



The following Motions and Documents were considered by the Board of Governors at its June 15, 2012 meeting:

Agenda Title: **Rescission of Facilities and Operations Management Policy**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Finance and Property Committee, rescind the Facilities and Operations Management Policy, originally approved by the Board on June 17, 2005, to take effect upon final approval.

Agenda Title: **University of Alberta 2011-12 Annual Report for submission to the Government of Alberta**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board University Relations Committee, approve and adopt the *University of Alberta 2011-2012 Annual Report for submission to the Government of Alberta* and empower the Associate Vice-President (Audit & Analysis) to make any editorial changes to the *Report*, as needed, as long as the changes do not have the force of policy.

Agenda Title: **Donation Acceptance Policy Suite in UAPPOL**

APPROVED MOTION I: THAT the Board of Governors, on the recommendation of the Board University Relations Committee and the GFC Academic Planning Committee, approve the Donation Acceptance Policy Suite (as set forth in Attachments 1, 2 and 3), as submitted by the Chief Advancement Officer, to take effect upon final approval.

APPROVED MOTION II: THAT the Board of Governors, on the recommendation of the Board University Relations Committee and the GFC Academic Planning Committee, rescind Section 8 (Acceptance Policy for Gifts) of the GFC Policy Manual, as submitted by the Chief Advancement Officer, to take effect upon final approval.

Final Item: 5.2

Agenda Title: **Board Committee Appointments**

APPROVED MOTION: THAT the Board of Governors, on the recommendation of the Board Chair, Mr Douglas Goss, approve the appointments and reappointments to the Board and other Committees as set forth in Attachment 1 to the agenda documentation.

Final Item: 6.1

OUTLINE OF ISSUE

Agenda Title: **Donation Acceptance Policy Suite in UAPPOL**

Motion I: THAT the Board of Governors, on the recommendation of the Board University Relations Committee and the GFC Academic Planning Committee, approve the Donation Acceptance Policy Suite (as set forth in Attachments 1, 2 and 3), as submitted by the Chief Advancement Officer, to take effect upon final approval.

Motion II: THAT the Board of Governors, on the recommendation of the Board University Relations Committee and the GFC Academic Planning Committee, rescind Section 8 (Acceptance Policy for Gifts) of the GFC Policy Manual, as submitted by the Chief Advancement Officer, to take effect upon final approval.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	O'Neil Outar, Chief Advancement Officer
Presenter	O'Neil Outar, Chief Advancement Officer
Subject	Donation Acceptance Policy and Procedures

Details

Responsibility	Office of Advancement
The Purpose of the Proposal is (please be specific)	To create a framework for the review and acceptance of philanthropic donations to the University of Alberta.
The Impact of the Proposal is	In addition to providing an efficient review and acceptance process, this Policy and its associated Procedures are intended to provide recognition and appreciation to donors in an appropriate and consistent manner, to cultivate future support with the University's current donors, and to stimulate interest and support among potential donors.
Replaces/Revises (eg, policies, resolutions)	GFC Policy Manual Section 8.1: Fundamental Gift Acceptance Principles; incorporates the 'Controversial Donations Guideline'.
Timeline/Implementation Date	June 15, 2012 (upon final approval by the Board of Governors).
Estimated Cost	N/A
Sources of Funding	N/A
Notes	Section 8 of the GFC Policy Manual may be accessed online at: http://www.gfcpolicymanual.ualberta.ca/8AcceptancePolicyforGifts.aspx .

Alignment/Compliance

Alignment with Guiding Documents	<i>Dare to Discover</i>
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal (please quote legislation and include identifying section numbers)	<p>1. Post-Secondary Learning Act (PSLA): Under the <i>Post-Secondary Learning Act (PSLA)</i>, the University's Board of Governors has the capacity, rights, powers and privileges of a natural person (Section 59(1)), and the Board is tasked with managing and operating the University in accordance with its mandate (<i>PSLA</i> Sections 60, 60(1)).</p> <p>2. PSLA Section 26(1) states: "Subject to the authority of the board, a general faculties council is responsible for the academic affairs of the university and, without restricting the generality of the foregoing has the authority to [...]"</p> <p>(m) make rules and regulations respecting academic awards; [...]"</p> <p>(o) make recommendations to the board with respect to affiliation with other institutions, academic planning, campus planning, a building program, the budget [...] and any other matters considered by the</p>

general faculties council to be of interest to the university[.] [...]”

3. GFC Academic Planning Committee (APC) Terms of Reference/3. Mandate of the Committee:

“The Academic Planning Committee (APC) is GFC’s senior committee dealing with academic, financial and planning issues. [...]

APC is responsible for making recommendations to GFC and/or to the Board of Governors concerning policy matters and action matters with respect to the following:

1. Planning and Priorities

To recommend to GFC and/or the Board of Governors on planning and priorities with respect to the University’s longer term academic, financial, and facilities development.

[...]

14. Other

a. To recommend to the Board of Governors and/or GFC on any other matter deemed by APC to be within the purview of its general responsibility.

[...]”

4. Board University Relations Committee (BURC) Terms of Reference:

“2. Mandate

The Committee promotes the advancement of the University’s Mission and Vision, aligns with the University Values, complies with the University Mandate and supports institution-wide plans, priorities and objectives by fulfilling its Committee Mandate in four Areas of Interest:

a. University Reputation

The Committee guides efforts to ensure that the University safeguards and enhances its reputation to advance its interests.

[...]

d. University Philanthropy and Development

The Committee guides efforts to ensure that the University’s philanthropic and development policies and plans, promote, attract and generate revenue to advance the University’s interests.

Section 3. Scope of Duty

Without limiting interpretation of the Committee Mandate to promote the University’s Mission and Vision, align with the University’s Values, comply with the University Mandate and support the institution-wide plans, priorities and objectives in four identified Areas of Interest, the Board authorizes the Committee to:

Item No. 5.2

	<p>a. Recommend Board approval of proposals within the Committee Mandate, which realize the approved institution-wide plans, priorities, objectives or related policy goals; [...]</p> <p>c. Approve policy matters within the Committee Mandate which align with Board approved parent policy[.] [...]"</p>
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Routing (Include meeting dates)

Consultative Route (parties who have seen the proposal and in what capacity)	<p>To date, the attached Policy Suite has been reviewed by University General Counsel, external counsel, the President, the Executive Planning Committee (EPC), an internal Advancement committee representing various constituencies, and the University's Information and Privacy Office (IPO).</p> <p>EPC (March 14, 2012); Deans' Council (March 21, 2012); Association of Academic Staff – University of Alberta (AASUA) (March 22, 2012 – April 12, 2012) (for discussion)</p>
Approval Route (Governance) (including meeting dates)	<p>GFC Academic Planning Committee (May 9, 2012) – for recommendation; Board University Relations Committee (June 1, 2012) – for recommendation; Board of Governors (June 15, 2012) – for final approval</p>
Final Approver	Board of Governors

Attachments:

1. Attachment 1 – Donation Acceptance Policy (pages 1 – 4)
2. Attachment 2 – Donation Acceptance Procedure (pages 1 – 6)
3. Attachment 3 – Counting Practices for Philanthropic Support Procedure (pages 1 – 14)
4. Attachment 4 – AASUA Consolidated Commentary – For Information Only (page 1)

Prepared by: O'Neil Outar, Chief Advancement Officer, Office of Advancement, oneil.outar@ualberta.ca



U of A Policies and Procedures On-Line (UAPPOL)

Anticipated Approval Date: June 15, 2012
 Most Recent Edit Date: N/A

Donation Acceptance Policy

Office of Accountability:	Office of Advancement
Office of Administrative Responsibility:	Office of Advancement
Approver:	Board of Governors
Scope:	Compliance with this University-wide policy extends to all members of the University community.

Overview

The University of Alberta is committed to excellence in teaching and research and to the fundamental principles of academic freedom. Philanthropic support is an important element in advancing research and education. The University welcomes **donations** from individuals and organizations to help it achieve its academic mission and to enhance its programs and services to students and researchers. In addition to providing an efficient review and **acceptance** process, this policy and published procedures are intended to provide a framework for the recognition and appreciation to donors in an appropriate and consistent manner, to cultivate future support with the University's current donors and to stimulate interest and support among potential donors.

