



Fundraising and Gift Acceptance

Category:	Governance
Number:	
Audience:	University Community Members
Approved:	October 23, 2013
Owner:	President
Approved by:	Board of Governors
Contact:	Secretary to the Board (306) 790-5950 ext. 2100

Introduction

The purpose of this policy is to set out the provisions that govern fundraising and gift acceptance activities at the University. This policy applies to University Community Members and to all fundraising and gift acceptance activities at the University. **This policy does not apply to sponsorships or to non-philanthropic grants and contributions.**

The Fundraising and Gift Acceptance Policy and Procedures guidelines have been established to ensure:

- Informed decisions are made on the acceptance of gifts
- Gifts are handled in accordance with federal and provincial laws and regulations
- Efficient administrative, legal, and accounting practices are followed
- Accurate reporting of all gifts and sponsorships to the University
- Consistent, ethical, and equitable relations with all donors and sponsors

Definitions

University Community Member: includes all employees and registered students of the University; any person holding a University appointment whether or not that person is an employee; post doctoral fellows; members of the Board of Governors, and groups affiliated with the University (e.g. Alumni Association).

Fundraising: is any activity that includes a solicitation of present or future donations of cash or gifts in kind, whether the solicitation is explicit or implied.

Gift: means a voluntary and gratuitous transfer of cash or property given to the University without benefit or any expectation of return or compensation on the part of the donor or to anyone designated by the donor pursuant to Canada Revenue Agency (CRA) guidelines. For accounting and administrative purposes, gifts are classified into two main categories: Unrestricted and Restricted.

Charitable Receipt: an official receipt issued by the University in the name of the donor to be claimed for income tax purposes. In this regard, the University strictly follows the rules and guidelines established by Canada Revenue Agency which provide that for an official receipt to be issued no right, privilege, material benefit or advantage may accrue to the donor or to any person designated by the donor.

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Unrestricted Gifts: a gift for which the donor has not clearly indicated designation as to the method or purpose of expenditure is deemed an unrestricted gift. This term may also be applied to gifts received for general support of the University.

Restricted Gifts: Restricted Gifts are donations for which donors have given specific directions on how the gifts are to be used. Restricted Gifts must be reviewed and approved in advance by the President or his/her designate.

Endowments: An Endowment is a fund in which the capital is preserved and annual expenditures are restricted to all, or a portion of the income from investment.

Bequests: The act of giving or leaving personal property by a will.

Gifts of Residual Interest: A residual interest gift is an arrangement under which property is deeded to the university, but the donor retains use of the property for their lifetime or a term of years.

Reinsured Gift Annuity: A gift annuity is an arrangement whereby a donor transfers assets to the University pursuant to an agreement authorizing the university to purchase a commercially prescribed annuity that will pay a stipulated amount to the donor and/or other annuitant.

Policy

The University is a registered charity under the Canada Customs and Revenue Agency (CCRA) that engages in fundraising activities and welcomes gifts from individuals, corporations, foundations, associations, and other donors to support its mandate, vision, mission and values. The Charitable Registration Number is 11914 0192 RR0001.

Governance of Fundraising and Gift Acceptance Activities

Fundraising and gift acceptance activities shall be informed by the University's strategic and operational planning and carried out in accordance with professional fundraising codes of ethics, and with sensitivity and respect for donors.

The University's fundraising and gift acceptance activities shall be coordinated in a manner that serves the best interest of the University and supports the Universities priorities to the fullest extent possible.

- a) Appropriate discussion and consultation will occur internally prior to approaching or making commitments to donors. Pre-approval of some gifts will be required as set out in the associated procedures.
- b) The University values its donors and will endeavor to protect donors from multiple approaches for gifts by University Community Members.
- c) It is unacceptable for an employee, volunteer, allied professional or other person representing the University to use undue persuasion or pressure in securing any gift.
- d) The University has an ethical responsibility to every donor. All staff, volunteers, professional representatives, and alumni association acting on behalf of the University will conduct themselves in accordance with accepted professional standards to accuracy, truth, and integrity. The professional standards and code of behaviours set out by the Association of Fundraising

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Professionals (AFP) and the Canadian Association of Gift Planners (CAGP) will serve as the ethical guidelines when raising funds for the University.

