College of New Caledonia
CNC

Procedure Information	
Related to Policy No:	AD-F-2.16
Approved by:	Executive Committee
Approval Date:	January 11, 2023
Executive Responsible	VP Finance and Corporate Services
Administrator Responsible:	Director of Finance, Exec Director-Marketing and Communications
Date of Next Review:	January 2025

GIFT-IN-KIND DONATION ACCEPTANCE PROCEDURES

Definitions

Gifts-in-kind (or “gift”)

Donations of property, including (but not limited to) equipment, vehicles, supplies, art, books and library collection-related items, and ecological or tangible, cultural assets. This does not include cash, gifts of securities, land and/or property, or services rendered (i.e. time, skill, efforts, etc.).

Depending on the circumstances and in discussion with the potential donor, the donation of multiple units or items of the same type can be considered a single gift-in-kind donation.

Learning Commons or library collection donations

Gift-in-kind donation made directly to the Learning Commons, including (but not limited to) books, reference materials, multimedia assets, and other library collection-related items. Learning Commons or library collection donations are subject to the Financial Considerations laid out below, but otherwise follow their own acceptance procedures, and are therefore not subject to the Responsibilities or Gift Acceptance Process subsections.

Gift-in-kind donations that are designated for the Learning Commons but not considered library collection donations as per the preceding definition must still follow the standard Procedures for gift-in-kind donation acceptance as laid out in this document.

Fair Market Value (FMV)

As per the Canada Revenue Agency, the fair market value is “the highest dollar value you can get for your property in an open and unrestricted market and between a willing buyer and a willing seller who are knowledgeable, informed and acting independently of each other.”

Procedures

Responsibilities

1. Donor Relations is a function of College of New Caledonia’s (“CNC” or “the College”) Communications Services department and is responsible for overseeing the donor relations program at CNC including, but not limited to:

1.1. Regularly communicating with donors and fostering positive relationships;

1.2. Coordinating the gift-in-kind donation acceptance and valuation process together with Financial Services and Procurement;

1.3. Ensuring the appropriate gift-in-kind donation valuation process is followed;

1.4. Ensuring gift-in-kind donation acceptance will not impact other partnership or donor opportunities;

1.5. Ensuring the prospective donor relationship is positive for the College and aligned with CNC's values;

1.6. Ensuring a gift agreement with the donor is complete;

1.7. Providing the donor with a receipt (if applicable) and thank you letter;

1.8. Ongoing donor stewardship, including:

1.8.1. reporting to the donor on use of the gift-in-kind donation; and

1.8.2. coordinating any public communication or acknowledgement related to the donation.

1.9. Tracking and reporting all donated assets to CNC and maintaining a record of gift agreements.

2. Deans and/or Directors are responsible for:

2.1. Regularly communicating with donors and fostering positive relationships;

2.2. Providing advice to the appropriate Vice President about acceptance of the gift-in-kind donation including potential impact on teaching, research, and/or student success as well as considering program cost implications;

2.3. Ensuring their department budget will cover the costs associated with the gift-in-kind donation acceptance;

2.4. Arranging appraisals and engaging Procurement if the complexity of an appraisal exceeds a Dean's/Director's scope of practice; and

2.5. Ensuring that the gift received matches initial representations made to the college about its condition prior to acceptance.

3. Financial Services is responsible for:

3.1. Advising on financial details regarding acceptance of all gift-in-kind donations;

3.2. Determining eligibility for a charitable tax receipt;

3.3. Supporting the assessment of fair market value ("FMV")when applicable; and

3.4. Providing tax receipts as required.

4. Procurement Services is responsible for:
    4.1. Working with the Dean/Director to obtain special estimates or appraisals for the gift-in-kind donation.
5. Employees are responsible for:
    5.1. Ensuring they have endorsement from the appropriate Dean or Director and Donor Relations before reaching out to a potential donor;
    5.2. Referring potential donors to the appropriate channels for their gift-in-kind donation;
    5.3. Avoiding any comments or conversations that could bind CNC to future activities or presume the acceptance of a potential gift-in-kind donation, without appropriate process; and
    5.4. Promptly notifying the appropriate Dean/Director and Donor Relations of a potential gift-in-kind donation.
6. The Vice President Finance and Corporate Services is responsible for:
    6.1. Giving final approval for the acceptance of all gifts-in-kind on behalf of the College.

Gift Acceptance Process

7. When a potential gift-in-kind donor contacts the College or its representative:
    7.1. The appropriate Dean or Director will meet with Donor Relations to discuss the potential gift-in-kind donation;
    7.2. Donor Relations will ensure the potential donor relationship is positive for the College and aligned with CNC's values; and
    7.3. Donor Relations will seek approval in principle from the Vice President responsible for the area benefiting from the potential gift-in-kind donation.
8. When the College is proposing to proactively contact a potential donor:
    8.1. The Dean and Donor Relations will first develop a case for support based on the potential donor's interests and donation history.
    8.2. Donor Relations will seek approval in principle from the Vice President responsible for the area benefiting from the potential gift-in-kind donation.
9. Once the donation has been approved in principle, the gift acceptance process is initiated as follows:

9.1. Donor Relations and the appropriate Dean or Director will work with Procurement Services and Finance to:

   9.1.1. Determine the gift's FMV according to the Financial Considerations subsection;

   9.1.2. Review shipping, installation, and maintenance costs; and

   9.1.3. Present gift-in-kind donation information and valuation to the Vice President of Finance and Corporate Services for consideration and approval.

