

	Gift Acceptance and Naming Policies #15.2	
CATEGORY: ADVANCEMENT	APPROVAL DATE: MARCH 9, 2026	
EFFECTIVE DATE: MARCH 9, 2026	REVIEW DATE: MARCH 9, 2031	
APPROVAL: Board of Governors		
SPONSOR: President		
CONTACT: Executive Director, Advancement		
PREVIOUS VERSIONS: May 4, 2015		

GIFT ACCEPTANCE POLICY

SECTION I INTRODUCTION

1.01 Scope and Purpose of Policy

The University accepts gifts in support of its charitable objects. The University is a registered charitable organization under the *Income Tax Act* (ITA). Its charitable registration number is 107797250RR0001. This Policy is subject to the objects of the University as set out in section 3 of the *Ontario College of Art & Design University Act, 2002* (as amended from time to time).

The University has established this Policy to cover all charitable gifts received. It applies to all fundraising at the University, including recurring donations, planned gifts, special fundraising initiatives or appeals, grants, campaigns and any arms-length bodies conducting fundraising on behalf of the University.

The purpose of this Policy is to provide the staff of the University with general guidelines and procedures when accepting and receipting various types of gifts in accordance with the law in Canada by summarizing the general policies applicable to charitable gifts to the University, and identifying various means of charitable giving and the specific policies related to acceptance of each type of gift.

To ensure that these guidelines remain effective, they shall be reviewed periodically to update and revise according to current legislation, policies relating to the University and with the external, charitable giving and non-profit environment.

1.02 Duties of the Board of Governors of the University

The Board of Governors of the University has the following duties:

- a) to ensure all funds raised are applied to further its charitable purposes;
- b) to ensure compliance with legal requirements involving receipting of gifts and fundraising; and
- c) to ensure compliance with the limitations, conditions, terms of reference, directions or other restrictions imposed by donors.

In fulfilling its duties, the Board of Governors may delegate such responsibilities and tasks to the Advancement Office of the University from time to time.

1.03 Duties of the Advancement Office of the University

The Advancement Office of the University has the following duties:

- (a) to implement gift related policies adopted by the Board from time to time by establishing related procedures and taking all necessary actions under the said policies and procedures;
- (b) to carry out such responsibilities and tasks as maybe delegated by the Board from time to time to assist the Board to fulfill their duties as set out in Section 1.02; and
- (c) to report to the Board from time to time on all activities and issues relating to Section 1.02.

SECTION II EFFECTIVE DATE AND APPLICATION OF POLICY

2.01 Effective Date

The Policy is deemed to come into effect on the 09-03-2026 and all gifts and disbursements thereafter shall be made in accordance with the terms thereof.

2.02 Application of Policy

Unless provided otherwise by the terms of a gift agreement or other document creating a fund, the terms of this Policy shall apply to any gifts received by the University.

In the event of a conflict between the terms of any gift agreement or other document creating a fund with the terms of this Policy, the applicable terms of the gift agreement or other document shall override the corresponding terms of this Policy, provided that the balance of the Policy that is not in conflict shall continue to be in effect, where applicable.

SECTION III DEFINITION OF GIFT

3.01 General Terms

A valid gift is a voluntary transfer of property without consideration. Accepted gifts to the University are eligible for an official charitable donation receipt.

3.02 Fair Market Value

The duty to accurately determine the fair market value of donated property lies with the University. The fair market value of a gift-in-kind as of the date of the donation must be determined before an amount can be recorded on an official donation receipt. If the fair market value of an item cannot be reasonably determined, a charitable donation receipt will not be issued.

Fair market value generally means the highest price, expressed in dollars, that a property would bring in an open and unrestricted market, between a willing buyer and a willing seller, both of whom are knowledgeable, informed, and prudent, and who are acting independently of each other.

Canada Revenue Agency (CRA) accepts that if the fair market value of an item can be reasonably determined or is less than \$1,000, an appraisal may not be required. However, where this is not the case, one or more independent appraisals, at the expense of the donor, will be required to determine the fair market value of donated property.

3.03 Split-Receipting Rules

The University will ensure that the applicable requirements under the ITA and the administrative requirements of CRA in relation to split-receipting are complied with in issuing donation receipts to donors.

The split-receipting rules require a charity to issue a donation receipt only for the receiptable portion of a gift, called the “eligible amount” of a gift. Split receipting is the method used for calculating the eligible amount of a gift for receipting purposes when the donor has received an advantage (i.e., a consideration or a benefit) in return for the donation. To determine the eligible amount for receipting purposes, the value of the advantage must be subtracted from the value of the gift. The following requirements must be met. The onus is on the University to ensure that all of these requirements are met. If the fair market value of the gift or the amount of the advantage cannot be ascertained, no receipt can be issued.

