

Individual Youth Accounts

A Scout is thrifty. Learning to manage money is one of the ways the Scouts prepare youth for life. Budgeting and earning money to accomplish goals through an approved council or unit project helps Scouts develop self-reliance and the skills of personal finance management. Unit fundraising designed to make Scouting affordable is a fundamental part of Scouts "earning their way." Product sale fundraising is an important asset to units and their members to help provide the resources required for Scouting to succeed.

Private benefit rules of the Internal Revenue Service prohibit those involved in nonprofit fundraising from receiving a substantial personal benefit for their efforts. Some practices where dollar for dollar credit is provided for the sole benefit of the person who sold product based upon amount sold could violate the private benefit prohibition. While the BSA has not endorsed "Individual Scout Accounts" for private benefit of individual Scouts who participate in fundraising because of the IRS rules, unit fundraising designed to make Scouting affordable is a fundamental part of Scouts "earning their way".

Funds raised by the unit from product sales belong to the unit. They may not be transferred to the Scout or another unit, but may be re-assigned to units sponsored by the same chartered organization, such as when a Scout moves from Cub Scouts to Scouts BSA or Scouts BSA to Venturing. The unit committee is responsible for expenditures from unit funds for the benefit of the unit. Unit funds may be used to reduce the cost of participation, including the cost of attending camp or obtaining uniforms. They may be used to provide financial assistance or awards to individual Scouts based upon their level of participation generally or in specific activities benefiting the unit, chartered organization or community, attendance, advancement and/or need. Unit funds may be used to buy equipment for the unit or for any other legitimate need of the unit.

