DEFINITION
A Gift-In-Kind is a voluntary contribution of goods or services that can be used to advance the mission of NCCU Foundation or can be readily converted to cash and may qualify as a charitable deduction for the person(s) making the gift.

Note: 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 policy outlines the process an employee of NCCU Foundation should follow when presented with a gift-in-kind. 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 NCCU Foundation or cannot be readily converted to cash. It further assures that a donor will receive timely acknowledgement of his/her contribution.

POLICY
The NCCU Foundation may accept contributions of goods or services that can be used to advance the mission of NCCU Foundation and/or any of its subsidiaries or may be converted readily into cash. When accepting a gift-in-kind, the receiver must ask the donor to complete a NCCU Foundation Gift-In-Kind form. Once the donor has completed the form, the receiver must sign the form and send it immediately to the NCCU Foundation Office for processing.

The IRS allows an individual to deduct the full fair market value of a donated item if it is kept by NCCU Foundation and used for one of its tax-exempt purposes. If the item is to be converted to cash, then the donor may claim a deduction of the cost value or the fair market value, whichever is less. It is the sole responsibility of the donor to determine the value of a contributed item; the receiver cannot assign a value to the donated item(s).

The NCCU Foundation will enter the contribution in its donor database and issue an acknowledgement to the donor along with a copy of the Gift-In-Kind form. The acknowledgement will contain only a description of the contribution and will not include a statement as to the value of the contribution. It will further contain a statement as to what, if any, goods or services were given in exchange for the contribution. The NCCU Foundation cannot issue an acknowledgement for contributions that cannot be used or readily converted to cash. Examples might include used stuffed animals, broken or outdated equipment, opened medical supplies, etc.

For gifts with values exceeding $5,000, the donor must complete all parts of IRS form 8283 and submit the form to the NCCU Foundation for signature. The Executive Director of Development, the Chief Financial Officer or the Chief Executive Officer are the only individuals authorized to sign 8283 forms.

If the NCCU Foundation has signed an IRS form 8283 and then sells, exchanges or otherwise transfers the gift within two years from the date of gift, the Foundation must file a donee information return, IRS form 8282, within 125 days of disposing the property. The NCCU Foundation will advise the donor if such a transaction occurs as it may affect the charitable tax deduction for which they qualify.

PROCEDURE
- When presented with a potential gift-in-kind, an individual must assess if the gift can be used to advance the mission of NCCU Foundation 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 NCCU Foundation Office.

- If the gift is accepted, the individual should offer an immediate and sincere expression of gratitude. At that time, the donor should be given a Gift-In-Kind form and be encouraged to complete the form at that time. If the donor is unable or unwilling to complete the form, the receiver may complete the form, write “N/A” as the estimated fair market value, and enter that the form was completed by him/her in the note section in the lower right hand corner.

- The individual accepting the gift cannot offer tax advice or dictate the value of the contribution. It is the responsibility of the donor to determine the fair market value of the contribution. **Note:** the value is for NCCU Foundation internal gift reporting only; the donor's receipt and/or acknowledgement will not indicate value in any way that could be construed as an endorsement of its value.

- 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.

**What constitutes a qualified appraisal:**

I. Appraiser must hold himself or herself out to the public as an appraiser and state credentials showing that he or she is qualified to appraise the type of property being valued.

II. Appraiser must value the property no more than 60 days before the date of gift; it can be done after the gift has been accepted by the NCCU Foundation.

III. Appraiser cannot be (1) the donor, (2) the donee (NCCU Foundation), (3) any party to the transaction, (4) an appraiser used regularly by (1), (2) or (3), or anyone employed or related to (1), (2), or (3).

The appraisal must contain the following information:

1. A description of the item
2. It’s physical condition
3. The date (or expected date) of the contribution
4. Name, address and tax ID number of the appraiser
5. Qualifications of the appraiser including his/her background, experience and education
6. A statement that the appraisal was prepared for income tax purposes
7. Date the item was valued
8. Appraised fair market value of the item
9. Method of valuation (income approach; market data approach; replacement cost minus depreciation approach.)
10. Appraiser must complete Part IV of Section B on form 8283

- The individual accepting the gift will sign and date the Gift-In-Kind form only after the donor has irrevocably turned over the gift-in-kind.

- Once signed, the form should be turned over to the Foundation immediately for processing and acknowledgement.

- The Foundation will notify the Accounting Department of the contribution and assign it as an asset or income to the appropriate company and/or department.
Gift-In-Kind Contribution Form

Gift made by: ___________________________________________ Date of gift: ______________
Address: ______________________________________________________________________________
City: __________________________ State: _________ ZIP: __________________
Phone: ________________________ E-mail: ________________________________

Detailed description of gift(s): ______________________________________________________________________
_________________________________________________________________________________________
_________________________________________________________________________________________
_________________________________________________________________________________________

I estimate the fair market value of this contribution to be: ____________________________ *

*Notes to donor(s):
The NCCU Foundation gratefully acknowledges your in-kind contribution. The following information
pertaining to your in-kind contribution is being provided for your convenience and does not constitute legal
advice on behalf of NCCU, the NCCU Foundation or their employees.
You are strongly encouraged to consult with your tax advisor and refer to the IRS publications referenced below:

• To claim a tax deduction for in-kind gifts valued between $500 and $5,000, the donor must complete
Part I of IRS Form 8232.
• For gifts that exceed $5,000, the donor must
  ▪ Complete ALL parts of IRS Form 8232 and submit the complete form to the NCCU Foundation for a signature.
  ▪ Submit a certified appraisal dated no more than 60 days from the date of the donation. The appraisal must be prepared, signed and dated by a qualified, third-party appraiser.

The value of any item, regardless of the amount, is used for internal gift reporting only—the NCCU Foundation is
unable to include the estimated value on a donor receipt or acknowledgement. It is the responsibility of the donor
to substantiate the fair market value for his/her own tax purposes.

Donor Signature: ___________________________________________ Date: ______________

I, ___________________________, received the above gift(s)-in-kind.
Receiving party: ___________________________________________ Date: _______________

For Office Use Only
NCCU Foundation Accounts    University Accounts
Fund: __________________ Notes: ___________________________