**Student Organization Fundraising at LMU**

Student organizations are encouraged to raise funds to support their activities, thus decreasing their reliance on Student Reserve Board funding.

Most student organizations are under LMU’s 501 c3 tax ID status. Failure to comply with LMU’s tax policies may result in issues for your status as an organization at LMU.

- National Greek Fraternities/Sororities and other national academic organizations have their own tax status. Therefore these student organizations will have to follow the organizations’ headquarters’ tax policies.
- For those student organizations who do not fall under LMU’s tax ID, but who also don’t have a national headquarters’ tax ID, it is probably not wise to use your own personal social security number to set up a non-profit organization. If you still choose to do this, you must:
  1. File a 990-N (e-postcard) with the IRS each year **without fail**.
  2. **NOT** use the LMU name or address in your application.
  3. Terminate with the IRS if/when the organization disbands.
  4. Create proper succession plans for IRS reporting if the organization continues after you graduate.
- Complete an Activity Planner and meet with a Student Leadership & Development staff member to discuss the nature of the fundraising activities, specifics about the items to be sold and where, how and when the revenue will be distributed.

**Donations: Following IRS tax laws**

LMU does not provide tax advice to donors. Donors should consult their professional tax advisors. As information only for student fundraisers, please be advised that a contribution **maybe considered tax deductible**, if the following conditions are met:

- The contribution must be made voluntarily and without getting, or expecting to get, anything of equal value. (IRS Publication 526)
- Any contributions received must be designated for the unrestricted support of the student organization, i.e., an alumnus makes an unrestricted gift in support of their favorite sport. Specifically excluded are gifts to, or for the benefit of, an individual, and contributions from which the donor benefits, i.e., a parent’s gift of plane fare for their student-athlete to attend a tournament.
- The contributions must be deposited into an account that is under the control of LMU and that allows for contributions and distributions to be monitored.
Revenue (tax free and taxable)

- LMU does not allow student organizations to generate taxable revenue.
- If all three of the following apply, then the revenue may be taxable:
  1. Is this a trade or business activity looking to generate a profit?
  2. Is this activity regularly carried on? (e.g. every day/week/month/semester)
  3. Is this activity NOT substantially related to LMU’s educational mission?
- Types of taxable revenue that student organizations might generate:
  1. Advertising revenue:
     - Advertising revenue received from a business placing an ad in a program/mailing/newsletter
     - Advertising revenue received from advertising on the Internet.
     - Hyperlink to a sponsor’s website where an endorsement appears for the sponsor’s product.
  2. Sale of audio/visual services to non university users
  3. Sale of computer or programming services to non university users
- If you have revenue that does not meet the definition of an IRS tax deductible donation, then please contact Student Leadership and Development for further assistance. The reporting of taxable revenue MUST be communicated to the Controller's Office for tax reporting to the IRS on the annual 990 and 990-T filings.

LMU Policy for Donations

- All donations must be processed through University Relations and can be turned into Annual Giving, VDA Suite 220. **DO NOT deposit donations directly into your student organization’s account.**
- LMU does not take a “cut.” 100% of the donation will be deposited into your account
- University Relations’ Development Services will send the tax receipt, if appropriate/applicable.
- All donations must have donor’s name and address (work with Annual Giving if address is unknown).
- When possible, have donors utilize LMU’s online giving site: [http://give.lmu.edu](http://give.lmu.edu) Donors can select “other” and write in any valid gift fund, see [http://give.lmu.edu/designate](http://give.lmu.edu/designate)
  - Before soliciting, ensure that your student organization has an appropriate LMU account to deposit the gift (traditionally this is either an 81 club account, or 12 gift account)
  - If a desired fund is not listed on [http://give.lmu.edu/designate](http://give.lmu.edu/designate), a fund can be opened upon the receipt of your first $50 or more donation in the form of cash or check.
- A gift-in-kind is when a donor gives LMU property in lieu of cash donations (t-shirts, food, decorations, supplies, artwork, etc). If a student group secures a gift-in-kind valued at $250 or more, please contact Annual Giving.
Fundraising Policies and Procedures

- Student organizations wishing to solicit off campus entities (such as alumni, parents, community organizations, government organizations, corporations, or foundations) for financial donations, or gifts in kind, must contact Annual Giving. Annual Giving will act as the liaison to Alumni Relations, Parent Giving, Community & Government Relations, and Corporate & Foundation Relations.
- Soliciting Corporations: Anything other than local businesses must be preapproved.
- Soliciting LMU Vendors: Work with a member of the Student Leadership & Development staff.
  - Competitors to LMU Vendors will not be solicited.
- Sodexo: Contact the Marketing Coordinator
- Door to door solicitation in the residence halls or apartment complexes is prohibited. Contact Student Housing to make arrangements to set up a table in the entrance hall of a building.
- Student organizations may not solicit individual employees via campus mail, voice mail, e-mail, or door to door office visits unless a pre-existing relationship exists. Mass solicitation or “cold calls” are also prohibited.
- Door to door solicitation of the Westchester residential community must be preapproved by the office of Off Campus Student Life.

Representing LMU Appropriately

- Follow the style guide for proper use of the Logo (www.lmu.edu/identity)
- Use proper grammar
- Seek funding from organizations that are in line with LMU’s mission.
- Complete Student Organization Thank You Notes
  - Student Organizations are encouraged to thank all donors and volunteers.
  - Donor Lists will only be provided to the Student Organization’s moderator, not directly to students.
  - Information in the Donor List will consist of:
    - Name (both salutation and sort)
    - Class Year
    - Affiliation (Alumnus, Parent, Friend, etc)
    - Date of last donation (indicate if reoccurring/payroll)
    - Total dollars raised for specific date range

Students Co-Sponsoring Community Service Activities of University Staff

- Student organizations are not permitted to conduct fundraising activities or produce events designed to raise funds for the personal charitable endeavors of faculty, staff, or students.
- Faculty and staff may suggest worthy charities to student organizations and may actively assist in providing information and ideas to organizations. Funds raised by these student organizations must be donated directly to the cause or charity and not through or in support of an individual faculty or staff member for the purpose of helping that person reach a fundraising goal or participation fee.

Rev. 8/13