

## Gift Acceptance Policy

Office of Administration:	Office of the Chief Advancement Officer
Approval Authority:	Board of Governors
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### 1. Purpose

- 1.1. This Policy has been established to help guide decisions about the acceptability of gifts and to outline the types of gifts that Laurentian University (the 'University') will and will not accept.
- 1.2. This Policy ensures that administrative, legal and accounting practices and procedures are followed.
- 1.3. This Policy helps enable accurate reporting of gifts to the University, and guides relations with donors.

### 2. Scope

- 2.1. This Policy document has been established to govern the management of all private contributions made directly to the University, whether such contributions are inter vivos (lifetime) gifts, gifts from estates, or gifts from organizations.

### 3. Glossary of Terms

#### 3.1. Board

'Board' means the Laurentian University Board of Governors, the authority in gifting matters and this Policy.

#### 3.2. Donor

A person(s) or entity making a donation.

#### 3.3. Digital Currency

A form of currency that is money, or money-like asset, that exists only in digital or electronic form, and is primarily managed, stored or exchanged on digital computer systems, such as over the internet. It can operate independently of a central bank. Types of digital currency include cryptocurrency, virtual currency, central bank digital currency, and bitcoin as a popular known entity.

#### 3.4. Gift

A voluntary charitable transfer of cash and/or in-kind, from individuals, industry, foundations and other entities to the University for either unrestricted or restricted utilization in the operation of the University. Gifts are made without expectation of return; no consideration - no benefit of any kind - to the donor or to anyone designated by the donor may result from the payment. Gifts may be monetary (cash, cheques), or non-monetary (e.g. securities, real property, or personal property). Gifts as defined are processed by the Advancement Office.

#### 3.5. Grant

Revenue received by the University from individuals, industry, foundations, governments, and other sources, for the support of University programs and projects.

#### 3.6. Contract/Research Agreement

Restricted payments received by the University from various contractors, made in accordance with the terms of contracts entered into by the University to conduct specific programs.

#### 3.7. Official Charitable Receipt

The official charitable receipt is a statement issued by the University to donors that includes the registration number issued to the University by the Canada Revenue Agency, a declaration as to the value of the gift, date of the gift and name of the donor. Receipts are normally accepted by the Canada Revenue Agency to support the calculation of the allowable non-refundable tax credits for individuals, and tax deductions for corporations.

#### 3.8. Gift-in-Kind

Donated tangible and intangible assets and property such as real estate, notes, mortgages, limited partnership interests, royalty or copyright interests, art, books, equipment, automobiles, inventory, personal property, securities, and other physical assets or materials which represent value to the University.

#### 3.9. Laurentian

means Laurentian University of Sudbury.

#### 3.10. University

means Laurentian University of Sudbury.

#### 3.11. Pledge

Contributions to the University may be pledged over a period of time (often over a number of years, depending on the size of the gift and the nature of the appeal). Payments made on a pledge will normally be received when received, or provided by calendar year end.

#### 3.12. Policy

This Gift Acceptance Policy and all of its related procedures, as amended from time to time.

#### 4. Principles

4.1. The University welcomes gifts which enable it to fulfill its mission of teaching, research, and community service. As such, the University welcomes the gifts of individuals, corporations, and foundations to help achieve its academic mission, and to enhance programs and services to students.

#### 5. Key Roles and Responsibilities

5.1. The University Advancement Office or individuals designated by the Chief Advancement Officer (CAO) are authorized by the Board to negotiate gifts and create Gift Agreements with prospective donors. All gifts will be authorized by and all Gift Agreements, including documentation relating to the administration of estates, will be signed by the CAO or designate.

5.2. Documentation of gifts that are not readily valued must be appraised before acceptance. Relevant information shall be obtained and reviewed, including a copy of any appraisal by an independent certified appraiser(s) secured by the donor, according to Canada Revenue Agency guidelines. The responsibility for fees will be determined by the CAO. It is general practice to have the donor pay for appraisals. The University reserves the right to secure and rely on its own appraisal.

5.3. Any gifts entailing potential material financial liability or placing unusual conditions on the University must be referred to the Board for approval. The Advancement Office may, at its discretion, bring to the Board other gift agreements, or proposals, as appropriate, or as required by other University policies. Decisions to accept a form of gift will not be considered as setting a precedent.

5.4. Laurentian University's Advancement Office is responsible for issuing official charitable receipts for all charitable gifts received by the University, in compliance with the requirements of the [Federal Income Tax Act](#), Canada Revenue Agency guidelines and in accordance with procedures established by the University. The University is a registered charity under Canada Revenue Agency guidelines. Its official charitable registration number is 11900 9686 RR000 1.

5.5. The University Librarian is responsible for the management and inventory of all artwork donated to the University. The University Librarian is also responsible for the gift in kind donation of books and archival material accepted by the University and will share the required paperwork with the Advancement Office for processing.

5.6. Only the Advancement Office may issue tax receipts on behalf of the University. It is the responsibility of this Office to ensure that the highest standards of professionalism are followed in the solicitation of gifts and in working with donors.

5.7. The University has an ethical responsibility to every donor. All staff, volunteers and professional representatives acting on behalf of the University will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity. The professional standards and code of behaviours set out by the [Association of Fundraising Professionals](#) (AFP) and [the Canadian Association of Gift Planners](#) (CAGP) will serve as the ethical guidelines when raising funds for the University.

5.8. Donors are advised to seek external independent legal, financial and tax advisors in regards to gift planning and are responsible for all costs in relation to such professional advice. The University does not provide any such advice to donors.

## **6. Gift Acceptance**

6.1. Eligible Gifts. For the purposes of this policy, the following types of gifts are eligible:

6.1.1. Cash - which includes payments made using currency, cheques, credit cards, electronic funds transfers and payroll deductions.

