



## **DONATIONS AND GIFTS**

### **GOVERNANCE POLICY**

#### **CONTENTS**

#### **1.0 PRINCIPLES**

#### **2.0 POLICY FRAMEWORK**

#### **3.0 AUTHORIZATION**

#### **1.0 PRINCIPLES**

- 1.1. The South Shore Regional Centre for Education (SSRCE) is committed to providing quality education programs. Donations/gifts may be accepted to assist in the fulfillment of this commitment.
  
- 1.2. The SSRCE has established itself as a registered charity that must operate within the regulations set out for such an organization by Canada Revenue Agency (CRA). The SSRCE shall accept tax deductible donations related to its operation as a charitable organization, subject to established guidelines.

#### **2.0 POLICY FRAMEWORK**

- 2.1. This policy complies with the Education Act and other related provincial acts and policies.
  - 2.1.1. CRA Guidelines
  - 2.1.2. Income Tax Act

#### **3.0 AUTHORIZATION**

The Regional Executive Director is authorized to issue procedures in support of this policy.

## **DONATIONS AND GIFTS**

### **ADMINISTRATIVE PROCEDURES**

#### **CONTENTS**

#### **1.0 PROCEDURES**

#### **2.0 PAYMENTS NOT ACCEPTED AS DONATIONS**

#### **3.0 REGISTERED CHARITY STATUS**

#### **4.0 ADMINISTRATIVE GUIDELINES**

#### **5.0 RESPONSIBILITIES**

#### **1.0 PROCEDURES**

- 1.1. The SSRCE shall use its status as a charitable organization to accept a complete range of tax-deductible donations, as allowed by Canada Revenue Agency (CRA). The receipt and use of such donations shall be governed by the following:
  - 1.1.1. All donations shall meet CRA guidelines to be eligible for a tax receipt.
  - 1.1.2. Donors shall be permitted to direct their gifts to specific schools, programs, services and activities.
  - 1.1.3. The full amount of every donation shall be used for its intended purpose.
  - 1.1.4. Prospective donors of equipment, services or funds intended to enhance schools, facilities or grounds, shall receive approval prior to commencement of an improvement project.
  - 1.1.5. Any donated equipment or services shall comply with SSRCE approved standards for safety, construction and/or other municipal, provincial and federal regulations.
  - 1.1.6. It is understood that donated equipment shall be retained at the receiving school under the ownership of the SSRCE.
  - 1.1.7. When a school is closed and declared surplus by the SSRCE, any donations connected to such schools shall be transferred to an appropriate successor school or organization.
  - 1.1.8. The receipt of a gift from a donor shall not commit the SSRCE to future maintenance, repair, replacement or disposal. The SSRCE shall retain the right to remove, repair or modify any donation.

#### **2.0 PAYMENTS NOT ACCEPTED AS DONATIONS**

- 2.1. Certain types of donations made to charities do not qualify as deductions for income tax purposes. Accordingly, official receipts bearing a charity's registration number shall not be issued for such payments as:
  - 2.1.1. Payments for membership giving an advantage of material character to the member (the right to vote at meetings and to receive financial statements and reports on the charity is not a material advantage).
  - 2.1.2. Tuition fees or other payments for which any right, privilege, benefit, or advantage may accrue to the donor.
  - 2.1.3. Amounts received by loose collection (i.e.: where a particular donor cannot be identified as having made a particular donation).

- 2.1.4. Donations of services where the donor requests that in lieu of payment for services, a donation receipt is issued to the value of services rendered.
- 2.1.5. Donations of goods where the cost has been charged as a business expense.
- 2.1.6. Donations of used clothing, furniture, property, and equipment, etc. deemed not for education purposes.
- 2.1.7. Admission fees to concerts, dinners, and like fund-raising functions.
- 2.1.8. Any portion of the purchase price of a lottery ticket, despite the fact that the lottery proceeds accrue to one or more charities.
- 2.1.9. Any other donations not considered by the SSRCE and/or designated to be of a receiptable nature.

### **3.0 REGISTERED CHARITY STATUS**

The SSRCE has qualified for registered charity status. Since schools operate under the jurisdiction of the SSRCE, no school shall be permitted to apply for registered charity status.

### **4.0 ADMINISTRATIVE GUIDELINES**

#### **4.1. Definition**

- 4.1.1. “Donation/Gift” is defined as a voluntary transfer without valuable consideration and acceptance of such by the school or SSRCE means there is to be no reciprocal consideration.

#### **4.2. Authority**

- 4.2.1. The SSRCE has qualified for tax-exempt status as a registered charity under paragraph 149 (1) (f) of the Income Tax Act. The charity is designated as a Charitable Organization with the fiscal year end as March 31.
- 4.2.2. Charitable tax receipts shall only be issued by the SSRCE when in compliance with the requirements of the Income Tax Act. Such receipts must include the Business Number as per the charity’s registration by the CRA.
- 4.2.3. The Director of Finance (or designate) shall be authorized to provide for the acceptance of any donation. The Director of Finance (or designate) shall be the signing officer on the charitable donation receipts.
- 4.2.4. The Director of Finance (or designate) shall be authorized and responsible to:
  - 4.2.4.1. Ensure that only donations that satisfy the requirements of the SSRCE are approved;
  - 4.2.4.2. Ensure that all charitable tax receipts satisfy the provisions of CRA and Income Tax Act;
  - 4.2.4.3. Issue official charitable receipts on a timely basis;
  - 4.2.4.4. Hold and disburse to the specified donee all donations received, subject to trust conditions as approved by the Finance and Operations Committee and;
  - 4.2.4.5. Ensure the registered charity of the SSRCE files an annual information return no later than September 30th. (A copy of the annual information may be viewed by contacting the Director of Finance).
  - 4.2.4.6. Refuse any donations that do not meet the SSRCE’s guidelines.

