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| Policy Title: | Philanthropic Gift Acceptance |
| Policy Approver: | President’s Office |
| Policy Holder: | University Relations and Communications |
| Executive Lead: | Advancement |
| Category: | Operational |
| Original Date: | November 2014 |
| Last Revised: | November 2014 |
| Next Review: | November 2019 |

Policy Statement

Yukon University is committed to excellence in teaching and research and welcomes donations that help us achieve our academic mission, and to enhance programs and services for students.

The University Relations department has the responsibility of not only securing donations, but also ensuring their appropriate receipting, acknowledgement, recording and prudent investment. To that end, a variety of gifts are accepted to maximize financial support. The purpose of this Gift Acceptance Policy is to confirm the types of philanthropic gifts Yukon University will accept, the process for acceptance and to ensure a balance is established between the donor's interests and the objectives of the University.

While Yukon University greatly appreciates the support of donors, it may not always be in the interest of the University to accept a particular gift. Yukon University reserves the right to refuse gifts that require conditions or expenditures that the University deems unacceptable.

No tax receipt will be issued for any gift unless the requirements of the Canada Revenue Agency have been met with regard to that gift and University Relations, in partnership with Financial Services, has approved the issuance of the tax receipt.

Approval Statement

With the consent of the Senior Executive Committee and approval of the President of Yukon College, this policy is hereby deemed in effect the 12th day of November, 2014.

Karen Barnes

November 12, 2014

President, Yukon College

Date

1. Purpose of Policy

This policy is intended to guide the employees, volunteers and Board of Governors of Yukon University on matters of gift acceptance and to outline the types of gifts that Yukon University will and will not accept. It is intended to ensure the University can respond quickly, appropriately and consistently to all gift offers.

The solicitation, acceptance and administration of all types of gifts to the University must comply with this policy. All fundraising inquiries, campaigns and proposals must be approved by University Relations' Advancement personnel prior to being undertaken.

This policy does not apply to the Yukon University Student Union, as it is an independent society.

2. Governing Legislation and Relevant Documents

Canada Revenue Agency's relevant guidelines
Donor Bill of Rights
BOG 3.0 Yukon University President Responsibilities
BOG 9.0 Financial Accountability and Risk Management
BOG 19.0 Naming Policy
PO 6.0 Fundraising Policy
PO 8.0 Gift-in-Kind Policy
PO 5.0 Student Awards

3. Scope

This policy governs the acceptance of all gifts made to the University, whether such gifts are outright or deferred. Yukon University encourages and solicits contributions of cash, securities and personal and real property, either as outright gifts or through planned gift vehicles in accordance with the Canada Revenue Agency. Planned gifts include bequests, life insurance, charitable trusts, Registered Retirement Savings Plans (RRSPs) and Registered Retirement Income Funds (RRIFs) and gift annuities.

This policy applies to all members of the University community, community campuses, the Yukon Research Centre, and all other centres and institutes.

This policy does not apply to non-philanthropic research grants.

4. PRINCIPLES GOVERNING GIFT ACCEPTANCE

Yukon University welcomes inquiries from donors regarding potential gifts of funds, planned gifts (e.g. gifts of securities, insurance, and bequests), endowments or gifts-in-kind, as well as gifts to establish scholarships, bursaries, and awards.

All gifts will be subject to review in accordance with this policy prior to acceptance and will be used expressly for the purpose(s) for which it was given.

Acceptance of a gift will be conditional on compliance with University policy, procedures, guidelines, governance framework and applicable law, as well as Canada Revenue Agency (CRA) regulations. The terms of the gift must be consistent with the University's objectives, strategic plan, values and priorities. In the case of a potential naming opportunity, the gift will comply with the provisions of the University's Naming Policy.

The University may, at its discretion, elect to decline any gift offered. The following principles will be considered before a gift is accepted by Yukon University. The gift should:

- Further the mission of Yukon University.
- Not compromise the integrity, academic freedom or autonomy of the University.
- Not have any restrictions for use placed on it by the donor that are incompatible with Yukon University's mission or CRA requirements.
- Not be accepted from any individual or entity involved in illegal activities.
- Not be accepted if the donor's reputation or business activities may have an adverse effect on the reputation of Yukon University.
- Have terms of reference that are acceptable to the University.
- Not entail unacceptable financial risk and burden, for example gifts which are unmarketable, inaccessible, impractical or may bring liability upon Yukon University.
- Not require the University to give special consideration for employment to the donor or to anyone designated by the donor and the gift will not allow the donor to influence the teaching, learning or scholarship of a student, professor or academic program.
- Not require expenditures beyond the University's resources.