The University of Alberta is a registered charity and complies with requirements of the *Income Tax Act*.

Purpose

To create a framework for the review and acceptance of philanthropic donations to the University of Alberta.

Guiding Principles

The University values and will protect its integrity, autonomy, and academic freedom, and does not accept donations when a condition of such acceptance would compromise these fundamental principles.

POLICY

1. The University's solicitation and acceptance of donations is informed by and consistent with priorities and interests established by the University.
2. A donation made may be in the form of an "**expendable gift**" or to establish or augment an "endowment".

An expendable gift is made through a voluntary and irrevocable transfer of **property** by a donor, to the University, to be available for immediate expenditure by the University, in return for which no valuable benefit flows to the donor from the University. With **donations to endowments**, the University receives a donation to hold, as trustee, in a charitable purpose trust. Spending allocations are generated by the property for use by the University in support of the purpose or object of the endowment.

Expendable gifts may be either "designated" or "undesignated" donations. Endowments are designated donations.

- **Undesignated donations** are not restricted in the manner in which they may be expended, and are available to use for such purposes as the University determines will best advance its interests and priorities. Expendable gifts directed to a particular faculty, department, or program, but for general expenditure, remain "undesignated".
- **Designated donations** are used expressly for the purposes for which they are given, or in the case of an endowment, in support of the identified purpose or object of the endowment. Expendable gifts directed to a particular faculty, department, or program for specifically identified purposes are designated donations.

Any designated purpose for an expendable gift, or of an endowment donation, may be general or specific.

3. The University is committed to the highest standards of donor stewardship and accountability. This includes appropriate acknowledgement and recognition for donations. Where reports are supplied to donors, these reports will conform to University policies, and be shared with donors by the appropriate academic or administrative office relevant to the donation.
4. Any terms or conditions governing the use of donations are matters of public record, except for information that is personal or proprietary, in accordance with the *Freedom of Information and Protection of Privacy Act*. A list of all donations may be produced annually and be made available, as needed, to the Board of Governors, and may be made public by the Office of Advancement in the form of a listing of donors for stewardship and recognition purposes. Donors may request to be identified as anonymous in all public recognition activities. When requested, the University will maximize donor anonymity protection.
5. The University will follow both University policy and federal and provincial laws with respect to the acceptance of donations that include designations relating to ethnic, religious, gender, or analogous personal characteristics and prior approval of the **Donation Acceptance Committee** is required with respect to accepting any such donations. (see RELATED LINKS)

The prior approval of the Donation Acceptance Committee is also required with respect to any donation in support of a scholarship or award that seeks to designate criteria relating to membership in a particular University constituency, group, or association.

6. Donors are ultimately responsible for ensuring that the proposed donation furthers their own charitable, financial and estate planning goals. Therefore, donors are encouraged to seek independent advice in the donation planning process. It is not within the domain of either the University or its staff to give legal, accounting, tax or other advice to prospective donors.
7. Where donation agreements seek to include a provision for advisory boards and committees, the University will only create such a board or committee with the prior agreement of the relevant academic unit or units.

From time to time issues arise with respect to a donor seeking to take an advisory role in a project/centre or institute or gift/endowment to which they have provided funding. Legal, governance and general policy considerations can all be triggered by such on-going involvement, thereby requiring the approval of the Chief Advancement Officer, the Vice-President (Finance and Administration), Vice-President (Research), and Provost and Vice-President (Academic), or at their direction, the approval of the Donations Acceptance Committee.

8. The University does not accept or recognize as a charitable donation any monies or other property that provides a benefit or consideration to the donor or anyone designated by the donor. This includes employment at the University, enrolment in a University program, or a University procurement contract. There are certain circumstances, for example sponsorships, where the University will consider such donations, as defined within the *Counting Practices for Philanthropic Support Procedure*. (see PUBLISHED PROCEDURES)
9. The Office of Advancement will record all donations to the University in the alumni and donor database and ensures the timely and accurate issuance of donation receipts on behalf of the University.
10. The University of Alberta may elect to accept or decline any donation. The University will not accept a donation unless there is a reasonable expectation that acceptance of the donation would benefit the University. The University will not accept a donation if such acceptance imposes upon the University overly burdensome administrative or other efforts or costs. The final decision to accept a donation rests with the Board of Governors, and is subject to the authorities vested under the *Contract Review and Signing Authority Policy* and the associated documentation to establish the Gift Agreement and Statement of Trust. (see RELATED LINKS)

When the position of Vice-President (Advancement) is filled, all references to the Chief Advancement Officer will be deemed to be removed and replaced by Vice-President (Advancement).

Special Circumstances – Donation Acceptance Committee

All donations must be in support of, and consistent with, the Mission and Vision of the University of Alberta. Donations that by their nature or terms are not clearly in conformity with these and other applicable policies must be presented to the Donation Acceptance Committee (DAC) for evaluation and approval. Consultation with relevant areas of the University (including, but not limited to members of the President’s Executive Committee, deans, appropriate academic leaders, and the Prospect Manager) shall be included in the DAC’s donation evaluation process. (see PUBLISHED PROCEDURES)

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [▲Top](#)

Donations	May take the form of an “expendable gift” or an “endowment donation”.
Acceptance	The decision by the University to accept a donation in accordance with this policy.
Expendable Gift	A donation made through a voluntary and irrevocable transfer of property by a donor, to the University, to be available for immediate expenditure by the University, in return for which no valuable benefit flows to the donor.
Donations to Endowments	A donation where the University receives property from the donor to hold, as trustee, in a charitable purpose trust and spending allocations are generated for use in support of the purpose or object of the endowment. Donations can augment existing endowments or create

	new ones.
Undesignated Donation	A donation where the donor has not specified any restrictions as to the use of the funds.
Designated Donation	A donation where the donor has specified restrictions on the use of the donation.
Property	An asset with determinable value such as cash, securities, life insurance interest, art, or real property.
Donation Acceptance Committee (DAC)	The committee established to review and consider acceptance of proposed donations with special circumstances. The Committee also reviews the Donation Acceptance Policy and Procedure.

RELATED LINKS

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[General Faculties Council's Discrimination and Harassment Policy and Procedures and the University of Alberta Reasonable Accommodation Policy](#) (University of Alberta)

[Naming Policy](#) (University of Alberta)

[Philanthropic Naming of Academic Entities Procedure](#) (see for Endowment Levels) (University of Alberta)

[Prospect Management Policy](#) (University of Alberta)

PUBLISHED PROCEDURES OF THIS POLICY

Donation Acceptance Procedure (University of Alberta)

Counting Practices for Philanthropic Support Procedure (see Sections 2 and 3 for accepted Donation Types and how they are recorded) (University of Alberta)



U of A Policies and Procedures On-Line (UAPPOL)

Approval Date: N/A
Most Recent Edit Date: N/A

Parent Policy: Donation Acceptance Policy

Donation Acceptance Procedure

Office of Administrative Responsibility:	Office of Advancement
Approver:	Office of Advancement (Chief Advancement Officer)
Scope:	Compliance with this University-wide policy extends to all members of the University community.

Overview

The University of Alberta is committed to excellence in teaching and research and to the fundamental principles of academic freedom. Philanthropic support is an important element in advancing research and education. The University welcomes **donations** from individuals and organizations to help it achieve its academic mission and to enhance its programs and services to students. In addition to providing an efficient review and **acceptance** process, this policy and published procedures are intended to provide a framework for the recognition and appreciation to donors in an appropriate and consistent manner, to cultivate future support with the University's current donors and to stimulate interest and support among potential donors.

The University of Alberta is a registered charity and complies with requirements of the *Income Tax Act*.

Purpose

To elaborate on the framework for the review and acceptance of philanthropic donations to the University of Alberta.

PROCEDURE

I. Donation Acceptance Committee

From time to time there will be donations that by their nature or terms are not clearly in conformity with Donation Acceptance Policy and/or Procedure, or are highly controversial in nature. In such circumstances the Chief Advancement Officer shall convene the **Donation Acceptance Committee** (DAC) to review the proposed donation and determine whether or not to recommend to the President acceptance of the proposed donation.

