University Gift Accounts

The IRS considers University Fraternities and Sororities social organizations. As such, charitable contributions to the University of Rochester cannot be used to further their social programs, activities, or mission. All gifts designated for the benefit of students in fraternities or sororities can only be used for academic mission-related activities; they cannot be used to fund non-academic activities. Please see pages 2 of IRS Publication 526.

An IRS Regulation 526 Gift Account has been established for each fraternity and sorority recognized by the University of Rochester. Some fraternities and sororities have more than one gift account established through the University of Rochester. The following information pertains only to the fund titled IRS 526 Gift Account.

The name of the fund is:

The (name of fraternity or sorority) IRS Regulation 526 Gift Account

The purpose of this fund is listed as:

To record gifts received for building and educational expenses for (name of fraternity or sorority).

Expenses chargeable to this account may only be used to support buildings or furnishings belonging to UR or educational expenses that benefit the students of (name of fraternity or sorority).

Gifts to the fund are acknowledged by the University, and each donor receives an official gift receipt from the University. Gifts are tax deductible to the extent allowed by law. Charitable gifts to the University of Rochester are University resources and are subject to all internal policies and controls on disbursement; the University has final authority on expenditure.

Per College policy, all ledger 6 gift accounts (including the fraternity/sorority gift accounts) are assessed a 15% overhead charge upon receipt.

Money can be requested using the Fund Request Form, available on the Fraternity and Sorority Affairs website.

Examples of Approved Expenses

Building maintenance and repair

Residential Life will maintain all fraternity and sorority campus residential areas to appropriate standards. Gifts can be made to provide extra amenities/upgrades to those provided by Residential Life.

In general, the expense is appropriate if approved by Residential Life as the dormitory buildings are University property. If the expense is beyond what is appropriate to be approved by Residential Life then the expense is not valid.

Working through the appropriate purchasing channels, expenses that are likely to be approved include:

- Kitchen appliances, outdoor furniture, dining furniture, picnic tables, benches, large screen TV, upgraded furnishings as deemed reasonable by Residential Life.

All purchases through the gift account become the property of the University of Rochester. Expenses of this type must be coordinated through and approved by Facilities or Residential Life.
Leadership Development
Gift funds can be used on programs or resources that are consistent with Rochester’s approach to leadership. All expenses are approved at the discretion of the Director of Fraternity & Sorority Affairs. Possible examples include:

- **Sending a student to a national convention for the specific fraternity or sorority.** Using gift funds to sponsor a student to a fraternity or sorority national convention will only be approved on a case-by-case basis where the convention itinerary schedule has at least a 51% academic or educational focus. Students must apply and document that focus as part of the review and approval process. Appropriate expenses would include: registration fee, airfare, hotel accommodations, ground transportation and meals.

- **Funding a leadership retreat for organization members.** The organization must demonstrate that the event will enhance leadership development and that funds will be used towards that end.

- **Hosting a leadership workshop or training.**

Academic events and programs
Gift funds can be used on programs or resources that support the Academic mission of the College. All expenses are approved at the discretion of the Director of Fraternity & Sorority Affairs. Possible examples include:

- **Events that connect undergraduates with alumni.** For example, Meliora Weekend events. The event must be open to the public (family, friends and alumni). This includes events that are co-sponsored with University Advancement.

- **Networking receptions.** The event must be open to all students and pre-approved through Fraternity and Sorority Affairs.

- **Events that are co-sponsored with an academic department.** The event must be pre-approved through Fraternity and Sorority Affairs and the academic department.

- **Film Screening.** The event must be deemed to have an educational component, which can be determined by Fraternity and Sorority Affairs in collaboration with the Assistant Dean of River Campus Libraries. Funds can be used for the licensing rights as well as a reception following the event.

- **Educational Speaker.** A speaker (can be a fraternity or sorority representative) must give a university approved lecture related to the academic mission and open to the university community. The event must be approved by Fraternity and Sorority Affairs and deemed to have an academic focus. Appropriate expenses would include: stipend for speaker, cost of airfare, hotel accommodations, meals for speaker, food and beverage (reception, lunch etc…) in conjunction with the lecture or program.

Unapproved Expenses

Social events
In general, expenses to cover social events are not allowable. This includes food and beverages for recruitment events of new students as well as the weekly chapter meeting.

Annual awards or cash prizes for students
Awards or cash prizes to students cannot be expensed directly from this gift account. All awards and scholarships to students must be coordinated through the Office of Financial Aid where appropriate reviews and controls exist governing the disbursement of University resources to students to defer the costs of their education. Fraternities/sororities are able to create interest-bearing endowed accounts for this purpose, and groups can speak with the Director of Fraternity and Sorority Affairs to set up such an account.