

Policy History
Policy No. ER1
Approving Jurisdiction: President
Administrative Responsibility: Executive Director, Advancement
Effective Date: November 30, 2016

Fundraising Procedure

A. Preamble

The following procedures relate to KPU Policy ER1, Fundraising Policy and the parallel KPU Foundation Fundraising Policies.

B. Definitions

- a. **Bequest:** a gift of property by will.
- b. **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.
- c. **Gift:** a voluntary transfer of property without valuable consideration to the donor.
- d. **Gift in-kind:** charitable gift in which, instead of giving money to buy needed goods and services, the goods and/or services themselves are given. This includes, but is not limited to: real property, equipment, furnishings, software, learning resources or other materials.
- e. **Independent appraisal:** a property appraisal that is provided by a source independent from KPU and the KPU Foundation.

C. Coordination of Fundraising

1. To ensure that potential donors do not receive conflicting or competing proposals from KPU, or proposals which may not reflect KPU’s fundraising priorities, all fundraising inquiries, campaigns and proposals to the private sector (individuals, corporations, foundations and other organizations) require the approval of the Executive Director of the Office of Advancement/CEO of the KPU Foundation or his/her designate in consultation with the President, Vice-Presidents and relevant Deans.

2. Working with the Office of Advancement, individual faculty and departmental initiatives in securing private gifts are encouraged and supported.
3. These procedures do not affect the processes for seeking publically funded research grants or private contracts.

D. Gift Acceptance

1. The Executive Director of Advancement/CEO of the Foundation will determine, after appropriate consultations with the President, Vice-Presidents, Deans, and any other involved individuals or groups deemed appropriate at the discretion of the President, whether the donation should be accepted, and what costs are associated with its acquisition, maintenance, and insurance.
2. Donations may be given for specified activities, or without specific instructions (discretionary or to area of greatest need) in which case they shall be assigned to funds/projects at the discretion of the President.
3. When gifts-in-kind valued at \$1,000 or more are given to KPU and where it is the intent of the donor to receive a tax receipt, it is the responsibility of the donor to obtain an independent appraisal of the gift reflecting fair market value, for tax purposes. To ensure its accuracy and objectivity KPU will not become involved in the appraisal process.
4. Gifts to KPU may be solicited or unsolicited donations and will fall into the following categories:
 - a. Cash gifts
 - b. Gifts-in-kind
 - c. Gifts of real estate
 - d. Planned (deferred) gifts:
 - i. Bequests by Will
 - ii. Gifts of Securities
 - iii. Life Insurance
 - iv. Charitable Remainder Trust
 - v. Residual Interest
 - vi. Charitable Gift Annuity
5. Proposed gifts-in-kind and real estate may be accepted under the terms of Policy ER1 and approved by the President and Vice Presidents as follows:
 - a. Real Estate.....President, VP Finance
 - b. Securities, Wills, BequestsVP Finance
 - c. Equipment, Furnishings, Supplies & ServicesProvost or VP Finance

E. Gift Acknowledgement

1. KPU will ensure all recognition activities will take the following into consideration:
 - a. benefit of the gift to the University
 - b. appropriate visibility and prominence to be accorded the donor
 - c. appropriate time and place for conferment of recognition
 - d. use of the recognition opportunity to further the goals and objectives of the University in financial gain and in public recognition and respect
 - e. continuity and equity in the forms of recognition
 - f. appropriate recognition for the level of gift
 - g. relationship of recognition to the needs of specific campaigns
 - h. differences in the types of gifts received such as one time gifts, pledge gifts, designated gifts, unrestricted gifts, gifts to a capital campaign, gifts to a scholarship and bursary program, endowed gifts, matched gifts, wills and bequests, gifts-in-kind and gifts benefiting multiple campuses.

F. Confidentiality and ethical treatment of prospects and donor research and records.

1. Employees, volunteers, consultants or agents who are associated with KPU's Office of Advancement must comply with the [Association of Fundraising Professionals Statement of Ethical Principles and Standards of Professional Practice](#). Persons acting on behalf of KPU will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity.
2. Access to prospect/donor information will be solely on a need to know basis. All University Employees, Board Members and volunteers with authorized access are required to maintain strict confidentiality and make a commitment to respect and protect the prospect/donor's privacy. Authorization to access prospect/donor information will be determined by the Office of Advancement.
3. Individuals authorized to access any prospect/donor information should maintain the confidentiality of the records by ensuring that:
 - a. the documents are secured while in their possession
 - b. copies are not made for the user's own files or for any other individuals
 - c. documents are properly disposed of (i.e. shredded/deleted) when the user is finished with them or they are returned to the Office of Advancement.
4. Guidelines for obtaining information on Prospects/Donors
 - a. KPU will conduct all prospect/donor research in an ethical manner. If necessary, researchers will identify themselves as working for KPU when contacting the various agencies for information.
 - b. If the information being sought is a matter of public record and identification is not required then it will be at the researcher's discretion to identify their place of employment. Researchers should be discreet, not deceptive.