Membership of the DAC is determined by the Chief Advancement Officer and shall minimally consist of the following:

Voting Members:

- Chief Advancement Officer (Chair)
- Director, Major Gifts and Planned Giving
- Recording Secretary
- Senior Director, Advancement Services
- Vice-President (Facilities and Operations)
- Vice-President (Finance and Administration)
- Vice-President (Research)
- Vice-President (University Relations)
- Vice-Provost and Vice-President (Academic)
- Vice-Provost (Academic) and Associate Vice-President (Research)
- Appropriate academic leader involved with the donation under review (e.g. dean)

Ex Officio:

General Counsel

During the course of a University-wide campaign at least one member of the campaign leadership committee shall serve as an ex-officio member of the DAC.

In order for the proposed donation to be reviewed by the DAC, a written request must be submitted to the Chief Advancement Officer. Consultation with relevant areas of the University shall be included in the process whenever appropriate, before the consideration by the DAC. Advance discussion with the DAC, before formal request for recommendation, may be advisable in cases of potential risk or sensitivity.

The DAC shall adopt guidelines that govern the conduct of its business, including voting procedures, record keeping, and reporting to the Board of Governors.

The DAC may seek legal, tax or other advice in matters relating to acceptance of donations when appropriate.

The DAC shall conduct an annual review of the Donation Acceptance Procedure and make any changes as necessary.

II. Special Circumstances

There are donations that require special consideration based on the intention of the donor(s) and their current or future relationship with the University of Alberta, including but not limited to:

1. Donor Involvement
2. Donations from University Employees and/or Fund Managers
3. Memorial, Honorary and "On Behalf Of" Donations
4. Donations for the Benefit of Specific Individuals
5. Premiums or Goods/Services Received
6. Diversity Donations
7. Donation Refunds
8. Donations from Vendors
9. Donations from entities outside of Canada

1. Donor Involvement

The University recognizes that donor involvement can, at times, assist with fund-raising and donor relations. Affording donors such involvement; however, can pose risk and create issues for the University. The following outlines some of the issues that may arise and provides some of the recommended practices:

a. For **donations to endowments**,

- i. Donor involvement in any "advisory" capacity requires the approval of the Chief Advancement Officer, in consultation with the Vice-President (Finance and Administration) and General Counsel, as necessary;
- ii. Donors may not be involved in any management decision-making roles, including through any committee, in dealing with the trusteeship, investment, or key administrative aspects of the endowment.
- iii. A donor may not change or vary the purpose of the endowment once established (such a power, however, should be sought for the University as trustee, as *per* the University's standard *Statement of Trust*);

b. For **expendable gifts**,

- i. Gift agreements or terms will not include any commitment by the University to include a donor in any committee dealing with the management aspects of the gift.

- ii. Donor involvement on an advisory committee is acceptable, so long as there is no control of that committee by the donor and so long as the committee is clearly only advisory. It is incumbent upon the academic or administrative organization that is being advised to not engage the committee in discussions about budget and spending; without prior consultation with the Chief Advancement Officer, Vice-President (Finance and Administration), Vice-President (Research), Provost and Vice-President (Academic), and General Counsel.

2. Donations from University Employees

Donations to the University from its employees are encouraged, and may be accepted if the purpose of the donation is to support bona fide University activities. Such donations are subject to University policies and procedures.

3. Memorial, Honorary and “On Behalf Of” Donations

Memorial and honorary donations are encouraged by the University as generous and thoughtful ways to recognize people’s lives and accomplishments. When a memorial donation is made, the deceased’s next of kin is notified by the University provided the donor has completed a *Freedom of Information and Protection of Privacy* Act release form. Such notifications must not specify donation amounts.

When a donor makes a donation “on behalf of” another person, the other person receives “recognition credit.” The legal donation credit remains with the person who made the donation (e.g., signed the cheque).

4. Donations for the Benefit of Specific Individuals

A donation that is made with the condition that the proceeds will be spent by the University for the personal benefit of a named or otherwise identifiable individual or individuals is not tax deductible as a charitable contribution. The DAC shall review and, when required, refuse donations that are inappropriately targeted toward the benefit of particular individuals. The DAC also will review all proposals for endowed student scholarships, awards and bursary funds that are not clearly in conformity with the Donation Acceptance Policy and published procedures, and proposed donations for research projects or other scholarly activities undertaken by named individuals.

Funds received from a third party who has selected the recipient (e.g., an external scholarship granting entity) shall be accepted and processed by the appropriate University office of student financial aid. Such funds are not considered donations.

5. Goods or Services Received

The Canada Revenue Agency (CRA) requires the University to verify that no goods or services were received by the donor in exchange for a donation, in order for the donation to qualify for a full charitable receipt.

6. Donation Refunds

The University of Alberta does not refund donations, except in limited circumstances. A request to refund a donation must be documented and approved by the DAC.

7. Donations from Vendors

Consideration of solicitations of support from vendors to the University must be carried out in an open and transparent process; in conformity with the University *Prospect Management Policy* and in consultation with the Chief Advancement Officer, Vice-President (Facilities and Operations), and Vice-President (Finance and Administration). Processes to procure of goods and services must not be associated with, or related to, the

solicitation or receipt of donations. Therefore, solicitation should not take place before or during the procurement process or be included as part of a contract to provide services to the University. Should there be any conflict, perceived or real, regarding the solicitation of major gifts from university suppliers, the issue should be raised with the Chief Advancement Officer for review and consideration. In addition, gifts of \$500,000 (CAD) or more from a single donor will be reviewed with Financial Services to ensure no benefit is derived by the donor due to the donation.

8. Donations from outside of Canada

Individuals, corporations, foundations, and other organizations (e.g. associations, educational institutions) from outside of Canada may wish to support the University. Donations from such entities must conform to University policies and procedures and, where applicable, federal and provincial law.

9. Sponsorships

In the context of donations to the University, "Sponsorship" is that part of a donation for which a donor receives, and the University agrees to provide, a benefit or advantage that is beyond standard University donation recognition practices, including any part of a donation that does not meet CRA guidelines for charitable receipting.

Such Sponsorship, when accepted by the University, is not to be contingent on event attendance, ratings, or public exposure.

DEFINITIONS

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Donations to Endowments	A donation where the University receives property from the donor to hold, as trustee, in a charitable purpose trust and spending allocations are generated for use in support of the purpose or object of the endowment. Donations can augment existing endowments or create new ones.
Donation Acceptance Committee (DAC)	The committee established to review and consider acceptance of proposed donations with special circumstances. The Committee also reviews the Donation Acceptance Policy and Procedure.
Property	An asset with determinable value such as cash, securities, life insurance interest, art, or real property.
Recording Secretary	Receives gifts on behalf of the University, and works closely with donors and University staff to ensure the timely and accurate recording of commitments. The Recording Secretary directs and manages the office responsible for recording gifts and commitments to the University; provides expertise and consultation within Advancement and to University faculties, schools, departments, laboratories, centres, and institutes on gift policies and procedures; and works directly with

donors and their agents as appropriate.

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PUBLISHED PROCEDURES OF THE PARENT POLICY

Counting Practices for Philanthropic Support (see Sections 2 and 3 for accepted Donation Types and how they are recorded) (University of Alberta)



U of A Policies and Procedures On-Line (UAPPOL)

Anticipated Approval Date: June 15, 2012
 Most Recent Edit Date: March 13, 2012

Parent Policy: Donation Acceptance Policy

Counting Practices for Philanthropic Support Procedure

Office of Administrative Responsibility:	Office of Advancement
Approver:	Office of Advancement (Chief Advancement Officer)
Scope:	Compliance with this University-wide procedure extends to all members of the University community.

Purpose

To support the fundraising efforts related to philanthropy at the University of Alberta. These guiding principles are informed by the Council for Advancement and Support of Education (CASE) Management and Reporting Standards, and requirements from the Canada Revenue Agency (CRA).

