

POLICY MANUAL
OPERATING POLICIES AND PROCEDURES

Number 524
Subject: Receiving of Charitable Contributions
Effective Date: September 8, 2010

101.1 PURPOSE

1.1 To establish a university-wide policy that ensures compliance with IRS regulations regarding the receiving of charitable contributions to a non-profit organization.

101.2 REFERENCES

2.1 IRS Publications 526 and 1771

2.2 CASE Reporting Standards & Management Guidelines for Educational Fundraising
4th Edition

101.3 DEFINITIONS

3.1 Charitable Contribution

A charitable contribution is a gift received by Utah State University for either unrestricted or restricted use in the furtherance of the University for which the University has made no commitment of resources or services other than committing to use the gift as the donor specifies. The gift is a nonreciprocal transfer of the asset in that there is no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information.

To qualify as a charitable contribution, a donor may not retain any explicit or implicit control over the use of the gift after acceptance by the university. If the donor receives benefits in return for the contribution, the true value of the gift is the amount over and above the fair market value of any benefits received.

3.2 Donor

A donor is any individual or organization that contributes funds or goods to Utah State University or the Utah State University Foundation in order to advance the mission of the University.

3.3 Gift Receipt

A gift receipt is an official document issued by Utah State University that substantiates the donor's gift to the University that the donor may use to verify the contribution for tax purposes.

3.4 Quid Pro Quo Contribution

A quid pro quo contribution is a gift where a part of the gift is a contribution and part is in consideration for goods or services provided by the receiving institution to the donor(s). The value of the benefits, or "premiums", the donor receives is a key factor in determining the amount of the actual gift.

101.4 POLICY

4.1 Authority to Issue Gift Receipts

The Office of University Advancement holds sole authority for issuing gift receipts to donors who make charitable contributions in the form of cash, check, securities, real estate or personal property to Utah State University or the Utah State University Foundation. In the event a donor requests a duplicate copy of a gift receipt that had been previously issued, the Office of University Advancement holds responsibility for issuing the duplicate gift receipt.

For the foreseeable future, USU-CEU is given the authority to issue gift receipts for contributions to USU-CEU.

4.2 IRS Requirements

The gift receipt issued to a donor must include the following information:

- (1) Name of organization
- (2) Amount of cash contribution
-OR-
Description (but not the value) of non-cash contribution
- (3) Statement that no goods or services were provided by the organization in return for the contribution, if that was the case
-OR-

Description and good faith estimate of the value of goods or services, if any, that an organization provided in return for the contribution

The university must provide a written disclosure statement to a donor who makes a payment exceeding \$75 partly as a contribution and partly for goods and services provided by the organization. The University is required to furnish a disclosure statement in connection with either the solicitation or the receipt of a quid pro quo contribution. The statement must be in writing and must be made in a manner that is likely to come to the attention of the donor.

Per IRS guidelines, Utah State University may issue an annual summary to donors who make multiple contributions in one calendar year, such as contributions made via payroll deduction, to substantiate the contributions.