



Controller's Office

Phone (574) 631-3288
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TO: All Faculty and Staff

FROM: Rick Klee, Tax Director

DATE: March 9, 2006

RE: Prohibition on Political Contributions Made by the University

Political Contributions Policy

The University as an organization may not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The penalties for violation of this law could include revoking the University's exempt status, as well as the IRS imposing excise taxes on the organization and its managers as a result of political expenditures. Recent IRS pronouncements have re-emphasized the guidelines outlined below (detailed IRS guidance can be reviewed at <http://www.irs.gov/newsroom/article/0,,id=154712,00.html>).

What this means:

- Political contribution payments can never be made with University funds (or by reimbursing an individual with University funds for a payment of this type)
- No cash contributions to federal, state or local candidates may be made with University Funds, including payments from discretionary accounts or through the use of the procard
- No hosting luncheons, providing University services or using University supplies on behalf of any candidate
- No political activities of any kind should occur under University auspices, unless they are non-partisan and have had the prior review and approval by the University's Office of The General Counsel and Tax Department

Please contact the University's Tax Department (631-3288) with any questions.