

PPM 206: Appendix III – Acceptance of In-Kind Gifts

UC ANR Policy and Procedure Manual Section 206 Gifts to UC ANR	
Responsible Officer:	Development Services Director of Advancement
Responsible Office:	Development Services
Issuance Date:	03/05/2020
Effective Date:	03/05/2020
Scope:	Gifts to UC ANR

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Note: In this context, “charity” refers to any entity that is part of UC ANR and/or governed by UC policy, including officially recognized UC support groups. For more information, contact Development Services.

I. IN-KIND GIFTS UNDER \$5,000 IN VALUE

The acceptance letter simply documents what was given, i.e., 15 six-inch bromeliads, 20 pairs of new ladies gardening boots, etc. What is critical is that the UC ANR charity (for example, a UC Cooperative Extension County Master Gardener group) is responsible for documenting what was donated – the quantity, brand, and condition. The charity does not put a value on the items. The valuation of the item is the responsibility of the donor, in accordance with IRS rules. Some donors may request that UC ANR put a valuation in the acceptance letter or question why the letter did not include reference to a specific value. The answer is that this could not be done as it would violate IRS rules for nonprofit organizations.

II. IN-KIND GIFTS OVER \$5,000 IN VALUE

If the value of the donated goods exceeds \$5,000 the donor must obtain a qualified appraisal for contributions of property/in-kind items and provide a copy to the UC ANR charity. The UC ANR charity is not a qualified appraiser for valuing the donated property. The acceptance letter should document what was donated and can refer to the appraisal, which the donor provided. As a best practice, always contact Development Services when offered an in-kind donation valued in excess of \$5,000.

III. GENERAL RULE

Regardless of value, one overarching rule applies: the charity is never to place a value on the gift, this is always the responsibility of the donor.

IV. UNSOLICITED IN-KIND GIFTS \$500 OR MORE

All unsolicited in-kind gifts of \$500 or more must first be reviewed and approved by the UCCE County Director, the Statewide Program/Institute Director, or the REC Director as well as the Development Services Director of Advancement before a thank-you is issued. If approved by the program and Development Services Directors, a thank you/acceptance letter may then be issued subsequently by the program Director.

(Template on Following Page)

UC ANR In-Kind Donation Acceptance/Thank You Template

Note: The same rules of acceptance apply to all gifts, whether in-kind or cash, including submittal of paperwork to the BOC. If an in-kind gift is given to benefit the recipient's research project, or if the in-kind gift is valued over the redelegated authority for gift acceptance, then that individual cannot sign the acceptance letter. With respect to in-kind gifts, this issue rarely arises and the sample below serves as both thank you and acceptance letter.

(Use appropriate UC ANR Letterhead)

Date

<Name>

<Address>

<City, State, Zip>

Dear <Name>:

Thank you for your donation of [quantity and description of item(s), e.g., a 1-gallon copper watering can, full-color printing of informational brochures, etc.] for the UC ANR event, location, research area or program [e.g., Statewide Master Gardener Conference, UCCE Glenn County office, South Coast Research and Extension Center, 4-H Statewide Leadership Conference]. Your support enables us to [describe how your program benefits from this donation(s), e.g., provides training for an extensive network of volunteers, provides services to the community, offers research-based information about home horticulture, carries out our research activities in the area of...; shares information about our 4-H youth leadership programs...].

Thank you again for your generous support and your commitment to the UC Agriculture and Natural Resources [event name, location, research area or program].

Sincerely,

<Name>

<Title>

University of California Agriculture and Natural Resources confirms that you received no goods or services for your contribution and that your gift is fully tax deductible to the extent allowed by the IRS. This letter will serve as your receipt. Please retain for your tax records. UC Agriculture and Natural Resources Tax Exempt #94-6036494. [Or, California 4-H Foundation Tax Exempt #23-7327765.]