

POLICY 2.20 – Donation of Funds by Employees for the Acquisition of Equipment in Support of Employment Responsibilities

Policy Category: Financial

Effective Date: August 1, 2003

Supersedes: October 9, 2002

POLICY

1.00 In instances where an employee wishes to make a donation to the University for the purpose of acquiring equipment in support of his/her area of employment activity, the University will issue an official tax receipt to the donor after the following conditions and procedures have been satisfied.

CONDITIONS/PROCEDURES

2.00 Proposal

2.01 The preparation of a proposal is necessary for income tax purposes.

2.02 A proposal as outlined on Appendix I must be submitted to the Associate Vice-President, Development, c/o Office of Alumni Relations and Development. The proposal will be reviewed by a committee composed of the Associate Vice-President, Development, and the Controller. The Manager, Research Support Services, will be consulted if the donation is related to the purchase of research equipment.

3.00 Budget Unit Approval

3.01 To ensure that the issuance of a tax deductible receipt is within the letter and spirit of the Income Tax Act, the University requires, in the case of academic units, the signature of the Chair and/or Dean and in the case of administrative units, the Director and the responsible Associate Vice-President, attesting to the fact that the donation meets the policy criteria set out below:

- (a) The equipment is required by the employee to more adequately fulfil his/her employment responsibilities. The equipment will not be used to confer any right, privilege, material benefit or advantage to the donor.
- (b) The University would buy this equipment if it had the financial resources;
- (c) The equipment will be purchased in accordance with the University's policy on Purchase of Materials and Services (**Policy 2.8**), and the University will own the equipment;
- (d) The disposal of the equipment will comply with the University's policy on Disposal of University Assets (**Policy 2.9**);

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- (e) Ongoing operating costs such as maintenance and supplies are not to be included in the proposal. Such costs will be the responsibility of the Budget Unit;
- (f) The equipment will be available for use as the Dean or Budget Unit Head determines;

4.00 Disclaimer

- 4.01 The donor acknowledges by signing and submitting the proposal that the University will assume no liability should this donation be disallowed by Revenue Canada as a deduction from the donor's income.
- 4.02 The University will not pay any income tax assessed or reimburse the employee for the dollar value of the donation or transfer the ownership of the equipment to the donor if the donation is disallowed.

5.00 Approval by the Review Committee

- 5.01 If the proposal is approved, the Office of Alumni Relations and Development will advise the donor who will then forward a cheque to the Associate Vice-President, Development, payable to The University of Western Ontario.
- 5.02 After receipt of the cheque, an official donation receipt will be issued to the donor by the Office of Alumni Relations and Development.
- 5.03 A University account will be established in the name of the Budget Unit Head. This account may be used only for the purpose of the donation. Any overexpenditures will be the responsibility of the Budget Unit. All equipment should be acquired through Procurement Services. Unspent funds subsequent to the approved purchase will be transferred to the Budget Unit's discretionary fund.

Attached: APPENDIX 1 - EQUIPMENT DONATION PROPOSAL

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APPENDIX 1 *

THE UNIVERSITY OF WESTERN ONTARIO

EQUIPMENT DONATION PROPOSAL

1. DONOR INFORMATION - To be completed by the Donor

Donor: _____ Home Telephone: _____

Home Address: _____

Campus Address: _____ Campus Telephone: _____

2. AMOUNT OF DONATION: \$ _____

3. DESCRIPTION OF EQUIPMENT:

4. WRITE A BRIEF DESCRIPTION OF THE ACADEMIC AND/OR ADMINISTRATIVE MERIT OF THE PROPOSED ACQUISITION (attach additional information if space inadequate)

5. DECLARATION OF DONOR:

By signing this proposal I recognize that The University of Western Ontario does not have a tax ruling to the effect that this donation qualifies as a legitimate deduction for the purposes of computing my taxable income. I understand that the University assumes no liability should this donation be disallowed by Revenue Canada as a deduction from my taxable income.

In making this donation, I acknowledge that the equipment which the University shall thereby purchase is required to more adequately fulfil my employment responsibilities and is not being acquired for my personal use. I further acknowledge that the equipment shall be the property of the University, and that I retain no immediate or contingent property rights to said equipment, and the University shall retain, maintain, insure, and hold title to the equipment without condition. It is my understanding that the Faculty/Department may assign this equipment to me for the purpose of my University work but I acknowledge that the Faculty/Department retains the right to reassign the equipment from time to time as circumstances require.

Date: _____
Signature: _____

Donor

* Copies of this form may be obtained from the Department of University Relations and Development.

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6. FACULTY/DEPARTMENT OFFICE APPROVAL:

It is our opinion that the information in this proposal is accurate and in accordance with The University of Western Ontario's policy for acceptance of such gifts. Accordingly, we endorse this proposal and move for its acceptance.

Date: _____

Date: _____
Signature: _____
Chair or Director

Signature: _____

Dean or Associate Vice-President

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FOR REVIEW COMMITTEE USE ONLY

7. APPROVAL

Date: _____

Controller

Date: _____