- a) Voluntariness - The gift must be donated voluntarily by the donor.
- b) Eligible amount - Only the “eligible amount” of a gift can be receipted. The eligible amount of a gift is the difference between the fair market value of the gift and the amount of the advantage. In order to ascertain the eligible amount of the gift, the charity is required to accurately determine the fair market value of the property and the amount of any advantage.
- c) Advantage - The “amount of advantage” is very broadly defined, and includes the value of any property, service, compensation, use or other benefit that the donor or a person who does not deal at arm’s length with the donor has received, obtained or enjoyed, or is entitled (either immediately or in the future, either absolutely or contingently) to receive, obtain, or enjoy that is (i) in consideration of, (ii) in gratitude of, or (iii) in any other way related to the gift.
- d) Intention to donate - The donor must have a clear intention to donate the property to the charity. If the amount of the advantage does not exceed 80% of the fair market

value of the donated property, then the fact that the donor obtained an advantage from the donee charity will not necessarily disqualify the transfer from being qualified as a gift. If, however, the amount of an advantage exceeds 80% of the fair market value of the transferred property, then the donor will have the onus to prove to CRA that he/she has the intention to donate the property.

- e) De minimis threshold - Where the amount of complementary advantage received by the donor is of insignificant value, CRA is prepared to accept an administrative de minimis threshold for the value of the benefit that is equal to the lesser of 10% of the value of the donated property and \$75.
- f) Deeming of fair market value - Under some situations, the fair market value of the property donated would be “deemed” to be the lesser of (i) the “fair market value of the property, and (ii) the cost (or the adjusted cost base in the case of capital property) of the property to the donor immediately before the gift is made. The deeming provision does not apply to gifts made as a consequence of a taxpayer's death; gifts of inventory; gifts of real property situated in Canada; gifts of certified cultural property (special valuation procedures apply); and gifts of certain publicly-traded securities.

3.04 Non Gifts

The following transactions do not constitute a “gift,” are not eligible for official charitable donation receipts, and will not be accepted by the University as a donation:

- a) a donation that does not meet all of the requirements for a gift as set out in Section 3.01 or does not comply with the split-receipting rules in Section 3.03;
- b) a donation that is not a gift as set out in Section 3.04;
- c) a pledge which is not received by the University;
- d) a donation of service (including donated time and labour);
- e) the purchase of an item or service by the University;
- f) the payment of event sponsorship fees;
- g) a donation provided in exchange for advertising;
- h) a loan to the University (including loan of funds and property);
- i) the provision of free use of property;
- j) a donation which is court ordered or otherwise compelled;
- k) the payment of a fee for admission to an event or program of the University;
- l) the payment for a lottery ticket or other chance to win a prize;
- m) a gift-in-kind for which the fair market value cannot be determined;

- n) gifts of promises (for example, gift certificates donated by the issuer, hotel accommodation); and
- o) the use of a timeshare.

SECTION IV **GIFT ACCEPTANCE PRINCIPLES**

4.01 General Terms

It is the policy of the University to provide appropriate acknowledgement and recognition for all gifts made to the University.

The University encourages and solicits contributions of cash and near cash and gifts-in-kind (including publicly-listed securities, real estate and other personal property). The University also accepts planned gifts including life insurance, bequests and registered retirement plans. A gift may be made on an outright basis to the University, or the donor may direct the University to hold the gift in a fund. The gift may be unrestricted or contain restrictions. There may also be other types of planned gifts accepted by the University.

The University does not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.

4.02 Authority to Accept Gifts

Any member of the University's Advancement Office may accept gifts of cash or near cash that are not subject to any restrictions. Any management personnel of the University's Advancement Office are authorized to accept other gifts permitted by this Policy and to negotiate gift agreements with prospective donors.

Final documents are to be approved and signed by Executive Director, Advancement or the President.

Notwithstanding the foregoing, the prior approval of the Board of Governors will be sought before accepting any gifts if, in the opinion of the University's President, the nature of the gift is exceptional or may raise concerns for the University.

4.03 Issuing Donation Receipts

Management of charitable receipting rests with the University's Advancement Office.

The issuance and management of official donation receipts by the University shall be in accordance with the requirements of the ITA and CRA.¹ In order to issue an official donation receipt, the University will determine whether or not the donation constitutes a gift, who the donor is, and the eligible amount of the gift for receipting purposes. Each official donation receipt must contain the information required by the ITA and CRA. The University will guard against the unauthorized use of official donation receipts.

In order to ensure the accuracy of the official donation receipts issued by the University, the University reserves the right to inquire of its donors and obtain assurance from them,

¹ CRA, "Issuing Receipts" at <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/rcpts/menu-eng.html>.

either verbally or in writing as may be appropriate, concerning circumstance surrounding the gifts that may be relevant for the purpose of the issuance of official donation receipts and in determining the correct eligible amount for the gift.

Official donation receipts will not be issued for gifts received from other registered charities. However, the gift may be acknowledged by way of a letter or ordinary receipt - one that does not state that it is an official receipt for income tax purposes. Before any gifts are received from other registered charities, the donor charity will be required to advise the University whether the gift is a restricted gift, and if so, to provide the University with full particulars of the restrictions. In general, a gift agreement will need to be entered into with the donor charity.