#### 4.3. Cash Donations

- 4.3.1. Cash donations are to be used for school program purposes such as:
  - 4.3.1.1. Provide for expenses for educational school or regional programs;
  - 4.3.1.2. Purchase of approved types of equipment and supplies for the Regional Centre for Education (RCE) and student purposes.
  - 4.3.1.3. To ensure accountability and proper record keeping for both the RCE and CRA purposes, all donations shall be processed through the Director of Finance (or designate) when accompanied by a Donation/Gift Approval form (Appendix A)
  - 4.3.1.4. If the donor requires a charitable tax receipt and the proposed donation does not qualify for tax receipt status, the donation shall be deemed returned to the principal for delivery to the donor, unless the donor agrees to waive the request for a charitable tax receipt or other conditions that disqualify the proposed donation.
  - 4.3.1.5. Only cash donations for amounts of \$15 or greater shall be issued receipts.
  - 4.3.1.6. Official charitable receipts signed by the Director of Finance (or designate) shall be sent to the school for distribution to the donor.

#### 4.4. Gifts in Kind

- 4.4.1. The principal of the designated beneficiary school, or other appropriate representative of the SSRCE, shall submit a completed Donation/Gift Approval Form (Appendix A) for an amount of \$15 or greater. The Director of Finance (or designate) shall determine whether the proposed donation qualifies for approval of acceptance of the donation and charitable donation receipt. Criteria for consideration shall include:
  - 4.4.1.1. Value of the gift to educational programs;
  - 4.4.1.2. Location of the gift in the school building or on the school property;
  - 4.4.1.3. Application installation or repair costs;
  - 4.4.1.4. SSRCE approved standards for safety, construction and/or other applicable municipal, provincial and federal regulations;
  - 4.4.1.5. Security and maintenance requirements;
  - 4.4.1.6. SSRCE standards for equipment (i.e. computers, audio-visual);
  - 4.4.1.7. Any continuing financial or other commitment required by the school or the SSRCE.
- 4.4.2. Procedures for Gifts in Kind
  - 4.4.2.1. The principal of the receiving school or the SSRCE must inform the Director of Finance (or designate), in writing, of the receipt or intended receipt of donated property or equipment using the Donation/Gift Approval Form.
  - 4.4.2.2. The Director of Finance (or designate) must establish if the donation is suitable for educational purposes and acceptable.
  - 4.4.2.3. If the donor wishes an official charitable receipt, they must produce a minimum of one independent appraisal of the item. If the Director of Finance (or designate) agrees that the donation is of educational value and there is more than one appraisal then the average of the appraisals shall be accepted as the value.

- 4.4.2.4. An official charitable receipt shall be issued by the Finance Department for the fair market value of the donated property for amounts of \$15 or greater.
- 4.4.2.5. Official charitable receipts, signed by the Director of Finance (or designate), shall be sent to the school for distribution to the donor. The principal shall be responsible for ensuring the property or equipment is received prior to the release of the receipt.
- 4.4.2.6. The Finance Department shall maintain all documentation to support the value of the receipt issued for seven years.
- 4.4.2.7. All accepted gifts to the SSRCE shall become the property of the SSRCE.
- 4.4.2.8. The SSRCE encourages donations to be unrestricted. In the event a proposed donor requires express restrictions or trust conditions on the proposed gift, such terms must be approved by the Director of Finance (or designate) before acceptance. The Director of Finance shall be responsible to maintain adequate records of all such restrictions or trust conditions.
- 4.4.2.9. Installation of, and/alternations to, SSRCE property required in association with acceptance of the gift shall be subject to the approval of the Director of Finance (or designate).

## **5.0 RESPONSIBILITIES**

It shall be the responsibility of the Regional Executive Director to ensure these administrative procedures are followed.

## DONATION/GIFT APPROVAL FORM

This form must be completed and receive approval before any commitment is made to issue charitable donation receipts from the SSRCE.

School:	Date:
Specific purpose of donation(s)/gift(s):	

A	Donation/Gifts of Cash	Will all donations be cash?	Yes	No
	<b>If Cash Donation, you do not have to complete Section B</b>			

B	Donation/Gifts of Property Other than Cash (Include product name where applicable)	New		Used	
	Estimated Fair Market Value	\$			
	Donor of Gift				
	Proposed Location in School or on School Grounds				
	Action Plan for Safety, Security and Maintenance				
	Name of Third-Party Appraiser (Appraisal or letters indicating fair market value <b>must be attached</b> )				

Mailing Address of Donor: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 Signature of Principal Date

Approved By:

\_\_\_\_\_  
 Director of Finance (or designate) Date

**COMPLETE ALL INFORMATION AND FORWARD TO DIRECTOR OF FINANCE**