DONATION STANDARDS

PURPOSE

The purpose of this document is to support and outline in detail the requirements of the Donations Policy. These requirements are mandatory and must be adhered to by the University community.

Standard 1

Brock University abides by the Canada Revenue Agency definition of a gift as: "a voluntary transfer of property without valuable consideration to the donor".

Standard 2

Fundraisers in the Development and Alumni Relations department must be members in good standing of the Association of Fund Raising Professionals and must abide by the Association's Donor Bill of Rights, Code of Ethics and Standards of Practice.

Standard 3

Any member of the University community who is considering soliciting donations on behalf of the University must first be authorized to do so by Development and Alumni Relations through the Prospect Management Committee. In cases where a prospective donor approaches a member of the University community, such information must be communicated to the Director of Development.

Standard 4

Development and Alumni Relations will work with donors to align the terms of reference requested by donors with the needs of the University. Development and Alumni Relations will ensure relevant University departments and offices are consulted prior to gift acceptance in light of donor requested stipulations, fund matching possibilities, ongoing costs including insurance coverage and other implications.

Standard 5

Development and Alumni Relations will follow the Delegation of Authority Policy set forth by The Board of Trustees to accept gifts. While the University will make every effort to accept all gifts, it retains the right to refuse a gift. The University must refuse a gift if its acceptance is incompatible with the University's mission, image and values; limits or imposes

DRAFT

conditions on academic freedom; or compromises the autonomy of the institution. If necessary, adjudication will be conducted by the Provost in consultation with the President.

Standard 6 The University considers gifts to be made to the University in perpetuity. Under exceptional circumstances where events or information available subsequent to gift acceptance occurs, which constitute a significant and continuing challenge to the University and/or its mission, vision and values, the University may seek legal counsel to determine if the gift should be returned to the donor.

Standard 7 The minimum contribution required to establish a named endowment for any purpose at the University is $25,000. The gift will be held in a permanent fund and the annual proceeds will be distributed in perpetuity. The Board of Trustees approves an annual spending rate per the Endowment Management Policy. Donors may contribute a gift of any amount to one of the University's existing endowment funds.

Standard 8 The University will create a named endowed scholarship with a minimum contribution of $25,000. Scholarships recognize academic excellence and are awarded on the basis of terms of reference reflecting the donors' interests and academic priorities, and approved by the University. A scholarship is recognized on the recipient’s academic record.

Standard 9 The University will create a named endowed bursary with a minimum contribution of $25,000. Bursaries are awarded based on demonstrated financial need, and are not recognized on a student’s academic record.

Standard 10 The University will create a named Academic Chair with a minimum contribution of $2 million. Naming of the Chair is subject to approval by the Board of Trustees. Proceeds of the endowment will support salary, benefits and an appropriate measure of scholarly and research support as confirmed by the Provost.

Standard 11 The University will create a named Professorship with a minimum contribution of $1 million. Naming of the Professorship is subject to approval by the Board of Trustees. Proceeds of the endowment will support salary, benefits and an appropriate measure of scholarly and research support as confirmed by the Provost.

DRAFT

Standard 12	The University will create a named expendable scholarship with a minimum contribution of $1,000 per year for a minimum five years. A scholarship is recognized on the recipient's academic record. Funds may be held in trust for periods of time to accommodate the timing of the scholarship being awarded.
Standard 13	The University will create a named expendable bursary with a minimum contribution of $1,000 per year for a minimum five years. Funds may be held in trust for periods of time to accommodate the timing of the bursary being awarded. Bursaries are awarded based on demonstrated financial need, and are not recognized on a student's academic record.
Standard 14	The University will create book prizes for academic excellence and a high degree of leadership, commitment, support and participation in specific programs, departments or the University as a whole or for other reasons as may be confirmed by the University from time to time.
Standard 15	The University will create a named term Academic Chair with a contribution of $150,000 per year for a minimum five years. Funds will be used for salary, benefits and an appropriate measure of scholarly and research support as confirmed by the Provost.
Standard 16	The University will create a named term Professorship with a contribution of $100,000 per year for a minimum five years. Funds will be used for salary, benefits and an appropriate measure of teaching support as confirmed by the Provost.
Standard 17	The University will create a Named Fellowship with a contribution of $75,000 per year for a minimum of five years. Funds will be used to support the research of a full time graduate student.
Standard 18	The University will consider acceptance of gifts-in-kind. The gifts-in-kind may be retained by the University and used for purposes consistent with its objectives or may be sold and the proceeds used for the purposes of the University. A charitable tax receipt is issued for the fair market value of the gift on the day that ownership is transferred to the University. Gifts-in-kind include, but are not limited to, items such as artwork, equipment, securities, cultural and ecological property.

