

University of Guelph
REAL ESTATE DONATION POLICY

Approved: Board of Governors, December 4, 2003

A. PURPOSE

The University of Guelph values private support of its academic mission. Donations from individuals, corporations and foundations are a vital source of additional funding.

The University welcomes gifts of real estate that will provide funds to support and enhance its teaching, research and outreach programs. Apart from its core academic land as well as land in the immediate proximity, the University limits its need to hold land for the long term. Consequently, the University will not normally accept gifts of real estate designated to be held for teaching, research or stewardship purposes.

This policy articulates the specific objectives of the real estate donation program at the University of Guelph and provides guidelines for the evaluation of real estate for the purposes of deciding to accept or to decline a gift of real estate.

The University is receptive to considering alternatives to an outright gift of real estate, such as a gift of residual interest or a donation through a charitable remainder trust.

B. PRINCIPLES

1. Normally, the University will convert all gifts of real estate into cash as expeditiously and prudently as possible. However, restrictions on or conditions attached to donations or bequests of real property will be considered on a case by case basis as part of the due diligence process.
2. Normally the University seeks gifts of real estate that provide funds to assist in meeting its academic mission through financial support of its priority needs, such as capital projects or endowments for scholarships, professorships or research. The University will not normally retain gifts of real estate for teaching, research or stewardship. However, the University will consider donations that involve a conservation easement that would continue with a third party.
3. The following criteria will be used to assess whether or not to accept a gift of real estate:
 - a. gift conditions are consistent with the University's aims;
 - b. the gift is free of unacceptable financial and or legal encumbrances, risks or implications;
 - c. the University has the resources to honour the terms of the gift or to determine its value;
 - d. there are no unacceptable physical and/or environmental risks.

4. Providing the criteria for accepting a gift of real estate are met, the decision to accept that real estate rests with the Board of Governors. Responsibility for the implementation of this Policy and for a decision to decline a gift of real estate will normally be delegated to the Development Committee of the Board of Governors.
5. The Board of Governors may choose to designate donated land to the University of Guelph Heritage Fund for disposition under the terms of the Declaration of Trust.

C. PROCEDURE

1. The Vice-President, Alumni Affairs and Development, in consultation, as appropriate, with University Officers and administrators shall review factors, including zoning restrictions, marketability, current use and income, to ascertain if acceptance of the gift would be in the best interests of the University.
2. The University's decision to underwrite any costs associated with accepting, acquiring, holding, maintaining or disposing of gifts of real estate will be assessed individually in context of the overall net value of the gift to the University. Assessment of the proposed gift against the criteria identified will normally include a requirement that the donor provide a qualified environmental assessment of the proposed gift at the donor's own expense. Normally, the donor will provide one qualified appraisal of the property at the donor's own expense. The University reserves the right to obtain and rely on an independent appraisal to establish fair market value.
3. Prior to deciding to accept or to decline a gift of real estate, the University, through the Development Committee of the Board of Governors, will assess the gift according to the University's established donation guidelines and policies. The Development Committee may consult with the Real Estate Development Committee of the Board of Trustees of the University of Guelph Heritage Fund as appropriate.
4. A report from the Development Committee, including comment from the Real Estate Development Committee as appropriate, will accompany the recommendation to the Board of Governors to accept a gift of real estate.