4.04 Gift Agreement

In general, with respect to gifts that are subject to restrictions imposed by the donor, or gifts over \$5,000 and gifts of real estate, the University will request that donors enter into gift agreements with the University to evidence the gift and set out the terms of any restrictions on the gift. The University will also enter into pledge agreements with donors with respect to gifts to be made over a period of time.

The University has established template gift agreements. In general, these templates are to be used. Where these templates are not used, then consideration may be given to seek legal advice on the customized gift agreements.

4.05 Gifts Subject to Donor Restrictions

a) Background and Application

- (i) This Policy does not apply to existing restricted funds (both endowed and non-endowed) which are already in place prior to the adoption of this Policy. Those gifts are subject to those restrictions that are already in place, including those set out in existing gift agreement, last Will or testaments, or records of the University.
 - (ii) As well, all funds that were transferred from the Foundation to the University in May 2014 had already been carefully reviewed by the University and the Foundation in the course of obtaining the Ontario Public Guardian and Trustee's (PGT) consent Court Order that was obtained on May 30, 2014. Application of this Policy to those funds is subject to the terms of that Court Order.
 - (iii) Proper template gift agreements are to be put in place to ensure compliance with donor's intent, legal requirements in Ontario, and best practices.
- b) Donor's Restrictions – Donors may impose certain restrictions, acceptable to the University, to be attached to a gift when the gift is made.
- c) Unrestricted Gifts - A gift that is not subject to donor restrictions will be held by the University as an unrestricted fund to be applied towards the general charitable purposes of the University in the sole discretion of the Board of Governors.

- d) Restrictions Imposed When the Gift is Made – It is a legal requirement that restrictions must be imposed at the time when the gift is made. A donor cannot impose restrictions or remove the restrictions after the gift has been made. If the restrictions are only intended to be in force for a period of time and be removed after the expiry of the period, this would also need to be set out at the time when the gift is made.
- e) Obligations to Comply with Restrictions – As noted in Section 1.02, the Board of Governors of the University is committed to fulfill their fiduciary duty under common law to comply with the limitations, conditions, terms of reference, directions or other restrictions imposed by donors.
- f) Restrictions in Writing - All restrictions that a donor desires to be imposed on a gift must be set out in a gift agreement and approved by the University before the gift is accepted. The University will review the restriction in order to ensure that it is able to comply with the restriction and to clarify its duties in fulfilling the restriction. That being said, the University will consider only those restrictions that will not be unreasonably difficult to administer. The agreement will also generally contain a clause to provide the University with the power to vary the restriction in the event that it becomes impossible or impractical for any reason to fulfill.
- g) Externally Restricted Funds - A gift that is subject to donor restrictions will be held by the University as an externally restricted fund, and be managed by the University in accordance with the requirements of common law and regulations under the *Charities Accounting Act* (Ontario) (i.e., a charity may commingle different externally restricted funds into a single bank account or investment portfolio, while restricted funds may not be commingled with its general operating funds).
- h) Types of Donor Restricted Funds with Time Restrictions
 - i. Perpetual Endowment Funds - A donor may impose a restriction to establish a perpetual endowment fund by requiring the capital of the fund donated to the University to be held in perpetuity, with the income to be used at the discretion of the University's Board of Governors or for a specific purpose designated by the donor or to meet statutory disbursement requirements. The University will not be permitted to disburse the capital of the endowment fund in perpetuity. Should the University be wound up, the perpetual endowment fund would need to be transferred to another Canadian registered charity, which would be required to continue holding the perpetual endowment fund in perpetuity, and applying the income (on a total return investment strategy, subject to the wording of any applicable gift agreement) from the perpetual endowment fund in accordance with the restrictions imposed by the donor when the fund was first established. A donation of at least \$25,000 is required in order to establish a perpetual endowment fund at the University.
 - ii. Long Term Restricted Funds - A donor may establish a fund with the capital to be held for a long period of time, rather than to be held in perpetuity. Such a fund will be referred to as a "long term restricted fund", not an "endowment fund". The income (on a total return investment strategy, subject to the wording

of any applicable gift agreement) will be used at the discretion of the University or for a specific purpose designated by the donor or to meet statutory disbursement requirements. The University will not be permitted to disburse the capital of the long-term fund for the period of time designated by the donor. At the end of this period, the capital may be disbursed in accordance with the restrictions imposed by the donor. Should the University be wound up before the expiry of this period, the long term fund would need to be transferred to another Canadian registered charity, which would be required to continue holding the long term fund until the expiry of the said period, and applying the income from the long term fund in accordance with the restrictions imposed by the donor when the fund was first established. A donation of at least \$25,000 is required in order to establish a long-term fund at the University.

- i) Investment - Funds held by the University are to be invested in accordance with the University's investment policy (including a total return investment strategy, subject to the wording of any applicable gift agreement) and subject to the Ontario *Trustee Act*, unless there are specific requirements imposed by the donor.

4.06 Donor Advised Funds

The University does not accept donor advised funds.

4.07 Gift Acknowledgement

The University will provide appropriate acknowledgement and recognition for all gifts made to the University. Correspondence prepared and issued by the University together with an official tax receipt shall be deemed to be official acceptance and acknowledgement of the gift.

