

**3364-40-04 Membership dues and subscriptions.****(A) Policy statement**

Membership dues and subscriptions may be paid with university funds providing they are appropriate for the individual's position and duties and if the membership or subscription benefits the university.

**(B) Purpose of policy**

To ensure proper use of university funds in relation to membership dues and subscriptions.

**(C) Roles and responsibilities**

- (1) Generally membership dues and subscriptions paid for using public funds should be issued in the name of the university of Toledo.
- (2) The university may pay for membership dues to professional organizations and subscriptions to professional journals or newspapers if they are appropriate for the individual's position and duties and if the membership or subscription benefits the university.
- (3) Each request for membership in a professional organization or subscription should be processed on a requisition or purchased using a university of Toledo purchasing card. The purchaser must document on the requisition or comment in the purchasing card system, the justification for the dues or subscription including the benefits received by the university, the appropriateness for an individual's position, and/or the benefits to the individual's professional development and job performance.
- (4) To avoid duplication departmental coordination of subscriptions in encouraged.
- (5) Union dues are not to be paid by the university.
- (6) Generally private club memberships are not to be paid for with university funds. However, in certain instances, with the approval of the president, where it is determined that the membership is of clear benefit to the university, and where the ownership interest is in the

name of the university, membership dues paid to private clubs can be permitted. Individual entertainment expenditures are subject to the approval and documentation required in rule 3364-40-03 of the Administrative Code (travel and business expense reimbursement).

(7) Restricted funds – memberships and subscriptions are not generally allowable on a sponsored project. These costs are seldom directly necessary for the performance of a sponsored agreement and would not be paid by the sponsor as part of the facilities and administrative rate. However, under certain unusual circumstances, membership dues and/or subscriptions may be allowable under a sponsored agreement. Faculty and staff should contact the principal investigator and grants accounting before attempting to charge these expenditures to a sponsored project.

(D) Tax Consequences

The Internal Revenue Service “IRS” considers club memberships as taxable fringe benefits. Therefore, the value of club memberships is subject to withholdings for federal, state, local, and medicare taxes. Club membership benefits must run through the university’s payroll system for proper withholdings to occur. The IRS does not allow club memberships as tax deductions so benefits of club memberships cannot be reduced based on a proportion of business use.

All UT foundation paid club dues are applicable to the same IRS regulations. Therefore, the value of the club memberships paid by UT foundation will need to be processed through the university payroll system as well.

Effective: 6/2/2018

CERTIFIED ELECTRONICALLY

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Certification

05/23/2018

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Date

Promulgated Under: 111.15  
Statutory Authority: 3364  
Rule Amplifies: 3364