Guide to Opening a Bank Account for Your Student Organization

Any student organization that plans to raise and spend money should maintain a separate bank account under the organization's name. Organizational funds should **never** be deposited into a personal account.

Opening a bank account allows the club to:

- Securely collect and store funds
- Use a debit card for organization expenses
- Deposit fundraising revenue
- Receive reimbursement or sponsorship checks

Step-by-Step Instructions

1. **Hold an Officer Meeting -** Meet with your executive board to:

- Discuss opening a bank account
- Decide which bank to use
- Determine who will be authorized signers on the account

Best practice:

- Have at least **two authorized signers** (e.g., President and Treasurer).

2. **Draft Meeting Minutes -** Create official meeting minutes that include:

- The full legal name of the organization
- The decision to open a bank account
- The name of the bank
- The names and titles of authorized signers

Important:

- All authorized signers must be present when opening the account.

- When leadership transitions, the outgoing and incoming signers must go to the bank together to update the account.
- Keep a copy of these minutes for your records.

3. Apply for a Tax Identification Number (EIN)

Every bank account is required to have a tax identification number associated with it. Student organizations are generally **not permitted to use their university's tax ID number** for the purpose of opening a student organization bank account. You cannot use MEDLIFE's ID either.

Therefore, it is recommended that the organization apply for an **Employer Identification Number (EIN)** from the IRS to use for the bank's tax reporting requirements.

The EIN:

- Is free to obtain
- Can be applied for online through the IRS website
- Is issued immediately upon completion of the online application

The EIN will be used solely for identification and banking purposes unless the organization later applies for formal tax-exempt status.

Be sure to print and save the EIN Confirmation Letter (CP 575) once issued.

Check **"Annex A: Simple Step-by-Step to apply to a tax number (EIN)"** to learn how to apply/

You can apply by clicking here

4. Obtain Proof of University Recognition

Banks often require proof that your organization legitimately exists. Request official proof that your organization is recognized by your university.

This may include:

- A recognition letter from Student Activities
- Documentation from your campus organization portal
- A letter from your advisor

5. Gather Required Documents

Bring the following to the bank:

- EIN Confirmation Letter (CP 575)
- Meeting Minutes authorizing the account

- Organization bylaws or constitution
- Proof of university recognition
- Government-issued ID for each authorized signer
- Initial deposit (amount varies by bank)

6. **Visit the Bank and Open the Account**

   When opening the account:

   - Ask for a **business checking account for an unincorporated nonprofit/student organization**
   - Ensure the account is opened under the organization's name (not a person's name)
   - Confirm who will have debit card access
   - Set up online banking
   - Ask about minimum balance requirements and monthly fees

   Deposit requirements vary by bank. Contact the bank ahead of time to confirm requirements.

7. **Leadership Transition Reminder**

   When officers change:

   - Update bank signers immediately
   - Remove former officers from the account
   - Maintain at least two authorized signers at all times
   - Store all financial documents securely (digital and physical copies)

Annex A: Simple Step-by-Step to apply to a tax number (EIN)

Before You Start (Preparation)

Have ready:

- Organization legal name (exactly as registered with the university)
- Responsible Party’s full legal name + SSN (usually Treasurer or President)
- Stable campus address (not a dorm/apartment)
- County where the university is located
- Organization start date (month/year)

⚠️ Important Tip:
Do not begin the IRS application until all information is confirmed. The IRS does not allow edits after submission.

https://sa.www4.irs.gov/applyein/applyForEin

Important information:

Just a reminder: when applying for an EIN, you're creating it for your club — you are **NOT** a nonprofit. You should register as a **Community or Volunteer Group**. MEDLIFE (us) is the nonprofit organization.

EINs don't expire or need "renewal." Once the IRS issues an EIN, it's permanent for that entity. If someone thinks they "renewed" it, they may have re-submitted an application by mistake (which can actually cause problems — the IRS could treat it as a new entity or flag a duplicate), or they may be thinking of a different filing, like a state registration or a group's own membership renewal, not the EIN itself.

About using an SSN to get the EIN: For clubs, social groups, and other unincorporated associations, the IRS requires a **"responsible party" — a real person — to provide their SSN or ITIN on the SS-4 application,** because the entity itself doesn't have a taxpayer ID until the EIN is issued. That's normal and expected; there's no way around it for this type of entity.