PROCEDURE

Donation types and Methods of Reporting

1. Fundamentals

On behalf of The University of Alberta, the Office of Advancement manages the practices that determine the eligibility of certain revenues for inclusion in fundraising achievement totals and whether to classify these revenues as donation, grant, or contract. The goal of these guiding principles is to ensure that fundraising totals report only those transactions that involve true philanthropic intent. The terms and definitions used in this document are for counting purposes only.

1.1. Donations, Grants and Contracts

- **Donation:** a contribution received by the University for either undesignated or designated use in the furtherance of the institution for which the institution has made no commitment of resources or services other than, possibly, committing to use the donation as the donor specifies.
- **Grant:** a contribution received by the University for either undesignated or designated use in the furtherance of the institution that typically comes from a corporation, foundation, or other organization, rather than an individual. The grantor can receive neither benefit nor retain explicit or implicit control over the use of the contribution after acceptance by the University.
- **Contract:** an agreement between the University and another entity to provide an economic benefit for compensation. The agreement is binding and creates a quid pro quo relationship between the University and the entity. Contracts are excluded from fundraising totals. Note: This definition is not intended to address donation annuity contracts or similar charitable instruments.

Additional detail on the differences between donations and grants can be found in section 3.1 of this document.

Donor Control

A donor may not retain any explicit or implicit control over the use of a donation after acceptance by the University. A donor can suggest a department or area to which the University should apply the contribution. However, no further involvement on the part of the donor in directing the use of the funds is appropriate after

donation acceptance. (Note: This section on donor control does not refer to revocable deferred donations or revocable or conditional pledges, which remain in the control of the donor until the University realizes them and are they are countable. This section speaks to the use of all donations once they are actually received by the University.)

The following examples of donor control preclude the counting of a transaction as a donation:

- A donor establishes a scholarship fund but requires that he/she be able to select the recipient.
- A donor makes an undesignated contribution while requiring the University to award a professorship to a specified individual.
- A donor contributes to a fund for a new art museum, provided the University selects an architect of the donor's choice.
- A computer equipment provider establishes a need-based scholarship, provided the University grants an exclusive contract for hardware acquisition to that provider for 36 months.

It is also important to note that consistent with CRA and Board of Governors policies, once a donor makes a donation the donation will be used consistent with University policies and the terms of reference that established the donation. For example, a donor to a particular department, centre, institute or other entity within the University who is involved on the advisory board of an entity associated with their donation may not request a particular faculty member be hired or that endowment income be used for something inconsistent with the terms of reference of the donation.

1.2. Exclusions

For the most part, if the CRA does not recognize a transaction as a charitable donation, then it is inappropriate to recognize the transaction as a donation for reporting purposes. There are a few exceptions for reporting which allow counting of irrevocable deferred donations reported at both current and discounted present value and revocable donations and conditional pledges reported at face value.

Common examples of exclusions are as follows:

- Contract revenues including clinical trial funds
- Grants from industry, foundations or government that include contractual obligations
- Contributions of services (that is, time, skills, effort) are not property and do not qualify.
- Government and other related party funding received
- Court ordered settlements/payments are not voluntary and cannot be considered a donation.
- Discounts on purchases (that are normally available as educational discounts)
- Donations or pledges previously counted
- Expenses incurred in the transfer of a donation to the University
- Donations to social organizations even if they are affiliated with the University (i.e. Fraternities, Student Clubs)
- Investment earnings on donations after they have been given to the University
- Tuition or Fee payments
- Royalties from affinity agreements
- The payment of membership fees that convey the right to attend events, receive literature, receive services or be eligible for entitlements of any material value.
- Surplus income transfers from ticket-based operations, except for any amount equal to that permitted as a charitable deduction by the CRA when identified to donors as a donation in advance of their ticket purchase
- A payment for a lottery ticket or other chance to win a prize.
- Purchase of Goods or Services from the University
- Donations that the donor has directed the charity to give to a specified person or family.
- Donations that the donor has directed the charity to give to a non-qualified donee. (An entity that is not a registered or listed with the CRA)

- The payment of a basic fee for admission to an event or to a program, whether on behalf of the payer, a dependant of the payer, or someone designated by the payer regardless of whether or not the payment of the fee was voluntary.

1.3. Fundraising Achievement Reporting Defined

Fundraising Achievement is a measure of the new fundraising commitments made to the University on a fiscal year basis. It is based on the following formula:

New Pledges and Grants^a + Donations and Matching Donations^b - Pledge balances written off^c = Fundraising Achievement

- a. New pledges are the total of all appropriately documented pledge commitments received in the fiscal year. The total value of the pledge is included in the year the pledge commitment was made. For example a pledge of \$100,000 to be paid over 5 years at \$20,000 annually would be recorded at \$100,000 in the year the commitment was made. The pledge payments received over this time are not included in Fundraising Achievement results as this would result in duplicate counting. Pledges include Grants and other commitments eligible for recording but not yet received.
- b. Donation amounts received and recorded in the fiscal year. These amounts do not include pledge payments as the pledge payment value is captured in the initial pledge commitment. An exception is perpetual pledge payments which are recorded against pledges that have no total value. Example: a donor wishes to contribute \$50 monthly on his/her credit card until he/she notifies us of their desire to stop. Donation amounts also include corporate matching donations received.
- c. Pledge balances are written off on a regular basis during the course of the year. The amounts that are written off prior to final totals being reported for the year are deducted from the total fundraising achievement amount.

1.4. Eligible Portions in Split Receipts

Split receipting policy interpretation of existing legislation, introduced in 2002 in Canada, is the method used for calculating the eligible amount of a donation for charitable tax receipting purposes when the donor has received an advantage (consideration) in return for his or her donation.

To determine the eligible amount for charitable receipting purposes, the value of the advantage must be subtracted from the value of the donation. **Only the eligible amount counts towards fundraising totals.** (See IT 110r3 bulletin and Technical News Bulletin #26 from CRA for details on the appropriate calculation.)

Criteria for split receipting

Where a donor receives an advantage in exchange for a donation, the registered charity must be able to accurately determine the fair market value of that advantage.

The donation, minus the advantage, must still constitute a voluntary transfer of property and meet the intention to make a donation threshold.

Intention to make a donation threshold

In cases where the value of an advantage received for a donation is more than 80% of the value of the donation itself, it is generally considered that there is no true intention to make a donation. Therefore, registered charities cannot issue a receipt where the value of the advantage returned to the donor is more than 80% of the fair market value of the donation.

In rare circumstances, when the intention to make a donation threshold has not been met, there may still have been a clear intention to make a donation. In these cases, the donor must establish to the satisfaction

of the CRA that there was an intention to make a donation.

The de minimis rule

Certain advantages are of nominal value, and are considered too minimal to affect the value of a donation.

In applying the de minimis rule, advantages that have a combined value that does not exceed the lesser of \$75 or 10% of the value of the donation are considered too minimal to affect the amount of the donation.

These advantages do not need to be deducted from the value of donations when issuing receipts.

The de minimis rule does not apply to cash or near cash equivalents.

1.5. Sponsorship

In the context of donations to the University, "**sponsorship**" is that part of a donation for which a donor receives, and the University agrees to provide, a benefit or advantage that is beyond standard University donation recognition practices, including any part of a donation that does not meet CRA guidelines for charitable receipting,

A fair market value for any Sponsorship will be assessed by the Office of Advancement in collaboration with the sponsor and the end-recipient at the University, and the value of the Sponsorship will be deducted from any charitable tax receipt issued in respect of the donation. If the fair market value cannot be determined, a business receipt will be issued.

All academic and administrative units seeking Sponsorships must follow the policies and procedures in the Contract Signing Authority Policy.

For Sponsorship to qualify as a donation for counting purposes, all the factors below must exist:

- a) The contribution must be made by a person or corporation
- b) The sponsor should not expect nor receive a substantial return benefit for payment other than name acknowledgment and/or promotional value
- c) The promotional information should be limited to any or all of these:
 - sponsor's location, telephone number, internet address
 - value-neutral description of sponsor's products or services
 - sponsor's brand/trade name or product/service listings.

There can be no qualitative or comparative advertising of a sponsor's products or services, such as pricing, savings, value, purchase/sale inducements, etc.; and the sponsorship is not to be contingent on event attendance, ratings, or public exposure.