- c. Only information that is necessary to the cultivation and solicitation of a donor will be sought and recorded. All research, whether conducted by a University employee or an outside agency, will be done under the direction of the Office of Advancement, who will set the parameters for how in-depth the researcher should go.
- 5. Guidelines for releasing information to Prospects/Donors
 - a. As required by law, the University will show people the records kept on them if requested. The prospect/donor's request will be brought to the attention of the Office of Advancement and, if necessary, the University's legal counsel to ensure that they are aware of the records to be shown to the prospect/donor. A time will then be arranged for the prospect/donor to view their source file (hard copy and on-line permanent records). Working files of the development staff are not considered the University's official records and will not be disclosed.
- 6. Guidelines for releasing information to other institutions
 - a. Only public items, such as news clippings or magazine articles, relating to a prospect/donor may be shared with another institution based on time available to fill the request and at the discretion of the development staff.
- 7. Guidelines for verbal disclosure of sensitive materials
 - a. Information that is considered highly sensitive and, in some cases, not suitable for entry in the source file, may be required to cultivate and solicit donors. This type of information will be provided verbally to the individual(s) who are directly involved in the solicitation. It will be given with the understanding and total agreement of the parties involved that the information is to aid in the solicitation only and is not to be repeated under any circumstances.

G. Planned Giving

- 1. KPU encourages planned gifts which support the mission of the institution, and will have established procedures to protect donors and to guide the institution and its employees when making decisions about planned gifts.
- 2. The Executive Director of Advancement/CEO of the KPU Foundation and all employees, volunteers, consultants or agents of KPU involved in developing planned gifts must adhere to this policy and the following procedures.
- 3. Responsibility
 - a. The President of Kwantlen Polytechnic University will designate a KPU Foundation employee as the Planned Giving Officer of the institution, and that person will have responsibility for implementing the planned giving program and have authority to implement and enforce these policies.
- 4. Donor Protections

- a. KPU has an ethical responsibility to consider and protect the donor's rights and interests in the development of planned gifts. KPU will practice full disclosure, guard against undue influence and maintain its fiduciary responsibility in all dealings with donors.

5. Conflict of Interest

- a. Employees, volunteers, consultants or agents who are associated with KPU's Planned Giving Program must comply with the Canadian Association of Gift Planners' "Standards of Professional and Ethical Practice" statement. Persons acting on behalf of KPU will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity.
 - i. A conflict of interest is deemed to occur when an individual or organization who is employed by, is a volunteer for, or purports to represent KPU has a commercial, financial, personal or other conflicting interest in matters relating to the donor.
 - ii. Employees, volunteers and representatives of organizations involved in the development of planned gifts for KPU must declare any conflict of interest, and step aside from further participation in that negotiation or transaction.

6. Confidentiality

- a. Donor and donor gift information is confidential and can only be released to the public with the expressed written permission of the donor or the donor's legal representative.
- b. Student information can only be communicated to donors where consent from the student(s) has been obtained.
- c. In certain circumstances, when it is deemed necessary to protect the interests of the donor or KPU, the Planned Giving Officer may release information, on a confidential basis, to those persons who need to know.
- d. The Planned Giving Officer may consult with professional counsel to ensure that donor agreements are in compliance with existing laws and regulations.

7. Advisory Group

- a. KPU shall appoint a volunteer Planned Giving Advisory Group whose members are subject to the conflict of interest guidelines and the planned giving policies.
- b. The role of the Planned Giving Advisory Group is to:
 - i. provide professional advice to the Planned Giving Officer
 - ii. assist in promoting the planned giving program
 - iii. liaise with professional associations
 - iv. evaluate Planned Giving Policies and recommend changes to the Planned Giving Officer

8. Planned Giving Gift Acceptance

- a. To qualify as a charitable gift for income tax purposes, a gift must comply with the common law definition of a charitable gift as a “voluntary transference of property without consideration” and the gift must not jeopardize the tax-exempt status of KPU as defined by Revenue Canada.

9. The Planned Giving Officer will consider the following criteria in determining the appropriateness of a proposed planned gift:

- a. educational value
- b. condition of the asset
- c. financial terms
- d. future obligations
- e. restrictions or constraints
- f. age of the donor

10. The Planned Giving Office may consult professional counsel, or Canada Revenue Agency to determine if a proposed gift qualifies as a charitable gift. The opinions and/or rulings of CRA shall prevail.

11. KPU will not pay legal fees on behalf of a donor.

- a. The Planned Giving Officer may offer the services of legal counsel to the donor’s solicitor or professional advisor, to assist in the drafting of an agreement.
- b. KPU reserves the right to require its legal counsel to review and as appropriate approve documents drafted by the donor’s legal counsel before agreeing to accept them.

12. KPU will not pay finder’s fees.

13. Gifts of property that exceed an estimated value of \$1,000 require an independent appraisal.

14. It is the responsibility of the donor to obtain, and bear the cost of an independent appraisal of the proposed gift, reflecting fair market value for tax purposes.

