

## Gift Acceptance Policy

Approved by the Executive Team on August 20, 2015

### Preamble

The Université de Moncton is grateful to its donors, whose support enables the institution to fulfill its mission of teaching, research, and community service. This policy is intended to guide the University's employees, volunteers, and members of the Board of Governors on the acceptance of various types of gifts; to reassure donors that sound decisions are made in this regard and to assure the Board of Governors that the Executive Team is effectively managing fundraising activities through a centralized function reporting to the Executive Director General, University Relations and Philanthropic Development.

The Université de Moncton is a registered charity under the Canada Revenue Agency. Its registered charitable number is 108160979RR0001.

### 1. General Principles

#### 1.1 The University's role in the administration of gifts consists in:

- Receiving both outright and deferred gifts that support the mandate of the institution and that enable it to improve the programs and services offered to its students;
- Administering and using the gifts in the most efficient manner possible in accordance with the institution's mandate and policies, as well as Canadian law.

#### 1.2 Terms of Gift Delivery and Property Transfer

A gift is a voluntary and irrevocable transfer of cash or of tangible or intangible property for which the donor receives no benefit in return. Accepting a gift also implies accepting the terms and conditions of delivery of the gift or property transfer agreed to by the donor and the University. Where appropriate, a gift agreement will be recorded between the donor and the University. Any gift agreement prepared externally by the donor will be reviewed by the University and, as required, by its legal counsel.

The acceptance of a gift involving a naming proposal is subject to the approval of the Board of Governors.

#### 1.3 Mandates – Administrative Bodies Responsible for Gifts

The **Board of Governors** of the Université de Moncton is responsible for the management of the institution's Endowment Fund. It is incumbent upon the Board to provide sound and prudent management of the fund.

The **Investment Committee** is responsible for the implementation and oversight of the institution's Investment Policy.

The **Executive Team** is responsible for the Gift Acceptance Policy, and the Executive Director, University Relations and Philanthropic Development assumes responsibility for its implementation.

The **Office of Philanthropic Development** is responsible for coordinating the various fundraising programs. It assumes responsibility for receiving, recording and administering the gifts; managing donor acknowledgement and recognition programs, and issuing official receipts for the eligible value of all charitable gifts received by the institution in accordance with the requirements of the *Income Tax Act* and Canada Revenue Agency guidelines. The Executive Director, University Relations and Philanthropic Development is responsible for ensuring that gifts are accepted in accordance with this Policy and other relevant institutional policies. She or he must seek the approval of the President and Vice-Chancellor and/or the Vice-President, Administration and Human Resources when the application of the Policy is challenged.

## 2. Types of Gifts Accepted

Except where there is a valid reason for declining a gift, the University may accept outright and deferred gifts as described below:

### 2.1 Gifts of cash

These gifts can be remitted in cash or by cheque, credit card, money order, bank draft or transfer, bank withdrawals as well as payroll and pension deductions.

Following acceptance of gifts of cash, an official tax receipt is issued in the name of the donor for the nominal value of the amount received.

### 2.2 Gifts-in-kind

- **Real estate:** property such as a commercial or residential building.
- **Tangible property:** property that must be used in its original form such as equipment, artwork, historical objects, archives, specimens.
- **Intangible property:** royalties, patents and other intellectual rights, securities (stocks and bonds), life insurance policies.

A gift of movable property or real estate will be appraised at its fair market value (FMV) at the time it is donated. The University will issue an official tax receipt to the donor for the fair market value on the date the gift is received.

Gifts-in-kind of an estimated value of more than \$1,000 must be valued by two appraisers, one of whom must be a recognized independent appraiser. The University reserves the right to perform one of the two appraisals provided that it has the expertise. It is incumbent upon the donor to obtain external appraisals for gifts-in-kind and to provide these to the Office of Philanthropic Development.

The University may require that a gift agreement, that includes the description and value of the gift, be signed. Upon acceptance, gifts-in-kind are irrevocable and become the property of the Université de Moncton. A priori, the University may decide to sell gifts-in-kind when they present no heritage value or use in line with its mandate.

