



## POLICY AND PROCEDURE STATEMENT

<b>SUBJECT:</b>  Gift Acceptance	<b>CATEGORY:</b>  Governance – Organizational Policy & Accountability	<b>NO.</b>  202-G
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### PREAMBLE

Gift acceptance policy and procedures have been established to ensure that:

- informed decisions are made on the acceptance of gifts made in support of existing or new initiatives at Saskatchewan Polytechnic including inter vivos (during their lifetime) gifts or testamentary (bequest) gifts, from sources such as corporations, associations, foundations and individuals, including Saskatchewan Polytechnic faculty, staff and students;
- gifts are handled in accordance with federal and provincial laws and regulations;
- efficient administrative, legal and accounting practices are followed;
- accurate reporting of all gifts to Saskatchewan Polytechnic occurs;
- relations with all donors and sponsors are consistent, ethical and equitable; and
- the highest standards of professionalism are followed in the solicitation of gifts and in working with donors and sponsors.

Saskatchewan Polytechnic is a registered charity<sup>1</sup> under the Canada Revenue Agency (CRA).

### POLICY

Saskatchewan Polytechnic welcomes gifts which enable it to fulfill its mission of educating students and providing skilled and successful graduates. Saskatchewan Polytechnic will encourage sources such as corporations, associations, foundations and individuals, including Saskatchewan Polytechnic faculty, staff and students to make donations, provide gifts in-kind, sponsorships, and/or designate planned (deferred) gifts that support educational use for the institution and advance its mission.

Approval for acceptance of gifts will be based on authorization per the Management Authorities Grid policy #504-G. Saskatchewan Polytechnic values and will protect its integrity, autonomy and academic freedom, and accepts gifts that support these fundamental principles and advance its mission.

Ownership of all gifts directed to Saskatchewan Polytechnic vests in Saskatchewan Polytechnic, whether said gifts are for the benefit of Saskatchewan Polytechnic generally or for some specific purpose.

<sup>1</sup> Saskatchewan Polytechnic's Charitable Registration Number is 10795-7540-RR0001.

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This policy and related procedures are designed to comply with current laws and regulations. In cases of disparity, federal and provincial laws as well as CRA regulations will supersede these policies and procedures.

## **DEFINITIONS**

### **Types of Gifts**

Saskatchewan Polytechnic encourages donors to make outright and/or deferred gifts. The types of gifts considered for acceptance by Saskatchewan Polytechnic fall into three main categories:

- 1. Donations** – As defined by the CRA, a donation is a voluntary transfer of cash or property that is made without acceptance of any benefit of any kind accruing to the donor or any individual or organization designated by the donor. Donations may include cash or gifts in kind. Donations must meet CRA criteria to be eligible for an official charitable donation receipt.
- 2. Gifts-In-Kind** – Gifts-in-kind are donations of property other than cash. They can include but are not limited to donations of land, buildings, marketable securities, equipment, furniture, museums and collection objects, library materials, archival materials, operating supplies, limited partnership interests, royalty or copyright interests, equipment, automobiles, inventory, other physical assets or materials which represent value to Saskatchewan Polytechnic.
- 3. Planned (Deferred) Gifts** – Planned (deferred) giving is the process of making a gift commitment today for delivery to Saskatchewan Polytechnic at a future date. Deferred giving is arranging for gifts to be made that will benefit both the interests of Saskatchewan Polytechnic and the personal, financial and tax situation of the donor and the donor's family sometime in the future.

**Trust Funds** – Trust funds are segregated accounts that may encroach on capital to fulfill the purpose of the fund as defined in the terms of reference or gift agreement.

**Endowment Funds** – Endowment funds are segregated accounts in which the capital is invested in perpetuity and in general the income is available to fulfill the purpose of the fund as defined in the terms of reference.

**Unrestricted Gifts** are intended to promote and carry on the work of Saskatchewan Polytechnic with no restrictions as to the use or administration of the funds.

**Restricted Gifts** are gifts where, in order to meet donor preferences, Saskatchewan Polytechnic agrees to undertake specific obligations in relation to the use or administration of the gift.

