



COLLEGE OF THE NORTH ATLANTIC

OPERATIONAL PROCEDURE

TOPIC: DONATIONS

Procedure No.	PI-701-PR	Division	Partnerships and Innovation
Related Policy	PI-701	Board Policy Ref.	GP-F-402
Related Policies	CS-306, PI-702 & PI-703	Effective Date:	January 25, 2022 (R2)

PROCEDURE

1.0 Definitions

1.1 Donor

An individual, corporation, group, entity, etc. that transfers property which satisfies all three of the following conditions:

- a) The property consists of cash, stocks, bonds, gifts-in-kind, land etc. which are to be transferred to College of the North Atlantic (CNA);
- b) The transfer is voluntary and any legal obligation by the donor would cause the transfer to lose its status as a gift; and
- c) The transfer is made without an expectation of return.

1.2 Stewardship

The process of conveying the ongoing impact of a donor's gift and the institution's appreciation over time. It's about building and strengthening a relationship.

1.3 Prospect Clearance

The process and approval which is required before donor solicitation can be initiated.

1.4 Annual Appeal

An annual broad-based appeal to alumni, students, faculty, staff, parents, friends of CNA, previous donors, foundations, corporations, etc. for a gift of less than \$1,000 for individuals and \$10,000 for organizations per year.

1.5 Project-Based Appeal

A specific approach to targeted donors for one-time or multi-year pledges for a specific set of purposes. The appeal period will vary in duration based on the type of appeal.

1.6 Campaign

A comprehensive approach to a large number of donors.

1.7 Special Fundraising Event

An event for a specific project, typically in the \$1,000 to \$25,000 range. The event may be singular or annual.

1.8 Major Gift

\$1,000 or more for individuals and \$10,000 or more for organizations.

1.9 Gifts-in-Kind

Any donation other than cash or securities whether owned by an individual, corporation, foundation or other entity which are transferred to CNA for its ownership and use. Gifts-in-kind include works of art, books, vehicles, equipment, furniture, computer software, software licenses, etc. Canadian Public Sector Accounting Standards, which guide the presentation of CNA's financial statements and review by CNA's external auditing firm of record, place strict requirements on the treatment of gifts-in-kind.

2.0 Approvals

2.1 The applicant's supervisor will provide first level approvals with final approval given by the Manager of Alumni and Advancement. All approvals are carried out per Policy PI-702- Prospect Clearance.

2.2 Large scale fundraising efforts will be centralized and carried out through the Alumni and Advancement Office.

3.0 Collecting and Receipting Cash Donations

- 3.1 Cheques must be made payable to “College of the North Atlantic”.
- 3.2 All cash donations are to be forwarded to the Comptroller for appropriate coding and documentation.
- 3.3 The cheque will then be forwarded to the Head Cashier who will receipt it in the PeopleSoft Finance system.
- 3.4 The original receipt (as issued under Section 118.1(1) of the *Income Tax Act*) and a copy of the cheque will be stamped and forwarded to the Manager of Alumni and Advancement who will send an appropriate acknowledgment letter and the original receipt to the donor.

4.0 Payroll Deductions

- 4.1 CNA employees may choose to make a regular donation to CNA through payroll deductions. They would indicate donation start and amount per pay in consultation with the Alumni and Advancement Office and Human Resources. They would follow HR Payroll procedures to set up a payroll deduction. A thank you letter (as per Policy PI-703, Stewardship) will be sent to each donor.

5.0 Gifts-in-Kind

- 5.1 A gift-in-kind may qualify as a charitable gift if it is “a voluntary transfer of property for which the donor expects and receives nothing of value in return”. Canada Revenue Agency’s *IT-110R3 Gifts and Official Receipts* regulates the receiving and receipting of such gifts. Gifts-in-kind may also qualify for matching funds under certain provincial and federal programs.
- 5.2 Not all gifts-in-kind can be accepted. CNA may decline a gift-in-kind if:
 - a) There are unusual features to the gift that are contrary to the objectives, values or goals of CNA;
 - b) The gift could financially or morally jeopardize the donor and/or CNA;
 - c) The gift could financially or morally jeopardize CNA’s reputation; and/or the values of the donor are inconsistent with the values of CNA;

- d) The gift or terms of the gift are illegal or otherwise contravene federal or provincial law;
- e) CNA is unable to honour the terms of the gift;
- f) An appropriate fair market value cannot be determined or will result in unwarranted or unmanageable expense to CNA;
- g) There are physical or environmental hazards to CNA in accepting the gift;
- h) A suitable physical location or storage cannot be located for the gift; or
- i) The gift involves false promises on the part of either party.

6.0 Asset/Equipment Donations

- 6.1 Notification of an asset or equipment donation shall be sent to the Manager of Alumni and Advancement. The decision to accept the donation will reside with the senior campus administrator of the impacted campus who will consult with the appropriate CNA stakeholders including, but not limited to, Executive, Dean, Other Campus Administration, Director, or Manager as necessary to collaboratively decide on the validity of the gift. Consideration will be given to any issues or risks involved with acceptance of the donation such as support costs, third party evaluation costs, impact on space, shipping costs, value and viability of the donation, and health and safety issues.
 - 6.1.1 If a donation receipt is needed, the Manager of Alumni and Advancement will co-ordinate all searches, evaluation, etc. before CNA takes ownership of the item(s).
 - 6.1.2 All non-cash donations will be received at the appropriate Campus where the donation will be housed; additional costs will be the responsibility of the recipient Campus.
 - 6.1.3 The Director of Information Technology and Information Management shall be advised of any gift that involves computer hardware, software or software licenses. The Director of Information Technology and Information Management may review the proposed gift and recommend whether it be accepted.

- 6.1.4 The Campus Fixed Asset Clerk will tag the donation, where applicable, and forward forms to the Headquarters Fixed Asset Clerk for entry into the college’s database.
- 6.1.5 The Facilities Manager and Campus Administration shall be advised of all gifts of fine art and all other gifts-in-kind valued at \$100,000 or more. The Facilities Manager shall ensure that appropriate insurance is procured for the gift.
- 6.1.6 The Comptroller shall be advised of any gift where the donor has indicated that an official tax receipt will be required. The Comptroller will review the gift to determine if it meets CNA and/or Canada Revenue Agency requirements.
- 6.1.7 If a tax receipt is requested, the Alumni and Advancement Office will forward the donor and gift documentation and appraisal details to the Comptroller.
- 6.1.8 The Comptroller shall generate an official tax receipt to the donor for the fair market value based on appraisal assessment.
- 6.1.9 A receipt for a donor will then be forwarded to the Alumni and Advancement Office.
- 6.1.10 Applicable acknowledgement correspondence with original receipt will then be sent by the Alumni and Advancement Office to the donor.
- 6.1.11 Appraisal fees will be cost shared between the campus and Alumni and Advancement Office.
- 6.1.12 Normally it will take six to eight weeks to complete all required documentation. Donors requesting an official tax receipt should be advised that the gift is deemed to be made on the date that the property/item is transferred to CNA. This date will also serve as the date for the official tax receipt.

Approval History	
Approved by President	January 24, 2008
Revision 1	November 4, 2016
Revision 2	January 25, 2022