitable organization, professional fund raiser or other person soliciting contributions for or on behalf of a charitable organization may use a name, symbol or statement so closely related or similar to that used by another charitable organization or governmental agency that the use thereof would tend to confuse or mislead the public.

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