4.08 Anonymous Donors

The University will respect and observe the wish of a donor to remain anonymous with respect to gifts made to the University, both with respect to being publicly identified as a supporter of the University and having the amount of their contribution disclosed. However, the University reserves the right to disclose the identity of the donor and the type and value of the gift where it is required to do so at law.

4.09 Conflict of Interest

Donor interest and well-being will take priority in gift negotiation. If an individual presents oneself as a representative of the University and attempts to sell to a donor any financial or other products related to a donation, such a person must declare a potential or actual conflict of interest to both the donor and the University. As well, the donor will be requested to provide an acknowledgement of having been advised of such by the said individual and of the donor's intention to continue to make a gift to the University. If the individual presents oneself as a representative of an outside firm and part of this persons' financial counselling involves arranging a gift to the University, then no conflict exists.

4.10 Confidentiality

The University will keep all information, data, or other communications with donors strictly confidential in accordance with its privacy policy in place from time to time. However, the University reserves the right to disclose such information where it is required to do so at law.

4.11 No Persuasion or Pressure

The University does not permit any employee, volunteer or person representing the University to use pressure on a donor in securing any gift. The University honours donors' and prospective donors' requests to limit the frequency of solicitations, not be solicited by telephone or other technology, and receive printed material concerning the University. The University will discontinue solicitations where it becomes apparent that they are unwanted or a nuisance.

4.12 No Advice to Donors

The University does not provide any legal, accounting, tax or financial advice to donors with respect to gifts to the University. Donors are encouraged and recommended to seek their own independent legal, accounting, tax or financial advice from professionals. Where necessary, donors will be requested to provide the University with an acknowledgement that (i) he or she has obtained independent professional advice; or he or she has been advised by the University to obtain independent professional advice and has waived obtaining such advice; and (ii) the University is released from any liability that may arise in relation to the making of the gift by the donor. Donors are responsible for all costs incurred in relation to obtaining such independent professional advice.

4.13 Legal Advice to University

The University reserves the right to seek legal advice in relation to the negotiation, acceptance, receipting and management of gifts.

4.14 Declining a Gift

The University reserves the right to decline a gift in any circumstance, including for the following reasons:

- a. the eligible amount of the gift does not exceed \$10;
- b. there are features to or restrictions of the gift that do not accord with the University's charitable objects;
- c. the gift could jeopardize the charitable status of the University;
- d. the gift exposes the University to liability or unacceptable risk;
- e. the donor applies unacceptable restrictions, conditions or control over the gift;
- f. the gift will be difficult to administer;

- g. the donated property does not constitute a “gift” at law as referred to in Section 3.01.
- h. the gift or terms of the gift are illegal, discriminatory or violates any federal, provincial or municipal laws or regulations;
- i. the University is unable to honour the terms or restrictions of the gift.
- j. the gift may compromise the University’s academic integrity or interfere with the University’s academic judgment or impinge on the University’s academic freedom;
- k. the gift may require any action on the part of the University which is unacceptable to the University or violates the University’s policies and regulations.
- l. the gift requires or stipulates the future employment at the University of any specified person or doing business with any specified company or person;
- m. the gift is for a partial interest in property, unless the University agrees otherwise;
- n. the gift is financially unsound or could expose the University to liability or embarrassment;
- o. the donor relies on an appraisal or evaluation provided to the donor by third parties, that is perceived by the University to be inaccurate or unreliable;
- p. an appropriate fair market value of the property donated or the advantage received by the donor cannot be determined, or will result in unwarranted or unmanageable expense to the University in determining such value, or the donor does not agree with the value determined by the University;
- q. the gift could improperly benefit any individual that is not permitted under the ITA or by CRA;
- r. the gift is made by an individual, corporation or organization whose philosophy and values are inconsistent with the overall philosophy and values of the University; or
- s. where the donor requires a donation receipt issued by the University shortly after the donation is made or within a certain time frame, but the gift could not be assessed, processed and donation receipt issued in accordance with the requirements of the ITA within the time frame requested by the donor.

4.15 Returning a Gift

In general, once a gift has been received by the University and an official donation receipt issued, the property becomes a charitable asset and cannot be returned to the donor at law. Nevertheless, if a gift is returned to a donor for whatever reason, the following steps

will be taken to comply with the policy of CRA: a revised receipt will be issued to the donor, and a copy of the revised receipt will be sent to CRA when the amount of the returned property is more than \$50. An information return will also be filed with CRA within 90 days after the day the property is returned if an official donation receipt was issued for the original property, and if the returned property has a fair market value of more than \$50.² Where necessary, legal advice may be sought.

