

DONATION POLICY

This document is the parent policy for any College or Divisional procedures. Questions regarding this policy are to be directed to the identified Policy Administrator.

Functional Category:	Operations
Approval Date:	March 11, 2020
Effective Date:	March 11, 2020
Policy Owner:	Vice President, External Affairs and Brand
Policy Administrator:	Director, Advancement

Objective:

NorQuest College (college) recognizes that donations are a valuable supplement to the budgetary funds normally available to support the college in fulfilling its mandate under the *Post-Secondary Learning Act*.

The college welcomes donations that will help equip and operate the college, support teaching excellence, deliver applied research initiatives, and support current and future student scholarship.

Donations to the college are made through the NorQuest College Foundation (Foundation). The Foundation is a registered charity and receives donations for the college from a wide variety of sources including associations, corporations, foundations, and individuals.

Activities associated with acceptance, receipting, management, and donor recognition (naming and renaming buildings, facilities or objects) of donated funds are addressed in procedures associated with this policy.

Authority to establish this policy is derived from the [NorQuest College Board of Governors Policy No. 5](#), which delegates authority to the President and CEO to establish policies and procedures for the college's management and operation.

Policy:

Donations will be assessed for acceptance and managed in a manner that:

- provides for effective, fair, and equitable donor recognition,
- provides for effective stewardship of donations,
- is respectful of donor wishes,
- supports and aligns with the college mandate, missions, objectives, and values as articulated in the college Comprehensive Institutional Plan,
- reflects fundraising professional practice, and
- complies with:
 - *Income Tax Act (Canada)* requirements for issuing tax receipts,
 - Canadian Generally Accepted Accounting Principles and Public Sector Accounting Board Standards for financial reporting purposes,
 - Alberta *Freedom of Information and Protection of Privacy Act*, *Personal Information Protection Act*, and other applicable privacy legislation, and
 - *Charitable Fund-Raising Act*.

Donations will be accepted subject to the following principles:

- Donation or donation conditions must be legal and ethical as determined by the college.
- Donations must not jeopardize the Foundation's charitable status.
- Donations made to establish an endowment require establishment of an Endowment Agreement.

- The minimum donation for establishing an endowment is \$20,000, unless otherwise approved by the Vice President, External Affairs and Brand.
- Donations made to establish an award require the establishment of a Scholarships & Bursaries Agreement.
- The minimum donation for creating an award is \$500 per instance of award disbursement.
- Donations will not financially or morally jeopardize the donor and/or the college.
- Donations must not improperly benefit the donor.
- Donors will not require valuable consideration, in any form, in return for a donation.
- Donations must provide a net benefit to the college.
- Donations cannot result in unwarranted or unmanageable expenses to the college.
- Conditions associated with a donation, if any, must be administratively practical.
- A planned gift which has been officially documented with the Advancement Office may acknowledge the individual(s) as a future donor(s).
- Donations must not result in real or potential risk to the college including physical and/or environmental hazards.
- A fair market value must be able to be established for the donation.
- Donors will bear the cost associated with valuation or appraisal of any gift in kind donation and for an environment assessment of the property, if required. Exceptions to this principle require written approval of the Vice President, External Affairs and Brand.
- Gift in kind donations, other than real estate or securities, must be of a nature that can be retained as a college asset and used in connection with college activities, with discretion as to its use and management, or disposed of for cash.
- The college reserves the right to reject any donation.

Definitions:

Donation: a voluntary transfer of property without valuable consideration. In order for a gift to qualify for a charitable tax receipt the following three conditions must be satisfied:

- 1) some property, usually cash, is transferred by the donor to the college,
- 2) the transfer is voluntary, and
- 3) the transfer is made without expectation of return.

In alignment with Canada Revenue Agency (CRA) guidelines: it may be permissible for donors to receive recognition for their gift, including donor wall listing, signage and plaques, or naming opportunities for buildings, displays, education programs, etc.

Donations can be in many forms including: cash, gift in kind, planned gift, and endowment.

Endowment: a restricted donation made to the college where the capital value is invested, and the annual investment income is used for a specified educational purpose (e.g. scholarship, research, learning enhancements, etc.). All cash or property gifted to the college for the purposes of an endowment fund becomes the property of the college. The principal of the endowed fund is retained, administered, and managed by the college in accordance with its investment policy. Endowed funds generally are meant to exist in perpetuity.



Gift in Kind: gifts in kind, also known as non-cash gifts, are gifts of property. Examples of a gift in kind include equipment, software, books, artwork, publicly traded securities, real estate, collections, etc. A contribution of service, that is, of time, skills or efforts, is not property, and therefore does not qualify as a gift or gift in kind for purposes of issuing official donation receipts.

Planned Gift: a gift made during a donor's lifetime or at death as part of a donors overall financial and/or estate planning. Planned gifts include bequests, life insurance policies, and gift annuities.

Related NorQuest College Information:

- [Comprehensive Institutional Plan](#)
- [Donation Acceptance Procedure](#)
- [Donated Funds Management Procedure](#)
- [Donations - Naming and Renaming Buildings, Facilities or Objects Procedure](#)
- [Donation Receipting Procedure](#)

Related External Information:

- [Association of Fundraising Professionals Code of Ethical Standards](#)
- Canada Revenue Agency: Gift Summary Policy CSP - G01
- [Charitable Fund-Raising Act](#)
- [Fair Market Value \(Appraisal\) Summary Policy CSP-F07](#)
- [Freedom of Information and Protection of Privacy Act](#)
- [Fundraising by Registered Charities CRA Guidance CG-013](#)
- [Income Tax Act](#)
- [Post-Secondary Learning Act](#)

Next Review Date:

January 2024

Revision History:

May 2012: new
 October 2012: update links to related documents
 June 2013: updates
 August 2013: update for document links and branding
 March 2015: reviewed – no change
 June 2016: update
 August 2019: Compliance Office template & reorganization update
 January 2020: update and review