2. Donation Types and Counting Criteria

Donations can be made and accepted in many forms. The information below identifies many of the most common forms a donation may take and explains how they are valued and recorded for counting purposes.

2.1. Donations of Cash, Cheques, Credit Cards and Wire Transfers

Amounts of cash, cheque and wire transfer donations are reported as of the date the University receives them. For donations denominated in foreign currencies, the value is based on the exchange rate in effect on that date as provided by the Cashiers Office. Donations made by credit card are recorded in much the same manner as donations made by cash or cheque, but the legal date of donation is determined differently. Credit card donations represent a loan transaction between the donor and the credit issuer. Therefore, the donation is not a donation until the University receives authorization for the charge from the credit card agency. Therefore credit card donations are counted on the date that the University receives approval from the credit

card agency.

2.2. Donations of Publicly Traded Securities

The University in accordance with CRA requirements, values securities as the average of the high and the low trading price for the day (the date the donor relinquished dominion and control of the assets in favour of the University or trust). If the security was not traded on that date, the University's policy is to use the date of the most recent sale. Neither losses nor gains realized by the University's sale of the securities after their receipt, nor brokerage fees or other expenses associated with this transaction, should affect the value reported. Exactly when a donor relinquishes dominion and control depends upon the method of delivery of the securities to the University.

The University follows CASE's guidance for determining the legal date of donation:

Stock shares transferred electronically are considered a legal donation as of the date the stock is credited to the brokerage account of the University. While a donor may have instructed his or her broker to initiate a transfer on some earlier date, the fact that the broker delayed that transfer or moved the shares into a temporary holding account does not alter the fact that the University did not have control of the stock. In addition, until the stock is credited to the University's account, it is possible for the transfer to be reversed. Therefore, for purposes of these standards, base the donation valuation on the date the stock came under the University's control.

Stock certificates that are mailed to the University are considered to be a legal donation as of the date of postmark for the certificate or signature-guaranteed stock power (a certified signature of the owner of the stock signing the stock over to the University) whichever is later.

Stock certificates that are sent to the University via a third-party provider, such as UPS or Federal Express, are considered to be a legal donation as of the date of receipt by the University.

Where a donor registers stock certificates in the name of the University, the stock is considered to be a legal donation as of the date of registration in the University's name.

2.3. Closely Held Stock or Private Securities

Donations of closely held stock should be reported at the fair market value placed on them by a qualified independent appraiser as required by the CRA for valuing donations of stocks that are not publicly traded.

2.4. Donations in Kind

Donations in kind include capital property and depreciable property, personal-use property (tangible property such as collections, works of art, cars, boats, etc.), a residual interest, a right of any kind whatever, a license, a share, securities and inventory of a business. (IT 297 R2) These will be counted at fair market value as determined in accordance with CRA regulations (and must have an independent appraisal if the value is more than \$1,000, unless an exemption has been approved by the Office of the Recording Secretary). Any appraisal for a donation in kind must be completed by a qualified, competent and independent appraiser in accordance with appraisal standards in Canada.

For all donations in kind, especially items such as equipment and software, report the fair market value unless there is an educational discount value (if an educational discount is offered)—that is, the value the University would have paid had it purchased the item outright from the vendor. This point is key. Regardless of what estimated value a vendor may place on a donation in kind, the recipient should only count as a donation the amount it would have paid for the item or items were they not donated. In addition, donations not recordable as assets in the Financial Statements of the University may not be recorded as part of fundraising achievement totals.

Common examples of donations in kind include:

Deep discounts or bargain sales. If a company offers to sell a product to the University at a "deep

discount” or “bargain sale,” the company should provide a bill of sale clearly indicating the retail (or educational/non-profit discount) price, less the charitable contribution of the discounted amount, and a net cost. Record the discounted amount as a donation in kind. If, however, the same discount applies to purchases made by the University on a regular basis and is not uniquely identified as a special reduction to be considered as a donation, no donation should be counted. Thus, do not count as donations standard discounts afforded to the University based on the nature of its business or because it is a major or frequent customer. For example, if a corporation routinely provides a 20 percent discount on all purchases made by colleges and universities, that discount does not qualify as a deep discount or bargain sale contribution.

Royalties. The University may receive donations of royalties from property it does not own (such as patents)—or from property that could not be valued and thus was not counted at the time of the donation—the income received resulting from that ownership can be counted and reported each time a payment is received. Do not enter a pledge in anticipation of such payments, as there is no guarantee of the amount or continuation of an income stream. Royalties from vendor affinity agreements, such as alumni credit card programs, are exchange transactions and are not countable. Treat donations from separately incorporated alumni groups as donations from that group, unless the group is a registered supporting organization permitted to act as a fiscal agent of the University, in which case count the donations from the individuals.

Donations of gas, oil, and mineral rights. Ownership of gas, oil, or mineral facilities should be counted and reported at the readily determinable face (or fair market) value. Alternatively, if the fair market value is not known and cannot be readily determined, report the asset in the year the value becomes known. For donations of royalties from facilities not owned by the University, report the amount received each year.

Services. The value of a person’s or organization’s time or service is not considered a charitable contribution and is not countable, regardless of whether the individual assists as a volunteer or as a professional providing a specialized service (e.g., accounting, legal work, consulting, printing, etc.). The University, in accordance with CRA requirements, asks volunteers providing professional services to bill the institution for the service, accept payment from the institution, and then make a cash donation to the institution. This cash donation is usually eligible for a charitable tax credit. In contrast, an individual could not claim the same the same charitable tax credit for their time.

Software and hardware. Treat irrevocable donations of software or hardware with an established retail value like other donation in kind and count at the educational discount value (if one exists) or the fair market value, as long as the agreement qualifies as a charitable donation under the laws of the appropriate tax authority. In so-called “mega-donations,” companies seek to use an institution as a test site for newly developed software or hardware with no established retail price, although the company may have its own estimate of the software’s value. Institutions entering into such agreements need to ascertain whether they are donations, partial interests, or exchange transactions according to the CRA and these standards.

Large software donations can be highly complex. The following list suggests various methods for assisting in assessment of the countable value of certain components of those contributions:

- a. **Value to the University.** Count only software donations that serve the academic or research purpose of the University.
- b. **Donation value.** As with other donations in kind, the donor should provide the University with a written confirmation of the dollar value of the donation at the educational discount price. If no educational discount is available, it must be so stated in the letter from the donor and the established retail value shall be used. If there is no established retail price for the software, no amount can be counted or reported until such a value is determined, such as by a qualified independent appraisal or when the software product is available for purchase on the open market.
- c. **Revocation of donation.** A donor must irrevocably transfer ownership of the property to the University for the property to be considered a donation. There must be no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information.

2.5. Life Insurance

Count the insurance company’s settlement amount for an insurance policy whose death benefit is realized

during the year (whether or not the policy is owned by the University) to the extent that no donation amount was counted previously.

Consider donations of whole life insurance policies a donation only if the donor names the University both owner and irrevocable beneficiary of the policy. (Do not count revocable policies.) The University adheres to the following standards in reporting this donation:

- Report partially or fully paid-up life insurance policies as outright donations at the cash surrender value as identified in writing by the insurance provider.
- If the policy is new or not fully paid up at the time of donation, report premium payments the donor makes to the insurer or the University (which in turn pays the premium to the insurer) as outright donations at the full value of the premiums paid. This is consistent with current CRA regulations authorizing such payments as eligible charitable contributions. Documentation of these payments must be received from the insurer and must identify who made the payments.
- Report realized death benefits as donation income for fundraising purposes only if the University has never previously recorded the policy value or any donor-paid premiums as donation income and if the University has not been paying the premiums. If you have already reported the values, do not report as a donation the difference between the previously reported values and the amount of the insurance company's settlement at the death of the donor. This is a gain on the disposition of the University's assets.

If the University receives the proceeds of an insurance policy in which it is the beneficiary, but not owner, report the full amount of the insurance company's settlement at the death of the donor as a donation on the date the University receives the proceeds.

2.6. Pledges

Pledges are commitments to make future donations. Only the entity exercising legal control over the assets to be given can make a pledge. Therefore, an individual cannot make a pledge that includes anticipated matching contributions from an employer or some other source. Nor can an individual commit funds that may come from a donor-advised fund or community foundation. A countable pledge includes only those funds that will be given by that legal entity.

