



NORTHWESTERN
UNIVERSITY

Responsible University Official:
Vice President for Financial Operations and
Treasurer Controller

Responsible Office:
Office of Financial Operations

Origination Date: December 2002

Last Review Date: May 2017

Policy on Gifts to Northwestern University from Faculty and Staff

Policy Statement

Under IRS regulations, the basis for a charitable deduction is that the donor does not have constructive receipt or personal benefit from the use of funds. The definition of what constitutes personal benefit is based upon facts and circumstances. In order to assure that all facts and circumstances are examined, and that appropriate independent oversight is given to the disposition of gifts, all gifts from faculty and staff must be credited to either departmental or school accounts which are controlled by an individual other than the donor. (If members of the immediate family also work at the University, this prohibition also extends to any accounts that such immediate family member may control.)

As with all gifts, donations from employees must be routed through the *Gift and Record Services within Alumni Relations and Development*. Only Gift and Record Services can issue a gift receipt that constitutes official University recognition of gifts for tax purposes.

For gifts received equal to or greater than \$2,500, a statement that the gift is not being used for personal benefit will be required from the faculty or staff member. Faculty and staff should use the [Faculty and Staff Gift Transmittal Form](#) for this purpose. However, the form is not needed if this language is written into a signed gift agreement. In addition, life or deferred gifts are excluded from the statement requirement:

- Gift Annuity
- Charitable Remainder Unitrust
- Charitable Remainder Annuity Trust
- Life Insurance Policy*

*A gift transmittal will need to be completed if the policy is cashed-in.

For all gifts under \$2,500, it is the responsibility of the department receiving the funds to ensure that the donor does not have an ability to control the use of or receive personal benefit from the donation.

See the wewill.northwestern.edu for more information.

Website Address for this Policy

http://www.northwestern.edu/financial-operations/policies-procedures/policies/facultystaff_giftpolicy.pdf