Gifts may be made to the University in various forms, including but not limited to:

- a) cash or cash equivalent (currency, cheques, credit cards, electronic funds transfers, payroll deductions)
- b) publicly traded securities or shares in mutual funds
- c) bequests
- d) life insurance policies
- e) gifts-in-kind (non-cash gifts such as equipment, artwork, book collections, and other assets)
- f) charitable remainder trusts
- g) real estate
- h) gifts of residual interest
- i) Reinsured Gift Annuities
- j) Personal Property
- k) Shares in Privately-Owned Companies or Business Interests

The University does not provide any legal, accounting, tax or financial advice to donors with respect to gifts.

The University will not act as executor of a donor's estate or as trustee of a living trust.

The University will honour a request for a gift to be used for a specific purpose provided that the purpose is consistent with the University's mandate, vision, mission and values and this policy.

- a) if changed circumstances should at some future point make it impractical to use the Gift for its designated purpose, then the University may at its discretion change the terms of the Gift or in the case of a gift-in-kind dispose or sell the Gift. The University will attempt to adhere as closely as possible to the donor's original intent.
- b) Unrestricted Gifts may be allocated by the President to support institutional priorities.

Where required in the associated procedures, written Gift agreements will be created between the donor and the University.

To assist in recovering the costs associated with fundraising, the University may charge a levy against certain Gifts subject to due diligence reporting on levy amounts to the Board of Governors.

The University may refund a Gift if the conditions stated in the Process are met.

The University is grateful for all Gifts offered, but will not accept Gifts that are unlawful or result in an abridgement of its academic freedom, autonomy, or integrity, and reserves the right to decline a Gift for any reason in its sole discretion, including but not limited to:

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- a) the Gift could reasonably compromise the University's public image or reputation;
- b) the Gift will be difficult or costly to administer;
- c) the Gift exposes the University to unacceptable risk;
- d) the donor applies unacceptable restrictions or donations on the Gift;
- e) the Gift conflicts with University policy;
- f) the Gift has benefits that are directed to a specific individual or individuals;
- g) the Gift jeopardizes the tax-exempt status of the University;
- h) the Gift in any way violates federal and provincial laws or regulations;
- i) the Gift is determined to be something other than a charitable gift.

Acceptance of a Gift is not final until it is approved by the requisite University approval authority.

Gifts of Shares in Privately owned Companies & Other Business Interests

These Gifts may be accepted by the University, provided the University assumes no liability in receiving such gifts.

Power to Vary Clause

Donors who designate a gift to a specific purpose must be advised of the right of the University to vary the gift designation in certain circumstances. A Power to Vary Clause must be included in all gift designation agreements.

Gifts of Securities

The securities of publicly traded companies that are acceptable by the university are those that are registered for trade at a securities exchange in Canada or the US. These also include mutual funds and some retirement plans.

Role and Responsibilities

- The President is the final approval authority for the University's fundraising activities and priorities. The President may delegate the responsibility for fundraising activities and priorities.
- The Board of Governors is the final approval authority for gifts in excess of \$250,000.
- The President is the final approval authority for gifts up to and including \$250,000.
- The approval authorities listed in this policy and associated procedures are in addition to and do not substitute for the approval requirements in the following policies:
 - a) Charitable Donations - Artwork
 - b) Scholarships, Bursaries, and Prizes
 - c) Research Chairs
- The President is responsible for reporting annually to the Board of Governors on fundraising activities, priorities, and gift acceptance.

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- The Director of Communications is responsible for the coordination of all fundraising and gift acceptance activities for the University
- The Senior Financial Officer is responsible for the administration of all fundraising and gift acceptance activities for the University.
- The Board of Governors has the final decision to decline a Gift.

Donor Recognition

Public recognition by the University for Gifts will be accorded based on the level of the Gift and will be designed taking the donor's wishes into account.

When a donor wishes to remain anonymous, the University will ensure that such wishes are respected.

Management of Donor Information and Confidentiality

The University will respect all donor requests for anonymity to the extent legally possible.