SECTION V **TYPES OF GIFTS**

5.01 Cash and Near Cash

The University accepts gifts of cash. Gifts of “near cash” are also accepted by the University and may include cheque, money order, electronic fund transfer and credit card. The following terms apply to acceptance of such gifts:

- a) following receipt of the gift, the University will issue to the donor an official charitable donation receipt for the amount of the gift in accordance with CRA guidelines.
- b) a gift by credit card is considered to have been made on the date the donor authorized the charge to the credit card.
- c) gifts received after the end of the year may not be added to the previous year's donations unless the gift was postmarked in the previous year (for example, a cash gift made by way of a cheque that was mailed and post-marked in December but not received by the University until January).

5.02 Publicly-Listed Securities

Common publicly-listed securities include:

- a share, debt obligation or right listed on a prescribed stock exchange;
- a share of the capital stock of a mutual fund corporation; and
- a unit of a mutual fund trust.

The following terms apply to acceptance of such gifts:

- a) The University generally accepts gifts of publicly-listed securities that have an active secondary market, are not subject to a volatile market, and can be readily converted into cash within a reasonable period of time after having received the gifts. Donors shall bear transfer costs when transferring securities to the University. A gift of publicly-listed securities must be received by the University no later than ten business days before the end of the calendar year in order to be eligible for a charitable income tax receipt within that calendar year.
- b) The date of a gift of electronically transferred shares is the date the shares are received in the University's account. The fair market value of the shares

² CRA, *Qualified donees – Consequences of returning donated property Guidance*, CG-016, October 19, 2012 (<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/rtrng-dntd-prpty-eng.html>)

may have dropped between the date of transfer and the date the shares are received in the University's account. Any such loss is borne by the donor.

- c) A donation of public securities may also be made by transfer of the share certificate. Share certificates should be hand-delivered to the University or sent by registered mail or courier. The date of the gift will be the date the share certificates are delivered to the University and accepted by the University.
- d) In general, the value of the securities will be the closing bid price of the share on the date of the gift as set out above. When unusual circumstances are involved in a gift, an independent appraisal may be required to determine the fair market value.
- e) In general, the University's policy is to liquidate gifts of securities as soon as possible after receipt.
- f) Upon confirmation of the receipt of a gift of publicly-listed securities, the University will issue a tax receipt for the eligible amount of the gift based on the fair market value of the securities.

5.03 Gifts-in-Kind

Gifts-in-kind refers to a gift of property other than cash or near cash. Acceptance of some gifts-in-kind are subject to special considerations and are specifically referred to in other sections of this Policy, including, for example, life insurance, publicly-listed securities, and real estate. The acceptance of other gifts-in-kind is governed by this section, including gifts of books, equipment, software, or other property. Gifts of artwork and art collections are subject to the provisions of a separate policy.

- a) The University accepts gifts-in-kind that are in reasonable condition and meet other criteria set out in this Policy. The University reserves the right to display or store the gifted property, use the property for fundraising purposes, or sell it and apply the proceeds towards the charitable purposes of the University.
- b) The ready marketability of the property and the carrying costs will be considered by the University before accepting a gift. The University reserves the right to secure its own appraisal and issue a gift receipt based on it.
- c) Before accepting a gift-in-kind, the University will undertake such due diligence steps as it determines necessary.
- d) Costs such as legal fees and appraisals will be the responsibility of the donor.
- e) A charitable donation receipt will be issued for the eligible amount of the gift on the date of donation based on the fair market value of the property.

5.04 **Real Estate (Outright Gift, Residual Interest)**

Gifts of real estate include single family dwellings, condominiums, apartment buildings, office buildings, land and farms. Gifts of real estate may be made in the following ways:

- Outright gifts;
- Residual interest in a property - where a property (such as the donor's principal residence or family cottage) is conveyed to the University, with the donor retaining the use of the property for the donor's lifetime or for a period of time);
- To fund a charitable remainder trust.

The following terms apply to acceptance of outright gifts of real estate and residual interest in a property. The application to charitable remainder trusts will be subject to review on a case by case basis.

- a) The ready marketability of the property and the carrying costs will be considered by the University before accepting the gift. Various factors, including zoning restrictions, environmental factors, marketability, current use, and cash flow will be taken into account to ascertain that acceptance of the offered gift is in the best interests of the University.
- b) In general, the University will require the donor to enter into a gift agreement with the University for gifts of real estate setting out the terms of the gifts.
- c) Before accepting a gift of real estate, the University will undertake such due diligence steps as it determines necessary, including: obtaining an up-to-date survey; conducting a full title search and other necessary off-title searches; conducting a home inspection of the property; ensuring title to the property is good and free from all registered restrictions, charges, liens, and encumbrances; being satisfied that no persons have any claim or interest in the property; conducting an environmental inspection of the property; etc., where applicable.
- d) Where it is a gift of residual interest in a property, the University will undertake additional due diligence steps as it determines necessary, including ensuring the donor has clear title to the property being donated; ensuring there are no other rights that anyone has with respect to the property, other than the donor retaining the use of the property; the donor agreeing to take proper care, maintenance, up-keep and insurance (as well as all related expenses) of the property during the period of time when the donor retains the use of the property, etc.
- e) Costs such as legal fees, appraisals and real estate fees will be the responsibility of the donor.
- f) The University reserves the right to retain the property or sell it and apply the proceeds towards the charitable purpose of the gift.
- g) For an out-right gift, a charitable donation receipt will be issued for the eligible amount of the gift on the date of donation based on the fair market

value of the property. For a gift of residual interest, the eligible amount of the gift will be issued on the date of donation based on the present value of the property taking into consideration the interest retained by the donor.