15. KPU encourages the following planned gifts:

a. Bequests

- i. Individuals are encouraged to make a bequest by including a clause in their will which states: “I hereby give, devise and bequeath to Kwantlen Polytechnic University (the amount, or description of the gift, and purpose or restrictions)”.
- ii. Individuals who have made appropriate provision for their heirs are encouraged to name Kwantlen Polytechnic University as a Residual Beneficiary.
- iii. Donors are encouraged to advise KPU that it is named as a beneficiary but the donor will not be asked or required to divulge the nature or amount of the bequest. Should a donor choose to reveal the nature of the bequest, KPU will respect the donor’s wishes with regard to confidentiality.

- iv. Donors will be advised to seek independent legal counsel in the drafting of their will. KPU provides only standard wording.
- v. No KPU employee, volunteer or representative will become involved in the preparation, execution or witnessing of a will where the institution is named as a beneficiary.
- vi. Bequests in favor of KPU made under a Will shall be reviewed by the Planned Giving Officer to ensure that they comply with these planned giving policies and guidelines, and if accepted the Planned Giving Officer will liaison with the personal representative of the estate of the deceased donor to ensure the donor's wishes are respected within the parameters of these planned giving policies and guidelines.
- vii. Where no direction is given in a will, the KPU will determine the appropriate use of the funds or assets received.

b. Life Insurance

- i. KPU may be named as an owner and/or beneficiary of any new, existing, or paid up life insurance policy.
- ii. Ownership of the policy by KPU is mandatory before a receipt for income tax purposes can be issued.
- iii. A donor who irrevocably assigns KPU as owner and beneficiary of a policy qualify for a receipt for income tax purposes for:
 - iv. the cash surrender value of an existing or paid-up policy
 - v. the donor's cost of premiums paid to maintain a new or existing policy.
- vi. Approved insurance products may be made available to donors for the purpose of funding a gift. Any such offering will only occur in association with a duly licensed agent, consistent with the laws in the jurisdiction in which the offering is made.

c. Cash

- i. Bank notes, cheques, money orders, foreign currency or other forms of legal tender are deemed to be acceptable cash gifts.
- ii. A receipt for income tax purposes will be issued within 30 days of receipt of the gift of cash.
- iii. Where no direction is given, KPU will determine the appropriate use of the funds received.

d. Property

- i. Gifts of property which may be accepted include gifts-in-kind, intellectual property, equipment, real estate, cultural and personal effects.
- ii. Donors must sign an irrevocable Deed of Gift before a gift is accepted.
- iii. Unless market conditions warrant a delay, or the nature of the gift prohibits a sale, a gift of property will be subject to immediate sale.
- iv. Where it is deemed prudent to delay a sale of a gift of property, a receipt for income tax purposes will be issued immediately for the appraised fair market value.
- v. The value of a gift stated on official receipts issued for income tax purposes will be reduced by the cost incurred to sell the property.
- vi. A donor, who makes a gift of real property by executing an irrevocable Deed of Gift to KPU, but chooses to retain the right of residency, may be eligible for a regular lifetime

income contract. Donors will normally be at least 70 years of age before such an agreement is negotiated.

e. Securities

- i. Bonds, stocks or mutual funds are acceptable forms of securities.
- ii. Unless market conditions warrant a delay, or the terms of a gift prohibit a sale, a gift of securities will be subject to immediate sale.
- iii. Where it is deemed prudent to delay a sale of a gift of securities, the value of the receipt for tax purposes is determined by using the market value of the security at the close of business on the day the security is received.
- iv. The value of a gift of securities stated on official receipts issued for income tax purposes will be reduced by the cost incurred to sell the security.
- v. The value of a gift of restricted securities will be determined by independent appraisal.

f. Charitable Gift Annuities

- i. KPU may offer Charitable Gift Annuities in partnership with corporations legally authorized to sell annuities.
- ii. The Vice President, Finance will approve all annuity contracts offered to donors.

g. Trusts

- i. Charitable Remainder Trusts must designate KPU as an irrevocable beneficiary.
- ii. On an annual or quarterly basis, determined in consultation with the donor, investment income from a charitable remainder trust will be paid to the donor or designated recipient.
- iii. The donor of a charitable remainder trust may receive a tax receipt for the gift of residual interest in the year of the transfer.
- iv. A revocable trust (where KPU holds the donor's capital for a specified term, the donor receives no interest, and no receipt is issued) may be established.
- v. A revocable trust (where KPU receives interest income for a specified period, but which reserves a non-charitable remainder in favor of the donor or designated beneficiary) may be established. A receipt for income tax purposes for the value of the interest income received will be issued.

H. Related Policies, Procedures and Guidelines

ER8 Asset Naming Opportunity

FM3 Investment of Endowed Funds

IM2 Freedom of Information and Protection of Privacy

Employee Code of Conduct