



Girl Scouts of the Sierra Nevada (GSSN)

Accepting Donations for Troops, Groups, and Service Units (Subordinate Units)

As per Girl Scouts of the USA guidance, subordinate units are a subdivision of the council, and councils are the only distinct legal entity and the only entity with tax exemption. Therefore, Girl Scout subordinate units have no independent existence for tax purposes, and it is in the council's best interest to have subordinate units comply with the tax law requirements on gifts.

A donation pass through occurs when a gift is received and processed by GSSN headquarters and then distributed to a specific group, or service unit.

A donation pass through is **required** when:

- A donor is making a contribution of \$250 or more to a subordinate unit.
OR
- A donor is making a contribution of less than \$250, and would like an official tax acknowledgement letter.

Troops, groups, geographic units, community or Girl Scout volunteer representatives must report all donations with a \$250 value or greater to the Council office within 30 days of receipt.

All gifts received will be reviewed by GSSN to ensure that funds are used for appropriate Girl Scout Activities prior to passing through funds. Should GSSN determine that there is a conflict of interest with the Girl Scout movement, funds will be retained by GSSN or returned to donor upon request.

Volunteer Matching Grants

All volunteer matching gifts from employers are considered a general donation to the council (GSSN). Volunteer matching grants may not be earmarked to a subordinate unit. If a troop has a specific need for a volunteer matching grant, it may, in writing to the council CEO or CFO,

request a pass-through donation. The council will review these requests but does not imply any guarantee that volunteer matching grants be considered as pass-through donations.

Private Benefit

Generally, where certain individuals benefit from gifts made to Girl Scouting, the determination of whether such gifts are deductible is based on whether the council has full control of the donated funds and discretion as to their use, so as to ensure that they will be used to carry out the organization's functions and purposes. An IRS tax deduction may be disallowed where the gift appears to be primarily for the benefit of a single individual.

To ensure council compliance with IRS regulations, GSUSA strongly discourages accepting donations where the gift appears to be primarily for the benefit of a single individual. In addition, GSUSA recommends that councils seek legal or financial advice in cases of parents donating to subordinate units to which their Girl Scouts belong.