

Non-Monetary Gift Acceptance Procedure

Definition

A non-monetary gift, commonly identified as "gift-in-kind", is a voluntary contribution of goods or services that can be used to advance the mission of University of Houston-Clear Lake or can be readily converted to cash and may qualify as a charitable deduction for the person(s) making the gift. Please note that contributed services cannot be counted as a gift and do not qualify as a charitable tax deduction to the donor. However, a donor of services may be able to deduct expenses incurred while performing said services. In such cases, the donor should be advised to consult with a tax accountant.

Purpose

The IRS has specific regulations regarding gifts-in-kind. This procedure outlines the process an employee of University of Houston-Clear Lake should follow when presented with a non-monetary gift. It limits the liability that may inadvertently be assumed by placing value on gifts or by accepting a gift that does not advance the mission of University of Houston-Clear Lake or cannot be readily converted to cash. It further assures that a donor will receive timely acknowledgement of his/her contribution.

Procedure

1. When presented with a potential non-monetary (in-kind) gift, an individual must assess if the gift can be used to advance the mission of University of Houston-Clear Lake or could be readily converted to cash. If there is any question as to whether the contribution meets either of these criteria, the individual should contact his/her immediate supervisor or the Office of University Advancement at (281) 283-2021.
2. If the gift is accepted, the receiver should offer an immediate and sincere expression of gratitude. At that time, the donor should be encouraged to complete a University of Houston-Clear Lake **Non-Monetary (In-Kind) Gift Intent form**. If the donor is unable or unwilling to complete the form, the receiver may complete the form. In this instance the receiver must write "N/A" as the gift value and note that the form was completed by him/her beneath the donor signature line. ***The individual employee/department accepting the gift cannot offer tax advice or dictate the value of the contribution.***
3. If the item is personal property of the donor and is valued at more than \$5,000, the donor must obtain a certified appraisal. The appraisal cannot be dated more than 60 days from the date of the donation. It must be prepared, signed and dated by a qualified appraiser. Federal law requires that the donor pay for the appraisal. (The cost of the appraisal is also tax deductible). This value will be used for gift reporting purposes only.
4. Once the donor has completed the form, the receiver must complete the University of Houston-Clear Lake Non-Monetary Gift Acceptance form and route it for all required signatures in the order they are listed. Gifts of art, IT software and equipment's, and items valued over \$5,000 require additional signatures and approvals.
5. To finalize gift, the completed Intent and Gift Acceptance forms with all supporting documentation must be submitted to the Office of University Advancement (Mail Code 318, B1604, ext.2021) who will send an official gift receipt to the donor and the completed gift acceptance form to the Originating department and Asset Management.