## **PROCEDURES**

### **1.0 Responsibility**

The Donor and Alumni Relations office is responsible for coordinating the processing, recording, receipting, acknowledging and recognizing of all gifts regardless of amount and whether or not a charitable receipt is provided to the donor or sponsor.

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## 2.0 Terms of References

The negotiation and development of terms and conditions relating to any gift is coordinated through the Donor and Alumni Relations office with appropriate input from academic and/or administrative units to ensure:

- the proposed gift is consistent with institutional and legislated regulations and guidelines;
- the donor or sponsor's intent and direction is consistent with institutional and academic priorities and legislated regulations and guidelines;
- the donor or sponsor's intent and direction is clearly understood and documented;
- the gift does not expose Saskatchewan Polytechnic to a potentially significant liability;
- that if precedent-setting or sensitive issues are present, they are adequately assessed by the appropriate institutional authorities; and
- the proposed gift has received the appropriate institutional review and approval.

## 3.0 Trust and Endowment Funds

In consultation with Financial Services, the Donor and Alumni Relations office establishes, administers, amends and terminates trusts and endowments in accordance with principles and guidelines approved by Saskatchewan Polytechnic.

## 4.0 Donor Preferences – Use and Administration of Gifts

Saskatchewan Polytechnic receives and administers gifts in accordance with donors' instructions and Saskatchewan Polytechnic policy and procedures. All donors can choose to have their gift fully expended or endowed, and can choose to have the use of their gift restricted or unrestricted. The use of the gift may affect whether it can be expended or endowed. The endowment of gifts is limited to gifts which meet the minimum capital amount of \$50,000 CDN or as determined by the Saskatchewan Polytechnic Trust and Endowment Management Policy #205.

## 5.0 Acceptable and Unacceptable Gifts

**5.1 Acceptable Gifts** – Saskatchewan Polytechnic welcomes gifts that support the pursuit of its mission. Indicators that a gift is acceptable include:

- Saskatchewan Polytechnic has a use or need for the gift, or unless expressly forbidden in the gift agreement with the donor, when there is no immediate need the gift is marketable;
- the gift and its accompanying terms are legal;
- the purpose of the gift is compatible with the work/priorities of Saskatchewan Polytechnic or the unit for whose benefit the gift is intended;
- the size and/or benefit of the gift are not perceived to be disproportionate to the work or cost required to support/sustain the gift; and
- there does not appear to be a physical hazard and/or liability concern associated with the gift.

**5.2 Unacceptable Gifts** – When an offer of a gift is judged to be contrary to Saskatchewan Polytechnic's best interest, the Director, Donor and Alumni Relations or their designate in consultation with the President & CEO may request that the terms be revised or decline the offer.

Saskatchewan Polytechnic has the right to decline any gift that is not consistent with its mission. Gifts will not be accepted by Saskatchewan Polytechnic that:

- violate any federal, provincial or municipal law;

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- create any fund to provide scholarships, bursaries, instructorships, chairs or lecture series with restrictive clauses that would violate The Human Rights Code (Saskatchewan) and give to the donor or his/her representative the right to designate the recipient;
- commit Saskatchewan Polytechnic to a naming of a physical, functional or academic entity without prior approval based on authorization per the Management Authorities Grid policy #504-G compromise Saskatchewan Polytechnic's academic integrity or interfere with Saskatchewan Polytechnic's academic judgment; or
- as a condition thereof, require any action on the part of Saskatchewan Polytechnic which is unacceptable to Saskatchewan Polytechnic or violates Saskatchewan Polytechnic policies and regulations.

## 6.0 Documentation and Processing of Gifts

All gifts are recorded in the Donor and Alumni database and in Banner. The Donor and Alumni office works in conjunction with Financial Services to process and record all gifts.

## 7.0 Charitable Receipting

Only the Donor and Alumni Relations office can issue official charitable receipts for charitable gifts received by Saskatchewan Polytechnic and does so in compliance with the requirements of the *Income Tax Act* and in accordance with procedures established by Saskatchewan Polytechnic.

## 8.0 Approvals for Acceptance of Gifts

Approval for acceptance of gifts will be based on authorization per the Management Authorities Grid policy #504-G.

