



## Gift Acceptance

Policy No.:	7000
Category:	BCIT Foundation
Approving Body:	Board of Governors
Executive Division:	Board of Governors
Department Responsible:	BCIT Foundation
Current Approved Date:	2012 Feb 07

### Policy Statement

The British Columbia Institute of Technology (BCIT) is committed to excellence in teaching and research, and encourages gifts from a wide range of sources to help achieve its mission and enhance programs and services to its students.

BCIT accepts gifts and gifts-in-kind in accordance with the Canada *Income Tax Act* and the governing principles described in this policy document.

The BCIT Foundation provides fundraising support to BCIT, and as a registered charity under the Canada *Income Tax Act*, can issue tax receipts for qualified gifts. The BCIT Foundation has the authority to solicit and accept gifts and enter into gift agreements on behalf of the Institute.

### Purpose of Policy

The purposes of this policy are to:

- Convey governing principles for the acceptance, administration, and management of gifts
- Define the roles and responsibilities for gift acceptance within the BCIT community
- Comply with applicable regulations, legislative standards, and related BCIT policies

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### Application of this Policy

This policy applies to all BCIT employees, the BCIT Foundation, the BCIT Board of Governors, and the BCIT Foundation Board of Directors.

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## Related Documents and Legislation

The Canada *Income Tax Act*

### BCIT Policies

- 2004, Capital Assets
- 3002, Naming Privileges
- 7512, Occupational Health and Safety
- 7525, Protection of Equipment and Property
- 7519, Environmental Protection

## Definitions

**designated gift:** a contribution for which the donor provides guidelines as to where the funding support is to be directed. Gifts may be “designated,” for instance, to a particular faculty or school.

**fair market value:** normally, the highest dollar value obtainable for property in an open and unrestricted market between a willing buyer and a willing seller who are knowledgeable, informed, and acting independently of each other.

**gift:** a voluntary transfer of property without valuable consideration to the donor.

**Note:** *A gift for the purpose of the Income Tax Act is a voluntary transfer of cash or property made without expectation of return.*

**gift agreement:** an agreement between a donor and the BCIT Foundation and/or BCIT, that states the stipulations placed upon any donor-designated gift.

**independent appraisal:** a property appraisal that is provided by a source independent from BCIT and the BCIT Foundation.

**Note:** *If the fair market value is expected to be more than \$1,000, CRA strongly recommends that the property be professionally appraised by a third party (that is, someone who is not associated with either the donor or the charity).*

**qualified gift:** a gift that meets the Canada Revenue Agency (CRA) requirements to qualify as a charitable donation.

**property:** can include real property such as land and buildings, personal property including cash and marketable securities and machinery and equipment.

**registered charity:** an organization that has applied to CRA and received approval as meeting the requirements for registration as a charity, and that has been issued a charitable registration number.

**undesigned gifts:** a contribution for which the donor has not provided any guidelines as to where the funding support is to be directed. BCIT can use the money for “areas of greatest need.”

## Guiding Principles for Gift Acceptance

1. The BCIT Foundation follows the *Income Tax Act* in recording and receipting all gifts.
  - a) Gifts that qualify under the *Income Tax Act* will receive a tax receipt.
  - b) Gifts that do not qualify under the *Income Tax Act* will receive a business receipt.
  - c) Receipts will be issued for cash gifts of \$20 or greater.

