

**The University of Texas at El Paso
Office of Asset Management and Development (“AMD”)
Procedure for Accepting Gifts-in-Kind**

Overview

The Office of Asset Management and Development must be made aware of all gifts of personal property to the University, also known as gifts-in-kind.

A gift-in-kind is a non-cash donation, other than real estate, that can be tangible or intangible.

- Examples of tangible gifts can include, but are not limited to, printed material, gift certificates, food, art, antiques, electronic equipment, laboratory equipment or vehicles.
- Examples of intangible personal gifts can include, but are not limited to, software, patents, copyrights or royalties.

Considerations for acceptance

The University of Texas at El Paso will accept gifts-in-kind provided that they can be used to support the mission of the University or can be easily converted to cash. As a general rule, only gifts that further the work of University’s departments and programs will be accepted.

A gift-in-kind to the University may be recommended for acceptance by vice presidents, deans, department chairs, program directors or other individuals as deemed appropriate by the University administration. Restrictions for the gift’s use cannot be made by the donor.

Further considerations on the usefulness and carrying costs of gifts-in-kind will be evaluated before acceptance. Acceptance of the gift occurs after the appropriate donation form is signed, indicating that the personal property has been received by the specified area on campus, has no restrictions, is of value to the area and will be used by the area to further the mission of the University.

Valuation

Valuation refers to the value placed on the gift for crediting and property control purposes. It should be noted that the University’s legal credit valuation for a gift-in-kind is counted at the full fair market value regardless of the value the donor may be able to take as a charitable tax deduction.¹

The IRS requires that donors seeking to claim a charitable tax deduction for a gift-in-kind in excess of \$5,000 obtain a qualified appraisal, at their cost, no later than 60 days prior to making the gift. Appraisals are not required for gifts valued at less than \$5,000. The University will record gifts-in-kind under \$5,000 based on the donor’s fair market appraisal value or on a value declared by the donor based on a purchase receipt. If a value is not determined, the value will be recorded at \$1. The donor shall be advised that if a tax deduction on a gift is to be taken, the IRS has regulations for filing tax-deductible contributions valued at \$250 or more.

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For gifts valued under \$499

Procedure:

1. The receiving college, department or program will recommend acceptance of a gift-in-kind by notifying AMD. If the recommendation is made at the department or program level, the respective dean or vice president should also be notified.
 2. An AMD Development officer will be assigned to the donor and will complete a ***gift-in-kind donation form***.
 3. AMD will record the gift-in-kind and archive the agreement.
 4. AMD will send the donor a letter acknowledging the gift; the value of the gift will not be included in the acknowledgement.
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For gifts valued between \$500 and \$4,999

Procedure:

1. The receiving college, department or program will recommend acceptance of a gift-in-kind by notifying AMD. If the recommendation is made at the department or program level, the respective dean or vice president should also be notified.
 2. An AMD Development officer will be assigned to the donor and will complete a ***Deed of Gift form***.
 3. AMD will record the gift-in-kind and archive the agreement.
 4. AMD will send the donor a letter acknowledging the gift; the value of the gift will not be included in the acknowledgement.
 5. AMD will notify the University’s accounting office.
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For gifts valued at \$5,000 or more*

Procedure:

1. The receiving college, department or program will recommend acceptance of a gift-in-kind by notifying AMD. If the recommendation is made at the department or program level, the respective dean or vice president should also be notified.
2. An AMD Development officer will be assigned to the donor and will complete a ***Deed of Gift form***.
3. AMD will inform the donor of the need to obtain an independent professional appraisal.
4. AMD will record the gift-in-kind and archive the agreement.
5. AMD will send the donor a letter acknowledging the gift; the value of the gift will not be included in the acknowledgement.
6. AMD will notify the University’s accounting office.

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Gifts of real estate or land

Please contact AMD. Gifts of real estate or land require additional approvals by the Executive Vice President and UT System.

Gifts of Artwork

Please contact AMD. Gifts of artwork require additional approvals by the University Art Committee.

* If requested by the donor, the VP of Asset Management and Development will complete section IV of IRS Form 8283. In the event of disposition within three years of accepting a gift-in-kind, the VP of Asset Management and Development will complete IRS Form 8282.

Sources: UTS 138 Gift Acceptance Procedures
and CASE Management Reporting Standards, 4th Edition, 2009.

For questions regarding gifts-in-kind or this procedure,
please call the office of Asset Management and Development Gift Processing Department at 915-747-8524.