"Conditional" pledges are those that place requirements on the University to perform some task or take some sort of action that it might not otherwise initiate. A conditional pledge may also depend on some future event over which neither the University nor donor may have control. Examples of conditional pledges are challenge donations, donations for capital projects (if pledge is conditional on either raising other funds or moving forward with the plans to build or renovate), and pledges that are non-binding on the donor's estate.

Report conditional pledges at face value that are pledged during a year if:

- there is a reasonable expectation that the conditions under which the pledge is made will be met during the year period, *and*
- there is appropriate documentation, most likely in the form of a donation agreement. The documentation should include dollar amounts and a payment schedule.
Record conditional pledges as revocable donations.

A pledge may take either of two forms:

- Oral pledges. Count and report in totals only oral pledges made through an authorized telethon or phonathon campaign or program. This assumes that the University mails some form of confirmation notice to the donor immediately following the solicitation period. An oral pledge is not to be confused with a conditional pledge, they are not the same.

- Written pledges of assets. Document pledges of a donor's assets, committing to a specific dollar amount that the donor will pay according to a fixed time schedule.

All pledges require formal written documentation.

The pledge is payable in full no later than 5 years from the date of the pledge. Exceptions to this time period must be approved by the Chief Advancement Officer.

Pledges are reported at the time the pledge is accepted by the University and the Office of Advancement and Alumni Affairs receives the documentation of the commitment.

The pledge value is generally recorded at face value for the total of the pledge in year the commitment is made.

2.7. Planned/Deferred Donation Instruments

Deferred donations, also called "planned gifts" or "future commitments," play a very important role in the development of an overall giving strategy when a fundraising professional is working with a donor or prospect. These types of commitments differ from outright donations because the University does not realize an asset until some point in the future. For this reason—the uncertainty of timing of realization—separate goals for deferred and outright donations are identified and tracked. Some of the primary deferred donation types include but are not limited to, charitable remainder trust, residual interest, and charitable gift annuity.

Irrevocable Deferred Donations

Irrevocable deferred donations are included in Fundraising Achievement totals at face value, but both current face and discounted present values are reported. Irrevocable deferred donations are recorded separately from outright donations and revocable deferred donations.

Revocable Donations

Revocable donations may be included in Fundraising Achievement totals at face value if pledged during the year, are appropriately documented, and reported separately from outright donations and irrevocable deferred donations. Appropriate documentation might include a commitment in writing from the donor, his or her legal counsel or financial advisor, or a copy of the bequest intention, retirement plan or other document outlining the ultimate source of the donation. Documentation should include a statement about the assumed value of the donation.

If a revocable donation is realized or becomes an irrevocable deferred donation during the year in which it was pledged, the value of the donation should be subtracted from the revocable commitment category and added in the appropriate category as an outright or irrevocable donation. If a revocable donation is realized during a future year, only amounts not attributed to the original year may be counted in the new year.

In the case of externally managed irrevocable life income trusts that allow the donor to change the charitable beneficiary, because the designation is not irrevocably pledged to the University, it should be counted as a revocable donation, at face value, and in the revocable donation category. Record conditional pledges as revocable donations.

Some generally accepted accounting principles for educational institutions provide for omitting the assets of trusts administered by others from the institution's records as the preferred alternative to the above treatment. In other cases, some generally accepted accounting principles require recognizing the assets and related revenue. Because an objective of these standards is to measure fundraising performance, these assets should be included in donation totals regardless of the treatment by the accounting department.

3. General guidelines for Fundraising Management

3.1. Donations And Grants

The definitions below provide additional detail to section 1.1 in outlining the differences between donations and grants.

3.1.1. Donations

A donation is a contribution received by the University for either undesignated or designated use in the furtherance of the institution for which the institution has made no commitment of resources or services other than, possibly, committing to use the donation as the donor specifies (see Section 1.2, “Donor Control”). The contribution is a nonreciprocal transfer in that there is no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information. If the donor receives benefits in return for the contribution, the true value of the donation is the amount over and above the fair market value of any benefits received as identified under split receipting guidelines by CRA. Whether or not the University has an obligation to report to the donor how a donation is used or invested does not preclude the transaction from being identified as a donation, such reporting is an important element of good donor stewardship.

3.1.2. Grants

A grant is a contribution received by the University for either undesignated or designated use in the furtherance of the University that typically comes from a corporation, foundation, or other organization, rather than an individual. The University may determine that what a donor calls a grant is, for fundraising recordkeeping, a donation.

Grants normally fall into two categories, both of which are philanthropic in nature and thus countable:

- Non-specific grant: a grant received by the University that did not result from a specific grant proposal. The University does not commit specific resources or services and is not required to report to the donor on the use of the funds. It is this type of grant that the University may opt to designate as a donation for internal accounting purposes.
- Specific grant: a grant received by the University resulting from a grant proposal submitted by the University. The University commits resources or services as a condition of the grant, and the grantor often requests an accounting of the use of funds and of results of the programs or projects undertaken. Note: The grantor’s requirement of regular status reports or other reports does not negate the philanthropic (and countable) nature of a specific grant.

Note: any grant determined to be sponsored research will be subject to charges of overhead and other policies of the Office of the Vice-President of Research. Sponsored research is funded by an external agency either through a grant or contract typically in response to a request or proposal. A formal agreement is entered into by the University of Alberta and the sponsor, and the agreement is usually comprised of a specified statement of work with a related deliverable.

Where potential questions or ambiguities arise, the Chief Advancement Officer and Vice-President (Research) will coordinate activities closely in order to avoid multiple/competing solicitations from the same sources.

3.2. Guidelines for Handling Certain Types of Donations

Beyond the specific requirements found in the standards for the purposes of reporting, the University offers these additional recommendations for handling the following types of donations:

- deferred donations
- donations made by credit card
- donations of closely held stock
- donations of life insurance
- matching donations
- government funds

3.2.1. Deferred Donations

The University records deferred donations at both their face value and their discounted present value for fundraising achievement purposes. It is useful to report deferred donations at both the face value and discounted present value for the following reasons:

- Reporting both values accurately and transparently reflects both the actual funds donated (face value) and the long-term benefit to the University (present value) by a standardized methodology.
- Reporting both values indicates to benefactors that the University welcomes their support in the form and at the time most convenient to the donor.
- Reporting both values signals that the University recognizes the importance of its fundraising efforts both for its near-term goals and its long-term aspirations.
- Reporting both values ensures that the contributions of all fundraising staff are appropriately valued, whether their efforts result in immediate or future contributions.

3.2.2. Donations Made by Credit Card

Because credit card donations should not be counted or reported until the date that authorization is received, and the University offices are closed for the holidays or winter break just prior to the end of the calendar year, donors should be encouraged to make these year end credit card donations through the secure online donation processing system to ensure that processing occurs prior to calendar year end. Should a credit card donation be received during this period by mail, fax, or e-mail (the latter two are highly discouraged for security reasons) the donor's attempt to make a donation before the turn of the year will have been thwarted. This may result in a potentially difficult donor relations situation.

3.2.3. Donations of Life Insurance

The donation of a whole life insurance policy is a relatively inexpensive way for a donor to leave a significant future donation to the University. A new policy may be taken out on the life of a younger donor to create a future major donation to a charity, with the cost of the premium being a small fraction of the value of the policy. Donors may also have existing policies that are no longer needed for their original purposes—for instance, a policy to pay off a mortgage in the event of an untimely death that is unnecessary once the mortgage has been paid. By changing the policy ownership to the charity and naming the charity as beneficiary, the donor can contribute the existing cash value and subsequent (if any) premium amounts to the charity to maintain the policy's face value or, if the donor chooses not to continue the payments, the University can regard the policy as "paid up" with a lower face value. The University may opt to continue those premium payments if it desires.