In the case of gifts-in-kind, see the Gift-In-Kind Policy.

5. Authority to Accept Gifts

- Gifts under \$100,000 are approved by the Director of University Relations and the appropriate Dean or equivalent.
- Gifts over \$100,000 but under \$1 million are approved by the President, the Director of University Relations and the appropriate Dean or equivalent.
- Gifts of \$1 million and over are approved by the Chair of the Board of Governors, the President, the Director of University Relations and the appropriate Dean or equivalent.

The Director of University Relations or delegate is responsible for ensuring that all donations to Yukon University are consistent with this policy.

All planned giving agreements requiring execution by Yukon University must first be approved by Yukon University's legal counsel. Where substantially the same agreement is used repeatedly, only the prototype needs to be approved.

6. Gift Designation

Donors may choose to have their gift fully expended or endowed and may direct their gift to a specific school, department or project provided that:

- a. No benefit accrues the donor.
- b. The directed gift does not benefit any person not dealing at arm's length with the donor.
- c. A decision regarding use of the donation within a program rests with the University. Wherever possible, the University will act in concert with and respect the donor's wishes.

On rare occasions, a gift may be declined as a result of the limitations proposed by the donor. See 8.0 for guidelines on declining a gift.

7. Responsibility to Donors

Yukon University holds all donors in high esteem. Without exception, the University's donor relationships are of utmost priority.

University Relations helps donors and their advisors to design gifts that meet each donor's philanthropic and financial objectives within the context of the University's needs and priorities.

The University has an ethical responsibility to every donor. All staff, volunteers and representatives acting on behalf of the University will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity. At all times, advisors working with donors or prospective donors to the University will keep all Information, data and other communications strictly confidential. The professional standards and code of behaviours set out in the Donor Bill of Rights will serve as the ethical guidelines when raising funds for Yukon University.

Yukon University will maintain the trust of its donors by ensuring the funds are spent for the purposes for which they were raised or according to donor designation, approved by the University, at the time the donation was made. Appropriate records will be maintained by University Relations and every effort will be made to ensure accountability to all donors.

8. Declining a Gift

At times, Yukon University may choose to decline a gift. The following conditions justify such an action, although other situations may also occur:

- a. If the gift constitutes a non-qualifying contribution per Canada Revenue Agency (CRA) requirements.
- b. There are unusual features to the donation that are contrary with the objectives, values and goals of the University.
- c. The University is unable to honour the proposed terms of the gift.
- d. An appropriate fair market value cannot be determined or will result in unwarranted or unmanageable expenses for the University.
- e. The gift could financially or morally jeopardize the donor and/or the University.
- f. The gift or proposed terms are illegal or contrary to public policy.
- g. There are physical or environmental hazards to the University In accepting the offered gift.
- h. The gift could jeopardize the University's charitable status.

- i. The gift involves false promises on the part of either party.
- j. The gift could improperly benefit an individual.

9. Use of Professional Advisors by Donors

The University cannot and does not provide any legal, accounting, tax, financial or other advice to donors with respect to gifts to the University. The University cannot suggest or endorse a third-party as a source of professional advice. Donors are encouraged to discuss proposed gifts with an Independent professional advisor of their choice and at his/her own expense to ensure they receive a full and accurate explanation of all aspects of the proposed gift. Where the University deems necessary, donors will be requested to provide the University with an acknowledgement that:

- a. The donor has obtained or has waived their right to obtain independent professional advice.
- b. The University is released from any liability that may arise in relation to the making of the gift.

Donors may also be required to obtain, at their own expense, professional valuations for certain types of gifts, in particular, gifts-in-kind, deferred gifts and gifts of securities in private corporations. Further details regarding gift valuations can be found in the Gift-in-Kind Acceptance Policy.

10. Gifts from Employees

1. Gifts from employees will be treated consistently with gifts from others with regard to how gifts to the University are assessed, received and receipted, with exceptions A and B below:
 - a) Employees who donate money to the University for the purpose of acquiring equipment can receive an official tax receipt provided the following conditions and procedures have been satisfied:
 - The equipment is required by the employee to more adequately fulfill their employment responsibilities.
 - The University would buy the equipment if it had the financial resources.