- d) Receipts will be issued for in-kind gifts of \$1,000 or greater.
  - In-kind gifts valued at \$1,000 or greater may require an independent appraisal to establish the fair market value.
2. Gifts received from faculty and staff will be subject to the usual gift acceptance policy guidelines. In addition, the provisions of the *Income Tax Act* do not permit the issuance of a tax receipt for any gift to an account over which the donor has spending authority, nor may the donation be used to confer a benefit of any kind upon the donor, to any member of the donor's family, or to an individual of the donor's choosing.
3. BCIT reserves the right to accept or decline a gift.
4. Ownership of all gifts is vested to BCIT whether they are for the benefit of BCIT or for some specific purpose.
5. BCIT, in consultation with the BCIT Foundation, will consider any terms, conditions and/or associated costs before accepting a gift. BCIT can request changes and/or revisions, or decline a gift offer if it is deemed not to be in BCIT's best interests.
6. A gift of real property should be such that it can be retained as an asset and used in connection with BCIT activities, or disposed of for cash or the cash equivalent.
7. For all donor-designated gifts, there shall be a gift agreement between the donor and BCIT (or the BCIT Foundation, acting on behalf of BCIT). The original, as with all contracts, is held by Supply Management, and a copy is maintained by the BCIT Foundation.
8. Designated gifts will be used for the purposes defined in their respective gift agreements.
9. Undesignated gifts will be used, at the discretion of BCIT, in support of the mission and strategic priorities that best support BCIT.
10. Any naming in recognition of donors will be determined in accordance with BCIT Policy 3002, Naming Privileges.
11. If a donor wishes to remain anonymous, the BCIT Foundation reserves the right to know the origin of the gift, including the donor and the amount. BCIT will not make public such donor information unless required by law.
12. Gifts of securities will be sold at the earliest practical date. The declared value of the gift is based on the date the security is received in the investment account, and not the date sold.
13. In accepting gifts, the Institute will not engage in any of the following practices:
  - a) Accepting gifts that violate federal, provincial, or municipal laws
  - b) Accepting gifts that require BCIT to provide special consideration or that in any way impose limitations or specific conditions
  - c) Accepting gifts that violate the BC Human Rights Code
  - d) Accepting gifts that could pose potential liabilities including those pertaining to health, safety, or environment (*reference BCIT policies 7512 and 7519*)
  - e) Accepting gifts whose donors' core activities may be in direct conflict with the mission or values of BCIT

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## Duties and Responsibilities

### 1. Responsibility for gift acceptance approval

No one in a position to represent BCIT or the BCIT Foundation should do anything that might be construed as accepting a gift until the decision to accept has been approved by the relevant authority.

#### A. Designate of the recipient school/department

Responsibility for the intention to accept a gift lies firstly with the designate of the school or department receiving the gift (see procedure) in consultation with the BCIT Foundation.

For gifts in kind, the designate must complete a "Gift Acceptance Form" and obtain all appropriate signatures including final approval of their dean, director, or designate before gift acceptance is finalized with a donor.

School/department designates must advise the BCIT Foundation of all pending and/or approved gifts of property to the Institute.

#### B. President

The following gifts shall require the prior approval of the President of BCIT which, in the opinion of the VP Development, BCIT Foundation and the Vice President responsible for the area receiving the gift:

- 1) may expose BCIT to a significant liability, and/or
- 2) is precedent-setting or may generate controversy.

The President, at his/her discretion may consult with the Chair of the Board of Governors prior to making a decision to accept or decline the gift.

#### C. Vice President Finance

Where a will appoints BCIT or the BCIT Foundation as executor or trustee, the Vice President, Finance will be the designated Estate Administrator for BCIT.

### 2. Responsibility for the cost of appraisals

- a) The school or department to benefit from the gift is responsible for the cost of a gift appraisal.
- b) The BCIT Foundation may agree to cover the cost of an appraisal if the gift does not directly benefit a particular school or department.
- c) The donor is responsible for appraisal costs in certain cases such as where the gift is difficult and expensive to appraise.

### 3. Responsibility for disposition of an in-kind gift

A school or department that wishes to dispose of an in-kind gift must refer to the Institute's Capital Asset Policy #2004.

## Procedures Associated With This Policy

7000-PR1, Gift Acceptance Process (Pending Approval)

## Forms Associated With This Policy

Gift Acceptance Form

**Amendment History**

Policy 7001, Gifts-in-Kind/Donated Equipment – New and Used – Accounting was retired in MMM DD YYYY, and its content added to Policy 7000.

This Policy 7000 has been renamed from Gifts-in-Kind/Donated Equipment.

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|---------------|-------------|
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**Scheduled Review Date**

2017 Feb 28