

Central Piedmont Community College Foundation, Inc.

Gift-In-Kind Donation Procedure and Guidelines

PURPOSE

The purpose of the procedures and guidelines is to define the responsibilities of the Program or Department receiving the gift and CCCC Foundation for the completion of all necessary and relevant paperwork and reporting requirements for compliance with North Carolina Statutes, Internal Revenue Service Tax Regulations, Generally Accepted Accounting Principles (United States), and donor-imposed restrictions. In accordance with North Carolina Statute 23 NCAC 02C .0503, property donated to the college may be accepted for any lawful educational purpose that is consistent with the mission and purpose of the community college system.

DEFINITIONS

Gifts-In-Kind: Gifts-in-kind are gifts of property that are voluntarily transferred by a donor to Central Piedmont Community College (“CPC” or “College”) or Central Piedmont Community College Foundation (“CPC Foundation”) without compensation. These gifts may include equipment, vehicles, materials, supplies, artwork, and other personal property a donor might give to the College for use in educational programs. All gifts-in-kind that are donated through CPC Foundation to be used in the College’s educational programs become College property.

Asset Stewardship: The Asset Steward is designated by the department or program for the handling of property. The Asset Steward serves as the primary contact with other departments of the College for acquisition, recordkeeping, periodic inspection, and disposal. The program or department that acquires and/or uses donated property is responsible for its appropriate use and accountability.

POLICY AND PROCEDURES

Donation:

1. The department representative shall complete the Gift-In-Kind Acceptance Form. The donor may assist by providing information to the department representative; however, anything prepared internally by the College should not be provided to the donor.
2. The Department Vice President and Asset Steward shall review and sign the Gift-In-Kind Acceptance Form.
3. If applicable, the Asset Steward shall notify the following departments prior to accepting or taking ownership of the gift:
 - a. If the gift has insurance requirements, the department shall contact the College’s Enterprise Risk Management department.
 - b. If the gift requires transportation, installation, electrical, plumbing, etc., the department shall contact CPC Facilities Services.
 - c. If the gift includes any chemicals, the department shall contact the College’s Executive Director of the Environmental Health and Safety Department.
4. The designated Asset Steward shall review the Gift-In-Kind Acceptance Form and submit the **completed form and supporting documentation** (i.e. **picture of assets, title, bill of sale, appraisal, donor receipts, etc.**) to the department’s Vice President. (*Appendix A – Authorized Approvers*) via the automated form.
5. The department’s Vice President shall review & submit the completed Gift-In-Kind Acceptance form and relevant supporting documentation to the Finance department at the Foundation via the automated form.
6. The AVP Foundation Finance shall review the Gift-In-Kind Acceptance Form for completeness. Any questions shall initially be directed to the department representative. Once any questions are answered, the AVP Foundation Finance will approve the Gift-In-Kind Acceptance Form and record the transaction.
7. Donors will be sent an Acknowledgement Letter upon acceptance of the approved and completed form.

Central Piedmont Community College Foundation, Inc.

Gift-In-Kind Donation Procedure and Guidelines

POLICY AND PROCEDURES (continued)

Estimated Fair Market Value:

1. **Donor's Responsibility:** The valuation of a gift-in-kind for the donor's tax purposes is the responsibility of the donor. If the value of the asset is \$5,000 or greater, the IRS may require the donor obtain a written appraisal from an authorized appraiser at the cost of the donor. As the recipient of the gift, the College and its employees are not considered authorized appraisers and shall not suggest a value to the donor for tax purposes.
2. **College Responsibility:** The donor may give the College an estimate of the fair market value or provide receipts showing what they paid for the item, if it is relatively new. If the donor does not provide support for the estimated value, the Department Representative or Asset Steward shall provide an estimate of fair value under "Other" value on the Gift-In-Kind Acceptance Form (*Appendix B – Estimating Fair Value*). The valuation of a gift-in-kind for accounting and reporting purposes is the responsibility of the College.

