



NORTHWESTERN
UNIVERSITY

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

Responsible Office: Office of Financial
Operations

Origination Date: March 5, 2012

CHARITABLE DONATIONS BY THE UNIVERSITY

Policy Statement

Northwestern University is a corporation formed by state charter to fulfill certain educational, research and public service missions, and as such, it generally does not contribute financially to other registered not-for-profit charitable organizations. This policy provides guidance for circumstances in which the University is asked for donations on behalf of another organization. This policy is not related to the activities administered by Alumni Relations and Development.

Stewardship of assets and the prudent expenditure of University funds require guidelines with respect to the appropriate use of such funds. The University does not provide gifts or donations to for-profit businesses and organizations, or to foreign organizations. Only under limited circumstances, in accordance with this Policy, does the University provide donations to registered not-for-profit charitable organizations.

Reason for Policy/Purpose

The purpose of this policy is to provide guidance for University donations benefiting registered not-for-profit charitable organizations and to ensure that any approved donations are in accordance with the mission of the University. The policy applies to all University funds.

Table of Contents

Page

Policy Statement.....	1
Reason for Policy/Purpose.....	1
Table of Contents.....	1
Who Approved This Policy.....	2
Who Needs to Know This Policy.....	2
Website Address for This Policy.....	2
Contacts/Responsibilities.....	2
Definitions.....	2
Policy/Procedures.....	3

Forms/Instructions..... 4
 Appendices..... 4
 Related Information..... 4
 History/Revision Dates..... 5

Who Approved This Policy

Provost
 Executive Vice President

Who Needs to Know This Policy

All faculty and staff at Northwestern University

Website Address for this Policy

<http://www.northwestern.edu/financial-operations/policies-procedures/policies/charitable-donations.pdf>

Contacts

Ingrid Stafford
 Vice President of Financial Operations and Treasurer
 847-491-7350
 E-mail: i-stafford@northwestern.edu

Nancy Pinchar
 Associate Controller
 847-491-4724
 E-mail: n-pinchar@northwestern.edu

Definitions

Charitable Organization	An entity recognized as exempt from federal income taxation under section 115 (e.g., governmental entities) or section 501(c)(3) of the Internal Revenue Code, as amended.
Donations	Donations (including gifts, grants and contributions) of money or property given to a Charitable Organization without any expectation of or receipt of direct economic benefit or any other tangible compensation.

Fundraising

Fundraising is the collection of money through cash donations, sales, and/or event programming for the purposes of organizational budget enhancement.

Policy/Procedures

Northwestern University may provide donations to Charitable Organizations only as outlined below.

Please consult the Office of Student Affairs and the [Student Organization Finance Office](#) for student activities that include charitable donations and fundraising.

Donations

Donations are permitted in the following instances:

- 1) Donations made at the direction of the President, Provost or Executive Vice President; or
- 2) Donations to attend or gain recognition at fundraising events, where institutional representation is necessary; or
- 3) Donations of moveable physical assets (regardless of the value, age or obsolescence) to a Charitable Organization. The procedures for these activities are governed by the [Surplus Property Exchange Program](#). The [eCycling Program](#) administered by Procurement and Payment Services provides additional guidance for computer donations.

For items 1) and 2) above, a request form (see the Forms/Instructions section) should be completed and directed to the Vice President of Finance Operations and Treasurer. As part of the approval process, proof of federal tax-exempt status should accompany the form. If approved, the unit charged with coordinating the activities is responsible for the proper recording and reporting of the activities. All donations of this nature must be processed using an Online Voucher. Such donations must be expensed to the Authorized Charitable Donation account code. The charitable donation receipt should be requested and collected from the Charitable Organization, and submitted to the Office of Financial Operations for tax purposes.

Tickets for events, including table purchases, should be processed as an entertainment expense or reimbursement under the existing Purchasing and Travel, Entertainment & Courtesy policies. To the extent any portion of the ticket purchase is considered a tax-deductible donation (i.e. the amount in excess of the value of the event services), the amount should be separately identified and processed through this policy.

In exceptional circumstances, contributions may be made to not-for-profit entities exempt from federal taxation other than a Charitable Organization, if made in furtherance of the University's mission and interest and under the direction of the President, Provost, or Executive Vice President. Additional certifications or documentation may be required.

Prohibited Activities

Members of the University community are prohibited from using University resources to provide donations to *for-profit businesses or organizations, or foreign organizations*.

If a Charitable Organization has not been authorized and approved by senior management, only personal donations (such as personal funds) may be given directly to the Charitable Organization.

Requests to remit honorariums or speaker fees to Charitable Organizations are prohibited. The recipient of the honorarium or speaker fee should facilitate the payment to the Charitable Organization directly.

The following are examples of activities that are not permissible without prior approval from the Office of Financial Operations.

- A Charitable Organization soliciting donations at University events and/or on University property.
- A University sponsored event in which a portion of the proceeds will go to a Charitable Organization.
- The solicitation of donations for disaster relief efforts.

Political Activities are not permitted.

As a Charitable Organization, the University may not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The penalties for violation of this law could include revoking the University's exempt status, as well as the Internal Revenue Service imposing excise taxes on the organization and its managers as a result of political expenditures. Therefore, the University does not provide donations or conduct fundraisers in support of political campaigns or candidates. Additional guidance can be found in the [Lobbying and Communications By Faculty and Staff With Federal, State, And Local Government Officials Policy](#).

For Fundraisers, see the [Fundraising for Other Charitable Organizations Policy](#).

Nothing in this policy is intended to limit the ability of any faculty, staff or student to contribute personally to any charitable purpose.

Forms/Instructions

[Request Form/Instructions](#)

Appendices

NA

Related Information

NA

History/Revision Dates

Origination Date: March 5, 2012

Last Amended Date: March 29, 2016

Next Review Date: March 31, 2017