6.1.2. Gifts-in-Kind - which include artwork, equipment, books and other property. Gifts-in-kind accepted by the University must be easily convertible into cash unless it is intended for retention.

6.1.3. Real Estate – will be reviewed by the University which includes zoning restrictions, marketability and current use to ascertain whether acceptance of the real estate would be in the best interest of the University. The final decision on acceptance of the property will be made by the Board.

6.1.4. Bequests

6.1.5. Life Insurance

6.1.6. Charitable Remainder Trusts

6.1.7. Gifts of Residual Interest

6.1.8. Gift Annuities

6.1.9. Publicly Traded Securities – will be accepted provided they are readily marketable, and do not contain any conditions from the donor. The University's broker will sell the securities at the earliest possibility as it is not the University's intent to retain securities as part of the institution's financial holdings.

6.2. The University currently does not accept gifts of Bitcoin.

## **7. Gift Receipting**

7.1. Gifts to the University, that are eligible for an Official Charitable Receipt, will receive one.

7.2. In order to achieve accurate reporting of all charitable gift contributions to the University, and to ensure that donors are recognized for the total of all their charitable gifts, the Advancement Office will act as the sole conduit for all charitable gifts to the University.

7.3. Official Charitable Receipts are accompanied by correspondence prepared by the Advancement Office. These documents are deemed to be the official acceptance of gifts and their related terms and conditions, as well as official certification of donations for income tax purposes.

7.4. Gifts to the University will be receipted based on guidelines pertaining to the type of gift as follows:

7.4.1. Cash –Cash gifts are receipted for their value in Canadian Dollars (CAD).

7.4.2. Gifts-in-kind – A charitable receipt is issued for all gifts-in-kind for the fair market value at the date of transfer. An independent qualified appraiser determines the value and appraisal costs are the responsibility of the donor unless otherwise approved by the University.

7.4.3. Real Estate – outright gifts of real estate will be receipted for the appraised value of the property. An independent certified appraiser determines the value and appraisal costs are the responsibility of the donor unless otherwise approved by the University.

7.4.4. Bequests – either a specific amount, a portion or the residue of a person’s estate, or a property such as life insurance proceeds, stocks, bonds, or other assets. Receipts are issued to the estate of the donor upon transfer of the gift.

7.4.5. Life Insurance – when the ownership of the policy is assigned to the University, the donor will be entitled to a receipt for the net cash surrender value (if applicable) and for any premiums subsequently paid. If the University is named as beneficiary of the proceeds, a receipt for the amount received is issued to the deceased for use on the final tax return.

7.4.6. Charitable Remainder Trusts – the donor (“Settlor”) is entitled to a charitable receipt for the present value of the remainder trust.

7.4.7. Residual Interest Gifts – a charitable receipt will be issued for the present value of the residual interest after the terms of the gift and responsibilities for expenses are specified in a Deed of Gift.

7.4.8. Charitable Gift Annuities – a tax receipt will be issued for the amount retained by the University.

7.4.9. Publicly Traded Securities – when a gift of public securities is received, the University will issue a tax receipt for the value of the gift on the date the University took ownership of the securities.

## **8. Partnership Agreements**

8.1. Partnership agreements are normally created for gifts over twenty-five thousand dollars (\$25,000) and will follow the templates created by the Advancement Office;

8.2. Partnership agreements will normally include:

8.2.1. an outline of the establishment and purpose of the gift;

8.2.2. the funding of the gift including an installment schedule where applicable;

8.2.3. the University’s accountability and responsibilities surrounding the gift;

8.2.4. donor recognition commitments where applicable;

- 8.2.5. a statement that the gift shall not, in any way, compromise the University's mission, values and strategic plans and academic freedom;
  - 8.2.6. information addressing possible amendments to the agreement;
  - 8.2.7. approvals which will include: The Chief Advancement Officer, or designate; the donor(s) or representative; and any other representative of the University deemed appropriate by the Chief Advancement Officer where applicable. Partnership agreements for gifts over \$1,000,000 will be signed by the President of the University or designate.
- 8.3. All partnership agreements created by external parties will be reviewed by the Office of the General Counsel, or their designate.
- 8.4. For named student awards, terms of reference documents will be created instead of or in addition to a partnership agreement, where applicable.

## **9. Gift Refusal**

- 9.1. While the University invites private donations, it reserves the right to refuse gifts that:
- 9.1.1. require conditions;
  - 9.1.2. require expenditures;
  - 9.1.3. that the University deems unacceptable;
  - 9.1.4. negatively affect the reputation of the University; or
  - 9.1.5. infringe on academic freedom.
- 9.2. The University will not accept gifts that:
- 9.2.1. violate federal, provincial or municipal laws;
  - 9.2.2. require the University to provide special consideration for admission to the University for the donor or designate;
  - 9.2.3. require the University to deviate from its normal hiring and promotion and contracting procedures;
  - 9.2.4. rely on a third party appraisal provided by the donor that is perceived to be inaccurate or unreliable;
  - 9.2.5. in any way limits or imposes conditions on academic freedom;
  - 9.2.6. violate the Ontario Human Rights Code or Laurentian University's Equity and Human Rights Policies;
  - 9.2.7. are perceived as a conflict of interest;

9.2.8. impose upon the University overly burdensome administrative or other efforts or costs. Gifts-in-Kind that will not normally be accepted by the University include items of personal clothes, items from employees gained from the normal conduct of University business as well as items that could be described as more than gently used with the exception of antiques.

9.2.9. are deemed a liability to the University. The University retains the right to decline a gift of publicly traded securities if the offered public securities cannot be sold in a timely manner.

9.2.10. are of a Digital Currency.

#### **Related Laurentian University Policies**

- Naming Policy
- Policy on Signing Authorizations