Record Keeping:

3. CPCC Foundation will record all gift-in-kind donations at the estimated fair market value provided on the Gift-In-Kind Acceptance Form based on the program or department that will be benefited.
4. CPCC Foundation will summarize all gifts-in-kind that became College property and provide Inventory Control with necessary documentation to record the gift in the College's fixed assets bi-annually. This documentation will include a copy of CPCC Foundation's gift-in-kind report, copies of the completed Gift-In-Kind Acceptance forms, and any additional documentation supporting the gift.
5. If the item(s) donated will remain in the department's possession and have a value of \$5,000 or greater or are deemed high-risk*, a fixed asset inventory number and tag must be assigned in accordance with the College's Inventory Control and Equipment Guidelines and the NC Community College Purchasing and Equipment Procedures Manual.
6. When applicable, the Foundation staff will confirm with Procurement and Enterprise Risk Management that there is appropriate insurance coverage for the assets to be transferred.

Disposal:

1. The College shall follow the disposal methods authorized under Article 12 of Chapter 160A-265 of the General Statutes to sell or lease any donated real or personal property that has conditions as to how to use the proceeds from the sale or lease of that property.
2. The College shall follow the disposal methods authorized under G.S. 115D-15(a) to sell or lease any real or personal property that does not have conditions as to how to use the proceeds from the sale or lease of that property.
3. If a donation of real or personal property does has conditions as to how to use the proceeds from the sale or lease, the proceeds must be used for the purpose designated by the donor.
4. If an item donated to the College is sold, transferred or disposed of, the department shall notify Procurement (if insured), review the asset disposal process and contact Inventory Control (if applicable) in order to remove the asset from the general ledger and complete the normal disposal process through State Surplus or other College approved disposal method.
5. **If the item donated to the College is sold, transferred or disposed of within three years from the date of the gift, the department shall notify the Foundation, within one week of the sale, so the Foundation can comply with IRS regulations in reporting such a transaction.**

Central Piedmont Community College Foundation, Inc.

Gift-In-Kind Donation Procedure and Guidelines

Maintenance/ Inspection:

1. Annually, Inventory Control is responsible for ensuring that a complete physical count of tagged donated, capitalized, and high risk property is conducted and reconciled to the College's fixed assets records. The Asset Stewards shall assist Inventory Control in this inspection process to ensure all items are properly accounted for.

ADDITIONAL INFORMATION

* **High-Risk Assets:** High-risk assets include computers, iPads, tablets, laptops and fire arms (regardless of value); and data processing equipment, networking equipment, projectors, servers, hand held digital cameras, camcorders, drones with a value between \$1,000 and \$4,999.

Vehicles: The department receiving the gift should indicate if the donated vehicle is to be retitled in the name of the College, salvaged, or dismantled (permanently withdrawn from roadworthiness, registration, and used for instructional purposes only) and convey its determination to CPCC Foundation.

Artwork: Gifts of artwork should only be accepted in accordance with CPCC Foundation's Art Acquisition and Management Policy to ensure that only artwork designated for display in public spaces as part of the College's overall educational mission is accepted.

REFERENCES:

North Carolina Community College Purchase and Equipment Manual
CPCC Procurement Manual
CPCC Foundation Gift-In-Kind Acceptance Form and Process
CPCC Fixed Asset Guidelines
CPCC Disposal Process
IRS Form 8283 – Non-Cash Charitable Contributions
IRS Form 1098-C – Contributions of Motor Vehicles, Boats and Airplanes
IRS Publication 526 – Charitable Contributions
IRS Publication 561 – Determining the Value of Donated Property

Central Piedmont Community College Foundation, Inc.

Gift-In-Kind Donation Procedure and Guidelines

Appendix A – Authorized Approvers

- Chief of Staff
- Provost
- Senior Vice President of Strategy and Organizational Excellence
- Vice President for Communications, Marketing and Public Relations
- Vice President for Finance and Administrative Services
- Vice President for Institutional Advancement
- Vice President for Information Technology Services
- Vice President for Student Affairs

Appendix B – Estimating Fair Value

Useful valuation resources:

- General Goods
 - eBay, Amazon, and other online auction websites
 - Valuation guides published by Goodwill Industries International or The Salvation Army
- Food
 - Annual study by Feeding America that calculated the cost per pound of food
- Real Estate
 - Zillow, Trulia and other residential real estate websites
 - LoopNet for commercial real estate
- Vehicles
 - Kelley Blue Book, Edmunds.com, and other similar websites

Revised June 2022