

OSU INSTITUTE OF TECHNOLOGY
POLICY & PROCEDURES

Donations and Gifts

**1-019
ADMINISTRATIVE
November 2013**

POLICY

- 1.01 To meet IRS regulations, all donations must be properly classified per the OSU Foundation Business and Finance Policies. The Office of the President at OSU Institute of Technology (OSUIT) has been given the responsibility to ensure this process is accomplished.

PROCEDURES

2.01 Definitions:

- A. Gift Income: any monies or gifts-in-kind or physical resources given as a gift that represent a tax deductible contribution.
- B. Non-Gift Income: monies which represent dividends, investment earnings, expense reimbursements, and payment of gifts directly related to a fund-raising event and are not considered to be tax deductible gifts. In this instance, the OSU Foundation simply acts as a "bank" for these funds.

2.02 Gift Income of Cash and Checks:

- A. Checks must be made payable to the OSU Foundation. If a check is not made payable to the OSU Foundation, an authorization letter will be sent to the donor requesting authorization to add "OSU Foundation" to the payee line. The donor is requested to provide the name of fund into which the deposit is to be made. If no fund exists, the donor and/or unit leader should be referred to the OSU Foundation representative for guidelines.
- B. Units and/or individuals receiving gifts of cash and/or checks should immediately take them to the Office of Fiscal Services for transmittal to the Foundation as well as complete the appropriate gift deposit form listing all requested information. If the Foundation has any questions concerning the gift, the donor will be contacted by the Foundation.
- C. IRS regulations require that any solicitation document or admission ticket to an event must clearly state the fair market value of any benefit received in order for the excess amount over the benefit to qualify as a tax deductible gift. Prior approval of the proposed solicitation from the Foundation must be obtained.

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2.03 Gift Income of Gifts-in-Kind of Real or Personal Property:

- A. Units receiving gifts-in-kind contributions with a fair market value of less than \$500 will provide the following information:
 - 1. Donor's name, address, and telephone number.
 - 2. Contact person if the donor is a corporation.
 - 3. Donor's social security number or federal tax identification number.
 - 4. Brief physical description of the donated asset, including an explanation of the method used to determine fair market value.
 - 5. Date the department acquired the asset and method of acquisition.

- B. For gifts-in-kind donations with a fair market value over \$500, the following is required in addition to those listed in 2.03A:
 - 1. An appraisal of the donated asset by a qualified and independent party (i.e., not the donor or the gift recipient). All expenses incurred obtaining appraisals will be the responsibility of the donor. The appraisal may not be dated more than 60 days prior to the date of the donation.
 - 2. The Donee (receiving unit) must forward the inventory description and the appraisal form to the Vice President of Fiscal Services. The Vice President of Fiscal Services will convey the information, including supporting documentation, to the OSU Foundation. The OSU Foundation will complete Part IV Donee Acknowledgement of IRS Form 8283.

- C. Upon receipt of real property, a donated asset brief will be completed by the Office of Fiscal Services, and sent to the OSU Foundation for gift processing and the creation of the asset file. The asset file will be maintained with all legal documents and correspondence under the name of the property and the donor.

- D. If a unit reports receipt of a gifts-in-kind contribution but fails to furnish the documentation necessary to meet the Internal Revenue Service reporting requirements, the asset will be carried on the OSU Foundation books at a value of \$1.

- E. The Foundation's Accounting Office will notify the University Inventory Section of any gifts-in-kind gifts to be listed on a department's inventory.

- F. Pledges will not be accepted for gifts-in-kind contributions.

2.04 Gift Income of Physical Resources:

- A. Notification of any donor plans to construct a building or an addition to an existing building must be made to the Office of the President which will in turn notify the OSU Foundation.

- B. Any capital construction project gifted by a donor or group of donors shall be approved by the Board of Regents for Oklahoma A&M Colleges prior to the start of

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- the project construction.
- C. The Office of the President will seek the board approval through the Vice President for Administration and Finance of the Stillwater Campus.
 - D. Any construction plan must be reviewed by the OSUIT President for conformity with the OSUIT Master Plan for construction standards and applicable state and federal laws. Plans and specifications must be reviewed and approved prior to the start of construction.
 - E. Capital projects donated to the university shall be recorded in the asset records at a value equal to the construction cost or fair market value if a qualified appraisal is made. The donor shall have the responsibility to furnish the project cost or appraisal information with appropriate documentation in the form and manner prescribed by the Office of the Vice President for Administration and Finance of the Stillwater Campus.
 - F. In order to protect the Board of Regents and Oklahoma State University, construction gifts must have a performance bond, a payment bond, general liability, and workers' compensation insurance. The cost of this insurance is normally provided by a general contractor, and its evidence of existence must be corroborated with a copy provided to the OSUIT President. Each insurance policy shall name the Board of Regents as an additional insured.

Approved: August 1996
Revised: March 2008
Revised: November 2013