

# **REGENT COLLEGE GIFT ACCEPTANCE POLICIES**

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Donor Relations Department

8/9/2013



*Regent College cultivates intelligent, vigorous, and joyful commitment to Jesus Christ, His church, and His world.*

## **PURPOSE**

The purpose of these Gift Acceptance Policies is to ensure sustained consistency in the manner in which Regent College deals with donors and the various gift types so that the donor's needs and wishes are upheld in a fashion consistent with the vision, culture and practices of Regent College.

These gift acceptance policies apply to all gifts made to Regent College,<sup>1</sup> and provide clarification on roles, responsibilities, expectations, and agreements between Regent College and its donors, along with guidance for the decision-making of the Board of Directors. Furthermore, these policies ensure that gifts to Regent College are made in accordance with legal and ethical regulations and guidelines and promote consistent, transparent practices for Regent College's fundraising responsibilities.

These policies will help to enhance long-term relationships with donors<sup>2</sup>, encourage donors and Regent representatives in their collaborative work, and inspire staff<sup>3</sup> and faculty to provide the most effective benefits to the College's broader community. Regent College shall abide by all applicable laws governing the charitable sector.

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<sup>1</sup> In time, policies and guidelines may be developed for other tax jurisdictions, which will be as consistent as possible with these for donors in Canada.

<sup>2</sup> In Guidelines see the AFP (Association of Fundraising Professionals) Donors' Bill of Rights

<sup>3</sup> In Guidelines see Donor Relations Staff Code of Ethics

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## **I. PURPOSE**

### **CHARITABLE GIFTS AUTHORIZATION<sup>4</sup>**

REGENT COLLEGE ('Regent') is authorized to encourage donors to make both outright and deferred gifts. It is understood that Regent intends to ensure a strong base of financial support to fulfill its mission by soliciting donations from a wide range of sources.

Canadian tax-receiptable donations can be made directly to Regent College (BN/Registration Number: 107881039RR0001) at 5800 University Boulevard, Vancouver, BC, V6T 2E4.

The Regent Donor Relations department oversees all fundraising efforts and ensures the stewardship of funds raised for Regent College. The Donor Relations department is also responsible for issuing Canadian charitable tax receipts for gifts received by Regent and by the Foundation in compliance with the requirements of the income tax laws of Canada.

Regent accepts outright and deferred charitable gifts, most of which are of common form<sup>5</sup>; where there are unique gift arrangements they may require the approval of the Gift Acceptance Committee from time to time.

## **II. POLICIES**

### **A. GIFT ACCEPTANCE POLICIES**

#### **Policy Statement**

Gifts must be consistent with the overall mission and strategic intent of Regent and all applicable statutory provisions without compromising Regent's integrity. Regent may, in its discretion, refuse a gift on these grounds.

Regent will not solicit or accept a gift from a donor unless it is satisfied that the donor has a *bona fide* charitable intention and has given informed consent (an accurate understanding of the consequences—both to themselves and to Regent—of the donation, the work of Regent, and the uses to which the gift will be put). Persons acting on behalf of Regent will encourage potential donors to consult independent legal and tax professionals to ensure that donors receive a full and accurate explanation of the nature and consequences of their gift. Persons acting on behalf of Regent will inform, serve, guide or otherwise assist donors who wish to support Regent's activities, but never under any circumstances will they pressure or unduly persuade.

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<sup>4</sup> Amended May 1997 Policy

<sup>5</sup> See both Acceptance of Routine and Other Gifts

## **REGENT COLLEGE**     *GIFT ACCEPTANCE POLICIES AND GUIDELINES*

Regent volunteers, friends and staff members are authorized to encourage donors to make gifts to Regent College within the parameters of the Gift Acceptance Policy. The senior staff of the Donor Relations department is authorized to negotiate gift agreements with prospective donors and/or their professional advisors in accordance with the guidelines set forth in these Policies.

Outright gifts of cash, listed securities, and life insurance do not require approval by the Gift Acceptance Committee unless it is considered that there are unusual restrictions or circumstances involved.

A gift to Regent or the Foundation must satisfy all of the following conditions to be of *bona fide* intention:

- Gift is transferred by a donor.
- The transfer is voluntary.
- The transfer is made without any expectation of return; there is no consideration/benefit of any kind to the donor or to any person designated by the donor.

In accordance with these requirements, Regent College assumes all rights of control and ownership of gifts once received. Regent College will use gifts in ways consistent with its mission and purpose.

