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SAINT LOUIS
UNIVERSITY

Vice President & General Counsel

November 26, 2013

Azhar Majeed
Associate Director of Legal and Public Advocacy
601 Walnut Street, Suite 510
Philadelphia, PA 19106

Re: F.I.R.E. Allegation of Political Bias

Dear Mr. Majeed,

I am writing in response to your letter dated November 13, 2013.

It is important for you and your organization to know that Saint Louis University strives to create an environment that helps students develop as future citizens of the world. SLU has a long history of encouraging the expression of diverse ideas and opinions, and this includes hosting speakers that represent a wide spectrum of ideological standpoints. At the same time, SLU must remain mindful of its obligations as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code to maintain political neutrality. As a tax-exempt organization, SLU is absolutely prohibited from directly or indirectly furnishing any resources in support of any candidate's campaign for public office. The Internal Revenue Service has been clear that any violation of the prohibition, regardless of how insubstantial, could result in an organization's loss of its tax-exempt status, and subject them to financial penalties.

I want to clarify that Senator Brown had not been scheduled to speak at the University on Oct. 29, 2013. The College Republicans had not followed the procedure established by SLU's Performance, Presentation, Speaker (Program) Policy, which requires student organizations to submit proposals for events to SLU's Student Involvement Center at least 20 days before the intended date of the event. SLU's Student Involvement Center did not learn of the College Republicans' wish to have Senator Brown speak until Oct. 17, 2013. The College Republicans were allowed to submit a proposal on that date, and the Student Involvement Center went to some length to ensure they did all that they were able to expedite its review

Because SLU determined based on then existent facts and circumstances that the IRS could reach the conclusion that Senator Brown is a "candidate" for purposes of Section 501(c)(3), and due to constraints of time, a decision was made to err on the side of caution, and work with the College Republicans to develop a future program to have Senator Brown speak at SLU. The College Republicans were promptly notified of this, and were understanding of the situation.

I hope that you and your organization might also understand SLU's circumstances in this case. IRS regulations define a candidate as "an individual who offers himself, or is proposed by others, as a contestant for an elective public office, whether such office be national, state or local." [Regulation Section 1.501(c)(3)-1(c)(3)(iii).] While Federal Election Commission and Federal Communication Commission regulations provide very clear definitions of the term "candidate," the IRS has instead preferred to use a general "facts and circumstances" test. What guidance the IRS has provided on the matter indicates that neither the FCC or FEC definitions may be used to make this determination. Based on this guidance an individual does not need to register, be nominated, or have an organized political campaign to be considered a candidate for elected office by the IRS. The phrase "proposed by others" further expands the definition to individuals who have not declared any intention to run, but whose candidacy is the subject of pervasive public speculation.

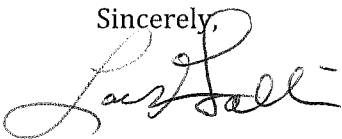
Contrary to what some have suggested, politics played no part in SLU's determination. Many facts and circumstances were considered when determining that it was possible the IRS could conclude that Senator Brown is a candidate for Section 501(c)(3) purposes. On Aug. 18, 2013, Senator Brown was in Iowa, where he announced at the State Fair that he was exploring a run for president in 2016 and that he had come there to determine if there was any support, and whether there was any in rest of the country. On Oct. 19, 2013, New Hampshire's Young Republicans announced that Senator Brown was the winner of their straw poll for U.S. Senator. For some time Senator Brown has been identified as a possible candidate for this Senate seat, and he is being polled for this seat by a number of organizations and institutions. These are some of the facts and circumstance that were considered.

Given the nature of these types of analyses, the University understands that room can be made for an argument against its findings. Nonetheless, SLU believes that, in this case, the decision to err on the side of caution was prudent. Further, as of the time of this writing, influential Republican Senators are publicly urging Senator Brown to run for the U.S. Senate seat in New Hampshire. SLU hopes that you and your organization, will also look to all of the facts and circumstances and come to appreciate our decision.

Regarding the 2011 breakfast event honoring the *St. Louis Business Journal's* "Most Influential St. Louisans," it was indeed held at SLU. However, the *Business Journal* paid for, sponsored and organized the event, and Missouri Governor Jay Nixon spoke at the request of the newspaper. IRS guidance shows that this event was not prohibited campaign activity under Section 501(c)(3).

In closing, please know that at Saint Louis University our primary focus is on our students and their educational experiences. SLU welcomes any opportunity, to work in coordination with the College Republicans and other student organization to bring to our campuses such distinguished political figures as Senator Brown.

Sincerely,



Louis Galli
Assistant General Counsel