

STANDARD ADMINISTRATIVE PROCEDURE

21.05.01.M0.02 Low-Threshold Contributions less than \$250

Approved December 20, 2019

Next scheduled review: December 20, 2024

Statement and Purpose

The majority of donations intended for Texas A&M University should be accepted through the Texas A&M Foundation, where donors can be given official IRS receipts for their tax-deductible gift. However, the procedures described in this SAP enable the university to accept contributions of less than \$250 for which the donor is not required to or does not request to receive a formal IRS receipt, such as in a crowdfunding campaign.

Definitions

Gifts (which may be termed “donations” or “contributions” by some donors) are financial support from private sources bestowed voluntarily and without expectation of any tangible compensation.

Tangible compensation is the expectation of a private benefit. An example would be a gift which would grant rights to use or own the results of the research or any intellectual property resulting therefrom in the future. Tangible compensation does not include recognition of the donor or any reporting or accounting requirements for how gift funds are spent.

Official procedure

1. General
 - 1.1. The university may accept contributions without referring the donor to the Texas A&M Foundation when the following requirements are met:
 - 1.1.1. The contribution is less than \$250.
 - 1.1.2. The contributor is notified in advance that the contribution is tax deductible but will not receive a formal IRS tax receipt.
 - 1.2. If the contributor wants to make a contribution of \$250 or greater and/or the contributor requires an IRS tax receipt, the university entity should contact

the Texas A&M Foundation to establish a means for the donor to make a gift.

2. Customer notification
 - 2.1. When accepting contributions in person, a sign should be prominently displayed indicating “Contributors will not be issued a formal IRS tax receipt for tax purposes, nor will the contribution be included in cumulative lifetime gift counting to Texas A&M University.” When possible, the customer receipts should include the same message.
 - 2.2. When accepting contributions online, customers should be presented with a message reading “Contributors will not be issued a formal IRS tax receipt for tax purposes, nor will the contribution be included in cumulative lifetime gift counting to Texas A&M University” before the contribution takes place. When possible, automated payment confirmations should include the same wording.
3. Accounting
 - 3.1. When making deposits of contributions in FAMIS, use revenue code 0297.
4. Solicitation
 - 4.1. This SAP is intended to enable “crowdfunding” type contributions. Texas A&M Foundation is the University’s major fundraising arm. As a courtesy, avoid directly soliciting contributions from their generous donors who would otherwise be inundated with requests.

Related Statutes, Policies, or Requirements

System Regulation 21.01.02, *Receipt, Custody, & Deposit of Revenues*
<http://policies.tamus.edu/21-01-02.pdf>

SAP 21.01.02.M0.01, *Online Payments*
<https://rules-saps.tamu.edu/PDFs/21.01.02.M0.01.pdf>

SAP 21.01.02.M0.03, *Credit Card Collections*
<https://rules-saps.tamu.edu/PDFs/21.01.02.M0.03.pdf>

SAP 21.05.01.M0.01, *Gifts, Grants, Loans, & Bequests*
<https://rules-saps.tamu.edu/PDFs/21.05.01.M0.01.pdf>

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