

# Asheville-Buncombe Technical Community College

# (A-B Tech) Procedure

## Procedure 405: Non-Cash Donations to the College

All cash gifts to the College generally are administered by the A-B Tech Foundation, Inc. When the opportunity arises to accept a significant non-cash gift, any department may be the first contact with a donor. The first inclination is to accept something that is free; however, certain gifts require initial repairs or installation, insurance, storage/moving costs or ongoing maintenance that necessitate identifying budget dollars or increases, and possibly costs of eventual disposal, such as if someone wished to donate their old car. Therefore, before a vehicle gift can be accepted, it must first be inspected by the automotive shop. A gift of furniture or equipment should be reviewed by Facilities and Operations for an assessment of condition.

Other potential gifts could pose unexpected safety consequences if not scrutinized carefully (e.g., chemicals, lead paint and other donated products that can require hazardous waste disposal and associated costs). Therefore, a review must be made by the Vice President of Operations/CIO.

Before a gift of software and technology can be accepted, it must first be deemed current with original license, compatible with campus-wide systems, and be pre-approved by Information Systems Technology to avoid receipt of a costly but functionally obsolete donation.

Some other types of gifts would be under the domain of the recipient department as they would have the most expertise to judge the value of the acquisition.

Therefore, the College hereby establishes standard procedures to be observed so that there will be sufficient consultation with all necessary parties as part of the approval process prior to formal acceptance of a non-cash gift, which has a fair market value of $5,000 or more per unit, for which the donor must get a qualified appraisal (performed by a bonded appraiser if the estimated value is over $5,000).

## Responsibilities:

1. A department that is contacted regarding a donor's interest in making a gift to the College is responsible for following proper notification and approval procedures.
2. The intended recipient will make an initial determination of whether the proffered gift would be of use to the department and whether it appears to be in the best interest of the College to accept or reject the gift.
3. The recipient department will fill out the "Checklist for Non-Cash Gifts" (attached) to identify the different offices that need to be consulted.
4. All concerned parties who may be affected by the acceptance of the gift must indicate their review by initialing the Checklist to be circulated by the recipient department.
5. When a donation has an "as is" appraised value of $5,000 or more per unit, final determination of fair market value for accounting purposes must be made by the Vice President of Operations/CIO. Acceptance will be indicated by their signature on completed Checklist.
6. If acceptance is indicated, the A-B Tech Foundation, Inc. should be contacted and will arrange for the gift to be processed per IRS requirements. If the recipient department has a prior relationship, it may wish to send an additional letter of appreciation. It is preferred not to mention a specific dollar amount.

## Procedures:

1. If a person or company's first contact with the College is by telephone or in person, the recipient should ask the donor to describe the gift, its estimated age and use life, as well as the possible value of the intended gift and any conditions that would be imposed. If there is no urgency, the potential donor should be asked to submit a letter in writing describing their intent or if the department wishes, they can send an acknowledgment letter containing the details given. This document should be attached to the Checklist for Non-Cash Gifts (attached).
2. If the value of the gift is under $5,000, the department director will call and consult the appropriate Dean or Vice President and the A-B Tech Foundation, Inc. on the advisability of acceptance. Notification should be made to any other department that will be involved in evaluating, storing or moving of potential gift (such as auto shop, business office, and other facilities services). In the case of items that are clearly useful and desirable, the recipient department should exercise its own discretion and reasonable standards in acceptance of gift and the notification of relevant departments and offices.
3. If the per unit value of the gift is $5,000 or more, the intended recipient will review the specifics of the proposed gift and initiate the Checklist for Non-Cash Gifts. The filled in Checklist and the letter are to be forwarded to all applicable departments. Telephone consultations are also encouraged. Once the Checklist is reviewed and initialed by all concerned offices, the Checklist shall be returned to the recipient department for action. The recipient department shall be the depository for the original Checklist.
4. If the completed Checklist suggests concerns, irregularities or questions, the Dean or Vice President for that office shall make the final determination to accept or reject the offer. If a gift exceeding $5,000 in value is rejected, a letter should be sent declining the offer by the A-B Tech Foundation, Inc.
5. If the completed Checklist indicates no objections from various parties concerned, the A-B Tech Foundation, Inc. will contact the donor to signify acceptance of the non-cash gift. If appropriate, the formal acceptance of gift may be prepared by the A-B Tech Foundation, Inc., with tax deduction information to be sent to the donor.
6. Once the gift is approved for acceptance, documented proof showing clear ownership must be provided by donor, e.g., copies of receipts. If applicable, an independent bonded appraisal of item(s) is required.

## Definitions:

Non-cash donations include supplies, equipment, furniture, books, collectibles, vehicles, real estate, etc.

Pursuant to Board policy, Chapter 400, Section 405, this procedure must be followed when the opportunities for non-cash donations are presented to the College.

Updated: December 15, 2021