



Accepting and Reporting Gifts-in-Kind

No. 12115

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Affected Parties:
Faculty
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1.0 Purpose

This policy outlines procedures for accepting and reporting gifts-in-kind received by the Virginia Tech Foundation on behalf of the university.

2.0 Policy

Except as noted below, gifts-in-kind may be accepted if they are related to the mission of the university and if the receiving unit or department has an immediate use for the gift. The head of the unit or department receiving the gift is responsible for ensuring that all gifts-in-kind accepted are held and maintained in accordance with university and Foundation policies and procedures, and for ensuring that the unit or department can fund all expenses associated with accepting, storing, maintaining, exhibiting, or otherwise using the gift.

Prior to accepting any gift-in-kind, the unit or department is responsible for working with the university's Office of Export and Secure Research Compliance (OESRC) to ensure that the gift is made in compliance with all sanctions, import and export regulations. If a gift is subject to such regulations, the unit or department must have prior approval from OESRC to accept and handle the gift appropriately.

Due to special handling that may be involved, the following gifts shall not be accepted without the prior written approval of the Foundation:

- a. Paintings, sculptures, and other fine art
- b. Livestock
- c. Motor vehicles, boats, or airplanes
- d. Collectibles
- e. Historic papers
- f. Precious and semi-precious gems
- g. Real estate
- h. Any gifts-in-kind intended to be sold
- i. Any gifts-in-kind valued at \$5,000 or more
- j. Any export controlled item
- k. Any gift of intellectual property

Unless previously agreed or otherwise specified below, the Foundation shall transfer title of such gifts to the university as soon as practicable. If the value of the gift equals or exceeds the minimum threshold, as outlined in Policy No. 3950, Fixed Asset Accounting (currently \$2,000 contingent upon certain exceptions), the gift will be entered into the university's property records, which assures that the assets are properly accounted for, insured and included in all university requests for state maintenance and replacement funding. The Foundation may retain the title to certain gifts in order to facilitate their unique management requirements. For example, the Foundation will retain title to all donations of livestock and art.



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Until title has been transferred to the university, only the Chief Executive Officer of the Virginia Tech Foundation is authorized to sign contracts, licensing agreements, purchasing documents, indemnity agreements, acceptance documents, or other contractual documents that pertain to such gifts. Indemnity agreements and other agreements that contain legally insufficient language for state acceptance shall not be binding on Virginia Tech, a state agency, upon transfer of title.

Offers of gifts-in-kind that are not related to the mission of the university, for which there is no immediate use, or that are intended to be sold after receipt, must be reviewed by the Foundation prior to acceptance. The decision to accept a gift will be determined by the Foundation's assessment of the potential costs and benefits. If approved, the Procedures noted below will need to be followed. If a gift is sold upon receipt, the proceeds shall be managed by the Foundation for the benefit of the university and in accordance with the specified wishes of the donor. If a gift-in-kind has been accepted without prior approval and subsequently rejected by the Foundation, whoever is in custody of the gift will ensure that it is properly removed from campus and/or returned to the donor. Notwithstanding anything to the contrary, the Foundation and university shall retain the right to reject any gift-in-kind for any reason.

When a gift is sold, the proceeds from the sale are subject to the Virginia Tech Foundation's reinvestment fee in effect, based on the ultimate gift designation.

The Foundation does not accept gifts-in-kind that are intended to be offered for re-sale by university units to generate income. For example, trinkets or t-shirts that students, faculty/staff, or alumni intend to sell as a way to generate revenue are prohibited.

