

GUILFORD COLLEGE

GUILFORD COLLEGE PROCEDURES REGARDING ACCEPTANCE OF GIFTS OF REAL PROPERTY

Purpose of Procedures and Guidelines

Guilford College owes a tremendous debt of gratitude to our donors whose gifts enable the College to fulfill and expand its mission and purpose. The purpose of the *Procedures Regarding Acceptance of Gifts of Real Property* document is to govern the process by which Guilford College reviews and accepts such gifts, ensuring consistency and thoroughness.

Authorization

Guilford College may accept gifts of real property valued at \$50,000 or more, such as residential, commercial, rental apartment buildings, vacation properties, farms, timberland and developed or undeveloped land. Gifts of real property shall be free of encumbrance, and carrying costs, such as property taxes, owner/neighborhood association dues, etc., shall not be overdue. Gifts of real property should support and enhance the mission and purpose of Guilford College.

Related Policy

[Gift Acceptance Policy](#)

Assignment of Responsibilities

Refer to the [Gift Acceptance Policy](#) item *III Assignment of Responsibilities*.

Procedures for Submitting, Handling, and Processing Gifts of Real Property (Outright or in Trust)

When a donor wishes to make a gift of real property to Guilford College, the Vice President for Advancement or designee of the Vice President for Advancement, will work with the donor to investigate the range of potential options for making the gift, to help determine which approaches may be in the best interest of both the donor and the College. The Vice President for Advancement or designee will initiate the *Proposal for Gift of Real Property*.

The Vice President for Advancement and the Vice President of Administration and Finance, in collaboration (to the extent such collaboration is necessary) with staff in the Office of Advancement and Alumni Relations, shall then process the request in the following manner:

1. The College shall order a preliminary title report. As a condition of acceptance of the gift, the property should have a free and clear title.
2. The College shall perform analysis and seek consultation to determine that the property is readily marketable with an estimated selling period of less than one year, or be of reasonable current use to the College. If the property is not readily marketable, the College's investment to make it so shall not exceed 25% of the property's fair market value, and a viable funding source for improvements must be identified and approved in advance of acceptance.

3. An appraisal shall be conducted by a qualified independent licensed appraiser prior to acceptance of the gift. The donor shall provide the College with a copy of the appraisal. At its discretion and expense, the College may choose to obtain an independent appraisal if needed for gift reporting purposes.
4. The Vice President of Administration and Finance or designee shall seek to ensure that the property is free of hazards and risks (environmental and others) that would subject the College to lawsuits, fines, penalties, or clean-up responsibilities. To that end, all gifts of real property shall be subject to a Phase I Environmental Audit, which will typically include three components: (1) site reconnaissance, (2) town record inspection, and (3) state record inspection.
5. Environmental review may be waived for owner-occupied single-family residences that have not previously been used for other purposes.
6. The Vice President for Administration and Finance or designee shall inspect the property.
7. The College shall notify the donor that the College's general practice is to sell gifts of real property as soon as possible at a price consistent with current market conditions, and that the College is subject to IRS reporting requirements.
8. Once the Vice President of Administration and Finance has conducted a thorough review and assessment of the property, and, in consultation with the Vice President for Advancement, has agreed on behalf of the College to accept the gift, the donor and the College will sign a written gift agreement, to be submitted and placed on file in the Office of Advancement and Alumni Relations.
9. The Vice President for Administration and Finance, in consultation with the President and the Vice President for Advancement, may approve exceptions to the above procedures to the extent permitted by law if it is deemed that such exceptions would be in the best interest of the College.
10. The Vice President for Administration and Finance shall assure the College's compliance with federal income tax requirements including without limitation completing and signing Part IV (Donee Acknowledgment) of the Form 8283 tendered to the College by the donor.

**GUILFORD COLLEGE
PROPOSAL FOR GIFTS OF REAL PROPERTY**

Donor Name: _____

Donor G Number: _____

Gift officer: _____

Submitted to VP of Advancement (date) _____

1. Description of asset: _____

2. Purpose of the gift: _____

3. Potential College use or disposition of gift: _____

4. Estimate of appraisal of gift's fair market value and marketability: _____

Authorization to move forward with due diligence:

Accepted: _____ Declined: _____

Vice President for Advancement

Vice President for Administration & Finance

Date

Date

Authorization to move forward with due diligence in no way indicates the property will be accepted by the College.

GUILFORD COLLEGE
AGREEMENT TO ACCEPT GIFTS OF REAL PROPERTY

The Vice President for Advancement or designee will develop a written gift agreement consistent with item *VI Gift Agreements* in the *Gift Acceptance Policy* with the addition of the following information:

- a. Description of asset
- b. Purpose of the gift
- c. Value of the gift
- d. Statement the donor understands that the College's general practice is to sell gifts of real property as soon as possible at a price consistent with current market conditions.
- e. Donor's acknowledgment that the College is required to report to the IRS any sale or other disposition of the donated property within three years of the date of the gift.
- f. Donor's agreement to provide the College with a copy of donor's IRS Form 8283, Section B, as completed and signed by the donor and the appraiser.
- g. Statement the property shall be free of hazards and risks (environmental and others) that may subject the College to lawsuits, fines, penalties, or clean-up responsibilities.
- h. Statement the donor grants ownership of described property to Guilford College, and leave to Guilford full discretion the use, sale, or disposition of described real property.

The gift agreement should include the following attachments:

- a. Attach professional appraisal obtained by donor
- b. Attach professional appraisal obtained by Guilford College (if required).
- c. Attach Phase I Environmental Audit.
- d. Attach Warranty Deed.

The gift agreement shall be executed with the signatures of the donor(s), President, Assistant Secretary to the Board of Trustees, Vice President for Advancement and Vice President for Administration and Finance.