### **Acceptance of Gifts**

While Regent is generally pleased to accept gifts, it is careful to evaluate whether there may be 'hidden costs' in the transfer of the gift.

### **Commonly Made Gifts**

Regent routinely accepts property that is readily marketable at reasonable cost. These generally include—though are not limited to—cash, cheques, bequests, listed securities, reinsured gift annuities, charitable remainder trusts, and life insurance policies.

### **Gifts In Kind**

Not all offers of Gifts in Kind are accepted by Regent College. Regent recognizes that donors will occasionally wish to give property that is not readily marketable (such as real estate, art, jewelry, private corporation shares or residuary interests in trusts), which may require unique arrangements and the approvals of the Gift Acceptance Committee.

In regards to gifts of artwork and computer equipment, books, the Arts Committee, Information Services department, and the Library of Regent College shall be respectively consulted as to whether there is a desire to accept the respective gifts. The Gift Acceptance Committee may consult professional advice on such gifts.

### **Gifts of Service**

Canada Revenue Agency (CRA) legislation prohibits an organization from issuing a charitable receipt for a gift of service. Where a donor wishes a tax receipt for a service rendered, the person or organization may invoice Regent for the service rendered and then may, in turn, donate the amount (or portion) of the payment back to Regent College through normal processes.

### **'Pass Through' Donations**

Requests to 'pass through' donations to other charities is permitted by CRA. However, such a donation requires a specific motion approved by the senior leadership of Regent College.

### **Related Costs**

Gift-related costs such as legal fees, appraisals, real estate commissions and taxes relating to acceptance, maintenance, management or re-sale of a gift of property will normally be the responsibility of the donor unless Regent, upon prior agreement, agrees to assume responsibility for any portions of these items. Regent will consider the terms and conditions associated with a gift, potential liabilities, insurance, maintenance, and disposal costs, as required.

### **Special Gifts**

Approval by the Finance Committee of the Board of Governors of Regent College will be required for the acceptance of outright or deferred gifts which:

- are greater than \$100,000;
- may expose the Regent to uncertain or potential liability; and,
- may be precedent-setting or involve a sensitive issue.

### **Gifts Requiring Board Approval**

Gifts of real or tangible property and unique gifts of a residual interest<sup>6</sup> must be reviewed and approved by the Gift Acceptance Committee.

Prior to acceptance and approval, relevant information about the potential gift shall be ascertained, including a copy of any appraisal secured by the donor. Regent reserves the right to obtain its own appraisal for gifts of real or tangible property or other property whose value is not readily ascertainable. The related costs of additional appraisals will be born by the donor.

### **Gifts Not Accepted**

Regent cannot directly offer charitable annuities or any other gift thereby creating a liability. Furthermore, it reserves the right to decline a gift based upon:

1. lack of congruency with Regent's mission;
2. intent of the donor to exert unacceptable conditions or controls over disbursement of the net income from the gift;
3. cost of ownership implications related to administration time, management and marketability of the gift;
4. unacceptable risks;
5. gifts that are illegal; and,
6. other factors agreed to by the Board of Governors, from time to time.

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<sup>6</sup> Residual Interest also known as a "Life Use" gift is an agreement between a donor and a charity in which the donor gives ownership of real property to the charity yet retains use of the asset during his/her lifetime or for a defined period. The asset passes to the charity at the end of the agreement. Further defined below in the "Specific Gifts" section.

### **Disposition of the Gift**

Without a prior agreement, Regent does not make any representation that, by accepting a gift, it will retain the property or employ the donated property for the same purposes as previously used by the donor. For example, and in the absence of an agreement, if Regent acquires a residence as a gift it is not required to continue to operate the residence but may sell it and invest the proceeds in accordance with its investment Policy.

### **Endowed Fund Agreements**

Regent prefers to work with donors directly to develop fund agreements prior to the gift being made. Fund agreements will clearly specify that it is the responsibility of the Board to approve all disbursements of net income from endowed funds. These agreements will be developed where the donor is giving specific recommendations to Regent as to the distribution of the earnings generated by their gift. All fund agreement templates requiring execution by Regent shall first be reviewed and approved as to form and content by Regent's legal counsel. All fund agreements must be reviewed and approved by the Director of Donor Relations or his/her designate.

### **Charitable Tax Receipt**

Upon receipt of a gift, the Donor Relations department of Regent shall inquire as to whether the donor requires a tax receipt for the individual gift or whether the donor would be pleased to receive a consolidated receipt at year-end for all gifts received within the calendar year. The donor wishing individual receipts shall be issued a tax receipt within 30 days of Regent's reception of a gift. In addition, Regent shall issue a charitable tax receipt within 30 days of receipt for any gift-in-kind. Gifts received from charities, foundations and other tax-exempt organizations shall be issued a non-tax receipt if the gifting organization requests one.