The University shall collect, use, maintain, store, disclose and dispose of donor information in accordance with the University's *Freedom of Information and Protection of Privacy* and *Records Retention and Management* policies and procedures.

Processes

General

1. Under the direction of the President, the Director of Communications is responsible for the strategy and planning of fundraising activities and for the development of work plans which guide the acceptance of gifts.
2. Under the direction of the President, the Senior Financial Officer is responsible for the administration of the donor clearance process which ensures that donors are approached in a coordinated and consistent manner.

Gift pre-approval

3. For all gifts-in-kind to the First Nations University of Canada Art Collection, pre-approval must be obtained in writing from the Collection Committee
4. For all gifts-in-kind to the Library, pre-approval must be obtained in writing from the University Library.
5. For all Gifts of land, pre-approval must be obtained in writing from the Board of Governors.
6. For all Gifts for research purposes, pre-approval of proposals must be obtained in writing from the Vice President Academic.
7. For all other Gifts that may potentially total \$25,000 or more, or may meet any criteria for non-acceptance, pre-approval must be obtained in writing from the President.

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Gift Approval

8. Gift acceptance approval authorities have been delegated as outlined in Appendix A.
9. The gift acceptance approval authorities must be:
 - a) assured the University can meet its obligations within the terms of the Gift;
 - b) confident that the donor can meet their obligation;
 - c) assured that the terms of the gift comply with labour legislation;
 - d) assured that all necessary groups have reviewed and agreed to the terms of the Gift;
 - e) assured that all items on the Gift checklist have been considered and/or resolved.

Refusal of a Gift

10. If the gift acceptance authorities consider that the Gift may meet any criteria for non-acceptance, then the gift must be referred to the President who will then bring the issue to the Board of Governors for final determination.

Refund of a Gift

11. A donor may request the refund of their Gift, if the following conditions exist: the request for the refund is made within one month of the original Gift and the money has not yet been spent or committed by the University. If a tax receipt has been issued, the Finance department will handle the necessary follow-up to revoke the donation receipt.

Gift Agreements

12. Gift agreements must be created for all Gifts \$25,000 or more, and for specific Gifts as listed in Appendix A.
13. All Gift agreements must follow the templates created by the Communications department.
14. Gift agreements must include:
 - a) a statement that the Gift must have university approval before it is considered accepted;
 - b) a section describing “the story behind the Gift”;
 - c) a section outlining the terms/purpose of the Gift;
 - d) a section allowing the University to amend the terms/purpose;
 - e) a section outlining the payment plan;
 - f) a section containing two University signatures and at least one donor signature.
 - g) a Power to Vary clause
15. All gift agreements must be submitted to the President’s office for initial review prior to any signatures.
16. The President’s office is responsible for ensuring that all gift acceptance approvals are received and that all gift agreements are signed by the appropriate individuals using the approval tracking document.
17. The President’s office is responsible for ensuring that gift agreement templates and subsequent revisions are reviewed and approved by the University’s Board of Governors.

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Legal Review

18. If legal review is not specifically required as outlined in Appendix A, and the terms of the Gift are considered straightforward by the President's office, then legal review is not required.
19. If legal review is required as outlined in Appendix A, the President must notify the Board of Governors as soon as possible to provide time for review.

Professional Advice

20. Donors should be encouraged to seek independent professional legal, accounting, tax or financial advice and are responsible for all costs incurred. The University cannot suggest or endorse a third party as a source of Gift advice.

Appraisals

21. Expenses associated with a donor's Gift (e.g. appraisals, shipping, legal fees, real-estate commissions) shall in most cases be paid by the donor. In limited circumstances the University may agree to pay some or all of the donor's expenses.
22. The determination of who is paying for the appraisal (donor or university) shall be agreed upon prior to beginning the appraisal. If the donor opts not to donate after receiving the appraisal value, then the donor will bear the full cost of the appraisal.

Donor Recognition

23. Signage and announcements are dictated by the *Naming Opportunities Policy*
24. The costs of donor recognition are the responsibility of the University.
25. Where a communication plan, which may include a press release, is prepared for a specific gift, the plan and press release must be approved by the President prior to discussions with the donor.

