Benefit Fundraising Events, Raffles, Lotteries and Auctions

The use of university facilities for fundraising events where outside entities benefit financially is constrained by federal and state laws that regulate the university’s tax-exempt status and organizational activity. Fundraising events for outside entities related to the use of Stanford land for private financial gains are not permitted. See Administrative Guide 1.5.3 Unrelated Business Activity for more information.

Background

Due to its nonprofit educational status and required accounting standards, Stanford’s resources and campus space must support the university’s mission of creating, preserving and disseminating knowledge.

The university’s assets, (for example: it’s name, trademarks, buildings, Stanford University staff, public safety staff, parking lots, all open space venues and indoor facilities) must be used for these purposes, and not for the personal gain of individuals? or outside parties? use that does not further Stanford’s academic objectives.

The university receives frequent requests for access to its resources by outside entities, typically in exchange for some form of compensation to Stanford. Many of these, if granted, would constitute unrelated business activities that could compromise the university’s nonprofit status and expose the institution to unnecessary federal and state tax concerns.

- A Stanford department cannot organize or co-sponsor ANY outside, non-Stanford organization, whether commercial or nonprofit to hold a fundraising event on the Stanford campus that benefits that organization.
- Events for the sole benefit of individuals and organizations not directly affiliated with Stanford University, though they may have some casual contact with the department, school, organization, or an Stanford employee must be held off campus.
- Outside for-profit or nonprofit groups wanting to hold an event simply to use Stanford space, associate with the university’s name but having the event only for their own goals, purposes, or to fundraise is not permitted.
- Co-sponsors not affiliated with Stanford are not authorized to receive any net proceeds from events held on campus. This includes but is not limited to:
  - Any athletics teams raising funds for outside organizations before, during or after games (this includes website fundraising for those groups)
  - Gambling events
  - Open auctions and silent auctions
  - No direct fundraising or ?ask? events (e.g., ?passing the hat?)
  - Raffles and lotteries
  - Runs, races and walks (RRWs)
  - Visitor games ? such as Bank of the West, World Cup Soccer, etc.
Also refer to Stanford’s Event Organizer Requirements policy [2].

Additional information may be found at the Administrative Guide 1.5.3 – Unrelated Business Activity [1] or the Stanford University Privacy Reminder [3].

Permitted benefit fundraising on campus with unaffiliated organizations

Upon review and approval by Office of Student Engagement (OSE) [4] ONLY registered student groups may be given further consideration regarding a fundraising event where an off-campus organization may be a beneficiary, and with certain conditions:

- The event is organized by a campus approved, registered student group that has obtained prior approval from the OSE to hold the event.
- Contact with the off-campus beneficiary is initiated by the student organization.
- The beneficiary is a recognized 501(c)(3) charitable organization whose purpose is consistent with the purpose of the sponsoring student organization.
- The event must be clearly planned and managed directly by the organizing student group, with input from the outside beneficiary.
- The event provides an educational experience to the student organization in keeping with its strategic purpose and the community service goals of the university.

Auctions and silent auctions

- To ensure that all events held on the university campus are managed in accordance with university policy and clearly follow all state and federal laws relating to Stanford’s non-profit educational status, the auctions and silent auctions are not permitted that raise money for an outside organization unaffiliated with Stanford.
- A silent auction event may be considered on a case-by-case basis if it would benefit Stanford departments only. Proposals should be submitted to the Executive Director of the Office of Special Events & Protocol (OSEP) for further review by the University Committee on Public Events.

For further information about sales tax requirements, please contact the Controller’s Office [7].

Raffles, lotteries and free drawings

- The distribution of prizes or gifts by chance where money is exchanged is against university policy, and therefore prohibited.
- Free drawings or giveaways may be held if:
  - All persons who request a ticket are accommodated.
  - No participant is required to donate money to obtain a ticket for the drawing, and this is printed on the tickets.
- Events for the sole benefit of individuals and organizations not directly affiliated with Stanford, though they may have contact with the department/school/organization, need to be held off campus: e.g., outside for-profit or nonprofit groups wanting to hold an event simply to use Stanford space for their own events.

Registration online and on-site

For those campus organizations looking to hold an event where fees collected will directly benefit that Stanford University department, please note that the university also has its own PCI compliant registration systems.
These systems should be used to fulfill these requirements, as well as provide fully audited reports, at the conclusion of the event. Review the Ticketing and Registration page for more information.

For questions, reviews and approvals

Campus departments:
Contact the Office of Special Events & Protocol [5]

Student groups:
Contact Office of Student Engagement (OSE) [4]

Source URL: https://osep.stanford.edu/policies/benefit-fundraising-events-raffles-lotteries-and-auctions
Links
[5] https://osep.stanford.edu/contact