
Sponsorship, Donation and Non-Employee Gift Expenditure Procedure

Policy Sponsor:	Vice President, Finance and Administration Vice President, Advancement
Name of Parent Policy:	Sponsorship, Donation and Non-employee Gift Expenditure Policy
Policy Contact:	Director, Financial Services
Procedure Contact:	Manager, Financial Operations, Financial Services Chief Development Officer, Office of Advancement
Effective Date of Procedure:	January 22, 2015
Review Date:	To be reviewed biennially

Purpose

To outline the process to be adhered to with respect to sponsorships, donations or non-employee gifts made by Athabasca University (the University) in order to ensure compliance with relevant federal and provincial 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 by 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.



Procedure:

General

It is the responsibility of the Account Holder in the faculty or department initiating the Sponsorship, Donation or Gift to ensure that it is administered in accordance with this procedure, its parent policy, the *Purchasing Policy* and the *Travel and Expense Policy*.

- Sponsorship, Donation or Gift expenditures that are valued at \$5,000 or less per transaction require appropriate Director or Dean approval on the “*Sponsorship, Donation or Non-Employee Gift Expenditure Form*.”
- Sponsorship, Donation or Gift expenditures that are valued at more than \$5,000 per transaction require appropriate Executive Officer approval on the “*Sponsorship, Donation or Non-Employee Gift Expenditure Form*.”
- The Account Holder will ensure that all expenses and reimbursements related to the Sponsorship, Donation or Gift is coded to the appropriate account.
 - General Ledger (G/L) account code.
 - *704808 – Non Staff Token of Appreciation*
 - *704801 – Staff Appreciation Recognition*
 - *704 809 – Donations External*
 - *704810 – Sponsorship External*
- The Account Holder will ensure that the “*Sponsorship, Donation or Non-Employee Gift Expenditure Form*” is completed and forwarded to Accounts Payable, Financial Services, along with the request for payment or reimbursement.
- An *Employee Gift Expenditure Form* is not required for Trivial Gifts given to Employees.

Gifts:

All Gifts of funds to non-employees are to be charged to account code *704808 – Non Staff Token of Appreciation*.

Financial Services will review the charges made to account code *704808 – Non Staff Token of Appreciation* and *704801 – Staff Appreciation Recognition*, every three months to ensure compliance with policy and legislation.



Donations:

All general requests to the University for Donations must be addressed to the Chief Development Officer within the Office of Advancement. Requests for Donations related to and of interest to a particular faculty, department or office may be submitted directly to that area for consideration within their own work plan and budget.

All requests must be received in writing or electronic format, detailing:

- the name, contact information and charitable business registration number of the organization requesting the Donation;
- the funds, property, resources or services requested as a Donation;
- any measurable benefit the University will receive by participating in the Sponsorship;
- the purpose for which the Donation will be used by the organization; and
- the purpose for which funds raised, if any, will be used by the organization.

Requests for Donations will be assessed to determine whether:

- the request aligns with the values of the University;
- the Fair Market Value of the request provides an appropriate measurable benefit to the University;
- the request enhances the image of the University as a responsible corporate citizen or leader in post-secondary education;
- the request provides an equitable awareness or marketing opportunity for the University; and
- the request is in accordance with these procedures, its parent policy and related policies and legislative requirements.

All Donations made by the University must be approved by:

- the Office of the Vice President, Advancement, or the Executive Officer, Dean or Director for an office, faculty or department specific request; and
- the Account Holder, when University Funds form a portion of the Donation.

Donations of Athabasca University branded merchandise, surplus equipment and services may be approved as follows:

- A Donation with a Fair Market Value of under \$1,000 requires the approval of the Chief Development Officer or, in the case of a request to a specific faculty, the Dean of the faculty.
- A Donation with a Fair Market Value of over \$1,000 but under \$5,000 requires the approval of the Vice President Advancement or, in the case of a request to a specific faculty, the Dean of the faculty.



- A Donation with a Fair Market Value of over \$5,000 requires the approval of the relevant Executive Officer.

All Donations of University Funds will be:

- submitted to Financial Services or the Purchasing Unit for payment ; and
- charged to account code *704809 – Donations External*.

Financial Services will review the charges made to account code *704809 – Donations External* every three months to ensure compliance with policy and legislation.

Sponsorships:

All general requests to the University for a Sponsorship must be addressed to the Chief Development Officer, Office of Advancement. Requests for a Sponsorship related to and of interest to a particular faculty, department or office may be submitted directly to that area for consideration within their own work plan and budget.

All requests must be received in writing or electronic format, detailing:

- the name, contact information and charitable business registration number of the organization requesting the Sponsorship;
- the funds, property, resources or services requested as a Sponsorship;
- any measurable benefit the University will receive by participating in the Sponsorship;
- the purpose for which the Sponsorship will be used by the organization; and
- the purpose for which funds raised, if any, will be used by the organization.

Requests for Sponsorship will be assessed to determine whether:

- the request aligns with the values of the University;
- the Fair Market Value of the request provides an appropriate measureable benefit to the University;
- the request enhances the image of the University as a responsible corporate citizen or leader in post-secondary education;
- the request provides an equitable awareness or marketing opportunity for the University; and
- the request is permitted under these procedures, its parent policy and related policies and legislative requirements;

All Sponsorships made by the University must be approved by:

- the Office of the Vice President, Advancement or the Executive Officer, Dean or Director for an office, faculty or department specific request; and
- the Account Holder, when University Funds form a portion of the Donation;



Upon approval a written quotation, detailing the Sponsorship, its measureable benefits to the University and the associated cost is to be provided by the organization requesting Sponsorship. It is to be submitted to Financial Services or the Purchasing Unit to process payment.

All Sponsorship charges are to be charged to account code *704810 – Sponsorship External*.

Financial Services will review the charges made to account code *704810 – Sponsorship External* every three months to ensure compliance with policy and legislation

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 Policy](#)

[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
(Associated Policy Approved)