OES GIFT-IN-KIND ACCEPTANCE POLICY

DEFINITION

A Gift-In-Kind is a voluntary contribution of goods or services that can be used to advance the mission of Oregon Episcopal School (“OES”) or can be readily converted to cash and may qualify as a charitable deduction for the person(s) making the gift.

**Note:** Contributed services cannot be counted as a gift and do not qualify as a charitable tax deduction to the donor.

PURPOSE

The IRS has specific regulations regarding gifts-in-kind. This policy outlines the process an employee of OES should follow when presented with a gift-in-kind. It limits the liability that may inadvertently be assumed by placing value on gifts or by accepting a gift that does not advance the mission of OES or cannot be readily converted to cash. It further assures that a donor will receive timely acknowledgement of his/her contribution.

POLICY

OES may accept contributions of goods and services that can be used to advance its mission or may be converted readily into cash. When accepting a gift-in-kind, the receiver of the gift must ask the donor to complete an OES Gift-In-Kind Form. Once the donor has completed the form the recipient of the gift must sign the form and send it immediately to the OES Development Office to be processed as outlined in the Gift Policy and Procedures document.

A donor may claim an income tax deduction for the full fair market value of a donated item if it is kept by OES and used for OES in connection with one of its tax-exempt purposes. If the item is unrelated to OES' charitable purpose, then the deduction can only be claimed for the fair market value of the item less the amount of gain that would have been long-term capital gain had the donor sold the item at the time of the contribution. **It is the sole responsibility of the donor to determine the value of a contributed item; OES cannot assign a value to the donated item(s) and will not be responsible for the cost of any appraisal that may be required to be filed with the donor's income tax return.**

OES will enter the contribution in its donor database and issue an acknowledgement to the donor. The acknowledgement will contain a description of the contribution but will not include a statement as to the value of the item contributed. It will further contain a statement as to what, if any, goods or services were given in exchange for the contribution. OES cannot issue an acknowledgement for items contributed that cannot be used or readily converted to cash. Examples might include used stuffed animals, broken or outdated equipment, etc. Additionally, items donated to OES and passed through to a third-party nonprofit or beneficiary (such as fundraising projects administered by the Service Learning program) are not typically gifts to OES and cannot be recognized or acknowledged as gifts to OES.
IRS Tax Form 8283: *Noncash Charitable Contributions (to be filed by donors making noncash gifts of more than $5,000)*. At the request of a donor, OES will furnish an executed IRS Form 8283 acknowledging receipt of certain donated property with a value in excess of $5,000 and will indicate whether or not its use of the property will be unrelated to its charitable purpose, but OES will not, in any case, make or be deemed to have made, any representations as to the value of the gift.

IRS Tax Form 8282: *Donee Information Return (Sale, Exchange or Other Disposition of Donated Property)*. The Gift Committee shall ensure that OES files an IRS Form 8282 upon the sale or disposition of any asset sold within three years of receipt of the gift by OES when OES previously completed the Part IV of IRS Form 8283 for the item. OES must file this form within 125 days of the date of sale or disposition of the asset.

**PROCEDURE**

- Upon receipt of a gift, the OES employee should offer an immediate and sincere expression of gratitude and explain that the Gift Acceptance Committee has final authority on whether to accept the gift or not and give the donor a Gift-In-Kind Form and encourage him/her to complete the form at that time. If the donor is unable or unwilling to complete the form, the employee may complete the form, write "N/A" as the estimated fair market value and note that the form was not completed by the donor in the Special Instructions section of the form.

- The employee must then contact the Development Office which will initiate contact with the Gift Acceptance Committee. The Gift Acceptance Committee has final authority to accept an in-kind donation per the OES Gift Acceptance Policy. If the Gift Acceptance Committee chooses not to accept a gift-in-kind, the Development Office will return the item to the donor with an explanation as soon as possible after the decision not to accept it.

- The employee who receives the gift cannot offer the donor tax advice or comment on the value of the contributed item. It is the responsibility of the donor to determine the fair market value of the contribution and, if a qualified appraisal is required to be filed by the donor with the IRS, the donor must obtain the appraisal at his/her own expense.

**Note:** the value listed on the Gift-In-Kind Contribution Form is for OES internal purposes only; the donor's receipt and/or acknowledgement will not indicate value in any way that could be construed as an endorsement of its value.

- The employee who accepts the gift should sign and date the Gift-In-Kind Form only after the donor has completed the gift.

- Once signed, the form should be submitted to the OES Development Office immediately for processing and acknowledgement.
For its internal purposes only, OES will conduct independent research (within reason) to establish or confirm the fair market value of the goods donated for items valued at approximately $250 or higher, using services such as eBay and Amazon to find prices for similar goods in similar condition. Exception: OES will research the fair market value of any goods donated to pay an existing pledge and any items donated to the annual Auction.

OES will notify the Business Office of any single contribution with a fair market value of over $250 and the Business Office will assign the asset, or if it is sold, the proceeds, to the appropriate department.