

Approval Date: June 15, 2012

Parent Policy: [Donation Acceptance Policy](#)

Donation Acceptance Procedure

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| Office of Administrative Responsibility: | Office of Advancement |
| Approver: | Vice-President (Office of Advancement) |
| Scope: | Compliance with University procedure 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 Vice-President (Advancement) 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 Vice-President (Advancement) and shall minimally consist of the following:

Voting Members:

- Vice-President (Advancement) (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 Vice-President (Advancement). 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 Vice-President (Advancement), 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 Vice-President (Advancement), 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, Honourary and "On Behalf Of" Donations

Memorial and honourary 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).

Please refer to *Appendix A - Acceptance of Honourary and Memorial Donations* for more information on establishing a memorial, the types of memorials and who in the University can assist.

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 Vice-President (Advancement), 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 Vice-President (Advancement) 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.

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.

8. 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

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

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| 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. |
| 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 in support of the purpose or object of the endowment. Donations can augment existing endowments or create new ones. |
| 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. |
| Property | An asset with determinable value such as cash, securities, life insurance interest, art or real property. |
| Undesignated Donation | A donation where the donor has not specified any restrictions as to the use of the funds. |
| 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. |
| 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 the University faculties, schools, departments, laboratories, centres, and institutes on gift policies and procedures; and works directly with donors and their agents as appropriate. |
| Tangible Donation | A donation of a physical object such as commissioned art, statues, plaques and other items intended for public display. |

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

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

[Conflict Policy - Conflict of Interest and Commitment and Institutional Conflict](#) (UAPPOL)

[Contract Review and Signing Authority Policy](#) (UAPPOL)

[Creation of New Awards and Bursaries for Undergraduate Students Procedure](#) (UAPPOL)

[Donation Acceptance Policy \(Appendix A\) Acceptance of Honourary and Memorial Donations](#) (UAPPOL)

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

[Discrimination, Harassment and Duty to Accommodate Policy](#) (UAPPOL)

[Naming Policy](#) (UAPPOL)

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