
Sponsorship, Donation and Non-Employee Gift Expenditure Policy

Policy Sponsor:	Vice President, Finance and Administration Vice President, Advancement
Policy Contact:	Director, Financial Services
Policy Number:	N/A
Effective Date:	January 22, 2015
Approval Group:	The Governors of Athabasca University
Approval Date:	January 22, 2015, Motion # 194-05
Review Date:	To be reviewed biennially
Procedure:	Sponsorship, Donation and Non-Employee Gift Expenditure Procedure

Purpose

To ensure that sponsorships, donations or gifts made by Athabasca University (the University) are in compliance with relevant provincial and federal legislation and related Athabasca University policies and to promote responsible stewardship of University resources.

Definitions

Account Holder	The individual employee who has delegated expenditure approval authority for expenditures against a specific budget or account.
Cash	Currency, cheques, money orders.
Donation	A voluntary transfer of property of value for which the donor expects and receives nothing in return. The term "Gift" may be used interchangeably with Donation.



Employee	An individual who performs services for Athabasca University under a contract of services as defined by the Canada Revenue Agency (CRA) and the Income Tax Act . Departing Employees or Retiring Employees are included in the definition of Employee for the purposes of this policy.
Executive Officer	The President and Vice-Presidents.
Family Member	A person who does not deal at arm's length with the Employee, such as the Employee's spouse, partner, significant other, child or sibling.
Fair Market Value	The price for which an item would be sold by a willing seller to a willing buyer in an arms-length transaction in an open market, each party having full knowledge of the facts.
Gift	An item purchased, using Athabasca University funds, and given to an individual in recognition of a special, unfortunate or celebratory event. A Gift given in substitution for an honorarium (gift in lieu of money) is considered a taxable benefit by the Canada Revenue Agency (CRA).
Honorarium	An honorarium is an ex gratia payment (i.e., a payment made without the giver recognizing themselves as having any liability or legal obligation) made to a person for their services in a volunteer capacity or for services for which fees are not traditionally required. This is used by groups such as schools or sporting clubs to pay coaches for their costs. Another example includes the payment to guest speaker at a conference to cover their travel, accommodation, or preparation time. In Canada, honoraria are considered as salary and thus, taxable income under the Income Tax Act .
Near-cash Gifts	Items that can easily be converted to cash, such as gift certificates, gift cards, pre-paid credit cards, travel vouchers.



Non-cash Gifts	Gifts that do not consist of cash (currency, cheques, money orders) or near-cash (gift cards, gift certificates). Examples of appropriate Non-cash Gifts include Athabasca University logo items, mugs, flowers, fruit baskets and plaques.
Qualified Donee	An organization that can issue official donation receipts received from individuals and corporations according to Canada Revenue Agency guidelines.
Sponsorship	The business relationship between Athabasca University, as a provider of funds, property, resources or services and an individual, event or organization which offers in return rights and association that may be used for commercial advantage in return for the sponsorship investment.
Trivial Gifts	Gifts that are not considered to be a taxable benefit and do not result in employment income as determined by Canada Revenue Agency (CRA) regulations. Examples include pins, mugs, hats, and T-shirts with employer logos, valued at less than \$25, and plaques or trophies.
University Funds	Includes all sources of revenue directed to an account managed by Athabasca University. It includes grant funds awarded from both University and non-University sources, as well as funds awarded under the terms of contracts.

Policy

As a publically funded institution, Athabasca University is accountable for the prudent and effective stewardship of University Funds.

It is common for Employees to personally contribute voluntarily towards the purchase of a Gift or Donation to another individual or community organization. This practice is encouraged. This policy is not intended to replace or otherwise interfere with this practice. Where this option is chosen, it is considered to be outside of the scope of the policy.

All Sponsorships, Donations or Gifts provided by the University must be administered in accordance with the [Income Tax Act](#) and [Canada Revenue Agency Charity Regulations](#).



University Funds, property, resources or services may be used for Sponsorship, Donation or Gift when the following criteria are met:

1. It is permitted under this policy, as well as other related policies.
2. It is administered in accordance with the procedures attached to this policy and related policies.
3. It is in accordance with all federal, provincial and municipal legislative and regulatory requirements.
4. It is permitted under the terms and conditions of the specific funding source.
5. It is properly documented.

Gifts

Gifts to an Employee or Family Member are outside of the scope of this policy and are to be administered in accordance with the [Employee Gift Expenditure Policy](#).

All Gifts or Honorarium from the University to speakers or volunteers must be administered in accordance with the [Income Tax Act](#); Canada Revenue Agency Regulations state that Gifts or Honorarium may have tax implications for the Individual.

Appropriate occasions where giving a Gift is reasonable include:

- a) appreciation for participation in an event;
- b) appreciation for participation in an academic research project;
- c) appreciation for service to Athabasca University,
- d) an award for winning a competition or contest;
- e) a prize for attending an event;
- f) expressions of sympathy;
- g) celebration of a significant event or occasion; or
- h) recognition of an accomplishment.

The University prohibits the use of University Funds to purchase alcohol as a Gift.

The Fair Market Value of the Gift is not to exceed what would be considered as reasonable given the occasion.

Appropriate Gifts include:

- Athabasca University branded merchandise, such as clothing or giftware
- gift certificates
- flowers,
- books,
- objects of art.



Donations

The University will not allow Donations to for-profit organizations or individuals.

The University may allow Donations to Qualified Donees.

The University will not give a Donation of Cash unless approved by the Vice President, Finance and Administration and the Vice President, Advancement, prior to expenditure.

Donations of Athabasca University branded merchandise, surplus equipment and services may be donated at a Fair Market Value that is reasonable for the purpose of the Donation.

The University will avoid the Donation of services, such as printing, that are in competition with local businesses, unless approved by an Executive Officer.

Sponsorships

The University may sponsor an event when the Sponsorship provides a tangible or intangible benefit to the University or enhances the image of Athabasca University.

Financial Reporting

The Office of the Vice President, Advancement, and the Deans and Directors are responsible for tracking the charitable business registration numbers of organizations that receive Sponsorship, Donations or Gifts from the University, and submitting them to Financial Services for reporting purposes in order for the University to comply with Canada Revenue Agency Charity Regulations.

Political Parties, Fundraising Dinners and Events

The University is prohibited under the [Canada Elections Act](#) and the [Alberta Election Finances and Contributions Disclosure Act](#) from making any contributions to a registered (political) party, constituency association, or registered (political) candidate. Therefore, the University will not contribute through a Sponsorship, Donation or Gift of any kind to any political entity.

Applicable Legislation and Regulations

[Alberta Election Finances and Contributions Disclosure Act](#)

[Alberta Post-Secondary Learning Act](#)

[Alberta Freedom of Information and Protection of Privacy Act](#) [Canada Elections Act](#)

[Canada Revenue Agency Charity Regulations](#)

[Income Tax Act](#)



Related Policies, Procedures and Forms

[Sponsorship, Donation and Non-Employee Gift Expenditure Procedure](#)

[Sponsorship, Donation or Non-Employee Gift Expenditure Form](#)

[Contract Administration Policy](#)

[Delegation of Expenditure Approval Authority Policy](#)

[Employee Gift Expenditure Policy](#)

[Purchasing Policy](#)

[Expense Reimbursement Policy](#)

History

The Governors of Athabasca University, January 22, 2015, Motion # 194-05 (Approved)