

**MURRAY STATE UNIVERSITY FOUNDATION, INC.
POLICY**

SUBJECT: Acceptance and Valuation of Gifts of Tangible Personal Property

DATE: July 1, 1998

PURPOSE

Because it is frequently more advantageous for donors to make a gift of tangible personal property rather than a gift of cash, Murray State University Foundation, Inc. (Foundation) welcomes such gifts. These gifts are property other than real property and include automobiles, boats, clothing, personal papers, antiques, china, stamp or coin collections, works of art, jewelry, books, home furnishings, appliances, etc.

All gifts of tangible personal property are subject to the following policy:

POLICY

1. The Foundation Board of Trustees must approve all gifts of personal property.
2. The IRS recognizes tangible personal property gifts as those that either relate to the mission of the Murray State University (University) or those that are considered to be unrelated. For example, a gift of a painting that will become part of the University's permanent collection is considered to be a related use gift. If the painting is to be sold to utilize the proceeds, the gift is considered to be of unrelated use. The donor is entitled to a charitable deduction at full fair market value if the gift is related to the mission of the University, but is only entitled to a deduction at the donor's cost or basis if the gift is unrelated.
3. The Foundation must receive a current qualified appraisal of the fair market value of the property (over \$5,000) which includes a description of the property if the property is to be used related to the mission of the University. If the property is considered to be unrelated, the donor must furnish his tax basis to the Foundation for acknowledgment of the gift. The interest in the property that the Foundation or University would receive if the proposed gift is accepted by the Board of Trustees should be stated.

4. Donors must be informed that it is the Foundation's policy to dispose of gifts of personal property (unless the property is to be retained by the University or Foundation for related use) as quickly and efficiently as possible. The Foundation has a fiduciary responsibility to ensure that a fair price is received for the property. Regardless of the value by the donor, the Foundation will attempt to sell the property at a reasonable price considering current market conditions. The donor will be informed that a sale of the property within three years of the date of gift must be reported to the Internal Revenue Service on Form 8282 (as in Section 2.04, Exhibit 1).

5. The personal property will be valued at the date of the gift based on whether the use of the property is considered related or unrelated. The President of the Foundation is authorized to execute IRS Form 8283 (as in Section 2.02, Exhibit 2) indicating the date the gift of personal property is received.

Revised: April 28, 2000
April 21, 2007
July 23, 2015