

Number:	ADM-122
Title:	Gift Acceptance
Person responsible for enforcement:	Rector
Entered into force:	February 28, 2018
Approved:	February 28, 2018 by the Board of Governors <i>This document replaces all previous regulations on this subject.</i>
Exception:	No exception to this regulation without prior written authorization from the Board of Governors

In this document, the masculine form is used without prejudice and for conciseness purposes only.

1. Objectives

- 1.1 The University is committed to excellence in teaching and research, and encourages gifts from a wide range of sources to help achieve its mission and enhance programs and services to its students.
- 1.2 The University accepts gifts in accordance with the Canada *Income Tax Act* and the governing principles described in this policy.
- 1.3 The Office of Alumni and Development provides fundraising support to the University, and as a department of the University, which is a registered charity under the Canada *Income Tax Act*, can issue tax receipts for qualified gifts. The Office of Alumni and Development has the authority to solicit and accept gifts and enter into gift agreements on behalf of the University.

2. Definitions

- 2.1 Designated gift
A gift for which the donor provides guidelines as to where the funding support is to be directed. Gifts may be “designated,” for instance, to a particular faculty or school.
- 2.2 Fair market value
Fair market value is normally the highest price that property would bring in an open and unrestricted market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.
- 2.3 Gift
In most cases, a gift is a voluntary transfer of property (cash or in kind) without valuable consideration to the donor. However, for gifts made after December 20, 2002, a transfer of property for which the donor received an advantage will still be considered by Canada Revenue Agency (CRA) as a gift for purposes of the *Income Tax Act* as long as the CRA is satisfied that the transfer of property was made with the intention to make a gift. The existence of an advantage will not necessarily disqualify the transfer from being a gift if the amount of the advantage does not exceed 80% of the fair market value of the transferred property.
- 2.4 Gift agreement
An agreement between a donor and the University that states the stipulations placed upon any designated gift.

2.5 Gift in kind

A gift that covers items such as artwork, machinery and equipment, land and buildings, securities, and cultural and ecological property.

A gift of service, i.e. of time, skills or efforts, does not qualify as a gift or gift in kind for purposes of issuing official donation receipts.

2.6 Independent appraisal

A property appraisal that is provided by a source independent from the University.

2.7 Property

Gifts in kind or in cash.

2.8 Qualified gift

A gift that meets the CRA requirements to qualify as a charitable donation.

2.9 Registered charity

An organization that has applied to the CRA and received approval as meeting the requirements for registration as a charity, and that has been issued a charitable registration number.

2.10 Undesignated gift

A gift for which the donor has not provided any guidelines as to where the funding support is to be directed. The University can apply the funding for “areas of greatest need” at its discretion.

3. Guiding principles for gift acceptance

3.1 The University follows the *Income Tax Act* in recording and receipting cash gifts of \$20 or greater, or gifts in kind of \$1,000 or greater.

Gifts in kind expected to be valued at \$1,000 or greater will require an independent appraisal to establish the fair market value. If the fair market value is expected to be more than \$1,000, the CRA strongly recommends that the property be professionally appraised by a third party, i.e. someone who is not associated with either the donor or the charity. Generally, if the fair market value of the property is less than \$1,000, a member of the registered charity, or another individual with sufficient knowledge of the property, may determine its value.

The only exception to this rule are book donations, which are assessed and processed by the Chief Librarian.

3.2 Gifts received from faculty and staff will be subject to the Gift Acceptance policy. As well, the provisions of the *Income Tax Act* permit the issuance of a tax receipt for any gift subject to a general direction from the donor that the gift be used in a particular program operated by the qualified donor. This is considered acceptable, provided that no benefit accrues to the donor or anyone not at arm's length to the donor, or as defined by the *Income Tax Act* as persons acting in concert without separate interests or who are related.

3.3 The University reserves the right to accept, decline, or return a gift.

3.4 Ownership of all gifts is vested to the University whether they are for the benefit of the University or for some specific purpose.

- 3.5 The University will consider any terms, conditions and associated costs before accepting a gift. The University can request changes or revisions, or decline a gift if it is deemed not to be in the University's best interests.
- 3.6 A gift of real property should be such that it can be retained as an asset and used in connection with the University, or disposed of for cash or cash equivalent.
- 3.7 For all designated gifts, there shall be a gift agreement between the donor and the University.
- 3.8 Designated gifts will be used for the purposes defined in their respective gift agreements.
- 3.9 Undesignated gifts will be used, at the discretion of the University, in support of the mission and strategic priorities that best support the University.
- 3.10 If a donor wishes to remain anonymous, the University reserves the right to know the origin of the gift, including the donor and the amount. The University will not make public such donor information unless required by law.
- 3.11 Gifts of securities will be sold at the earliest practical date. The declared value of the gift is based on the date the security is received in the investment account, and not the date sold.
- 3.12 Gifts of life insurance, land, cultural property, charitable remainder trusts, and all other forms of exchange of property through gifts will be addressed in accordance with the *Income Tax Act* and the governing principles described in this regulation.

4. Duties and responsibilities

- 4.1 No one in a position to represent the University should do anything that might be construed as accepting a gift until the decision to accept has been approved by the Rector on the recommendation of the Office of Alumni and Development.
- 4.2 Where a will appoints the University as executor or trustee, the Vice-Rector, Administration will be the designated estate administrator for the University.