3.2.4. Corporate Matching Donations

In recording and counting these contributions, the University must take care to meet the requirements of the matching entity. Often a company will indicate that its donation is "undesignated." Usually, this does not mean that the donation must go to an undesignated account using accounting terminology. It does mean that the company has not placed any restrictions on the donation, and you can apply the donation to any charitable purpose at the qualified organization. The University will credit the same fund as the original donation made by the donor. Some corporations have restrictions on what their matching funds support. The University must determine, in these cases, a use of the funds that would be acceptable to the company

3.2.5. Government Funds

While not donations, funds awarded to the University by government entities are very important in helping achieve strategic goals. They often are secured competitively with the help of fundraising staff and they may be specifically intended to leverage donations. However, by its very nature, government

funding differs fundamentally from philanthropy and so the University does not count federal or provincial government funds in fundraising reports. On the other hand, donations/grants from municipal and regional (county) governments contributed towards endowments may count in fundraising totals pending review and approval of each contribution by the Chief Advancement Officer.

3.2.6. Related Party Funding

The University does not include contributions received from organizations deemed to be a related party to the University in its fundraising totals. This includes all Provincial Government related organizations.

3.2.7. Guidelines for Handling Pledges

The University of Alberta uses the following guidelines for pledge documentation, duration, and review.

3.2.7.1. Pledge Documentation

It is necessary that the donor stipulate the amount, purpose, and payment period in a written document to the University. This should be done on the approved pledge form or donation agreement. The pledge form or donation agreement should be signed by the donor. Alternatively, you may attach sufficient back-up from the donor regarding the pledge to the pledge form (i.e. letter).

3.2.7.2. Pledge Duration

The pledge-payment period should not exceed five years. This may not always be practical from a donor- relations perspective and in such cases, pledges of a lengthier time period may be recorded with Chief Advancement Officer approval.

3.2.7.3. Pledge Write Off Process

As a matter of best practice in pledge accountability, an annual review of all open pledges to ascertain their viability and the likelihood of their fulfillment will be conducted.

Once all regular pledge reminder processes are exhausted, overdue pledges will be handled as follows:

- (i) A list of \$1,000+ overdue pledges will be shared with the Chief Advancement Officer on a quarterly basis for review and direction.
- (ii) Pledges under \$1,000 and 60 days past due will be written off through the Annual Giving Office.
- (iii) If the donor has a prospect manager, the Prospect Manager will be notified of pledges over \$1000 and 60 days past due and will be written off with the consent of the Prospect Manager and/or the appropriate development officer. Prospect Managers will document contacts with donors regarding overdue pledges

NOTE: The preferred alternative to writing off a pledge is a revised pledge payment schedule, coordinated and confirmed by the Prospect Manager and/or the appropriate development leader.

- (iv) Pledges of \$100,000 to be written off also require the consent of the Chief Advancement Officer.

3.2.8. Guidelines for Donor Recognition

The standards that institutions must follow for reporting fundraising totals are based on who is the legal donor. Still, institutions are free to bestow recognition (soft credit) upon their donors as they see fit. With that in mind, the following guidelines will be used by the University of Alberta for allocating soft credit.

Three types of credit can be allocated a donation/pledge in the Advance database

- 3.2.8.1. **Hard Credit (Legal Credit)** is given to the legal donor, the individual or organization that is transferring ownership of the donation to the University. This amount is equal to the amount of the donation and will be allocated according to CRA requirements for receipting.
- 3.2.8.2. **Soft Credit** is given to individuals and organizations that should be recognized for the donation and is used for recognition purposes only. The soft credit for each donor recognized is equal to the amount of the donation (donations from community or public foundations are an exception to this rule). Soft credit for a donation can be given to more than one individual or organization. Matching donation credit is used to link matching donations to specific donor donations previously received. This is simply another form of soft or recognition credit.

There are two types of matching credit:

- 3.2.8.3. **Corporate Matching Donation** – this is a program where specific corporations agree to match the donations of employees, under certain conditions. In this case the corporate matching donation is hard credited to the corporation and the donor being matched receives matching donation credit.
- 3.2.8.4. **Access to the Future Matching** – In 2005 the Government of Alberta established the Access to the Future program to match specific donations from individual and corporate donors to the University of Alberta. Determination of which donations will be matched is determined by University Administration, with recommendations by the Chief Advancement Officer. Those donations matched, whether individual or corporate will receive matching credit.

3.2.9. **Soft Credit Guidelines**

- 3.2.9.1. **Spouse/Partner Relationships** – Donations and pledges will automatically be soft credited to both individuals if relationship is known. Donors may ask for their donations not to be soft credited with their spouse.
- 3.2.9.2. **Businesses owned or controlled by an individual including professional corporations** – Soft credit should be allocated to the individual(s) if the relationship is known.
- 3.2.9.3. **Personal or Family Foundations** – Soft credit can be allocated to family members at the request of the Foundation or the family members (Prospect Manager responsible for identifying soft crediting).
- 3.2.9.4. **Donor-advised Funds**
Donations made through a donor-advised fund are a donation from an organization, not an individual. However, the donor who made the original donation to the fund (and that person's spouse or partner, if applicable) receives soft credit for the amount the fund contributed to the University.
- 3.2.9.5. **Community and Public Foundations** - If the foundation provides amounts and names of their donors, the University will soft credit the individual or organization that made the initial donation. If original donor information is not provided by the foundation soft credit will simply be applied to the Foundation.
- 3.2.9.6. **Public Corporations** –Soft credit will be allocated to the corporation not to individuals instrumental in assisting with the donation. International family held corporations with headquarters outside of Canada will be reviewed on a case by case basis for appropriate soft credit allocation to individuals.
- 3.2.9.7. **Donations made in Honour or in Memory of an individual** - The individual being memorialized is associated with the transaction but not given soft credit value.

3.2.9.8. In all instances listed above the soft credits identified are in addition to the soft credit applied to the Primary donor (writer of the cheque).

3.2.10. Matching Credit Guidelines

3.2.10.1. **Corporate Matching Donations** – Many companies now use foundations and donor-advised funds to administer their matching donation programs. Such donations count as coming from the legal donor (usually the foundation or fund). In such cases, matching credit is given to the donor whose donation was matched.

3.2.10.2. **Access to the Future Matching Grants** – Although not reported in fundraising totals, the donor being matched is recognized with a matching credit.

There is a shared responsibility for all members of the development and alumni affairs community to ensure key information is recorded in the Advance database to allow crediting for recognition purposes (i.e. spousal information, individual owners of specific corporations).

3.2.11. Lifetime Giving

Lifetime Giving is the total of all donations attributable to a donor for recognition purposes. Lifetime giving is based on standard formula and the following calculation is used to determine this total.

Household giving (joint donations) + Related Corp. Giving + Corp Matching + Pledges - pledges write offs

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [\[▲Top\]](#)

Donation	A contribution received by the University for either undesignated or designated use in the furtherance of the institution for which the institution has made no commitment of resources or services other than, possibly, committing to use the donation as the donor specifies.
Grant	A contribution received by the University for either undesignated or designated use in the furtherance of the institution that typically comes from a corporation, foundation, or other organization, rather than an individual. The grantor can receive neither benefit nor retain explicit or implicit control over the use of the contribution after acceptance by the University.
Contract	An agreement between the University and another entity to provide an economic benefit for compensation. The agreement is binding and creates a quid pro quo relationship between the University and the entity. Contracts are excluded from fundraising totals. Note: This definition is not intended to address donation annuity contracts or similar charitable instruments.
Sponsorship	Is when a business makes a donation to a charity and, in return, receives advertising or promotion of its brand, products or services.
Donations in Kind	Include capital property and depreciable property, personal-use property (tangible property such as collections, works of art, cars, boats, etc.), a residual interest, a right of any kind whatever, a license,

	a share, securities and inventory of a business.
Pledges	Are commitments to make future donations. Only the entity exercising legal control over the assets to be given can make a pledge.