3.0 Procedures

1. Proposed gifts of marketable and non-marketable securities should be referred to, and managed by, the Office of Investments and Debt Management. As a result, no Gift-in-Kind Transmittal Form is required for gifts of marketable and non-marketable securities.
2. Proposed gifts of real estate should be referred to University Advancement to assess donor intent and whether a Gift-in-Kind Transmittal Form is required.
3. Proposed gifts of intellectual property should be referred to both VTIP and University Advancement to assess donor intent and whether a Gift-in-Kind Transmittal Form is required.
4. For all other gifts-in-kind, the unit or department head, or appointed designee, should complete the Gift-in-Kind Transmittal Form provided by the Foundation at https://www.vtf.org/media/forms/gift_in_kind.doc for transmitting all gifts-in-kind. The accompanying Gift-in-Kind checklist can also be found at https://www.vtf.org/media/forms/gift-in-kind_checklist.pdf. Necessary written approvals must be attached to the Gift-in-Kind Transmittal Form. The following approvals, as appropriate, will signify that the gift has been approved for acceptance:
 - a. If the gift will be used, held, or otherwise managed by the unit or department, the unit or department head must approve, signifying its acceptance of responsibility for holding and maintaining the gift-in-kind in accordance with university and Foundation policies and procedures, and fund all expenses associated with accepting, storing, maintaining, exhibiting, or otherwise using the gift.
 - b. If the gift is of equipment or materials governed by policies of Environmental Health and Safety, then the appropriate approval(s) required by Environmental Health and Safety must be obtained.



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- c. If the gift is of building materials, the Virginia Tech Division of Campus Planning, Infrastructure and Facilities must approve. (See Policy No. 12105, Accepting Gifts of Building Materials)
 - d. If the gift is considered to be works of art, the Visual Arts Committee must approve.
 - e. If the gift will be managed by the Foundation or requires prior Foundation approval under this policy, the Foundation controller, or appointed designee, must approve.
 - f. If the gift-in-kind is subject to sanctions, import and export regulations, then prior approval from the Office of Export and Secure Research Compliance is needed before the gift-in-kind is accepted.
5. The Gift-in-Kind Transmittal Form will be sent to the Foundation prior to, but not later than, 15 days after receipt of the gift. Receipt of the gift-in-kind is conditional pending the outcome of the Foundation's review and approval. The Foundation will review the Form for proper approval requirements and supporting documentation. If approved, the Form will be forwarded to University Advancement and the gift will be entered into University Advancement records. The unit or department should also retain a copy of the Form. University Advancement Gift Accounting, on behalf of the Foundation, shall then provide a receipt to the donor for the donor's tax records.
 6. The Gift-in-Kind Transmittal Form should be accompanied by the best available documentation of the gift's value from an independent third party. For gifts that are valued at greater than \$5,000, the best documentation is deemed to be a copy of the appraisal that donors must obtain in order to claim an income tax charitable deduction above that amount. When an appraisal is not available, or when a gift is valued at \$5,000 or less, examples of other acceptable documentation include, but are not limited to, price lists, invoices, catalogs, and written opinions from experts not affiliated with the university, Foundation or the donor. When documentation of the gift's value cannot be obtained, a written explanation must be attached detailing the good faith efforts to obtain such documentation. Reliable valuation information is needed in order to manage insurance, maintenance, and, where appropriate, potential replacement.

4.0 Definitions

Gifts-in-kind: A gift-in-kind means a gift of anything other than cash. It includes equipment, livestock, tools, artwork, jewelry, collectibles, gems, furniture, securities, real estate, vehicles, inventory, software, and any other tangible or intangible item that could be deemed to have value.

5.0 References

Memo, "Procedures for Reporting Gifts-in-Kind," issued by Raymond D. Smoot, Jr., on March 12, 1985.

6.0 Approval and Revisions

Approved December 5, 1989, by Assistant Treasurer, James D. Cole.

Revision 1

- Section 2.0. Livestock added to gift list, and secretary-treasurer specified as the authorized signer of specific documents.
- Section 3.0, Item 4 added.

Approved February 28, 1999, by Vice President for Finance and Treasurer, Raymond D. Smoot, Jr.

Annual review November 6, 2001 by Vice President for Administration and Treasurer, Raymond D. Smoot, Jr. No revisions.



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- Revision 2
May 14, 2012: Updates to position titles.
- Revision 3
Changes to entire policy to update and clarify requirements and procedures within the policy.
Approved July 29, 2013, by Vice President for Finance & Chief Financial Officer, M. Dwight Shelton, Jr., and Vice President for Development and University Relations, Elizabeth A. Flanagan.
- Revision 4
Technical updates to departmental names, links, and clarifying language.
Approved March 31, 2021 by Vice President for Advancement, Charles Phlegar.

Cyclical review completed on April 11, 2025, with no policy revisions identified.