The donor may have to assume costs for storage, insurance, and transportation of donated personal property until it is received by the University. Technically, the University does not pay for

the service or repair of property or any other expenses such as insurance and taxes. These expenses are the responsibility of the owner or her/his estate and they must be paid before the property is transferred to the University. Generally, accepting a gift that involves additional substantial expenses or major changes requires the approval of the Vice-President, Administration and Human Resources.

### 2.3 Gifts of service

The Université de Moncton may accept a gift of service deemed useful for its activities. However, it is not permitted by law to receipt services rendered, whether for time donated or for professional services.

## 3. Donor Intentions

### 3.1 Types of Support

**Expendable gifts:** Regardless of its source, a gift that is not subject to capitalization can be used in its entirety.

**Endowments:** A gift is made by endowment when the capital is invested and only the income or part of the income generated by the investment is disbursed each year. Part of the income is used to fund the designated project and the remainder is reinvested in order to ensure the capital exists in perpetuity. The capital is managed in accordance with the Université de Moncton Investment Policy.

### 3.2 Intent and Use of Gifts

All gifts made to the Université de Moncton must be intended for and used by the institution.

Except where there is a valid reason for declining a gift, the University accepts gifts that are subject to the following terms and conditions:

**Unrestricted gifts:** Where the donor has not designated the gift for a specific purpose, it will be allocated to the most pressing needs and used in the most advantageous manner possible in line with the University's objectives and responsibilities.

**Designated gifts:** At the request of the donor, the gift may be intended to fund a specific project approved by the University, or added to an existing endowment fund.

Creating an endowment fund named after its donor requires the approval of the University. The donor's purpose must be deemed acceptable and the contribution substantial (with an initial minimum commitment of \$25,000). A specific request to this effect must be made, accompanied by a signed agreement between the donor and the University.

### 3.3 Gifts - Terms and Conditions

Except where there is a valid reason for declining a gift, the University accepts the following gifts:

**Immediate gifts:** a pledge accompanied by full payment of the amount.

**Pledge:** a commitment to make a donation over a determined period of time or to pay in one lump sum, but at a date other than that of the pledge.

**Deferred gift:** bequests, trusts, life insurance policies, Registered Retirement Saving Funds (RRSPs), Registered Retired Income Funds (RRIFs), Life Income Fund (LIF), charitable trusts.

## 4. Declined Gifts

Under no circumstances is the Université de Moncton obligated to accept a donation.

### 4.1 Reasons for Declining a Gift

The University reserves the right to decline a gift that:

- violates a law or public order;
- could result in any form of moral or legal discrimination;
- could, in the opinion of the University, compromise its independence, its integrity or its mission;
- could, in the opinion of the University, contravene its research, educational or ethical policies;
- could, in the opinion of the University, be of no use to the institution;
- carries the expectation of a benefit other than appropriate established acknowledgement and recognition, whether the benefit is of a monetary nature or constitutes another form of advantage for the donor or any other designated individual;
- designates directly the donor's intended beneficiary, without an appropriate selection process or an acceptable administrative framework;
- carries conditions to ensure that the donor retains undue control over the use and management of the monies donated;
- cannot be established as the legitimate property of the donor and as having been legally acquired;
- involves financial obligations that are deemed inappropriate or not profitable to the University;
- originates from a sector, an industry or a business that is specifically excluded by the University;
- at the sole discretion and upon the advice of the Executive Team, is deemed inappropriate for any other reason.

## 5. Responsibility for Donors

### 5.1 Respect and Professionalism

The Université de Moncton holds all its donors in high regard and is committed to administering their files with integrity, discretion, and professionalism. In an effort to ensure accountability and transparency, the University adheres to the standards of Imagine Canada's *Ethical Code and Standards Program*.

### 5.2 Professional Counsel

While the University is able to offer general information regarding charitable donations, it does not provide any expertise in legal, accounting, financial, tax or succession matters. Donors are encouraged to seek independent professional advice that is appropriate for their personal situation.