

University of Florida Foundation, Inc. (UFF)
Valuation of Gifts-in-kind

Policy #: 5.06
Effective Date: February 15, 2021
Responsible Department: Finance and Accounting

1. **PURPOSE**

To ensure correct accounting for gifts-in-kind.

2. **APPLICABILITY**

All Advancement staff engaged in gift accounting activities.

3. **POLICY**

When a donor contributes a gift-in-kind (such as art work, instruments, or books), generally that donor will also provide a qualified appraisal obtained to secure his or her federal income tax charitable contribution deduction. A copy of that appraisal should be sent to UFF with the Asset Transmittal form (with the deed of gift or cover letter from the donor documenting that the gift was made and received by the University or UFF). That appraised value will be entered into both the donor's ADVANCE record and into UFF's financial accounting system.

If, however, the donor does not obtain an appraisal, an asset transmittal must still be completed and the gift will be entered into both the ADVANCE and accounting systems at \$1.

In either event, no monetary valuation will be included on the receipt, which will simply describe the gift-in-kind ("thank you for the 200 books").

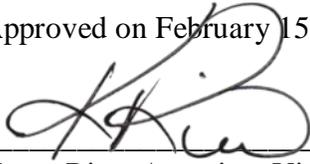
Subsequently, if UFF receives reliable documentation of the value of the gift-in-kind, this valuation (although not a qualified appraisal for IRS purposes) may be substituted into both the ADVANCE and accounting systems. "Reliable documentation" includes an email or letter from a curator or other faculty member giving his or her expert opinion about the value, along with some industry comparables, *e.g.* Sotheby catalog prices or other external documentation of value. The UFF Finance and Accounting Department will determine whether this valuation is acceptable for accounting purposes. For recognition purposes only, less official documentation may be provided to Gifts and Records and to Donor Relations.

For corporate or business gifts-in-kind, the CASE counting standards will be used and such gifts are generally counted at the "educational discount" value.

4. **CLARIFICATION**

Requests for clarification of this policy should be sent to
financeandaccounting@uff.ufl.edu.

Approved on February 15, 2021.



Karen Rice, Associate Vice President

Revision history: Original version

Updated January 3, 2020

Changed to Administrative Policy by Executive Board June 26, 2020

Revised February 15, 2021