

Donated or Gifted Items

A Gift is defined as any money or assets from private sources, whether solicited directly or indirectly, for which the donor does not retain any reversionary interest or cannot be expected to receive any material deliverable from the act of donating funds. This definition follows the guidelines established by the Internal Revenue Service as well as practices of other universities and non-profit organizations.

To assist in the implementation of this policy, a further definition of each of the key elements follows:

- Deliverable: a tangible product or service resulting directly from the use of funds transferred to the foundation or university for which the original payer of the funds will receive a material, tangible benefit to which they would not otherwise be entitled.
- If the transfer of these funds would result in the payer deriving a unique or preferential benefit, the funds cannot be treated as a gift. A benefit would be defined as being unique if the payer were allowed to receive the benefit prior to the benefit being made publicly available. Examples would include first or initial rights to specific research findings, inventions, reports, etc. before this information was made available to the general public.
- A payer asking for reports on how their funds are used does not mean the funds aren't a gift, this is common for many charities. Also, if the payer places limits on how the money can be used, the funds can still be considered a gift. This includes restricting the money to certain research areas. As long as the other conditions of a gift are met, these restrictions don't change its status as a gift. Further support for this concept is found with the [American Institute of Certified Public Accountants \(AICPA\)](#), [Financial Accounting Standards Board \(FASB\)](#), [National Association of College and University Business Officers \(NACUBO\)](#), [Auditor of Public Accounts](#), and the [Internal Revenue Service \(IRS\)](#), all of whom accept the concept of restricted giving, including restrictions to specific research programs. [Policy 3630](#) outlines the definition of private funds.
- Donations should be sent to:
Virginia Tech Advancement Division
Office of Gift Accounting
University Gateway Center (mail code 0336)
902 Prices Fork Road
Blacksburg, Virginia 24061

Gifts are entered into the donor database and reports are generated which notifies the respective department of all gifts. [A Gift Transmittal Form](#) should be completed and sent with the monies, forms can also be obtained from the University Development Office.

- The donor determines the use of the monies. If a new foundation fund needs to be established, the receiving department must complete a [Virginia Tech Foundation New/Change Fund Form](#) and indicate the authorized user(s) of the fund to be established. For more information, visit [the Giving to Virginia Tech website](#) or [the Virginia Tech Foundation](#).

Gift-in-Kind

Virginia Tech benefits from a surprising range of gifts of tangible personal property and gifts-in-kind such as artwork, architectural drawings, collectibles, books, supplies, and numerous other items, many of which would otherwise have required the donor to provide costly or time-consuming care and management.

Both the value to the university and your potential tax benefits depend upon the use of the gift.

- If your gift qualifies as **related use**, that is, if it will be used by the university to accomplish its mission, you can deduct the property's full fair market value. Examples of such gifts have included musical instruments, scientific specimens for study and exhibit, and equipment used by researchers.
- For tangible personal property gifts with **unrelated use**, the donor can typically deduct the lesser of the cost basis (usually the purchase price paid by the donor for the property), or the fair market value.

If you have any questions regarding donations, contact [Virginia Tech Advancement](#).