

Westfield State University

Policy concerning:

APPROVED: December 1997

Section Administrative

Number 0330

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REVIEWED: May 2022

NON-CASH (IN-KIND) CONTRIBUTIONS

PURPOSE

To establish guidelines for the receipts and acknowledgements of non-cash, in-kind gifts to any office or department of Westfield State University. Claims of such gifts are closely scrutinized by the Internal Revenue Service.

DEFINITIONS

1. **Non-cash or in-kind gifts** may be donations of new **or** used instructional or scientific equipment; computers; classroom or office supplies; furniture; books; musical instruments; recordings; collections of stamps, coins, jewelry, and the like; and works of art.
2. A **donor** can be an individual, partnership, or corporation. Westfield State University is a **donee** organization.
3. Tax deductions for non-cash donations are based upon **Fair Market Value** (FMV), the price a willing buyer would pay a willing seller when neither has to buy or sell, and both are aware of the sale conditions
4. A **qualified appraiser** is an individual who holds himself or herself out to the public as an expert appraiser of the type of property being evaluated and performs such appraisals on a regular basis. A qualified appraiser cannot be an employee of the donor or donee.
5. Gifts of real estate and securities are not covered by this policy.

POLICY: For Donors Wishing to Claim a Tax Deduction

1. It is incumbent upon Westfield State University to treat non-cash donations in a manner which does not jeopardize a donor's standing with the Internal Revenue Service.
2. Once a department or office is about to enter into discussions or negotiations for a non-cash donation with a donor, the Office of Institutional Advancement must be notified immediately. Acceptance decisions will follow existing Westfield State University policies. The Office of Institutional Advancement's

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role is to assist in encouraging any such gifts and to implement proper acknowledgement procedures once the gift is finalized. In the latter regard:

- a. Evaluations by donee employees are not acceptable by the IRS. Appraisals and the resulting deduction claims are entirely the responsibility of the donor.
- b. The Office of Institutional Advancement will work with the donor and donor's advisors to complete necessary IRS documentation in a timely manner.

POLICY: For Donors Not Claiming Deductions

1. Even though there are no IRS consequences for unreported non-cash donations, once a department or office is about to enter into discussions or negotiations for such donations with a donor, the Office of Institutional Advancement should be notified. The services of the Office of Institutional Advancement are available to help "close" gifts and encourage future donations.
2. Acceptance decisions will follow existing Westfield State University policies.

PROCEDURES

1. In order to request approval to receive a non-cash/in-kind gift, the department or office in question will request a Non-Cash/In-Kind Gift Acceptance Form from the Office of Institutional Advancement. Upon the completion of this form to the satisfaction of the approving authorities:
 - a. Physical arrangements will be made to transport and receive the gift.
 - b. The University's Vice President for Administration and Finance will receive a copy of the form.
 - c. Facilities & Operations will receive a copy of the form in order to add the gift to the University's physical assets inventory when it arrives.
 - d. The Office of Institutional Advancement will initiate the acknowledgment process.

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2. Westfield State University is not obligated to accept non-cash contributions.
 - a. Items accepted must be considered as having some value to the campus or a campus program.
 - b. The University must acknowledge its ability to maintain, use or store the gift upon receipt.

REVIEW

This policy will be reviewed every three years by the Vice President of Institutional Advancement and the Vice President of Administration and Finance.



UNIVERSITY NON-CASH/IN-KIND GIFT ACCEPTANCE FORM

Date: _____

Donor Information:

Donor Individual/Organization Name: _____

Organization/Business Contact: _____

Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

Corporate ID _____

Gift Description and Potential Use: _____

Will acceptance of this gift generate a financial impact to the institution? Such as increased staffing or facility needs, storage, maintenance, etc. How will additional costs be funded?

Receipt and/or Appraisal by Independent Appraiser __Yes __No Attach receipt or appraisal to this form.

Estimated fair market value by donor: \$_____

What is final destination on campus (if known)? _____

Special instructions e.g., item delivery or pick up, who is handling, restrictions, etc.:

Department Chair

Vice President of Administration and Finance

Executive Director, Westfield State Foundation, Inc.

Please return this form to:
Westfield State Foundation, Inc.
Attn: Lisa McMahon, Executive Director
PO Box 1630
Westfield, MA 01086-1630
(413) 572-8645 or email
lmcmahon@westfield.ma.edu