

Handling Direct Contributions to Staff

We must abide by very specific IRS Code and Designated Giving Regulations to maintain our not-for-profit and 501(c)(3) status with the IRS. Please make note of the acceptable ways for staff to handle gifts and donations you receive directly from donors. We will strictly monitor and adhere to these policies at the ISI Home Office.

Checks made out to the staff:

- In order to process a check into a staff ministry or project account, it MUST be made payable to International Students, Inc. or ISI, not the staff person. The IRS recognizes the tax-deductible donation from the check issuer, so if you receive a check made out to you from a donor, you have these options:
 - Ask the donor to change the payee to ISI,
 - Treat it as a personal gift – cash and use as you see fit, BUT the donor will not receive a receipt,
 - Make a copy of the check you received from the donor, go to the bank and cash it, purchase a money order and fill it out with the donor's name and address, and then mail the money order and copy of the original check to the Home Office to process and receipt.
 - Note: money orders are a reimbursable expense.

In the past, staff members have cashed checks made out to them and then written a personal check payable to ISI with a note stating who made the gift and asking for a receipt for that donor. We will no longer receipt the donor in these cases; the receipt would be issued to the staff person/check writer.

Likewise, staff should not endorse the check over to ISI. The IRS will view this as a contribution you have endorsed over to the ministry as a charitable donation coming from you and the donor will not get the tax-deductible receipt.

- If we receive a check at the Home Office that is not made payable to ISI, we return it to the donor with a letter explaining that we can only process payments made out to ISI or International Students Inc.

Cash Received Personally from a Donor:

If you receive cash intended as a donation, we do not encourage sending cash in the mail. Please consider these options:

- Ask the donor to replace the money with a check or money order made out to ISI and designating your fund for the contribution,
- Purchase a Money Order from the bank and complete it with the donor name, address and designation, and mail that to the Home Office. This will ensure that your donor gets a receipt for their gift.
 - If you receive cash donations at a fundraiser, and the donor would like a receipt for tax purposes, you will need to prepare a money order, made out to ISI, for each individual gift with the name and information of the donor on it.
 - Note: money orders are a reimbursable expense.

Personal Gifts:

- Personal gifts do not have to be processed through the Home Office if they are made out directly to you. Just make sure the giver realizes they will not receive a receipt. Personal gifts are NOT considered taxable income.
- When we receive personal gifts in the Home Office, we process them as Miscellaneous Income, not as charitable donations. The entire gift amount is remitted to you via check or direct deposit, no SSA is deducted, the money does not show up on your weekly MTD reports, and the giver does not get a tax-deductible receipt.