

Gifts-In-Kind

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- [Gift-in-Kind Flow Chart](#)
- [Gift-in-Kind Report Form](#)
- [IRS Form 8283](#)

Gifts-In-Kind (GIK) – An In-Kind gift is a non-cash gift typically provided through an event, program, or other function. These may include a company’s product, media time, or other business assets. Individuals may also make in-kind gifts, such as a meal at their home or special services, for use in auctions or other fundraising events. All contributions received by the University that are not cash or cash equivalents are considered GIK. Examples of GIK include land, buildings, equipment, automotive equipment, and supplies that the University's departments can use. GIK would not include cash gifts, gifts made by check, or items such as stocks and bonds that can readily be converted to cash.

Contributions of services (e.g., a haircut, consultation) or partial interest (e.g., use of a space or equipment) are not deductible as charitable contributions. Furthermore, the Council for Advancement and Support of Education (CASE) Reporting Standards and Management Guidelines exclude reporting of certain types of GIK to the Voluntary Support of Education Survey (services and partial interest). Clemson University has determined that some gifts excluded by CASE are essential to record to properly steward donors and grow the relationship between the Foundation and its constituents. The Gift Acceptance Committee reviewed CASE Guidelines, IRS Regulations, and peer institutions to determine the best way to record GIK that would demonstrate the value received through these gifts and not devalue the donor’s generous contribution. Gifts that are not reportable to CASE will be identified in the gift-receiving database (CADENCE) and excluded from reports submitted in response to CASE surveys. The Gift Acceptance Committee thoughtfully evaluated Clemson’s GIK inventory and instituted the following criteria that must be met before a GIK can be booked:

1. Must support the Mission of Clemson University;
2. Must demonstrate value to Clemson University;
3. Must not represent an equal exchange in terms of direct and immediate benefits being conveyed; and
4. Must not complete a business transaction between the donor and Clemson.



Required Documentation

Before accepting or booking a GIK, the following two items are required:

1. [GIK Form](#) – For all GIK received by the University, a GIK Form must be completed with all the necessary signatures and submitted to Gift Management. By signing the GIK Form, the appropriate Department Heads and Deans approve the gift's appropriateness and desirability.
2. Gift Valuation - All GIK Forms must have the proper gift valuation documentation below.

Gift Valuation

Gifts of real and personal property should be reported at fair market value. Amounts reported for contributions should be determined without regard to the donor's estimate of the gift's value. A value or dollar amount should never be listed on any GIK acknowledgments, tax receipts, or other correspondence to the donor. Supporting documentation is required for all GIKs.

Less than \$5,000

- Supporting documentation, such as similar item pricing, may be used. Evidence of such amounts is required, such as catalog pricing, online listings, etc.

\$5,000 and Above

- Real estate and gifts of personal property of \$5,000 and over must have a value established by a professional, independent, third-party appraisal of the gift.
 - The donor is responsible for the cost of the appraisal.
- Internal Revenue Service Form 8283 should be completed by the appraiser and sent to the Director of Gift Management, who will facilitate the final signatures.
- If the donor does not intend to take a charitable contribution deduction on their income tax return, Form 8283 does not need to be prepared.



Various GIK Types

Large Equipment

Third-party valuation/documentation for large equipment used for specialized purposes may be challenging to obtain.

- The donor must provide an invoice that lists:
- Retail Value
- The amount contributed (GIK)
- Net cost

We may require the manufacturer to provide documentation of the component values used in the assembly of the unit.

Items being sold to CU at deep discounts

If a company offers to sell a product to the institution at a “deep discount” or “bargain sale,” the company should provide a bill of sale clearly indicating the retail (or educational/nonprofit discount) price, the discounted amount, the charitable contribution, and the net cost. If the same discount applies to the institution's regular purchases and is not uniquely identified as a special reduction to be treated as a donation, no gift exists. Discounts afforded to the institution based on the nature of its business or because it is a major or frequent customer do not qualify as a gift.

Leased Space and Equipment (Partial Interest)

Gifts of the use of space or equipment may be counted for recognition purposes. The donor should provide third-party documentation attesting to the lease value of the space or equipment. It is highly recommended that a lease agreement outline the terms of use for the space and equipment, including the lease start and end dates. If there is a firm lease agreement that outlines use dates, the gift will be booked for the entire lease term. If no lease agreement exists, the gift will be recorded annually, with the Dean's certification of the dates of use for the space or equipment.



Computer Software

Irrevocable software gifts may be booked as a gift at the educational discount value (if one exists) or the retail value if no educational discount exists. Revocable gifts of software will be counted for recognition purposes.

The complete software contract is sufficient documentation if it includes:

1. The standard educational price of the software
 2. The actual discount being given
- If there is no educational discount customarily available, this should be stated in the contract.
 - Totals on the GIK form should be easily linked to the related calculations and totals in the contract.
 - Maintenance Agreements are always considered services and are not considered a gift.

Disposing of a Gift-in-Kind within 3 years of receipt – IRS Form 8282

If a department or college wants to dispose of a GIK received within three years of the property's acquisition, an IRS Form 8282 must be completed. The unit requesting to dispose of the GIK must notify the Foundation of the request and file an 8282 within 125 days of disposition.

The Administrative Coordinator for the Gift-in-Kind Center will routinely review all property reported to the Foundation to ensure it remains in the department's possession. If not, the Foundation will proceed with Form 8282.