Unrestricted Gifts

26. Unrestricted Gifts are directed to the University's top priorities as listed in the annual Planning document
27. Allocation of Unrestricted Gifts: Generally accepted accounting principles require that unrestricted gifts be accounted for as unrestricted revenue. Such funds may be budgeted, appropriated, and expended for any appropriate purpose through the University's normal budget procedures.

Tangible Personal Property

29. Tangible personal property, excluding art, library materials, and equipment are generally sold upon receipt.

Publicly Listed Securities

30. Publicly listed securities are sold immediately upon receipt.

Private Shares

31. Private shares are redeemed for cash as soon as practical upon receipt.

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Tax Receipts

32. The Finance department is responsible for preparing charitable tax receipts for accepted Gifts in compliance with the requirements of the Income Tax Act. Once prepared, the receipt will be forwarded to the President's Executive Assistant where a thank you letter and acknowledgement from the President will be signed and mailed to the donor along with the receipt.

Donor Records

33. The President's Office is responsible for the management of donor records.

Allocation of Restricted Gifts

34. Restricted resources are available for use in accordance with the law, with respect to the policies of the University, and under conditions designated by the donor.

Spending Balances

35. Separately designated funds that are not endowed will be used for the designated purposes until expended.

Consequences for Noncompliance

Failure to comply with this policy may result in:

- Loss of registered charity status
- Loss of donor/financial support
- Loss of reputational integrity

Related Information

Identify related documents/information (acts, regulations, policies, strategies, procedures, forms, etc.)

- Charitable Donations – Artwork Policy
- Freedom of Information and Protection of Privacy Policy
- Records Retention and Management Policy
- Canada Revenue Agency – Fundraising by Registered Charities Guidance (CG-013)
- Gift Agreement (to be developed)
- Naming Opportunities Policy
- Scholarship and Awards Policy
- Sponsorship Policy

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Appendix A

Gifts up to and including \$250,000

Type	Final Approval Authority	Additional Review Required	Legal Review Required	Gift Agreement Required
Real-estate	President	Finance Dept.	Yes	Yes
Private Shares or Complex Share Transactions	President	Finance Dept.	Yes	Yes
Equipment for Faculty/Unit	President	Plant, Property & Maintenance Dept.	As needed	Gift-in-kind donation form
All Gifts for Faculty/Unit Operations	President	Vice President Academic	Yes	Yes
All Gifts for Research	President	Vice President Academic	Yes	Yes
Other Tangible Personal Property	President	Finance Dept.	As needed	Gift-in-kind donations form
Planned Gifts	President	Finance Dept.	As needed	Yes
New Student Awards	President	Scholarship Committee	As needed	Yes
New Named Facilities and Physical Assets	President	Board of Directors	Yes	Yes
FNUniv Art Collection Gift-in-kind	President	Art Committee		Art donation form
Library Gifts-in-kind	President	Librarian	-	Library donation form
All other gifts	President	As required	As needed	Yes

Gifts in excess of \$250,000

Type	Final Approval Authority	Additional Review Required	Legal Review Required	Gift Agreement Required
Real-estate	Board of Governors	Finance Dept.	Yes	Yes
Private Shares or Complex Share Transactions	Board of Governors	Finance Dept.	Yes	Yes
Equipment for Faculty/Units	Board of Governors	Plant, Property & Maintenance Dept.	As needed	Gift-in-kind donations form
All Gifts for Faculty/Unit Operations	Board of Governors	Vice President Academic	Yes	Yes
All Gifts for Research	Board of Governors	Vice President Academic	Yes	Yes
All Gifts for Centre Operations	Board of Governors	President	Yes	Yes
Other Tangible Personal Property	Board of Governors	Finance Dept.	As needed	Gift-in-kind donations form
Planned Gifts	Board of Governors	Finance Dept.	As needed	Yes
New Student Awards	Board of Governors	Scholarship Committee	As needed	Yes
New Named Facilities and Physical Assets	Board of Governors	President	Yes	Yes
FNUniv Art Collection Gifts-in-kind	Board of Governors	Art Committee	Yes	Art donation form
Library Gifts-in-kind	Board of Governors	Librarian	Yes	Library donations form
All other gifts	Board of Governors	As required	Yes	Yes