

**POLICY ON THE ACCEPTANCE OF NON-CASH GIFTS,
Other Than Real Estate, Research and Library Donations**

ORIGINATOR: Administration and Finance

DATE: August 2000 (Rev. August 2009)

POLICY #00-2

PURPOSE: To create uniform policies and procedures for the acceptance of a non-cash gift, other than a real estate, research or library donation, having an aggregate value of \$5,000 or more offered to the University of Rhode Island by an external donor.

APPLICABLE TO: All Departments of the University.

RESPONSIBILITY:

1. A department that is contacted regarding a donor's interest in making a gift to the University is responsible for following proper notification and approval procedures.
2. The intended recipient will make the 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 university 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, final determination must be made by either the Dean of the College, Provost or the appropriate Vice President (dependent on who will be ultimately responsible for possession or maintenance of gift). Acceptance will be indicated by their signature on completed Checklist.
6. If acceptance is indicated, your college fundraiser or the URI Foundation office (874-5836) 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.

POLICY:

All cash gifts to the University generally are administered by the URI Foundation. 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 and be pre-approved by the Assistant Vice President for Business Services. Or a gift of furniture should be reviewed by the Property Office 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 Office for Safety and Risk Management.

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 the Office of Information Services 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. For example, musical instruments to the Music Department, costumes for the Theatre Department, or historical and valuable artifacts such as an antique camera, a printing press or historical photographs, are best evaluated by the recipient.

Therefore, the University 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, other than real estate, research and library donations, which has a market value or an independently appraised value of \$5,000 or more, preferably performed by a bonded appraiser if the estimated value is over \$100,000.

Offers of Real Estate must follow established regulations of the Board of Governors and State Properties Committee. Gifts of research equipment and materials shall follow the procedures adopted in the University Policy for the Administration of Grants, Contracts and Gifts. Donations to the Library shall adhere to the Library Gift Policy.

PROCEDURES:

1. If a person or company's first contact with the University 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 submit a letter in writing describing his or her 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 (see page 4).
2. If the value of the gift is under \$5,000, the dean of the college or department director will call and consult the appropriate Vice President or the college's assistant or associate dean of development or the director of development administration 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, surplus property 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 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 College or 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

Dean, the Vice President or the college's assistant or associate dean of development or the director of development administration.

5. If the completed Checklist indicates no objections from various parties concerned, the recipient department head, its Dean or Vice President, or the college's assistant or associate dean of development or the director of development or designee will contact the donor to signify acceptance of the non-cash gift. If appropriate, the formal acceptance of gift may be prepared by the URI Foundation, 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 desirable.

The Checklist for Non-Cash Gifts follows.

{DO NOT USE FOR REAL ESTATE, RESEARCH AND LIBRARY DONATIONS}

UNIVERSITY OF RHODE ISLAND
CHECKLIST for NON-CASH GIFTS

Describe gift: _____

Date of contact or letter (attach): _____

Name of potential donor: _____

Telephone No.

Disclosure of any known relationship to URI and/or employees, including current Board of Governors and Office of Higher Education employees: _____

Name of person initiating checklist: _____

Phone Ext.

A. What is the estimated value of the proposed gift (as guessed by donor and to be assigned later)? _____

(a) If it is less than \$5,000, the decision whether to accept or reject can be made by the department head through consultation with appropriate Dean or Vice President or the college's assistant or associate dean of development or the director of development. Use the Checklist as a guide to determine the potential consequences of acceptance and file it within your department only.

(b) If value of gift is over \$5,000, the following checklist must be completed. Wherever there is a Yes response, provide more description at the end of the checklist and obtain the initials of the Office involved as indicated. Send a completed copy to everyone who signed off on the gift.

B. What type of storage is required? _____

C. If this gift requires the use of any University's facilities and administrative services, please describe: _____

The attached checklist is intended as a mechanism to think through the acceptance of a potential gift and should be completed and circulated in a timely manner. We

do not wish to discourage valuable gifts to the University and understand that a prompt response to the donor is often necessary. If there is no time to obtain written approval, phone calls should be made and a notation on the form should be made to document the conversation.

If an answer to one of the questions below is YES, forward checklist to department listed in second column for review and initials, and provide more information on the comments section under checklist. If time is urgent, fax to multiple offices simultaneously, as necessary.

			INITIALS	
	No	Yes	Recipient Department	Other Approvals
1. Was the gift solicited by anyone in the University?				
2. Does the donor have a preference for use or location of the gift?				
3. Are there any known conditions imposed in the acceptance of the gift?				
4. Is this gift include any technology and software)? If yes, contact the Vice Provost of Information Technology Services for review.				<u>ITS</u>
5. Does the gift involve research or academic utility? If yes, contact the Office of the Provost for review.				<u>Provost</u>
6. Does the donor intend to take a tax deduction and need a receipt?				<u>URIF</u>
7. Will the Property Office/Central Receiving need to notified (in case of surplus furniture, equipment, or requiring moving or rigging)?				<u>Property</u>
8. Will it cost the University anything to move, repair, assemble or install? If yes, describe and estimate one-time cost: _____				<u>Budget</u>
9. Does the Department of Facilities Services need to review the gift to determine quality or functioning level (e.g., automotive shop to check vehicle, electrical shop to check equipment)?				<u>Facilities</u>
10. Does the Director of Safety and Risk Management need to determine if any safety hazard exists or if disposal of hazardous materials would be involved if the University accepted the gift?				<u>Safety & Risk</u>
11. Will the gift require additional insurance coverage?				
12. Will there be an expense to the University to maintain this gift? If yes, estimate annual cost: _____				<u>Budget</u>
13. Will use of the gift generate any income? If yes, contact the Budget Office for determination of account to be credited for income. [Account # _____]				

14. Is the gift one of real property that is non-consumable and non-expendable and may be considered a depreciable fixed asset to the University and part of the Asset Management system, (per Capitalization Policy), to be entered as part of the physical inventory of the University?				<u>Controller</u>
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If Yes to any of the questions above, please describe in more detail below.

Final Approvals

Initiating Department Date

Vice President/Dean/Provost Date

Notifications (if applicable)

- URI Foundation (College's Assistant or Associate Dean of Development or Director of Development Administration)
- Facilities Services
- Safety and Risk Management
- Property
- Assistant Vice President for Business Services

- Controller's
- Budget
- Provost
- Vice Provost of Information Technology Services
- Other departments: _____
