



AP 3820 Gifts

References: Education Code Section: 70902(b)(10); 72205; 72122; 26 USC § 170(c)(1)

Approved: November 2013

Last Revised: November 2013

Last Reviewed: November 2013

Purpose

This Administrative Procedure describes how to process and acknowledge gifts to the Butte-Glenn Community College District made through the Butte-Glenn Community College District or the Butte Community College Foundation.

General Provisions

The Butte-Glenn Community College District ("District") may accept or decline gifts on an individual basis based on whether the gifts provide educational value or otherwise serve the District's purposes. All gifts are the property of the District and not individual employees, departments or programs.

The Butte Community College Foundation ("Foundation"), a recognized auxiliary of the District, is the central receiving unit of the District for gifts to the District. Generally, all gifts are to be solicited by and directed to the Foundation.

Gifts made to the Foundation, must be accepted and processed in accordance with legal requirements and procedures established by the Foundation Board of Directors.

The Foundation manages the central District gift database.

Central reporting of gifts made to the District is accomplished through the execution of a Gift Acceptance Form (GAF); which ensures the appropriate recording and acknowledgement of all gifts.

Gift Processing Procedures

It is the responsibility of the department or program receiving a gift to ensure that the gift is processed in a timely and accurate manner.

Cash/Check

Gifts of cash or checks must be deposited immediately through the Foundation on a Cash Deposit Form (sample follows). Cash should never be forwarded through inter-campus mail but should be hand-delivered to the Foundation in the Student and Administrative Services Building Suite 355. A copy of the Cash Deposit Form, that is proof of deposit, should then be attached to a Gift Acceptance Form (GAF) and submitted for gift acceptance as described below.

Credit Card Donations

The District can accept credit card donations through the Foundation. Contact the Foundation at 530-895-2359, foundation@butte.edu or in person to make a credit card donation using Visa or MasterCard.

Payroll Deduction

Gifts through District payroll deduction may be made to District and Foundation accounts. If a faculty or staff member wishes to make a gift through payroll deduction, complete the Payroll Deduction Form (sample follows) and forward it to Business Services with the following information:

- Donor Name
- Employee Identification Number
- Monthly deduction amount
- Scholarship or Special Program
- Donor signature

Business Services provides a payroll report and check to the Foundation on a monthly basis.

Annually (in January) the Superintendent/President's Office will send general acknowledgements to all donors participating through payroll deduction.

Business Services should be notified immediately (by email, form or other written notice) of any changes to existing monthly payroll deductions.

Gifts-In-Kind

Gifts-in-kind (such as paintings, books, antiques, sculptures, furniture, and equipment) can provide valuable materials to the District. Departments must be consulted prior to the acceptance of any gift-in-kind for use by the department or its programs to ensure that the gift is wanted and can be used. The Vice President for Administration should be consulted prior to the acceptance of any unusual gifts-in-kind or if there is a question about restrictions attached to a gift offered to the District. Other departments can also be consulted as to the suitability of accepting gifts-in-kind, such as the Library to evaluate the acceptance of gifts of books, and the Art Department for the acceptance of gifts of artwork.

The District must consider requirements for special storage, display, insurance, or security measures related to the gift prior to the acceptance of a gift-in-kind. The exact placement of furniture, artworks, or equipment cannot be guaranteed. Transportation costs are generally borne by the donor and appraisal costs related to the acceptance of a gift-in-kind must be borne by the donor.

With the exception of items to be auctioned as part of a fundraising event (Section 7 – Auctions and Raffles), gifts-in-kind are received through the Foundation and become property of the District. In general, the District does not accept items, such as automobiles, for immediate liquidation.

A Deed of Gift (sample follows) may be prepared for the donor's signature to document the item(s) donated and facilitate transfer of the gift.

Neither the District nor the Foundation shall assume responsibility for affixing value to any gift; it is the responsibility of the donor to prove the value.

