

## The Ten Basic Things Every Educational Institution Soliciting Contributions Needs To Know

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- Determine whether your educational institution needs to register under the charitable solicitation statute of your home state, if any.
  - Charitable solicitation statutes typically require your educational institution to register *prior to* soliciting contributions.
  - Significant fines and penalties can be imposed for unregistered solicitation.

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- Make sure your educational institution is in compliance with applicable state charitable solicitation statutes in all states where it solicits contributions.
  - If your educational institution is not exempt or excluded from registration in a state where it is soliciting contributions, register as soon as possible.
  - Don't wait for one or more states to "catch you".

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- Make sure your educational institution's IRS 990 Returns and other registration materials filed with the IRS and/or state registration offices are:
  - Accurate
  - Complete
  - Free of material falsifications, misrepresentations, and omissions

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- Once properly registered, be sure to maintain your registration by:
  - Filing timely extension requests each year
  - Renewing your registrations by the required due dates each year

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- Make sure all your educational institution's professional fundraisers (both professional fundraising counsels and professional solicitors) are:
  - Properly registered and
  - Have filed copies of their contracts with state oversight agencies as required

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- Make sure all your educational institution's solicitation materials contain any disclosure statements required by statutes.

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- Make sure any commercial co-venturers that are conducting charitable sales promotions for your educational institution are:
  - Properly registered
  - Have the required bonds
  - Have filed copies of your contracts and other required forms with all states where commercial co-venturers are required to register

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- Make sure your educational institution's solicitation materials are:
  - Truthful
  - Free of material false statements, misrepresentations, and/or omissions

*Note: Make sure your educational institution doesn't engage in any conduct prohibited by any state charitable solicitation statute*

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- Make sure your educational institution is keeping true and accurate fiscal records ----- *even if it is exempt from state registration requirements.*

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- Make sure your educational institution is:
  - Paying all your key executives only “reasonable compensation” and not “excessive compensation”
  - Properly forwarding all required withholding taxes to the IRS and state taxing authorities



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