

FANSHAWE COLLEGE BOARD OF GOVERNORS' POLICY MANUAL

CATEGORY B – BOARD PROCESS

TITLE: ACCEPTING GIFTS OF REAL PROPERTY

POLICY NUMBER: B-55
EFFECTIVE DATE: 2016 03 03
REFERENCE: 48306, 54207

BACKGROUND INFORMATION:

From time to time there may be a *Gift of Real Property* offered to Fanshawe College where a decision needs to be made regarding acceptance. The purpose of this policy is to clarify the role of the Board of Governors of Fanshawe College and the role of the Board of Directors of the Fanshawe College Foundation.

THE POLICY:

1. Any notice of a possible *Gift of Real Property* should first be considered by the Board of Governors of Fanshawe College to assess its value towards College operations.
 - 1.1 If there is an operational need for the property, then Fanshawe College shall receive the property and amortize the property over its useful life, where applicable. The Board of Governors shall also notify the Board of Directors of the Fanshawe College Foundation that the property has been received.
 - 1.2 If there is not an operational need for the property, then Fanshawe College shall forward the notice to the Board of Directors of the Fanshawe College Foundation for further consideration.
 - 1.3 For greater certainty, no *gift of real property* shall be accepted without the Fanshawe College Board of Governors' approval.
2. Prior to the acceptance of a *gift of real property* by the Board of Governors, the President, or delegate, shall ensure a proper due diligence review is completed which includes but is not limited to environmental assessments and ownership and lien searches. The Board of Governors shall consider the risks and costs associated with acceptance of the gift.
3. Fanshawe College Foundation generally does not hold real property and any *gift of real property* made to the Foundation will generally be converted into cash. The Board of Directors of the Fanshawe College Foundation, prior to accepting a *gift of real property*, shall consider the risks and costs associated with acceptance of the gift and converting the property into cash.

4. If the Board of Governors chooses to accept and retain the *gift of real property* due to the determination that there is an operational need for the property, the President, or delegate, shall as a courtesy, notify the Board of Directors of the Fanshawe College Foundation.
5. If the Board of Governors determines there is not an operational need for the property, then the matter is referred to the Board of Directors of the Fanshawe College Foundation.
6. The President of Fanshawe College shall provide the Foundation with details of any due diligence review undertaken by the College. The Executive Director of the Foundation, or designate, shall:
 - 6.1 Notify the Board of Governors of Fanshawe College.
 - 6.2 Determine if any further due diligence is required.
 - 6.3 Facilitate the transfer of the property to the Fanshawe College Foundation including any appropriate documents in respect of legal ownership.
 - 6.4 Take steps as required to safeguard and maintain the property, including any insurance requirements.
 - 6.5 Issue any appropriate receipts in respect of the gift.
 - 6.6 Arrange for the reasonable and timely conversion of the property into cash.
7. The Fanshawe College Foundation shall liaise with the donor and co-ordinate all communications.

DEFINITIONS:

Gift of Real Property – a voluntary transfer of land or building(s) with or without valuable consideration.

NOTES:

The principles contained in this policy are purposefully duplicated with a policy approved by the Board of Directors of Fanshawe College Foundation [reference B-30].