### **Benefit to Donor**

The legal nature of a charitable gift is that a donor cannot expect or receive financial benefits or opportunities to flow from their gift – this will not limit however, tax benefits or the good feeling associated with enabling Regent to sustainably implement its mission.

### **Disclaimer Clause for Restricted Gifts**

Though Regent has a preference for unrestricted gifts, it will gladly accept some restricted gifts, the restrictions of which are acceptable to Regent. Spending of funds is confined to programs and projects approved by Regent. Should a donor choose to restrict a contribution for use in a particular program or project, Regent will honour that restriction, with the understanding that, when the need for such a program or project has been met, or cannot be completed for any reason as determined by the organization, the remaining restricted contributions will be used where most needed.

In all such cases this clause will be included in any fund agreement:

*'Should the purposes for which this gift was intended no longer exist with Regent, then the use of this gift will be at the discretion of the Board of Directors, in a manner consistent with the intent of the donor and the purposes of Regent.'*

### **Donor-Advised Gifts**

The CRA imposes limits on a donor's capacity to impose restrictions on charitable gifts. A donor may, however, at the time the gift is made and even subsequently, by agreement with Regent, place limits on the uses to which a gift may be put. Further, the donor or the donor's designated representatives may advise the Board on the application of the earnings of his or her gift and the Board shall generally consider and respect such advice. Beyond that, a donor cannot legally restrict Regent.

### **Flow-Through Funds**

The principal position of Regent College 2000 Foundation is to administer and disburse earnings from funds that are held on a permanent or endowed basis. However, as a service to donors with endowed funds, Regent is prepared to accept from time to time the receipt and disbursement of gifts that are not intended to be held as endowment funds. The foundation's Board of Directors exercises broad discretion as to whether or not to accept such gifts and may charge an administrative fee.

### **Preservation of Donor Intent**

Where, by prior agreement, Regent agrees to receive the advice of donors on the distribution of income earnings, Regent shall not seek to pass judgment on the value or merit of the donor's proposed directive so long as the income is applied according to the mission and purpose of Regent<sup>7</sup>. Should Regent cease to exist or become incapable of administering a fund to fulfill a donor's purpose, Regent shall employ its best possible efforts to ensure continued application of the fund to the purpose originally contemplated and intended by the donor.

### **Anonymity of Donor and Gift**

Regent, at the request of a donor, will maintain public anonymity of a gift, to this extent:

- Records, as required by law, will be maintained by the Donor Relations Department, with restricted access.
- Regent will comply with any legal obligation to disclose the names and details of donors and gifts, under the Income Tax or relevant statutes.
- Regent will also disclose this information as required by its auditors
- Donor identity, on a case by case basis, may be disclosed to the Board of Governors by special motion of the Board. Such information, if requested, is privileged and confidential, and may not appear in the minutes of the meeting.

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<sup>7</sup> Regent College cultivates intelligent, vigorous, and joyful commitment to Jesus Christ, His church, and His world.



- Prospective donors requesting anonymity shall be advised that their gift details may be disclosed as outlined above. The donor will be advised of any specific Board request for their information if it occurs.

### **Fund Management Cost Recovery**

Regent College 2000 Foundation adopts policies that regulate administrative charges on its endowment funds, manages the investment of the funds, determines the appropriate rate of distribution for overall purposes and priorities, and retains and protects capital against erosion by inflation. Except for more precise agreement with the donor overriding this general policy, Regent shall apply its policy equitably to all funds under its control and the Foundation Board may amend such policy from time to time.

### **Specific Gifts**

#### ***Cash***

Refers to gifts of cash and cash equivalents.

#### ***Listed Securities***

Gifts of marketable listed securities shall be scrutinized and accepted by Regent's investment manager. Assuming there is liquidity in the market for this gift of listed shares, the value of the gift will be the median price of the shares the day the shares enter Regent's brokerage account. There shall be a standing order to sell such shares immediately upon receipt in order to convert the gift to cash.