**8.1 Gifts exceeding \$3,000,000** and involving a naming are endorsed by the President & CEO and forwarded to the Saskatchewan Polytechnic Board of Directors for approval per the Management Authorities Grid policy #504-G.

**8.2 Gifts-In-Kind valued at \$1,000 or more** require the approval of the director, dean, or out-of-scope equivalent for the division benefiting from the gift.

All programs and divisions which acquire gifts-in-kind valued at \$1,000 or more, are required to complete a Gift-in-Kind form and submit it to the Donor and Alumni Relations office for processing. The Donor and Alumni Relations office will coordinate the processing of gifts-in-kind.

It is the responsibility of the program or area benefiting from the gift to secure any required appraisals or valuations. Unless otherwise agreed upon by the division or program benefiting from the gift, if donors request a charitable receipt, the donor is responsible for securing a qualified, reputable, independent appraiser to produce a well-documented appraisal to substantiate the receipt. Donors are encouraged to select the appraiser and pay the fee. Saskatchewan Polytechnic reserves the right to obtain and rely on a second appraisal, at Saskatchewan Polytechnic's expense, for the purpose of issuing a receipt.

## 8.3 Unusual and Controversial Gifts

If a gift is of an unusual or controversial in nature the director, Donor and Alumni Relations will refer the gift to Senior Management Council for consideration. Senior Management Council may at their discretion:

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- a. Strike an Ad Hoc committee to review the gift and make a recommendation to the President & CEO who will render a final decision.
- b. Review the gift and make a recommendation to the President & CEO who will render a final decision.

The following types of gifts must be forwarded to Senior Management Council for review:

- gifts of real estate, shares in privately-owned companies, personal property, listed personal property and any other property interests which cannot be readily appraised or marketed;
- gifts involving trusts or interests in property;
- other gifts to which conditions are attached or which may expose Saskatchewan Polytechnic to potential liability;
- gifts that consist of property that has been assigned a tax shelter number;
- gifts that contain potentially unreasonable conditions;
- gifts that are potentially financially unsound or that would expose Saskatchewan Polytechnic to liability or embarrassment;
- gifts of partial interest in property, unless Saskatchewan Polytechnic agrees otherwise; and
- gifts that rely on an appraisal or evaluation provided to the donor by third parties that is perceived to be inaccurate or unreliable.

#### 8.4 Unusual Gift Assessment

Senior Management Council may at their discretion review an unusual gift or strike an Ad Hoc committee to review an unusual gift. The assessment of Unusual Gifts will consider whether:

1. the terms of gifts are acceptable to Saskatchewan Polytechnic,
2. Saskatchewan Polytechnic has the capacity to process and manage the gift.

The Donor and Alumni Relations office will provide the following information to Senior Management Council and/or an Ad Hoc committee when unusual gifts are to be assessed:

- description of the property;
- for property that is not inventory of a business, publicly traded securities, real estate in Canada, or Canadian Cultural Property:
  - ascertain when the property was acquired by the donor,
  - ascertain how the property was acquired, and
  - determine who previously owned the property;
- purpose of the gift;
- estimated fair market value;
- income, expenses, encumbrances and carrying costs;
- environmental risks or problems; and
- special arrangements for disposition requested by the donor.

#### 9.0 Negotiation of Gifts

When negotiating a gift with a value of \$500 or more on behalf of Saskatchewan Polytechnic, programs or units are to consult with the Donor and Alumni Relations office as in accordance with the Prospect Management Policy #203.

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**9.1 Negotiation of Unusual or Controversial Gifts**

When negotiating on behalf of Saskatchewan Polytechnic a gift that is unusual in nature, the Director, Donor and Alumni Relations or designate must be consulted. Such consultations must occur when gifts:

- are controversial in nature as described in section 8.3 of this policy;
- might expose Saskatchewan Polytechnic to an uncertain liability;
- are precedent-setting or involve sensitive issues;
- are perceived to come from illegal or unethical activities;
- involve a naming proposal;
- present questions as to whether they are within the role and scope of Saskatchewan Polytechnic; or
- are from an individual or organization whose philosophy and values could be considered inconsistent with the overall philosophy and values of Saskatchewan Polytechnic.