FORMS

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RELATED LINKS

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[Canada Revenue Agency](#) (Government of Canada)

[Charitable Fund-Raising Act](#) and [Regulations](#) (Government of Alberta)

[Contract Review and Signing Authority Policy](#) (University of Alberta)

[Freedom of Information and Protection of Privacy Act](#) (Government of Alberta)

[Naming Policy](#) (University of Alberta)

[Philanthropic Naming of Academic Entities Procedure](#) (see for Endowment Levels) (University of Alberta)

[Prospect Management Policy](#) (University of Alberta)

PUBLISHED PROCEDURES OF THE PARENT POLICY

Donation Acceptance Procedure (University of Alberta)

From: Brygeda Renke <brygeda.renke@ualberta.ca>
Subject: **Re: Consultation: Donation Acceptance Policy - Office of Advancement**
Date: April 13, 2012 1:13:21 PM MDT
To: "O'Neil Outar" <oneil.outar@ualberta.ca>
Cc: "Herman, Donna" <donna.herman@ualberta.ca>, "<imaclare@ualberta.ca>" <imaclare@ualberta.ca>, "Hornland, Lindsey" <lhornland@ualberta.ca>, "Spark, Jay" <jay.spark@ualberta.ca>

Looks like you put a lot of work into it. Very thorough.

Brygeda

On 12-04-13 11:21 AM, "O'Neil Outar" <oneil.outar@ualberta.ca> wrote:

Thank you Brygeda.

-- O'Neil

On 2012-04-13, at 10:56 AM, Brygeda Renke <brygeda.renke@ualberta.ca> wrote:

Re: Consultation: Donation Acceptance Policy - Office of Advancement Dear Donna

I have reviewed the attached documents that were provided to me and make no comments. Thank you for consulting us.

Brygeda

Please note: AASUA's new website address has changed to aasua.ualberta.ca <<http://aasua.ualberta.ca>> . Please adjust your bookmarks accordingly.

Brygeda Renke
Executive Director
Barrister & Solicitor

Association of Academic Staff University of Alberta
8215 – 112 Street
Edmonton, Alberta
T6G 2C8

My Direct Phone: 780.492.0654
My Email: brenke@ualberta.ca

Office Phone: 780.492.5321
Fax: 780.492.7449

Office email: aasuarec@ualberta.ca

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OUTLINE OF ISSUE

Agenda Title: **Board Committee Appointments**

Motion: THAT the Board of Governors, on the recommendation of the Board Chair, Mr Douglas Goss, approve the appointments and reappointments to the Board and other Committees as set forth in Attachment 1 to the agenda documentation.

Item

Action Requested	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Recommendation <input type="checkbox"/> Discussion/Advice <input type="checkbox"/> Information
Proposed by	Mr Douglas Goss, Chair, Board of Governors
Presenter	Douglas Goss, Board Chair; Marion Haggarty-France, University Secretary
Subject	Appointments to Board Committees

Details

Responsibility	Chair of the Board of Governors
The Purpose of the Proposal is (please be specific)	To consider the annual appointment roster to the Board Committees.
The Impact of the Proposal is	To ensure that the newly-appointed Board members have been appointed to the Committees and the at the Committees' membership reflects the appropriate Terms of Reference.
Replaces/Revises (eg, policies, resolutions)	Replaces the current 2011-2012 Committee Membership List approved at the May 11, 2012 Board meeting.
Timeline/Implementation Date	Effective upon approval.
Estimated Cost	n/a
Sources of Funding	n/a
Notes	The Board of Governors annually reviews the recommendations of the Board Chair for appointments to the Board Standing Committees. Given the end of terms for two public members occurs in August, and the Board has not yet received approval to proceed with the recruitment for their successors, the committee appointments will be reviewed again once the Board complement is confirmed.

Alignment/Compliance

Alignment with Guiding Documents	Dare to Discover, Comprehensive Institutional Plan
Compliance with Legislation, Policy and/or Procedure Relevant to the Proposal (please quote legislation and include identifying section numbers)	<p><u>The Board's General Terms of Reference for Board Standing Committees, Sections 3 and 4 state:</u></p> <p>3. <i>A member of a Committee shall be appointed by the Board for a term commencing on a date selected by the Board and expiring on the earliest of:</i></p> <ul style="list-style-type: none"> (i) <i>the effective date of the resignation of that member from the Board;</i> (ii) <i>the effective date of the resignation of that member from that Committee;</i> (iii) <i>a date selected by the Board;</i> (iv) <i>the expiry date of the term of the appointment of a non-Board member to the Committee; and</i> (v) <i>the effective date of a general appointment of all members to that committee (ordinarily the first Board meeting in June).</i>

Item No. 6.1

	<p><i>A member of a Committee is eligible to be reappointed to that Committee.</i></p> <p>4. <i>There shall be members of each Committee who are Board members; non-Board members may be drawn from the University Senate and elsewhere within the University or from the community as the Board considers may be appropriate or as may be provided in the Committee's terms of reference. Where the terms of reference of a Committee provide for a number of members in excess of those specifically required to be represented on the Committee, additional members may, subject to the foregoing, be appointed from any constituency.</i></p>
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Routing (Include meeting dates)

Consultative Route (parties who have seen the proposal and in what capacity)	Board Chair (and consultation with Members of the Board of Governors)
Approval Route (Governance) (including meeting dates)	Board of Governors June 15, 2012
Final Approver	Board of Governors June 15, 2012

Attachments:

1. Proposed 2012-2013 Board of Governors Committee Membership (1 page) – for approval

Prepared by:

Doug Goss, Board Chair
And
Marion Haggarty-France, University Secretary

AUDIT COMMITTEE

Chair: Don Matthew
Vice-Chair: Gordon Clanachan
*Brian Hesje (June 2013)
Shenaz Jeraj
Ove Minsos
Robert Teskey
Dick Wilson

FINANCE & PROPERTY COMMITTEE

Chair: ~~Gordon Clanachan~~ Dick Wilson
Vice-Chair: Jim Hole
Ashlyn Bernier
Gordon Clanachan
~~Bob Campenot~~ Wayne Renke
Don Fleming
*Steven Le Poole (June 2013)
Tanya Martelle
Robert Teskey
Colten Yamagishi

HUMAN RESOURCES & COMPENSATION COMMITTEE

Chair: ~~Marc de La Bruyère~~ Robert Teskey
Vice-Chair: ~~Robert Teskey~~ (vacant)
Marc de La Bruyère
Shenaz Jeraj
Don Matthew
Dick Wilson

INVESTMENT COMMITTEE

Chair: *Bob Kamp (June ~~2012~~ 2013)
Vice-Chair: *Jim Drinkwater (June 30, 2014)
*Ken Bancroft (June 30, 2014)
*Barbara Belch (June 30, 2013)
Gordon Clanachan
~~*Lynne Duncan (June 30, 2012)~~
*Dave Lawson (June 30, 2014)
*Allister McPherson (June 30, 2013)
*Sandy McPherson (June 30, 2015)
Jerry Naqvi

Ex Officio Members on all Board Committees: Douglas Goss, Board Chair
Indira Samarasekera, President
Ralph Young ~~Linda Hughes~~, Chancellor

LEARNING AND DISCOVERY COMMITTEE

Chair: Ove Minsos
Vice-Chair: Bernd Reuscher
Ashlyn Bernier
~~Louis Francescutti~~ Wayne Renke
Agnes Hoveland
Colten Yamagishi

SAFETY, HEALTH & ENVIRONMENT COMMITTEE

Chair: Jim Hole
Vice-Chair: Ove Minsos
Kelly Baptista-Wyatt (NASA designate) (June 30, 2013)
~~Louis Francescutti~~ Wayne Renke
Brent Epperson (GSA designate) (June 30, 2013)
Brent Kelly
*Gordon Winkel (June 30, 2013)

UNIVERSITY RELATIONS COMMITTEE

Chair: Agnes Hoveland
Vice-Chair: Don Fleming
~~Bob Campenot~~ Wayne Renke
Ashlyn Bernier
*Ross Danyluk (June 30, ~~2012~~ 2014)
*Louise Hayes (June 30, ~~2012~~ 2013)
Brent Kelly
~~Tanya Martelle~~
Jerry Naqvi
Bernd Reuscher

BOARD REPRESENTATION ON UNIVERSITY COMMITTEES

Senate: Agnes Hoveland, Shenaz Jeraj

Edmonton Community Foundation Nominating Committee: Ove Minsos (effective to December 31, 2013)

Item 6.1 Attachment 1
BG 2012-06-15

* Denotes External Member on a Board Committee

Proposed – June 15, 2012