It takes money to get stuff done. We hear you! This FAQ is designed to help student organizations at Drake University be as effective as possible when collecting funds for projects, as well as help the University as a whole maintain positive relationships with our donors.

Before you turn to outside fundraising, turn to the money your student organization may receive through the Student Senate’s annual funding process (conducted each spring), including one-time funding requests through the Student Fee Allocation Committee (SFAC). Always start with the money that is already available to you. (Contact kodee.wright@drake.edu and/or tony.tyler@drake.edu in the office of Student Inclusion, Involvement, and Leadership for details.) If your student organization does not receive annual funding or one-time funding, or your membership dues will not be sufficient for the project and/or event you have in mind, that’s when it’s time to determine if support from outside organizations is needed. **PLEASE KNOW** that Drake University’s Development Office is actively seeking donations from corporations, small businesses, foundations, and individuals on an ongoing basis to support University operations. So, it’s important that some coordination occurs and the same business isn’t approached multiple times by various clubs or offices at Drake. Being coordinated with our asking makes the experience better for the donors, and ultimately more fruitful for the University.

**Q1: When is it appropriate to raise money from outside sources?**

A1: While it may be tempting to think that raising money any time for any reason is a good idea, it’s actually much better to be strategic about fundraising. Rule #1: raise it to use it. Donors typically like to give money for particular projects or special events, not to pad the savings account of the XYZ Club. And, as mentioned above, you need to use your student activity fee funds first.

**Q2: OK, we’ve got a project/event that we definitely need to raise additional money for – now what?**

A2: First – draft a plan. What exactly do you need funds for, and how much do you need? Do a budget

and get estimates on costs if you need to. Figure out a timeline – not just when the event is or when the project must be completed, but by what date do you need funds in hand to go out and buy all the supplies you need? Who is responsible for each step/action item?

Second – contact Pam Pepper, assistant vice president in the Alumni & Development Office. **This should be done fairly early in the process!** She will need to know some of the basics of what you’re working on (which is why having a plan drafted will be helpful), but then she can provide guidance on how to move forward. Pam’s contact information is 271-4558 or pam.pepper@drake.edu.

**Q3: Are donations from companies tax deductible? Isn’t that an important message when we’re**

**asking them to give?**

A3: To answer this question you must determine two things: 1) Are gifts to your particular student organization covered under Drake’s 501(c)(3) status as a charitable organization? And 2) What is the intent of the gift and is the donor receiving anything in return?

Your student organization is covered under Drake’s 501(c)(3) “charitable organization” status if your organization receives University dollars, whether through an appropriation from student fees and/or if your student organization is funded by a Drake college, school, or department. (If neither of these conditions apply to your organization, see Question 8.)

As for the second question, when it comes to tax law there is a difference when the money was

given as an outright gift (nothing in return) or a sponsorship. If a company is giving your organization

money without getting anything in return – no sign or table at your event, no meal, nothing – then their donation is a gift and tax deductible to the extent allowed by law. If the donor is serving as a sponsor of an event or project and therefore receiving signage or a table, a meal, or the like, then their donation is a sponsorship and is not tax deductible.

It is, however, useful and important for you to make sure to note that Drake is a 501(c)(3) non-profit organization, as determined by the IRS.

Drake’s Alumni & Development Office will process ALL gifts to student organizations, regardless of whether or not you are under the University’s tax-exempt umbrella, and will issue a receipt for all tax-deductible gifts. Pam Pepper will provide your organization with more information on that process.

**Q4: Are there any companies we are not supposed to ask directly?**

A4: Currently there is just one: The Principal Financial Group. This is because Principal has set up a special fund at Drake just for funding projects by student organizations and has asked that all student requests be directed toward this fund. The projects must be related to financial literacy, business, diversity, or wellness/healthy lifestyles. For more information contact the Dean of Student’s Office at 271-2835.

Please be aware, however, that Drake University as a whole has a philanthropic relationship with almost every major corporation in the Des Moines area. It is beneficial for the university’s overarching operations, as well as for your student organization, if we coordinate and make sure we don’t ask Company ABC for two different gifts on the same day! Pam Pepper can help you check for that possibility as well.

**Q5: So, do we have to ask Alumni & Development before we ask anybody for any money? What if we are selling tickets for an event, or raising money for another charity?**

A5: If you are selling tickets for an event or raising money for another charity you do not need to contact the Development Office, nor would Drake issue a gift receipt for those purposes.

