



## ACCEPTANCE OF PHILANTHROPY POLICY

<b>Policy Type:</b>	Institutional	<b>Initially Approved:</b>	November 19, 2024
<b>Policy Sponsor:</b>	President and CEO	<b>Last Revised:</b>	November 19, 2024
<b>Responsible Unit:</b>	Vice President, Advancement	<b>Review Scheduled:</b>	November 2029
<b>Approver:</b>	President and CEO		

### A. OVERVIEW

Philanthropic support is a welcomed and critically important contribution to the achievement of Alberta University of the Arts' (AUArts) mission, vision, and strategic plan. Philanthropy has reputational implications for both the university and philanthropic supporters, and could unintentionally commit the university to liabilities, precedence, and involvement in sensitive issues.

### B. PURPOSE

This policy ensures the consistent and ethical consideration of potential philanthropic gifts to AUArts and informs decisions on their acceptance. Once support has been received, the conditions of the agreement with the contributor must also be met.

AUArts is a registered charity and complies with relevant requirements of the Canada Revenue Agency and other regulatory and legislative bodies.

### C. SCOPE

This policy applies to all prospective and current donors contributing to AUArts and is administered by the Office of Advancement which provides approval on the acceptance of philanthropic gifts in accordance with this policy. Members of the university community, the Board of Governors, and President's Cabinet may be consulted as part of the gift acceptance review process.

### D. POLICY STATEMENT

#### 1. PRINCIPLES

- 1.1 AUArts' mission, vision and values and in achievement of its strategic plan.
- 1.2 Collaboration throughout the university is required to ensure philanthropy is beneficial for the university and to meet the obligations of all philanthropic gift agreements.
- 1.3 Utmost confidentiality with respect to handling of all donor information and any wishes for anonymity must be upheld.

- 1.4 Clarity, transparency, and consistency are fundamental to the act of accepting philanthropic gifts.
- 1.5 AUArts is a registered charity and complies with relevant requirements of the Canada Revenue Agency and other regulatory and legislative bodies.
- 1.6 Philanthropy adheres to university policies and procedures.

## 2. ELIGIBILITY

- 2.1 AUArts welcomes many forms of philanthropy.
- 2.2 Philanthropic contributions are unrestricted in use unless otherwise specified.
- 2.3 Acceptable Contributions
  - a) The purpose of the philanthropic gift is compatible with the mission, vision and values of the university towards the achievement of strategic plan objectives.
  - b) There is a need for the contribution, or it can be sold or liquidated for needed benefit.
  - c) It contributes positively to the ability of the university to achieve its mandate.
  - d) Contributions are consistent with all internal policies and procedures.
  - e) Contributions meet the requirements of all applicable laws and regulations.
- 2.4 Restricted uses
  - a) Philanthropic contributions with restricted uses are carefully considered to ensure they benefit the university.
  - b) If the intended purpose of the philanthropic contribution ceases to exist, the university can, at its sole discretion, reallocate funds already received for other uses.
  - c) Acceptable restrictions are listed in detail in Philanthropic Gift Agreements between the philanthropist and the university.
- 2.5 Declined Gifts
  - a) A philanthropic gift will be declined if:
    - i. it does not align with the university's mission, vision and values.
    - ii. it does not provide a benefit to the university.
    - iii. there are conflicts of interest.
    - iv. repayment is required at the discretion of the philanthropist.
    - v. there is a significant burden of resources required of the university to meet obligations.
    - vi. there are unreasonable restrictions.
    - vii. it presents a real or potential liability or reputational risks.
    - viii. it sets an unacceptable precedent.
    - ix. it contravenes laws and regulations.
    - x. it is inequitable or discriminatory.
    - xi. it is motivated by personal or political benefit to the philanthropist.
- 2.6 Returned Gifts
  - a) If at any time during the life of a Philanthropic Gift Agreement, the individual, foundation or organization from which the philanthropic gift is received has potential to harm the university's reputation, or if any actions jeopardize AUArts' charitable status or ability to comply with regulations, the commitment will terminate, and any unexpended funds may or may

not be returned pending the conditions of the Philanthropic Gift Agreement.

- b) Philanthropic Gift Agreements will be terminated with no obligation to return commitments if the individual, foundation, or organization cannot meet the agreed-upon terms of the Philanthropic Gift Agreement.
- c) Canada Revenue Agency is notified for their decision to pursue any adjustments to previous tax receipts issued to the philanthropist.

### 3. ROLES AND RESPONSIBILITIES

- 3.1 **Office of Advancement** is the philanthropy unit of the university.
- 3.2 **Vice President, Advancement** approves any philanthropic activities within their signing authority and seeks approval from the President and CEO or the Board of Governors regarding activities valued over signing authority and Philanthropic Naming.
- 3.3 **President and CEO** approves philanthropic activities valued over the signing authority of the Vice President, Advancement and in accordance with the Naming Policy and Procedure.
- 3.4 **Individuals** with approval to engage in philanthropy act under university authority and must proceed in coordination with the Office of Advancement.

### 4. USE OF LEGAL COUNSEL AND OTHER PROFESSIONALS

- 4.1 Vice-President, Advancement may seek the advice of legal or other professionals such as accountants relating to the negotiation or acceptance of gifts when appropriate. The university does not provide legal, financial, tax, or other professional advice to philanthropists. Philanthropists should be advised to seek the assistance of their own legal counsel or other professional advisors in matters relating to the legal, tax, and estate planning consequences of a proposed gift to the university.

## E. DEFINITIONS

<b>Philanthropic Gift Agreement:</b>	A document signed between the philanthropist and Alberta University of the Arts, outlining the terms of the gift of philanthropy. Also known as a “Gift Agreement”.
<b>Philanthropist:</b>	An individual, foundation, corporation or organization that contributes a gift for the benefit of the University and its students, alumni, faculty, staff and volunteers. Also known as “donor”, “sponsor”, “partner”, “contributor”.
<b>Philanthropy:</b>	A gift made by an individual, foundation, corporation or organization that supports the achievement of AUArts’ mission, vision and Strategic Plan. This can be in the form of a contribution of cash, gifts-in-kind, gifts-of-service, securities, bequests, life insurance, real estate, insurance, bequests, annuities, trusts, grants, sponsorship, community collaborations or projects. These contributions may or may not be for one-time use, restricted use, or any other agreements made. Also known as “donation”, “charity”, “gift”, “contribution”.

**F. RELATED POLICIES**

- Naming Policy
- Philanthropy Policy

**G. RELATED LEGISLATION**

- Alberta Charitable Fundraising Act
- Association of Fundraising Professionals Code of Ethical Standards
- Canada Income Tax Act (Canada Revenue Agency)
- Post-secondary Learning Act (Alberta)

**H. RELATED DOCUMENTS**

- Acceptance of Philanthropy Procedure
- Naming Procedure
- Philanthropy Procedure
- Philanthropy Agreement

**I. REVISION HISTORY**

<b>Date (mm/dd/yyyy)</b>	<b>Description of Change</b>	<b>Sections</b>	<b>Person who Entered Revision (Position Title)</b>	<b>Person who Authorized Revision (Position Title)</b>
11/19/2024	NEW Policy	All	Vice President, Advancement	President and CEO