

Lake Michigan College Foundation Policy & Procedures on the Receiving of Gifts-In-Kind

Policies for Acceptance of Gifts-in-Kind:

Gifts-in-kind are defined as personal property such as artwork, collections, books, furniture, land, or securities.

Lake Michigan College reserves the right to accept or refuse any offer of a gift-in-kind.

Normally, the College will not accept gifts that require extensive renovation or repair, special facilities, daily or hands-on maintenance, special security arrangements, or cannot be used to advance the educational, cultural or serve the mission of the College.

No tangible personal property shall be accepted with an obligation to retain ownership of it in perpetuity.

The College does not accept gifts of classroom textbooks unless ownership, special significance, and/or historical value of the books can be documented.

Books or works of art from the personal collection of a donor will be accepted provided that the book(s) or works of art meet specific needs of the College, or add value to the College's existing collection.

The College does not accept gifts of computer equipment or software unless such equipment or software reflects the current technology in use at the College, or has special historical or intrinsic value.

Gifts of land can only be accepted by the Lake Michigan College Board of Trustees or the Lake Michigan College Foundation Board of Directors. Any offers for gifts of land must be referred to the Lake Michigan College Office of Advancement. Prior to acceptance of gifts of land, certain terms and conditions must be met.

Offers of **gifts of securities** must be referred to the Lake Michigan College Office of Advancement. Other College departments are not authorized to accept such gifts.

It is the responsibility of the donor to place a value on the gift. It is recommended that personal property valued at more than \$5,000 only be accepted after a qualified appraisal under the terms of the Internal Revenue Service (Pub. 561) is completed. Expenses incurred obtaining an appraisal shall be the donor's responsibility. It is the responsibility of the donor to complete IRS Form 8283 if the total value of non-cash contributions is more than \$500 (C corporations must file Form 8283 only if the total amount claimed for a deduction is more than \$5,000).

All gifts-in-kind will be acknowledged with a letter describing what was contributed.

If gifts valued at more than \$500 are sold or disposed of within three years of receiving item, Lake Michigan College will file IRS Form 8282.

Procedures for Receiving a Gift-in-Kind

1. Individual departments are responsible for the acceptance or refusal of an offer of a gift-in-kind. Exceptions to this are offers of securities or land. These offers are to be directed to the Office of Advancement.
2. Once a department has accepted a gift-in-kind, the department head is responsible for working with the donor to complete the attached gift-in-kind appraisal form and forwarding it to the Office of Advancement Operations.
3. The Office of Advancement will acknowledge the gift-in-kind by a letter along with a copy of the appraisal form.
4. It is the department's responsibility to:
 - a. Arrange for moving/storage of the gift
 - b. Contact Financial Services to assure that the gift is properly inventoried and/or cataloged
 - c. Maintain and properly use gift
 - d. Contact Financial Services and the Advancement Office if the gift is going to be sold or disposed of (for gifts with a value greater than \$500).

**Lake Michigan College Foundation
Gift-In-Kind Appraisal Form**

This form is to be completed for all gifts-in-kind received to assure that contributors are properly acknowledged and receive, for tax purposes, documentation of their gift. All supporting documentation must be attached to the form. (Please see attached for information on gift-in-kind policies and procedures.)

Gift Information

Date Received: _____

Item(s): _____

*Value: _____

Item(s): _____

*Value: _____

Item(s): _____

*Value: _____

(If additional space is needed, attach list of donated items.)

By Whom Was Gift(s) Valued: _____

Department/Office that Received Gift(s): _____

Name & Signature of Department Head: _____

Briefly describe how Gift will be used and location of equipment (room number): _____

*Gift value for internal purposes only. Donor is responsible for assigning values to items that will be reported to the IRS by the donor as a charitable contribution. Gifts valued at more than \$5,000 may only be accepted after a qualified appraisal under the terms of the Internal Revenue Service (Pub. 561).

Donor Information

*Name of Contributor: _____

If an organization, name of contact person: _____

Address: _____

SS/EIN #: _____

e-mail: _____

Phone: _____

*Write name as it should appear for recognition.

Return completed form to the Office of Advancement Operations. For questions, please call Jen O'Flynn at (269) 927-6590.