# Fundraising Guidelines UAF Development Office

# Why can't donors give directly to individual clubs?

- a. The IRS has established firm guidance for student organizations seeking charitable gifts. The University of Alaska Foundation cannot accept contributions intended for the support of specific student organizations. Due to the strictly defined nature of student clubs and their membership; they cannot receive charitable gifts under the umbrella of the University of Alaska's non-profit status as it is viewed as biased or favoritism to an individual person or group of people.
- b. In order for a business or organization to ensure that their gift to be seen as a charitable donation they must designate their gift to the UAF as a whole (is case of School of Management, it's be the SOM Student Support fund), not an individual club, unless that club has its own non profit, tax exempt status (501(c) (3)).

# Can an individual club become its own 501(c) (3)?

- c. IRS information on how to become a 501(c) (3) is here http://www.irs.gov/charities/article/0,,id=96109,00.html
- d. Not only is there an IRS process, but there is an internal, UAF process as well. The student organizations must contact UA General Counsel before seeking their own non-profit status as there are significant legal ramifications that can result for the students and the University.
- e. BE AWARE that the IRS requires <u>very extensive</u> reporting and record keeping in order to maintain non-profit status. The student organization should carefully consider this option and discuss with the UAF Leadership Program.

#### What are the University's guidelines when it comes to fundraising or soliciting donors?

- f. The university and its students can not solicit business for charitable donation for individual student clubs (see first question above).
- g. Therefore, students should not solicit businesses for donations and/or sponsorships.
- h. We recognize the need for funding for student organizations, therefore university works on their behalf in following ways:
  - i. An annual solicitation is sent out to all local businesses on behalf of the Leadership Program. The UAF Annual Giving program works closely with the Leadership Program on this solicitation and enlists the help of student clubs in the process.
  - ii. The UAF Annual Giving program conducts solicitations to alumni and friends on behalf of UAF year round, whereas the Leadership Program receives a portion of this money annually.
  - iii. Student clubs and organizations can apply for funding through a "grant" process provided by the Leadership Program.
  - iv. Donors may choose to give specifically to SOM's Student Support Fund.

# What if business wants to give and they don't care if it is charitable?

- i. According to Board of Regents Policy (05.14.030) "Only those individuals specifically authorized by regents' policy or university regulation may solicit or accept gifts on behalf of the university, regardless of whether such gifts are to be held by the university or the University of Alaska Foundation. to be held by the university or the University of Alaska Foundation."
- j. The UAF Development office works closely with the Statewide Office of Development to maintain relationships with corporations, alumni and friends in order to raise funds for the university's priorities. If your program, unit or department has a fundraising need, please first contact your dean, director or development officer (Tammy Tragis-McCook for SOM) to determine if the program is a priority for your college or school. The Development office works with each dean and director to convey university needs when communicating with potential donors.
- k. The Development office recognizes its role in coordinating fundraising throughout the entire university and must ensure the donor's satisfaction for the fullest potential of donations from businesses.

## If you need further assistance, please contact SOM Development Officer:

Tammy Tragis-McCook 907-474-7042 tammy.tragis@alaska.edu