- The equipment will be the property of Yukon University. Accordingly, the equipment will be included on the University's equipment inventory list and the University will maintain and insure the equipment.
- The disposal of the equipment will comply with the University's asset disposal policy.
- The equipment will be available for use as the Dean/Department Head determines.

The responsible Dean or Vice-President must attest in writing to the fact that the donation meets the criteria set out above.

b) The University is authorized to issue official receipts for employee gifts to research.

However, this does not apply when a research account is under the direct control of the donor, or when there is a potential/direct benefit to the donor. To qualify for a charitable receipt, employees wishing to donate to research must meet the following conditions.

- The donation must be unconditional, unless the projects designated are under the direction and control of the University. Any designated purpose must be part of the general activities for which donations would normally be accepted.
- Donations should not be credited to an account set up specifically for the individual (such as a research account).
- There should be the same degree of responsibility and control of activities financed by specific donations from faculty members as for activities financed from other revenue sources.
- Individuals who have made such donations must submit applications for funds to a committee or independent individual responsible for administering funds to the particular activities. Such application should adequately document the proposed use of the funds. Funds would be disbursed to the individual only after applying the standard evaluation criteria.
- Any equipment purchased or expenditures made must be of such a nature as would be reasonable for the University to acquire such equipment or expend such funds.
- There should be adequate procedures to ensure that donors cannot use this process in an attempt to obtain a tax deduction for what might otherwise be described as a personal expense. For example, when funds are used for

equipment, instruments, books, manuscripts, subscriptions, etc., they should become the property of the University. Travel expenses, supplies and other items should meet the standard criteria for University expenditures.

The responsible Dean or Vice-President must attest in writing to the fact that the donation meets the criteria set out above.

The following terms are not consistent with the foregoing and should not be used:

- Payment is transferred to a specific fund for the individual and the person has effective control over the use of the funds.
 - Any balance in the fund at the end of a particular period is refundable to the individual.
 - There is a direct connection between the amount of the individual's donations and disbursements from the fund to that person.
 - The individual has an option to purchase equipment acquired with the funds at the end of a certain time period.
2. Donations by employees may be processed through payroll deduction, please contact University Relations who will arrange for the completion of a Payroll Deduction Authorization Form. Payroll deductions may be made only to those projects approved as acceptable payroll deduction funds. Payroll deductions must be for a minimum of \$5.00 per fund per pay period for at least 10 consecutive pay periods and may not be established for funds over which the donor has spending authority.

11. Transparency

As a publicly funded institution, the University is committed to principles of accountability and transparency and is subject to legislation governing access to information.

12. Problem Solving

Any questions or concerns arising out of the intent, content, implementation, or application of this policy should be reported to the director, University Relations.

If the problem is not solved, and where a concern or dispute arises from a decision made as a result of enforcing this policy, the President's Office should be notified as soon as possible after the decision has been made. In such cases the President's Office will advise the concerned individual(s) of the appropriate appeal process to follow under the circumstances.

13. Other Related and/or Accompanying Documents

Appendix – Definitions

Addendum A - Policy Communication Checklist

Addendum B - Donor Bill of Rights

APPENDIX - Definitions

Cash - includes cash, cheque, credit card, payroll deduction and electronic fund transfer.

Deferred Gifts - includes all bequests, life insurance policies, gift annuities and charitable remainder trusts. Can be used interchangeably with Planned Gifts.

Eligible Amount - The amount by which the fair market value (FMV) of the gifted property exceeds the amount of an advantage, if any, in respect of a philanthropic gift.

Fair Market Value - Usually the highest dollar value you can obtain for property in an open and unrestricted market, and between a willing buyer and a willing seller who are knowledgeable, informed and acting independently of each other.

Gift - A gift is a voluntary transfer of property without valuable consideration. To be characterized as a gift by the Canada Revenue Agency, a gift must satisfy the following conditions:

- a. property is transferred by a donor to a registered charity;
- b. the transfer is voluntary; and
- c. the transfer is made without expectation of return. No benefit of any kind may be provided to the donor or to anyone designated by the donor, except where the benefit is of nominal value.

Gifts may be in the form of cash, marketable securities, gifts-in-kind and deferred gifts. In this context, the term 'donation' is used interchangeably with 'gift.'

Unless subject to an agreement to use the gift for a specific purpose, gifts are received unconditionally and may be used for such purposes as Yukon University determines are most appropriate.

