

FANSHAWE COLLEGE FOUNDATION BOARD OF DIRECTORS POLICY MANUAL

CATEGORY D:	OPERATIONAL EXPECTATIONS
POLICY TITLE:	Gift Acceptance
POLICY NUMBER:	D-10
EFFECTIVE DATE:	June 1, 2016
REFERENCE:	502, 3813

PURPOSE:

The purpose of this policy is to establish a framework within which the acceptance of gifts clearly aligns with the Foundation mission.

DEFINITIONS:

Contribution: A transfer of property that does not meet the definition of a *donation*. A *contribution* is often a business expense for the donor, typically arising from a sponsorship opportunity. Since sponsorship opportunities are made under contract (implied or explicit) and generally involve a significant benefit to the donor in terms of advertising and promotion value, a sponsorship would be considered a *Contribution*. A *Contribution* also includes the proceeds of sales and other business activities, lotteries, raffles and auctions. With a *contribution* the donor is not entitled to a charitable donation receipt for income tax purposes.

Donation: A voluntary transfer of property without valuable consideration to the donor. With a *donation*, the donor is entitled to a charitable donation receipt for income tax purposes.

Gift: A *contribution* or a *donation*.

Gift Agreement: a contract between the donor and the College that specifies the terms and conditions of a gift

Gift of art: A *gift* of a painting, sculpture, or other artefact.

Gift of cash: A *gift* of cash or cash equivalents (i.e., securities, other short term assets).

Gift of equipment: A *gift* of a tangible piece or pieces of equipment that meets the definition of a college asset.

Gift of real property: a voluntary transfer of land or building(s) with or without valuable consideration.

Gift of service: A *gift* of a service provided to the College or to the Foundation. A *gift of a service* is ineligible for a charitable donation receipt.

Gift of supplies: A *gift* of supplies to be used in the operations of the College.

THE POLICY:

1. The Foundation may accept a *gift* from any source provided the *gift*, and any conditions associated with the *gift*, are consistent with the Foundation's mission, vision, values and other policy statements.
2. Before being accepted by the Foundation, a *gift of art* is first considered by the Fanshawe College Art Collection Committee to ensure compliance with acquisition and display standards.

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3. Before being accepted by the Foundation, a *gift of equipment* or a *gift of supplies* is first considered by the College to ensure that the *gift* meets the needs of Fanshawe College.
4. Before being accepted by the Foundation, a *gift of real property* is first considered by the College. To avoid costs associated with the transfer of title and on-going maintenance, the College may choose to accept the *gift of real property* instead of the Foundation.
5. A *gift* of near cash equivalents (i.e., investment securities, or other short-term assets) may be accepted provided all of the following conditions are met:
 - 5.1. The Foundation does not assume any liability with acceptance;
 - 5.2. The fair market value can be readily determined;
 - 5.3. The transfer of ownership is free and clear;
 - 5.4. A conversion to cash can be completed quickly so as to avoid risk, and where applicable, to maintain the integrity of investment strategies and risks within the investment portfolio.
6. A *gift of cash* related to an endowment will be encouraged to be at least \$20,000 for the establishment of a permanent, named endowment.
7. Processes for assessing the value of non-cash gifts and when to obtain third party appraisals are documented.
8. All necessary consents and releases (such as those of a spouse, insurer, issuer and the like) are obtained by the Foundation prior to the acceptance of a *gift*. For each *gift*, the Foundation Executive Director, in consultation with others, decides whether legal counsel is required.
9. In the case of a complicated or substantial *gift*, a *gift agreement* between the Foundation and the donor is prepared to acknowledge the terms of the *gift* arrangements, including at least the acknowledgement by the donor that the College does not provide legal or tax advice and that the Foundation is released from any liability which may arise from reliance of information provided.
10. Unless anonymity is requested by the donor, *gifts* are recognized appropriately. However, specific details about a donor or a *gift* are kept confidential.
11. *Gifts* received by the Foundation are administered in a manner consistent with all applicable legal and regulatory requirements.
12. The Foundation reserves the right to accept or decline a *gift* for any reason.
13. *Gifts* are used for the purpose(s) agreed between the donor and the Foundation.
14. Charitable donation receipts are issued in accordance with Canada Revenue Agency (CRA) guidelines.
15. The integrity of recorded pledges shall be reviewed annually for reasonableness of collection by the Corporate Secretary-Treasurer.

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MONITORING:

The Executive Director presents an annual monitoring report to the Foundation Board demonstrating that the principles in this policy are in practice, and identifying trends or themes that highlight challenges and emerging issues.