What that means going forward:

- **The SSN isn't made public.** It's on file with the IRS, tied to that EIN, but it doesn't appear anywhere the public or other members would see it.

- **The EIN itself belongs to the organization, not the person.** The president isn't personally liable for the group's taxes just because their SSN is on the application.
- **If the president changes (or steps down), the "responsible party" on file should be updated** — this is done with IRS Form 8822-B, and the IRS requires it within 60 days of a responsible-party change. This is important: whoever's SSN is on file stays listed as the responsible party until this form is filed, even after they're no longer president.
- **If a new EIN application was mistakenly filed for the same group (thinking it needed "renewal"),** that's worth cleaning up directly with the IRS to avoid duplicate EIN confusion — one call to the IRS Business & Specialty Tax Line usually resolves it

STEP 1: Go to the application

Go to https://sa.www4.irs.gov/applyein/applyForEin and start the process

STEP 2: Legal Structure

1. **Type of legal structure - Select:** View Additional Types, Including Tax-Exempt and Governmental Organizations
2. **Additional Types - Select:** Community or Volunteer Group
3. **Your role**: I am a third party applying for an EIN on behalf of this organization.

STEP 3: Identity (Responsible Party Section)

Who Should Provide This Information?

The **Responsible Party** should be:

- The **Treasurer** (recommended), OR
- The **President**

4. **SSN/ITIN -** Enter the Responsible Party's Social Security Number.

⚠️ Important Tip:

- This is for IRS identity verification only.
- It does NOT connect personal finances to the organization.
- It does NOT make the officer personally liable.

5. **First name - Enter:** [Responsible Party First Name]
6. **Middle name/initial (optional) - Enter:** [Middle Initial] or leave blank
7. **Last name - Enter:** [Responsible Party Last Name]
8. **Your role - Select:** Choose "I am a responsible and duly authorized officer or member of this organization."

Step 4: Addresses

Enter:

- University campus office address

- Student Activities office address
- Advisor's campus office address (if permitted)
- Physical location (must be U.S. street address; no PO Box)

Do NOT use:

- Dorm address
- Apartment address
- A graduating officer's personal address

9. **Street:** [Campus office / Student Activities street address]
10. **City:** [City]
11. **State:** [State]
12. **ZIP:** [5-digit ZIP]
13. **Phone number:** [digits only]
14. **Care of (optional):** Student Activities Office (or [Advisor Name])
15. **Different mailing address? Select:** No

Step 5: Additional Details (Organization Info)

16. **Legal name of Community or Volunteer Group - Enter:** [Organization legal name exactly as registered with your university]
    a. Example: MEDLIFE Chapter at University Name
17. **Trade name / DBA (only if different) - Leave blank** (unless you truly use another name publicly)
18. **County where located - Enter:** [Enter the county where your university is located]
19. **State/Territory where located - Select:** [State]
20. **Date business started or acquired -** [Month and year the organization was formed or recognized.]

Tell us more about the Community or Volunteer Group

21. Own highway vehicle 55,000+ lbs? → [No]
22. Gambling/wagering? → [No]
23. Need to file Form 720? → [No]
24. Sell/manufacture alcohol, tobacco, firearms? → [No]
25. Have employees receiving W-2 in next 12 months? → [No]

Step 6: Additional Details: Provided Business Activity and Services

26. **Category -** Select: Other

27. **Primary business activity (under Other) -** Select: Organization (such as religious, environmental, social or civic, athletic, etc.)
28. **Primary activity of your organization -** Select: Social or civic
29. **Please specify - Type:** Student Organization

STEP 7: Review and Submit

30. **How would you like to receive your EIN Confirmation Letter? - Select:** Receive letter digitally in the next step

31. **Review & Submit**
    a. Confirm **organization name** is correct (matches bylaws + what you'll use at the bank).
    b. Confirm **Responsible Party** info is correct.
    c. Confirm **address** is correct.

32. Click: **Submit EIN Request**

Step 8: After you receive the EIN (do this immediately)

- **Download and save** the confirmation letter (PDF) immediately
- **Print** a copy for the bank
- **Store** the PDF in a shared officer drive for leadership transitions
- Email a copy to:
  - Treasurer
  - President
  - Faculty Advisor
- Leadership Transition Tip:
  - When officers change, keep EIN documentation accessible. The EIN belongs to the organization, not the individual officer.