Gift Agreement - An agreement between Yukon University and the donor outlining the purposes of the gift, including payments required of the donor and uses of the funds or gift-in-kind donated to the University.

Gift (designated/restricted) - When a donor specifies a particular program or area as the recipient of their donation to Yukon University.

Gift (undesignated/unrestricted) - A donation given to Yukon University where the donor has not specified where the support is to be directed.

Gift-In-Kind - A gift of property other than cash, such as real (capital) property or personal property. A gift-in-kind should be an item that can be retained as a University asset and used in connection with University activities with discretion as to its use and management or disposed of for cash equivalent.

Donated tangible and intangible property including real property, notes, mortgages, limited partnership interests, royalty or copyright interests, art, books, equipment, automobiles, inventory, personal property, software, securities, planned gifts, and other physical assets or materials which represent a value to Yukon University.

A contribution of service, that is, of time, skill or efforts is not property and therefore does not qualify as a gift or gift-in-kind for the purposes of issuing an official donation receipt.

Non-Gifts - The following transactions do not constitute philanthropy and are not eligible for charitable tax receipts.

- a. A gift of service.
- b. The purchase of an Item or service from the University.
- c. Sponsorship of research projects for which the donor retains right of property, including intellectual property.

Official Donation Receipt - A receipt issued by Yukon University to a donor for income tax purposes.

Planned Gifts - Includes but is not limited to a bequest, life insurance, charitable gift annuity, charitable trust (remainder or residual) and a gift of securities.

Bequests, life insurance, charitable gift annuities and charitable trusts can interchangeably be referred to as Deferred Gifts.

Pledge - A gift which is "pledged" over a period of time. When a donation commitment is paid overtime, ex. a \$5000 gift is paid \$1000/year for 5 years.

Securities - Refers to privately or publicly held shares, flow-through shares, bonds, units of a mutual fund, stock options and charitable stock options.

ADDENDUM A - POLICY COMMUNICATION CHECKLIST

Policy Name: Philanthropic Gift Acceptance

Number: UR 7.0

Submitted by: Jacqueline Bedard

List those consulted with in preparation of this policy:

| Name | Department | Date |
|-----------------|------------|------|
| Nancy and Gayle | | |
| | | |
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The order for communication and/or consultation for a new or revised policy is as follows:

1. SEC – initial review and recommendations from SEC membership;
2. Identified stakeholders within Yukon College in order of priority – see below;
3. SEC – to be briefed on any issues arising out of stakeholder consultations;
4. Staff – SEC members to bring policy to their staff for feedback (*SEC member introducing this policy is responsible for sending to SEC, requesting that it be circulated to their staff for feedback*);
5. SEC – final draft supported by SEC membership and approved by the President.

This checklist must be completed prior to the final draft of a policy being presented to SEC for presidential approval.

| Body | Communication Planned? | Completed? | Comments |
|--------------------------------|------------------------|------------|----------|
| SEC | Oct 15 | | |
| Student Union | n/a | | |
| Employee’s Union | n/a | | |
| Occupational Health and Safety | n/a | | |
| Academic Council | n/a | | |
| Board or a Board subcommittee | n/a | | |
| Other | November 5, 2014 | | |
| SEC for Final Review | | | |

ADDENDUM B - DONOR BILL OF RIGHTS

A Donor Bill of Rights

PHILANTHROPY is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

I.

To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.

II.

To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.

III.

To have access to the organization's most recent financial statements.

IV.

To be assured their gifts will be used for the purposes for which they were given.

V.

To receive appropriate acknowledgement and recognition.

VI.

To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.

VII.

To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.

VIII.

To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.

IX.

To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.

X.

To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

DEVELOPED BY
AMERICAN ASSOCIATION OF FUND RAISING COUNSEL (AAFRC)
ASSOCIATION FOR HEALTHCARE PHILANTHROPY (AHP)
COUNCIL FOR ADVANCEMENT AND SUPPORT OF EDUCATION (CASE)
ASSOCIATION OF FUNDRAISING PROFESSIONALS (AFP)

ENDORSED BY
(IN FORMATION)
INDEPENDENT SECTOR
NATIONAL CATHOLIC DEVELOPMENT CONFERENCE (NCDC)
NATIONAL COMMITTEE ON PLANNED GIVING (NCPG)
COUNCIL FOR RESOURCE DEVELOPMENT (CRD)
UNITED WAY OF AMERICA