9.2. Donor Relations will draft a Gift Agreement between the donor and the College, and once finalized, have the agreement signed.

   9.2.1. The signed Gift Agreement and, when applicable, a charitable tax receipt, will be considered the official CNC record for all gift-in-kind donation.

   9.2.2. A simplified version of a Gift Agreement may be considered for gift-in-kind donations valued under $1,000.

   9.2.3. Signing and finalization of the agreement requires confirmation by the College that the gift is in the condition initially represented.

9.3. Donor Relations finalizes gift acceptance by:

   9.3.1. Confirming that the gift has been received in the initially-represented condition;

   9.3.2. Providing a thank you letter and charitable tax receipt (if applicable, in accordance with the Financial Considerations subsection) to the donor;

   9.3.3. Executing a stewardship plan; and

   9.3.4. Coordinating any media relations, content development, or storytelling as per the donor's wishes and Gift Agreement.

9.4. The appropriate Dean or Director will coordinate with Donor Relations and Procurement (if required) to:

   9.4.1. Inspect in person or by other means (EG: detailed photography or videography) to verify the condition of the proposed gift before arrival at a CNC campus;

   9.4.2. Arrange delivery of the gift-in-kind donation to campus; and

   9.4.3. Confirm that the gift has been received in the condition initially represented

Financial Considerations

10. The College follows the Income Tax Act in recording and receipting all gifts-in-kind.

    10.1. Gifts that qualify under the Income Tax Act are eligible to receive a tax receipt.

    10.2. Gifts that do not qualify under the Income Tax Act are eligible to receive a business receipt.

    10.3. The appropriate receipt will be issued if requested by the donor for:

        10.3.1. Gifts with an FMV of $1,000 or greater; and

    10.4. Library Donations with an FMV of $500 or greater. Any service component of the gift is not eligible for a tax receipt.

11. If the donor does not request a charitable tax receipt and the value is less than $5,000, in most cases a donor's statement of a gift's assessed fair market value can be used for donor recognition purposes only. Donor relations will consult with Finance to confirm the applicability of this circumstance for each donation.

12. When eligibility for a tax receipt must be determined, the FMV of a gift in-kind will be assessed as follows:

    12.1. For gifts initially estimated at less than $1,000:

        12.1.1. The value of the gift may be determined by an employee at CNC (or another individual) with sufficient knowledge about the gift.

    12.2. For gifts initially estimated at more than $1,000:

        12.2.1. A professional independent appraiser may be required to determine the value of the gift, and the name and address of the appraiser must be included with the official donation receipt.

    12.3. For gifts initially estimated to be $5,000 or more:

        12.3.1. In most cases CNC will require an independent appraisal to determine the value of the gifts, and the name and address of the appraiser must be included with the official donation receipt.

13. The College cannot guarantee that a tax receipt will be provided within a specific fiscal year.

    13.1. All efforts will be made by Donor Relations (and any other CNC parties) to provide the appropriate tax receipt in an efficient and timely manner.

    13.2. A donor requesting a tax receipt for a specific fiscal year will be required to provide CNC with a certified, dated appraisal document.

14. Costs associated with the gift(s) in-kind are billed to the program(s) that benefit from the donation. These costs may include but are not limited to:
    14.1. appraisal(s);
    14.2. maintenance;
    14.3. disposal;
    14.4. installation;
    14.5. renovation;
    14.6. shipping; and
    14.7. annual amortization cost if the value is more than $5,000.

Learning Commons or library collection donations

15. All donations made in-kind to the Learning Commons will be subject to the Financial Considerations previously outlined in this document, with the following additional considerations:
    15.1. The proposed gift-in-kind donation will only undergo an appraisal process (and provide appropriate tax documentation) for materials that the Director, Learning Commons & Academic Success has approved for addition to the library collection;
    15.2. The department will base in-house appraisals on the standard values stated in the Council of Post-Secondary Library Directors' Guidelines for the Appraisal of Gifts-in-kind to College and Institute Libraries;
        15.2.1. The Director, Learning Commons & Academic Success must review such assessments to ensure their fairness and accuracy.
    15.3. Materials generally not accepted for donation include:
        15.3.1. Items bearing extensive wear or damage;
        15.3.2. Items that are unclean (including those with pests, microbial growth, etc.);
        15.3.3. Textbooks containing outdated information;
        15.3.4. Loose-leaf resources (including pamphlets, brochures, newspapers, etc.);
        15.3.5. Materials intended primarily for advertisement, propaganda, or promotional purposes;
        15.3.6. Materials that infringe on legal copyright; and

15.3.7. Any media that includes the treatment of sensitive subject matter(s) in a manner deemed unethical or illegal by relevant government authorities.

15.4. Donors may request a bookplate that identifies the donor's name in a prominent place in or on any relevant items.

16. The Learning Commons also welcomes all other gift-in-kind donations as outlined in the Definitions section. In the case of such gift-in-kind donations, the Director, Learning Commons & Academic Success will follow all appropriate steps found in the above procedures.

Related Policies, Documents, and Websites

CRA Gifting & Receipting
Information regarding official receipts for gift-in-kind donations, incl. a definition of the Eligible Amount

Procedure Amendment Log

Amendment Number:	Date:
0	January 11, 2023
1	January 16, 2023
2	