5.05 Life Insurance

Gifts of life insurance may be made to the University by irrevocably assigning the ownership and beneficiary rights of a paid-up life insurance policy to the University, by irrevocably assigning the ownership and beneficiary rights of a life insurance policy to the University on which premiums remain to be paid and by naming the University as a beneficiary of a life insurance policy. The following terms apply to acceptance of such gifts:

- a) When a life insurance policy is irrevocably assigned to the University, the University becomes the legal owner of the gifted life insurance policy. All consents required under provincial regulations to be signed to change a beneficiary must also be signed before it is a completed gift.
- b) If an assigned policy is not yet fully paid-up, the acceptance of the assigned policy shall be conditional upon the University not having any liability to the insurance company or to the donor with respect to the payment of future premiums, unless otherwise agreed to by the University in advance.
- c) If an assigned policy is not yet fully paid-up, the University shall require assurance that the donor will continue to make all donations towards paying future premiums (for which the donor would be entitled to charitable donation receipts as explained below), unless otherwise agreed to by the University in advance.

The receipting of gifts of life insurance shall be as follows:

- i. Where the assigned policy is a fully paid-up life insurance policy, the University may issue a charitable donation receipt for the eligible amount of the policy's value (i.e., its cash surrender value less any loan outstanding on the policy). When determining the eligible amount of a policy's value, the following factors will need to be considered: (a) cash surrender value; (b) the policy's loan value; (c) face value; (d) the state of health of the insured and his/her life expectancy; (e) conversion privileges; (f) other policy terms, such as term riders, double indemnity provisions; and (g) replacement value. Generally, only whole life or universal life policy will have a cash surrender value. A term life insurance policy cannot be fully paid-up and the cash surrender value would be nil. The cash surrender value for a new insurance policy would also be nil.
- ii. Where the assigned policy is not yet fully paid-up, the University may issue a charitable donation receipt for the eligible amount of the policy (i.e., its cash surrender value less any loan outstanding on the policy). The various factors mentioned above will be considered when determining the eligible amount. Where the policy assigned is a term life insurance, the cash surrender value is nil.
- iii. In addition, if the policy is not yet fully paid-up, the University may issue a charitable donation receipt for donations for the eligible amount of the premium paid,

regardless of whether the payment is made directly to the insurance company or to the University, which would in turn pay the premium.

- iv. Where the University is named as a beneficiary of a life insurance policy, the University may issue a charitable donation receipt when the University receives the insurance proceeds upon the death of the insured. No charitable donation receipt may be issued upon naming the University as the beneficiary or for premiums paid for such a policy.

5.06 Bequests

A bequest is a provision in a Will, directing a gift of property from an estate to be paid to the University. There are several types of bequests accepted by the University:

- A specific bequest – a gift of a specific sum of money or a specific property, such as real estate or securities
- A residual bequest – a gift of all or a percentage of the residue of the estate after having paid gifts to other beneficiaries under the estate
- A contingent bequest – a gift of all or a share of the estate in the event of the prior death of certain other beneficiaries or in the event of certain conditions having been met
- A residual bequest subject to life interest – a gift of property following the death of certain other beneficiaries who have use of the property in the estate during their lifetime.

A donor may provide that any bequest be held in a fund. The following terms apply to acceptance of such gifts:

- a) Sample bequest language will be made available to donors and their lawyers to ensure that the bequest is appropriately documented in the Will.
- b) A bequest in the qualifying amounts can be used to create a fund if appropriately provided in the Will and would be subject to the fund terms set out in this Policy.
- c) Donors are invited and encouraged to provide information to the University about their bequest and, if they so choose, to send to the University a copy of the relevant section of their Will.
- d) Any legal, accounting, or other professional fees borne by the University in receiving the bequest from the estate of the donor will be deducted from the gift received.
- e) The University does not provide any legal, accounting, tax or financial advice to donors in the preparation of their Will or become involved in the execution or witnessing of a Will in which the University is named as beneficiary. University staff or the University may not be named as executor in a donor's estate. The University recommends that donors consult legal and tax professional advisors before completing a Will.

- f) During the probate of estates containing a bequest to the University and during the post-death administration of testamentary trusts containing dispositive provisions benefiting the University, the University's Vice-President, Finance & Administration, or his/her delegate, in consultation with the University's legal counsel, shall represent the University in all dealings with the lawyer and executor of the estate. The University will exercise due diligence that the terms of the will are abided by, gifts made to the University are received in a timely manner, and the interests of the University are maximized.
- g) The University may decline the bequest if, in the discretion of the University, the legal, accounting, or other professional fees associated with administration of the estate exceeds the amount of bequest. The University may also decline a bequest involving an estate that has not been properly administered, and its trustees not having received appropriate compensation.
- h) Following receipt of the bequest, the University will issue to the estate a charitable donation receipt based on the fair market value of the property.