For all other donations, please notify the Alumni & Development Office. This ensures gifts will be deposited into the correct account, tax receipts will be issued when appropriate, and donors will be recognized. It’s also helpful, as mentioned above, to touch base with employees in the Development Office prior to asking for a monetary gift from a corporation to ensure coordination.

Here is a table that may make it easier to determine when to contact Alumni & Development:

|  |  |  |
| --- | --- | --- |
| **Donated Item/Activity:** | **Should it go through the****Development Office?** | **Who to contact** |
| Money – whether received via cash,check, credit card, or other | Yes | Pam Pepper |
| Gift cards | Yes | Pam Pepper |
| Food or supplies (cups, folders, pens,other small giveaways) | Yes – these are called “giftsin kind” | Pam Pepper |

|  |  |  |
| --- | --- | --- |
| Selling tickets to an event | No |  Kodee Wright |
| Raising money for another charity | No | n/a |
| Anything you’re not sure about | Please check! | Kodee Wright orTony Tyler orPam Pepper |

**Q6: What about soliciting donations from individuals? Do we need to tell the Development Office about that too?**

A6: Yes. It probably does not happen as frequently, but if a student club or organization were to solicit a gift from an individual or a couple (for example, if your parents donated money to your student organization), then that gift should also be processed through the Development Office to ensure the individual donor receives a proper tax receipt (if applicable) and gift recognition from Drake University.

**Q7: Some student organizations have used GoFundMe to raise money in the past – can we do this?**

A7: We do not recommend it because online fundraising services will take a healthy chunk out of your donations – in the case of GoFundMe it’s 8 percent. Instead, we recommend using the University’s online giving portal: <https://alumni.drake.edu/giveonline>. Select “Other” in the Designation box, and then type your student organization’s name into the Comment box. We do not deduct *anything* from the donations you receive through this site; 100% will go to your organization.

**Q8: Our organization does not receive funding from Drake University. How do these guidelines affect us?**

A8: If you are a chapter of a larger national organization, such as a sorority or fraternity, gifts to your

club usually must go through your national organization. See Jerry Parker or Pam Pepper if you have questions. It is still important for Drake to coordinate its fundraising efforts as much as possible, so the Development Office requests that you visit with us before soliciting corporations or foundations.

**Q9: We got a donation! Now what?**

A9: Way to go! First, if a check or cash was handed to you, deliver it to the Development Office in the

Kinne Center (24th & University – in the building with US Bank), ATTN: PAM PEPPER. **Please include your organization/club’s name, the name of a contact person for your group, and his/her phone number.**

You can walk it over (Monday through Friday, 8 a.m. – 4:30 p.m.) or send it via campus mail, just be sure to include all of the information requested. They will make a note of the gift in the University’s records and issue a gift receipt, as appropriate, and the funds will be deposited into your organization’s account.

The second thing, however, is also very important – a thank-you note should come from your organization as well. It can be just a few lines thanking them for the gift and noting again what it will be used for, but thank-you notes are the #1 way to ensure your club or organization will continue to benefit from generous donors in the future. (Would you give money again to someone who didn’t say thank you the last time?)

**Q10: What about a company that matches gifts?**

A10: Some corporations will match gifts made by their employees to a 501(c)(3) organization. So, for example, if an individual gives your club a donation and says their employer matches, you could potentially receive additional funds. (Note that different companies set different rates for how much they match, such as $0.25 for every dollar their employee donates. Companies may also place restrictions on what type of organizations can receive their match dollars.)

There is a form that must be signed by an authorized representative of the University to receive a match gift. Contact Pam Pepper to get that form signed by the appropriate person.

**Q11: OK, this is all great to know and everything, but we’re kind of nervous about asking people for**

**money. Any tips for that?**

A11: Most people get nervous at the thought of fundraising, but it really is one of those skills that will be useful throughout your life. Every time you serve on a board, committee, or your future kid’s PTA, you’ll be glad you got some practice in now!

The most important thing is to really understand why you’re asking for money, and to be able to tell the story of why it’s a good cause. Don’t just tell someone they should give you money, tell them *how* it’s going to make a difference.

For more tips, check out [http://www.nonprofithub.org/fundraising/7-tips-on-asking-for-donations-](http://www.nonprofithub.org/fundraising/7-tips-on-asking-for-donations-its-intimidating-we-get-it/) [its-intimidating-we-get-it/ o](http://www.nonprofithub.org/fundraising/7-tips-on-asking-for-donations-its-intimidating-we-get-it/)r [http://www.thefundraisingauthority.com/fundraising-basics/.](http://www.thefundraisingauthority.com/fundraising-basics/)