**10.0 Disposition of Gifts**

In the case of gifts-in-kind, unless otherwise agreed by Saskatchewan Polytechnic through the agreement, terms of reference, or terms of the deed of the gift, all such gifts may be disposed of under the following guidelines:

- consultation with the appropriate division or department representatives; and
- the proceeds of a sale of the asset will benefit the Saskatchewan Polytechnic division or department for whose benefit the gift was originally given.

In the absence of such a beneficiary, Saskatchewan Polytechnic will direct the proceeds.

**11.0 Gift Agreements**

All terms of reference or gift agreements for gifts with a value of \$500,000 or more and requiring execution by Saskatchewan Polytechnic shall first be reviewed by the Director, Donor and Alumni Relations and approved per the Management Authorities Grid policy #504-G. Saskatchewan Polytechnic’s legal counsel will be consulted as needed.

**12.0 Accountability**

Gifts to Saskatchewan Polytechnic shall be reported in a manner consistent with the standards recommended by the Canadian Association of University Business Officers (CAUBO), the Council for the Advancement and Support of Education (CASE) and the Canadian Council for the Advancement of Education (CCAEE).

Gifts to Saskatchewan Polytechnic and accompanying correspondence are handled with discretion. The Donor and Alumni Relations office maintains records required by the CRA for receipting purposes. Access to these records is restricted to appropriate staff in the Donor and Alumni Relations office, Saskatchewan Polytechnic Financial Services and senior executives of Saskatchewan Polytechnic.

Saskatchewan Polytechnic will not release the names of alumni, friends and donors to unrelated organizations. Saskatchewan Polytechnic will comply with any legal obligation to disclose names of donors and the nature of their gifts (for example, obligations that may arise under the *Income Tax Act*, *The Local Authority Freedom of Information and Protection of Privacy Act* or other relevant statutes).

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### 13.0 Trusteeship

Saskatchewan Polytechnic encourages donors to make donations directly to Saskatchewan Polytechnic to minimize the costs of investment and administration of trust and endowment funds. Saskatchewan Polytechnic's trust and endowment funds are professionally managed and administered in accordance with the Saskatchewan Polytechnic's Investment policy #408-G and the Trust and Endowment Management policy #205.

Where the donor wishes to establish a private foundation and requests that one or more Saskatchewan Polytechnic representative(s) act as directors of the foundation, Saskatchewan Polytechnic Senior Management Council must approve such appointments.

### 14.0 Investment

With regard to the administration of invested funds:

- investments will be consistent with any applicable provincial or federal legislation and Saskatchewan Polytechnic's Investment policy #408-G statement as it may be revised periodically;
- pooled funds can be held within Saskatchewan Polytechnic's investment funds;
- Saskatchewan Polytechnic's investments are managed by professional investment managers appointed by Saskatchewan Polytechnic. The Saskatchewan Polytechnic Financial Services department monitors the performance of Saskatchewan Polytechnic's investment funds; and
- Saskatchewan Polytechnic will provide donors of endowed funds with an annual financial report of their fund and in the case of student awards, appropriate information about the recipients of scholarship assistance, if so requested.

### RELATED POLICIES / DOCUMENTATION

Donor Recognition – #201  
Prospect Management – #203  
Sponsorship and Advertising – #204-G  
Trust and Endowment Management – #205  
Management Authorities Grid – #504-G  
Investments – #408-G  
Policy Development and Administration – #506-G

### APPLICABLE LEGISLATION OR REGULATIONS

Canadian Revenue Agency charitable receipting regulations  
Privacy Act – Federal  
Personal Information Protection and Electronic Documents Act – Federal  
Canadian Anti-Span Legislation  
Freedom of Information and Protection of Privacy Act – Saskatchewan  
Canadian Human Rights Act – Federal  
Saskatchewan Human Rights Code – Provincial

### AMENDMENT HISTORY

1. Original Issue Date: June 13, 2008
2. Revision Dates: June 25, 2011; July 4, 2016
3. Scheduled Review: July, 2019

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