5.07 Registered Retirement Plans

Gifts of registered retirement plans include the direct designation of the University as a beneficiary to receive the proceeds of a registered retirement savings plan (RRSP) or registered retirement income fund (RRIF) on the death of the donor or a gift to the University of the proceeds of RRIF or RRSP on the death of the donor by way of bequest. The University will accept such donations and a receipt based on the value of the RRSP or RRIF on the day of death of the donor will be issued for the final tax return.

5.08 Other Gifts

There are many types of gifts that may be donated or may evolve with new ways of planned giving from time to time. Examples of these gifts include charitable remainder trusts, "split receipt" gifts, stock options, gifts of flow-through shares, gifts of private company shares, charitable gift annuities, charitable remainder trusts, time-share recreational property, airline premium points, etc. It is not possible to include every type of gift in this Policy. The University may establish specific policies for some of these gifts. Gifts not mentioned in this Policy or other policies of the University will require individual review.

APPENDIX A TO GIFT ACCEPTANCE POLICY

NAMING POLICY

SECTION I INTRODUCTION

1.01 Purpose of Policy

- a) OCAD University (the “University”) welcomes the opportunity to name existing and proposed tangible and non-tangible assets to honour persons, including founders, benefactors, donors, members of staff and others, who have rendered outstanding service to the University or have made exceptional contributions to the broader local, national or international community. Further, the University’s association with such extraordinary individuals strengthens the institution and its sense of heritage and connection to the local community.
- b) The process and standards governing decisions on naming assets will be clearly established and transparent for the following reasons:
 - i. The selection of individuals for naming recognition reflects how the University perceives itself, its mission and its values.
 - ii. The number of University assets available for naming is limited while the number of people who could be honoured this way is much higher. Each naming decision must be weighed very carefully.
 - iii. Names are usually attached to a particular asset for the life of the asset or on occasion in perpetuity, thereby forming a long relationship between the University and the person so named.
 - iv. It is necessary for the University to promote consistency in the tributes paid by the University to its supporters;
- c) The purpose of this Policy is to set out the principles that guide the naming of University assets.

1.02 Jurisdiction/Scope

- a) This policy applies to the naming of all of the University’s assets, whether existing or proposed, in accordance with established processes and procedures.
- b) Assets of the University that can be named include tangible assets and non-tangible assets of the University.
- c) Tangible assets of the University include:
 - i. buildings, and parts thereof (such as wings, rooms, studios, floors, lecture and seminar rooms, laboratories, reading rooms, atria, entrances, foyers, offices, galleries, etc.);

- ii. collections of books, art, archives, and other documentary and/or cultural materials;
 - iii. equipment;
 - iv. open spaces, recreational spaces, gardens, roads, fields, etc.;
 - v. other natural features or physical improvements; and
 - vi. medallions or plaques.
- d) Non-tangible assets of the University include:
- i. academic units (such as faculties, departments, schools, institutes, centres, libraries, etc.)
 - ii. academic programs within one or more academic units;
 - iii. lectureships, fellowships, professorships, scholarships, bursaries;
 - iv. funds to support or recognize graduate and undergraduate students (scholarships, awards, bursaries);
 - v. administrative posts (deanships, chairs, professorships, directorships, etc.);
 - vi. events both academic (e.g., lectures, lecture series, symposia, conferences, etc.) and non-academic (e.g., athletic and other extracurricular events);
 - vii. student services and other services;
 - viii. prizes and other awards to recognize outstanding achievements by members of the University community (such as for teaching, for research, for service); and
 - ix. research.
- e) Naming, renaming and termination or revocation of naming shall be in accordance with established processes and procedures and shall be undertaken only after sufficient due diligence by the University. This includes consultation with the appropriate faculty, departmental and administrative leadership.

SECTION II **POLICY**

2.01 General Principles

All naming of University assets must conform to the following principles:

- a) Each naming shall enhance the mission and priorities of the University while preserving the University's integrity, academic freedom and autonomy.

- b) Naming shall not impede the University from altering its academic and research priorities and shall conform to all University policies and guidelines governing the establishment of such assets.
- c) Individuals, corporations or foundations after which an asset might be named must be of sound reputation.
- d) In accordance with Section 2.06, naming may be for a defined and limited period of time. No commitment to a naming shall extend beyond the useful life of an asset or existence of the asset named. The naming of capital assets “in perpetuity” should be avoided.
- e) Naming shall comply with the standards for each level of naming opportunity or particular assets as specified from time to time by the University.
- f) No commitment (verbal or written) shall be made by a member of the University community to any person for the naming of any University asset without the prior written approval of the President.
- g) Proposals for naming shall be dealt with in strict confidence by all involved in the process until the naming is publicly announced by the University.
- h) Naming will be independent of all appointment, admission and curriculum decisions.
- i) The Advancement Office shall pro-actively and confidentially keep the Board of Governors informed of all proposed naming opportunities, required gift levels, and the names of prospective donors it intends to approach.
- j) Naming of University assets involving gifts to the University shall be in accordance with University policies and procedures, including its Gift Acceptance Policy.