If a gift-in-kind is offered:

- a. Using the above guidelines, ascertain that the appropriate Department wants or needs the gift, or that it can be sold to benefit the District. Be mindful of the IRS rules regarding selling a gifted item within three (3) years. Consult the Vice President for Administration prior to agreeing to accept a gift that is unusual or restricted.
- b. Notify the donor that the District would be pleased to accept the gift, or provide a truthful but tactful reason why the District cannot accept the gift. If the estimated value is \$5,000 or more, remind the donor of the IRS rulings and the need for an outside appraisal, and assure the donor that the District will sign IRS Form 8283 at the time of accepting the gift.
- c. Complete a Gift Acceptance Form (GAF) and route for appropriate signatures with supporting documentation (Deed of Gift or donor's gift letter, appraisal, IRS Form 8283) for gift acceptance as described below.

Gifts Requiring Special Handling

Gifts of securities, life insurance, endowments, student scholarships, as well as bequests and other planned gifts, are facilitated through the Foundation.

Gifts Involving Real Property

All gifts of real property will be coordinated through the Vice President for Administration.

Auctions and Raffles

The District does not participate in auctions or raffles. These activities should be conducted through the Foundation.

Gift Acceptance Procedures

1. A Gift Acceptance Form (GAF) is required for every gift acquired by the District. GAFs customarily are prepared by the benefiting department or program. Full information should be recorded on each GAF to identify the donor and benefiting department or program and to document the donor's wishes concerning the gift. The GAF should also note any special instructions, such as anonymity. This not only ensures that receipts and acknowledgements are issued correctly but also that the gift database reflects complete and accurate information for donor relations and stewardship purposes.
2. After completion of the GAF, route for appropriate signatures with supporting documentation (gift instrument, Cash Deposit Form, Deed of Gift or donor's gift letter, appraisal, IRS Form 8283). Signatures should include:
 - Department Dean/Director of the benefiting department or program*
 - Director for Business Services (for cash/check/credit card gifts)
 - Director for Facilities Planning & Management (if item uses chemicals)
 - Chief Technology Officer (if computer equipment or software)
 - Vice President of the benefiting department or program*
 - Vice President for Administration (final review and acceptance)**=required signatures

3. Following acceptance of the gift, the office of the Vice President for Administration will submit the completed gift packet to the Foundation. The Foundation and the Superintendent/President's Office will, on a monthly basis, prepare a board item to the Board of Trustees for consideration and acceptance of gifts.

Gift Acknowledgment

Gift acknowledgement is essential, both for legal and donor-relations reasons. The District must comply with IRS regulations regarding the substantiation of charitable donations. All acknowledgement letters are signed by the Superintendent/President and may also be signed by the President of the Board of Trustees as appropriate. The District has an IRS tax-exempt number, and gifts to District qualify as tax-deductible for the reason that the District is a political subdivision of the State of California, qualifying for tax exemption under 26 USC § 170(c)(1).

Additional thank-you letters are encouraged and may be written by department deans, department chairs, etc., as appropriate. The dollar amount of a gift may be mentioned in a thank you letter for cash gifts (cash, check, credit card) but never for other gifts (in-kind, securities, real estate, etc.) due to IRS valuation and deductibility issues.

Gift Reporting

After acceptance by the Board of Trustees, the Foundation Office will file the GAF and distribute copies to the following:

- Risk Management (for insurance)
- Facilities Planning & Management (for fixed asset inventory)
- Originating Department

Authority to Return Gifts

If, for some reason, the District is unable to comply with the donor's intent, or if the gift has been misdirected to the District, a return of gift may be authorized at the District's discretion. The President has delegated the authority to approve such returns to the Vice President for Administration.

Disposal of Gifts

The disposal of a gift-in-kind, accepted by the District must be in compliance with Board Policy and Administrative Procedure 6550 Disposal of District Personal Property.

Attachments

Deed of Gift Form
Gift Acceptance Form
Butte College Deposit Statement
Butte College Foundation Payroll Deduction Form