#### ***Tangible and Real Property (includes Real Estate, Art, Jewelry)***

Gifts of tangible or real property may be made in a similar fashion as those of outright or residual interest. Donors shall provide qualified appraisals of proposed gifted property. Regent may obtain its own independent appraisal at its discretion, and, in such cases, issue a receipt based on Regent's own appraisal. Regent shall satisfy itself that the donor has clear title to the property. Regent shall review all pertinent factors, including, in the case of real property, zoning restrictions, marketability, prior land use, current use and cash flow, to ascertain that acceptance of the gift would be in the best interests of Regent. If the real estate possibly contains toxic wastes, the donor shall secure an environmental audit and provide the results to the Board. No property containing toxic wastes shall be accepted prior to removal and/or indemnification of Regent against all present and future liabilities.

#### ***Bequests***

The Regent representative involved with a potential donor must always advise that a professional advisor draw up the Will of a donor considering a testamentary gift to Regent.

A donor who advises Regent, normally in confidence, of a proposed Will gift to Regent, may be asked to provide a copy of that section of the Will naming Regent. The donor

may also wish to execute a Will Gift Directive with Regent, directing the use of the proposed gift.

Regent staff members will not serve as executor of a donor's Will.

### ***Life Insurance***

There are various methods by which a life insurance Policy may be donated to Regent. A donor may:

- Commence a life insurance Policy of which Regent is the owner and beneficiary.
- Assign irrevocably a paid-up Policy to Regent.
- Assign irrevocably a life insurance Policy on which premiums continue to be paid by the donor, with a charitable tax receipt issued for premium amounts.
- Name Regent as a primary or successor beneficiary of the proceeds. When ownership is irrevocably assigned to Regent, the donor is entitled to a gift receipt for the net cash surrender value (if any) and for any premiums subsequently paid.

### ***Residual Interest***

This type of gift refers to an arrangement under which an interest in a property is conveyed to Regent, but the donor retains use of the property, or income from the property, for life or a specified term of years. For example, the donor might give a residual interest in a personal residence and continue living there or a residual interest in a painting and continue to display it. The owner is entitled to a charitable tax receipt for the present value of the residual interest. With these types of gifts, the donor shall continue to be responsible for real estate taxes, insurance, utilities and maintenance after transferring title to the property unless prior approval by the Regent Board, agrees to assume responsibility for any of these items. Regent is entitled to require that the donor provide proof of payment of those expenses for which the donor is responsible. Regent reserves the right to inspect the property from time to time to ensure that its interest is properly safeguarded.

### ***Recognition***

Regent will seek to provide recognition and appreciation to donors in a manner that is appropriate and consistent with our global mission and with our understanding of Christian philanthropy. To that end, a member of the Donor Relations department will send the donor an acknowledgment and tax receipt plus any appropriate, potentially ongoing, expressions of appreciation. Furthermore, recognition will abide by the following policies:

1. Responsibility for the general administration of the Donor Recognition Policy rests within the Donor Relations department, which reports to the President's Office.
2. Donor recognition shall be subject to, and consistent with Regent's wider policies, especially in the case of the naming of faculty chairs, scholarships, classrooms,

edifices, etc.

3. The extent of recognition afforded donors shall be in proportion to the amount of sacrifice represented by the gift, compatible with Regent's standards and consistent on a gift-to-gift basis.
4. Donor recognition shall equitably acknowledge the support of governments, foundations, corporations and individuals.
5. Recognition for gifts will be undertaken in collaboration with donors. Regent will respect a donor's preference for low profile or anonymity.
6. Donor recognition programs shall, to the extent suitable, highlight the benefits to the community of Regent, especially the students and faculty of Regent.
7. Potential donor recognition requirements shall be considered at the conceptual and detailed planning stages of new buildings and the re-development of existing ones. Recommendations of the Building Committee and Arts Committee and the appropriate department shall be considered in this process.

### **Donor-Advised Funds**

Donor-Advised Funds may be 'encroachable' or 'unencroachable' endowment funds. Gifts for such a fund may be in the form of cash, cheque, marketable securities, personal property, and the like. The gift may be intended for current disbursement or for deferred disbursement and may extend over a period of time. A representative of the Donor Relations department and the Donor will collaboratively complete the Donor-Advised Fund template. The complete Fund details are signed and two originals are kept - one, for the donor and one, for Regent, with a copy for the Foundation as the Fund Manager.

### **For Cash/Cheque**

1. Send or deliver to the Regent office to the attention Donor Relations department.
2. The Cash/Cheque is bank deposited by the Gift Administrator; with details of the gift recorded in the College's database.