DRAFT

Standard 19 Qualified personnel within the University will appraise gifts-in-kind valued at $1,000 or less. If the value is greater than $1,000, a third party (i.e., arm's length from both the donor and the University) appraisal will be obtained from a qualified appraiser at the University's expense.

Standard 20 The University will obtain two appraisals where the value of a gift-in-kind is greater than $100,000 or if the gift is real estate. If the difference in value between the two appraisals is less than 10%, the University will take the lower of the two. Where the difference is greater than 10%, a third appraisal will be considered if the cost of the appraisal is less than 1% of the value of the asset. In either case, the average of the appraisals will be the final deemed fair market value.

Standard 21 Where a donor does not require a charitable tax receipt for a gift-in-kind, the receiving department will still work with the Development and Alumni Relations in accepting the gift-in-kind. This will ensure the value of the gift is added to the capital records of the University, sufficient insurance coverage is obtained and the donor is recognized in accordance with the Donor Relations, Naming and Recognition Policy.

Standard 22 The University accepts gifts of securities. The University liquidates all securities received as donations at the earliest possible opportunity. A tax receipt is provided equivalent to the value of the securities on the day that ownership is transferred to the University. The University will allocate only the funds realized towards the charitable purpose. Donors are invited to provide an additional cash gift if the realized value of the securities is less than the donor's intended level of commitment.

Standard 23 Upon request, the University will work with a donor to apply for certification of gifts of cultural property. The Canadian Cultural Property Export Review Board (CCPERB) is responsible under the Cultural Property and Export and Import Act (CPEIA) for certifying property as cultural property that is of "outstanding significance and national importance" and also for determining the fair market value of such property for income tax purposes.

Standard 24 The University will consider accepting gifts of penny stocks, illiquid or thinly traded shares. Due to the fact that such shares may not be actively traded, the University may choose not to sell the entire block of stock at once as this may adversely

DRAFT

affect the price. In this case the University in consultation with their broker will develop a strategy for the disposal of the shares and a tax receipt will be provided for the amount of the sale proceeds.

Standard 25 The University will consider accepting gifts of private equity.

Standard 26 The University welcomes donations made by will, gift annuity, life income agreement, living trust or life insurance. The University will provide guidance to individuals who are considering a planned gift. Prospective donors are encouraged to retain their own independent advice.

Standard 27 Where the University provides something of value in return for a donation, the value of the eligible amount of the charitable gift receipt will be determined by calculating the excess value of the donation over the amount of the advantage provided.

Standard 28 Business receipts, not charitable tax receipts, will be provided for corporate sponsorships.

Standard 29 A provider of service to the University is not eligible to receive a charitable receipt in lieu of payment for the service. A contribution of service is not property and, therefore, does not qualify as a gift or gift-in-kind. Following receipt of payment for service, donors may choose to write an equivalent cheque to the University, for which a charitable tax receipt will be issued.

Standard 30 Charitable gifts will qualify for a charitable tax receipt dated with the year in which the gift is received by the University. If a donation is delivered via Canada Post, the date of the post-mark on the envelope determines the date of the charitable tax receipt.

Related Policies:

Endowment Fund Investment Policy
Endowment Management Policy
Donor Relations, Naming and Recognition Policy
Delegation of Authority Policy

DRAFT