

## **Student Organization Gift Accounts**

Student organizations receive vital financial support from alumni/ae and private contributors as well as corporate donations each year. Because most of Harvard College student organizations are not incorporated as 501(c)(3) organizations and are therefore unable to accept tax-deductible contributions, some student organizations may want to open Gift Accounts with the College. By opening a Gift Account and depositing donor contributions directly into this account, Harvard University accepts tax-deductible contributions from donors on behalf of the student organization. The donor receives an acknowledgement of the receipt of the gift from the University's Recording Secretary's Office.

In order to establish a gift fund with the University, you must first receive permission from the Student Activities Office. Once approval is given, you must bring your first donation check in person to the SAO for processing. This first gift will be used to establish the fund and all subsequent gifts will be placed into this new account. Each account has a number and will be given to the officers of the organization. This account number needs to be referred to when making requests for withdrawal.

The College will consider requests to establish a gift account for those organizations that have a proven and sustained contribution to the Harvard College community. Rarely will a request to open a gift fund for a new student organization be approved.

## **Tax Deductible Contributions**

Funds raised and deposited into Gift Accounts must be solicited in compliance with the tax-exempt status of Harvard University, furthering the mission of an educational institution. Only contributions and gifts may be deposited into these gift funds (no sales income, ticket profits, etc). Contributions need to be for activities of the organization, and, usually, no goods or services may be provided in exchange for these gifts (subscriptions, tickets, tee shirts, etc), If goods or services are provided to a donor, the donor must be notified of the cost of those services so that he or she may deduct them from the overall total gift for tax deduction purposes. (IRS Publication 526 describes certain membership benefits and tokens that do not affect tax deductibility.)

## **Gift Account Policies**

Donations are being made to Harvard for your student organization and therefore Harvard has the fiduciary responsibility for those gifts on behalf of your organization. Acting for Harvard, the Assistant Dean of Harvard College must approve all expenses made with these funds to confirm that gifts are spent for appropriate expenses. In most cases, an e-mail requesting money from your student organization's Gift Account along with a detailed reason for the expenses will suffice as documentation for releasing funds from the account. All receipts and invoices should be kept, as these may be required for IRS auditors.

It is important for student organizations to allow plenty of time for a check to be cut from these accounts once your request for funds is made. Typical processing from the time funds are requested to the time a check is ready for deposit into your Credit Union bank account is three weeks. There are periods of the University's fiscal year when processing time may take longer. Please plan ahead.

### *Making Deposits*

1. Donation checks must be made payable to "Harvard University" or "President and Fellows of Harvard College" with the student organization's name in the memo line of the check. Terms or a brief description of the gift purpose should also be included.
2. All donation checks should be delivered to the Administrative Coordinator in the Student Activities Office for processing. Make sure that the **complete** address of the donor is on the check (name alone is not acceptable). If the check only includes the name (the [Donor] Family Foundation), please also include a letter accompanying each check with the full name and address of each donor. A complete address on each check is required so that the Recording Secretary's Office can send a receipt to the donor. Without an address, all gifts will be returned to your organization without being processed.
3. Sales from advertising and other goods are not donations, and should be deposited directly into your Harvard University Credit Union bank account. Membership dues are also not considered gifts, are not tax deductible, and cannot be deposited into Gift Accounts.
4. Gift receipts are sent to all donors by the Recording Secretary's Office as an acknowledgment of their gift and as their tax receipt for the Internal Revenue Service. In addition to this tax receipt provided by Harvard, student organizations are encouraged to thank donors directly in a more personal way through a thank you letter or card.
5. University Gift Accounts earn interest on any unspent balanced, which is credited at the end of each fiscal year in August.

### *Making Withdrawals*

As mentioned, the Assistant Dean of Harvard College must approve all requests for spending from a gift fund due to the tax-deductible nature of the gifts. To make a request, please complete a request form (see attached) and send it by email to Dean Paul J. McLoughlin at [paul\\_mcloughlin@harvard.edu](mailto:paul_mcloughlin@harvard.edu). Requests will be processed within one week and can take up to three weeks for the Accounts Payable Office to produce the paper check. The check will be delivered directly to the Student Activities Office and the requestor will be notified immediately. The requestor can retrieve the check during normal business hours (M-F 9-5pm) or ask that the check be sent to the Harvard University Employees Credit Union for direct deposit. Checks must be picked up within 30 days of their processing.

### *Matching Gifts*

If a donor wishes to make a gift to you as well as a matching gift through an employer, both the check and all of the matching gift paperwork must be turned in to the SAO. These gifts are processed just as all other gifts are processed; however, matching gifts can take longer to appear in the gift fund than a direct check. This is due to the extra processing time by the employer to send a matching gift directly to Harvard. Matching gifts have been known to take up to six-eight weeks before they appear in the gift fund and can be used as available balance funds.

### *Gifts of Property, Gifts In Kind, Gifts of Stock*

If a donor wishes to make a gift other than cash, they should contact the Recording Secretary's Office (RSO) directly to inquire if the gift is possible. They need to mention your student organization and gift fund number if possible, so that your organization will receive any monetary value of the gift. The RSO will also send, as they do all gifts, a tax receipt to the donor for this gift. The RSO can be reached at 617 495-1758.

### *Credit Card Gifts (I thought we couldn't use the web site—have they changed their mind?)*

Your donor can make a gift using a credit card by visiting the following URL: [http://www.aad.harvard.edu/devel/html/jgifts\\_intro.html](http://www.aad.harvard.edu/devel/html/jgifts_intro.html). Be sure to ask your donors to enter the gift fund name and Account Number (e.g. Harvard Radcliffe Orchestra, Fund 333000) in the comments section to insure that the gift is allocated to your gift fund correctly.

If your organization is conducting a phonathon, you can add the gifts directly yourselves by using this URL. Be sure to enter the credit card billing statement address rather than any other address the donor might have. If the address entered doesn't match the billing statement address, the charge will be declined (this is a fraud prevention measure).

### *Gifts of Securities*

Donors, or their representatives, should contact the Harvard Management Company for specific instructions and intake procedures at:

Harvard Management Company  
Tel: (866) 845-6596 - Melissa Baran

Fax: (866) 457-6598  
email: [security\\_gifts@hmc.harvard.edu](mailto:security_gifts@hmc.harvard.edu)

or,  
Harvard Management Company

Trusts and Gifts Department  
600 Atlantic Ave  
Boston, MA 02210-2203  
Attention: Security Gifts