### **For Marketable Securities**

Arrange transfer of the securities to Regent's brokerage account or deliver the share certificate to Regent's Donor Relations department. The following steps are required:

- a) On the day that you would like to make the donation of stock/securities, instruct your broker to transfer the stock from your portfolio to:

CIBC Investor's Edge  
(Wood Gundy Inc.)  
P.O. Box 500  
BCE Place, 10th Floor  
Toronto, ON M5J 2S8

## **REGENT COLLEGE**     *GIFT ACCEPTANCE POLICIES AND GUIDELINES*

Account #579-09497  
DTC# 5030

- b) The day that the stock is transferred from your portfolio is the recorded date of the donation. Once the stock transaction is completed, ask your broker to advise the Donor Relations department by phone (604.221.3314), by fax (604.221.3402) or by email ([donor-relations@regent-college.edu](mailto:donor-relations@regent-college.edu)) with the following information:
  - i. date that the donation was made (the recorded date of the donation)
  - ii. name, symbol, and exchange of the stock
  - iii. number of shares donated
  
- c) Upon confirmation that the stocks have been received by Regent's broker, a receipt will be issued to you based on the median price of the share value on the recorded date of the donation.

### **Cost Recovery**

Regent recovers its operating costs of fees and charges levied by its external fund management companies by allocating those expenses amongst all of its funds. The allocation of costs is calculated and charged monthly on the prior month's ending market value. Policies regarding cost allocation are subject to ongoing review and change by the Board of Directors.

### **III. Appendices**

#### **A. GUIDELINES FOR DONOR BILL OF RIGHTS (from AFP<sup>8</sup>)**

##### **Rights**

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers

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<sup>8</sup> Association of Fundraising Professionals (AFP)

## **B. DONOR RELATIONS STAFF 'CODE OF ETHICS' GUIDELINES**

This Code of Ethics shall apply to all Full-Time Donor Relations Staff of Regent College.

### **1. Objectives**

This Code of Ethics has been established to encourage staff of the Regent Donor Relations department to adhere to certain principles, guidelines and practices in their relations with donors or prospective donors.

### **2. The Integrity of Donor Relations Staff**

Staff members shall act with competence, honesty, integrity and fairness in their relations with donors or prospective donors.

### **3. The Role of Staff**

The primary role of the staff is to *help* donors realize their stewardship goals and to ensure that their contributions respect the objectives of Regent College.

### **4. Disclosure of Information**

The staff has a responsibility to provide donors with accurate and comprehensive information on all aspects of the gift, including the roles of all interested parties.

Staff members have a responsibility to inform donors of the mission, the activities of the College as well as its gift acceptance practices, its processing procedures and fund and endowment, management and investment Policies.

### **5. Protection of Interested Parties**

Staff members shall encourage donors to consult with their personal and professional advisors in the case of significant and complicated gift transactions. The staff has a responsibility to cooperate with other professionals who promote their donor's interests as well as those of Regent College.

Staff members shall not act for nor claim to represent Regent College without its knowledge or express consent nor shall they act as a donor's representative without the donor's consent.

### **6. Terms and conditions of Gift**

The staff shall respect the payment schedule and contribution method chosen by donors, insofar as the methods comply with Regent's gift acceptance policies or guidelines. Staff members shall allow donors time for reflection and shall respect their decision-making processes. Members shall obtain prior consent by the donor before altering the conditions of a gift.

## **7. Confidentiality**

Staff members shall respect the donor's request for anonymity. Donors' files and the personal and financial information therein contained are the charitable organization's property and shall be kept strictly confidential and in accordance with the privacy legislation in force for the particular jurisdiction.

## **8. Conflict of Interest**

At all times, staff shall avoid conflict of interest situations, potential conflict of interest situations or the appearance of conflict of interest. Staff members shall notify all interested parties of any situation that may present a potential conflict of interest.

Unless circumstances are such that this becomes a requirement, staff members shall not agree to act for donors on a personal basis (e.g. as liquidators or executors of wills) so as to avoid any conflict of interest.

## **9. Remuneration**

Staff members shall not accept commission based remuneration, nor finder's fees, nor shall they derive any monetary benefit from transactions concerning donations or from relationships established with donors as part of their duties.

## **10. Competence**

Staff members shall be responsible for maintaining their professional skills and for upgrading their knowledge on an ongoing basis.

Staff members shall be obliged to be aware of and adhere to all guidelines and standards of conduct issued by the professional fundraising associations of which they are members.

## **11. Complaints**

The President's Office will be responsible for investigating complaints lodged against any Donor Relations staff.

It is recommended that staff notify the President's Office, in writing and in confidence, of any breach of this Code of Ethics Policy.