

Selkirk College Policies and Procedures		Title and number	2000 Fund Development Activities: Donations and Sponsorship		
		Replaces	B9035.1, B3020.2		
		Effective	2006-03-03	Next review :	2014-06-29
Executive Responsibility	Administrative Responsibility	Recommended by Policy Review Committee	2010-06-29		
President	President	Recommended/Approved by Education Council	N/A		
		Approved by President	2010-06-30		

1. POLICY:

Selkirk College is a registered charity and committed to enhancing its mission by building relationships with donors and sponsors to provide additional sources of revenue and support. Activity in this area will be carried out with sensitivity for donors and sponsors, and in accordance with legal requirements and ethical practices.

This policy provides guidelines for donor or sponsor contact, project-reporting requirements, donations, and sponsorships related to such activities.

2. Definitions

A. Donation

Revenue Canada defines a donation as a voluntary transfer of property or service from a person, organization, or business to the College without valuable consideration or receiving any benefit from that donation which has a monetary value. Generally, a donation is made, and a tax receipt may be issued, if all three of the conditions listed below are satisfied:

- some property—usually cash—is transferred to a registered charity;
- the transfer is voluntary; and
- the transfer is made without expectation of return. No benefit of any kind may be provided to the donor or to anyone designated by the donor, except where the benefit is of nominal value. Nominal value is interpreted to mean the greater of \$50 or 5 percent of the value of the gift.

B. Sponsorship

A sponsorship is defined as a voluntary transfer of resources from a person, organization, or business to the College based on the expectation that the sponsor will receive promotional consideration in exchange for the support provided.

C. Solicitation

In the case of Selkirk College, solicitation is the act of asking a person or an organization for something of value; this 'ask' will typically be for cash.

D. Fund-raising

Fund-raising is an initiative, the purpose of which is to raise funds to support a specific cause.

E. Gift in Kind

Gift in Kind a charitable giving in which, instead of giving money to buy needed goods and services, the goods and services themselves are given.

3. Approval

It is the policy of Selkirk College that any project requiring donor or sponsor support must be approved by relevant College managers prior to making any commitment on behalf of the College. The employee accountable for the project is responsible for seeking approval.

Approval requirements are determined by the project's impact within the College and the length of the agreement. Even relatively small projects may affect several areas within the College, or present obligation and/or potential liability to the College as a whole:

- Any project affecting academic programs must be supported by the Chair and approved by the Dean **and** VP of Academic and Student Services as appropriate.
- Any project that would affect facility renovation or construction must be approved by the VP of Finance and Administration.
- Any project that would commit the College to a specific supplier or restrict future financial decisions must be approved by the VP of Finance and Administration and the Director of Communications and Development. If, in their opinion, the proposed donation or sponsorship exposes the College to an uncertain and potentially significant liability and/or is precedent-setting or involves sensitive issues, a Sponsorship Committee may be called to review agreements and make recommendations to the President.
- All projects requiring solicitation of donors or sponsors must be approved by the Director of Communications and Development.

The "Guide to Donation and Sponsorship Projects" is available through the Division of Communications and Development.

4. Donor and/or Sponsor Contact

The success of fund-raising activities is enhanced with the active involvement of many individuals within the College. The intent of this policy is to coordinate rather than limit the energy and expertise of College employees engaged in fund-raising on behalf of the College.

A. Solicitation

To avoid excessive solicitations in the name of Selkirk College, and to ensure partners gain recognition for their cumulative contributions, the approval of the Director of Communications and Development is required prior to contacting prospective donors or sponsors.

It is the responsibility of the Director of Communications and Development, in consultation with the President, to coordinate all solicitation of funds from individuals, businesses, corporations, and organizations.

It is accepted that solicitations made by Selkirk College employees in the course of their duties or in the name of the College will be confined to College projects. Only the President may authorize solicitations to support broader projects and causes.

5. Reporting

It is common for the College to be required to provide ongoing reports relevant to the progress and outcomes achieved by a sponsored project. It is the responsibility of the person accountable for the sponsored project to complete reporting requirements.

The Director of Communications and Development must approve and be aware of all sponsorship and donation activities to ensure successful coordination, documentation, recognition, stewardship and evaluation processes.

6. Donations

It is the policy of the College that the Division of Communications and Development is responsible for all fund-raising activities. Nothing should be done which might be construed as an acceptance of a gift until the decision to accept has been made by Communications and Development.

Decisions regarding acceptance of all gifts-in-kind are made by the Director of Communications and Development, in consultation with the Dean/Director, Department Head/Chair of the area of the College that will benefit from the gift. "Gift-in-Kind Documentation" is available through the Division of Communications and Development.

A. Restrictions

Acceptance of a donation imposes a legal obligation to comply with the terms established by the donor. Therefore, the nature and extent of this obligation must be clearly understood. Restrictions will be reviewed carefully to ensure that they do not hamper the usefulness and desirability of the support provided to the College.

If a gift is deemed unacceptable because of restrictions the donor has placed on its use, the donor shall be counseled to remove or modify the restrictions. Gifts shall be refused or returned when the purpose:

- is inappropriate or not conducive to the best interest of the College,
- would obligate the College to undertake responsibilities, financial or otherwise, that it may not be capable of meeting during the period required by the terms of the gift.