2.02 Naming Involving Gifts – Minimum Contribution Required

- a) The value of a naming opportunity of a specific space should be determined by its size, location, and the activity taking place within the space. The value of a program, project, unit or centre should be determined by the number of users, the importance of the initiative to the University, and public profile of the program. Appropriate comparators will be used as benchmarks to ensure the valuation of the naming opportunities reflects these factors.
- b) For recognition by naming, it will be expected that the donor and/or other donor wishing to honour a benefactor, will provide all or a substantial part of the cost of the asset being named. “Substantial” means either a significant majority of the cost or a contribution which, while not being a significant majority, is regarded as central to the completion of the asset. Such recognition will generally take effect once the donor has fulfilled an agreed portion of their commitment.
- c) For the naming of a scholarship, award, or bursary, a donor must either (i) have established a Perpetual Endowment Fund or a Long Term Restricted Fund in

accordance with the University's Gift Acceptance Policy or (ii) have agreed to contribute at least \$1,000 each year for 5 consecutive years.

2.03 Naming to honour an individual where no gift is involved must adhere to the following standards:

- a) A proposed honouree must have achieved distinction in one or more of the following ways:
 - i. While serving the University in an academic capacity, the individual demonstrated high scholarly distinction and earned an excellent national or international reputation.
 - ii. While serving the University in an important administrative capacity, the individual rendered distinguished service that warrants recognition of the exceptional contributions this individual made to the welfare of the University.
 - iii. The individual contributed in a truly exceptional way to the welfare of the institution or has achieved a unique distinction that warrants recognition.
- b) A naming proposal may be made to honour an individual at any time. Proposals for naming of University assets to honour current members of the University community will be considered only in exceptional circumstances.

2.04 Approval

- a) All proposals for any naming shall be approved by the President.
- b) In the case of named academic appointments (e.g., chairs, professorships), named academic initiatives (e.g., lecture series or major scholarships), or significant named areas of academic life, the approval of the President, who will consult with appropriate academic representatives, is required.
- c) From time to time, the University may wish to approve a naming to honour persons who rendered outstanding service to the University or to persons who have made extraordinary accomplishments to the University. Such naming requires the approval of the Board of Governors.
- d) Notwithstanding the foregoing, the prior approval of the Board of Governors will be sought before accepting any naming if, in the opinion of the University's President, the nature of the naming is exceptional or may raise concerns for the University.

2.05 Plaques and Signs Recognizing Naming

All style or presentation of any naming (signage, plaques, *etc.*) will be determined by the University in consultation with the donor.

2.06 Naming and Renaming of University Assets

- a) A naming will normally be for the useful life of an asset. No commitment to a naming shall extend beyond the useful life of an asset or existence of the asset named.
- b) In general, when permanent named recognition has been extended for a gift received, it is intended to be honoured for the useful life of the asset. In the event of changed circumstances (*e.g.*, a facility or program no longer exists), the University reserves the right to determine the form which such permanence may take, generally in consultation with the donor or their authorized representative(s) where appropriate.
- c) Where a naming is for a limited period of time, the University reserves the right to rename the asset on the expiration of that time, or to renew the support of the donor. When a named asset ceases to exist or will be developed for another use, appropriate recognition of earlier donors and honourees will be considered.
- d) Should changed circumstances lead to the denaming or renaming of an asset, and provided that the University has in good faith fulfilled its original commitment to the donor, the University will be in no way obligated to return any portion of a charitably received gift to the donor.
- e) Where a building or part thereof has been named “in perpetuity,” the University will continue to use the name so long as the building or part thereof remains in use and serves its original function. When the use of a building or part thereof is changed such that it must be demolished, substantially renovated, or rebuilt, the University may retain the use of the name, name a comparable building or part thereof, or discontinue the use of the name. Where it is proposed that the use of the name not be maintained, the discontinuation will require the approval of the Board of Governors.
- f) A proposal to rename an asset or to add a second name shall adhere to the same procedures and criteria for naming as outlined in this Policy.
- g) When an asset is proposed for renaming, reasonable efforts will be made to inform the original donor or honouree in advance. If a donor or honouree is deceased, reasonable efforts will be made to inform the next generation of family members or business owners in advance of the renaming.

2.07 Revocation of Naming

The University reserves the right to revoke a naming at its sole discretion where, in the opinion of the Board of Governors, it would be in the best interest of the University to revoke the naming, or the retention of the name would be prejudicial to the University. Requests to revoke a naming must be sent to the President for consideration and will then be referred to the Board of Governors for a decision.

2.08 Records

- a) The Advancement Office shall keep a complete record of all naming agreements and related documents.

- b) The Advancement Office shall be responsible for maintaining and updating an inventory of named assets which will be shared with The Vice-President, Finance & Administration. It will maintain a central registry of all named gift opportunities. This will be reviewed and updated from time to time based on market conditions, institutional fundraising priorities, and comparisons with other institutions.