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| **Policy Title: NG-IRS Solicitation Language** | CorpImageID_0_1_3%7c3%7c0%7c2%7c1%7c |
| **Department Owner: Accounting** |
| **Original Issue Date: 10/21/2014** |
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| **Policy Number: 404** |
| **Policy Contact: Associate Vice President for Finance** |
| **ACCOUNTING DEPARTMENTAL PROCEDURE**  |
| **Printed copies are for reference only. Please refer to the electronic copy for the latest version.** |

PURPOSE of PROCEDURE

IRS requires a charitable organization to provide a written disclosure to a donor who received goods or services in exchange for payment. The statement can be provided to the donor when a contribution is solicited or when it receives payment from the donor. The OSU Foundation prefers to provide this information on both the solicitation materials and the receipt provided to the donor. This procedure provides examples of required solicitation language to be included in fundraising materials.

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1. Solicitation Language

DEFINITIONS (if needed)

Choose a building block.

PROCEDURE (list in detail the instructions needed to carry out this process in outline form and or --------------------step by step details)

1. **Solicitation Language**

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| Step # | Detailed Instructions | Notes |
| Step 1  | It is important the following information be disclosed in solicitation materials that have a fundraising component:* IRS requires that the amount of benefits and gift be disclosed in the solicitation materials that are sent to donors who are making contributions that contain a benefit component.
* It is also important to include the language “make checks payable to OSU Foundation” on all solicitation materials.
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| Step 2 | Solicitation materials should be reviewed by both the Foundation’s Accounting Manager and the Asst. Director of Gift and Records Management prior to printing to ensure that language is IRS compliant and proper set up can be made in Raisers Edge so gifts and non-gifts can be correctly processed and donor will be accurately receipted.Events or announcements will not be placed upon the OSUF internet without approval. |  |
| Step 3 | Examples include:* Thank you for your contribution to Program A event. No goods or services were provided in exchange for your contribution.
* Thank you for your contribution to Program A event. In exchange for your contribution, you received benefits with a fair market value of $50.
* For federal income tax purposes, you can deduct as a charitable contribution the price of this ticket less the value of goods or services. We estimate the value of goods and/or services to be $25, so your charitable contribution is $50.
* The sponsorship includes guaranteed seating for (2) at Event A and (2) tickets to Event (B). Value of benefits is $100; tax deductible gift is $700.
* The IRS requires us to inform you the extent to which your gift for this event is tax deductible. The fair market value of benefits you will receive is $50; therefore the amount of your gift greater than $50 may be considered tax deductible.
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