B. Undesirable Gifts

A potential gift to the College may be considered undesirable, when it is:

- restricted based on race, colour, religion, creed, nationality, or gender.
- restricted to the use of relatives or descendants.
- reserved to the use of the donor or his or her assigns; e.g. scholarships.
- restricted by the future employment of the recipient of any gift.
- restricted by interest rates and conditions for repayment of loans.

C. Gifts-in-Kind

A gift-in-kind is a gift in any form other than cash or cheque and normally requires valuation for tax-receipt purposes. In considering a gift-in-kind, the College must first agree to accept the terms and conditions, including associated costs, upon which the gift has been offered.

The cost of appraisals, which must be conducted for taxation purposes, will normally be borne by the school or department that will ultimately benefit from the gift. However, in certain cases, such as where the gift is difficult and expensive to appraise, the donor may be asked to absorb the cost. In situations where the gift is not of direct benefit to a particular faculty or department, Communications and Development will be responsible for arranging an appraisal.

The gift-in-kind should be such that it 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 or cash equivalent.

Administration of a gift-in-kind generally resides with the school or department that will benefit from the gift. Costs of administration are normally paid from the operating or other budget of that **school** or department. If a gift is sold, any outstanding administrative costs will be recovered from the sale proceeds.

D. Gifts of Art

Gifts of art should be reviewed with special care to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the usefulness of the gift. Consideration should be given to the cost of appraisal, maintenance, cataloguing, delivery, insurance, display, and any space requirements for storage. The College must be able to adequately care for and house the artwork. Generally, gifts of art will be valued according to the same principles established for gifts-in-kind.

For additional guidelines, consult the “Gift-in-Kind Documentation” available through the Division of Communications and Development.

E. Gifts of Service

The *Income Tax Act* currently permits a registered charity to issue official donation receipts for income tax purposes for donations that legally qualify as gifts. Contributions of services, that is, of time, skills or efforts, are not property, and therefore they do not qualify as gifts for purposes of issuing official donation receipts. Accordingly, Selkirk College cannot issue an official donation receipt for services rendered free of charge.

However, Selkirk College may issue an official donation receipt if a person provides a service to the College, the College pays for the service, and the person then returns the payment to the charity as a gift. In these circumstances, the College must be prepared to pay the potential donor an appropriate amount for the service rendered. A donation transaction occurs when the service provider provides a cheque to the College in the same amount; i.e. a “cheque exchange.”

F. Donor Records

Selkirk College gathers and maintains information from donors that is used for the purposes of recording and receipting donations, donor recognition, fund-raising, community relations, and building relationship between the College and its constituencies. Information is gathered on donors, potential donors, corporations, foundations, and other members of the College community and is collected and held in accordance with the Freedom of Information and Protection of Privacy Act of British Columbia.

Donor address information is collected for College purposes only and will be released only for genuine alumni or College-related functions, and not for commercial or political purposes.

Access to donor information is privileged and confidential, and records are protected from disclosure unless permission is given by the donor or required by law. College employees and faculty members are allowed access to donor and alumni records only in pursuit of their duties. Donors and alumni may access their own records on submission of acceptable identification.

7. Sponsorship

It is probable that the College will have several sponsorships in place at any one time. To ensure each sponsor is dealt with equitably, the value placed on a business sponsorship must be established within the context of other current agreements. It is the responsibility of the College employee accountable for a sponsored project to contact the Division of Communications and Development to discuss and establish sponsorship values.

Where practical, all partnerships and sponsorships will be defined by written agreements. Such agreements must define the obligations of the College and those of the partners and sponsors, the goals and intended outcome, reporting requirements, the conditions within which the project would proceed, and the conditions within which the project would be canceled.

The “Sponsorship Guidelines” available through the Division of Communications and Development provide additional direction.

8. Donor/Sponsor Recognition

Selkirk College will provide donor and sponsor recognition based on a clear set of guidelines. The Division of Communications and Development is responsible for developing and implementing appropriate recognition practices for donors and sponsors.

A. Naming

The President has authority for all decisions on naming rights for buildings, facilities, programs, awards or other aspects of the College. Provision for naming rights enables the College to recognize and memorialize those who have a prominent and/or permanent impact on the College. Naming supports the development of an active culture of recognition, provides a framework within which to administer naming rights, and provides incentives for companies or individuals to support the College.

i. Buildings

A recommendation on the naming of a building, part of a building or other facility will be made to the President, who is responsible for all decisions on naming rights in relation to a building, part of a building or other facility. Naming rights may be in perpetuity, or for a specific period, and may be granted in relation to:

- the name of a building;
- part of a building, or a facility within a building; or
- other options approved by the President.

ii. Scholarships and Bursaries

Financial awards may be named by or for a donor who provides a sum noted in the table below. Naming of memorial awards should follow these guidelines.

Flow Through/Annual Awards	Minimum gift of \$500 annually
Endowments	Minimum gift of \$2,500 which may be pledged over a period of not more than three years. Matching funds provided by the College may not be calculated as part of the donation value.

Other relevant policies:

2100 External Grants and Awards, 2400 Board Entrance Awards

Key Words:.....

sponsorship, solicitation, donation