

Policies & Procedures

Fundraising (FR)

- FR Askew’s Gift Cards 2
- FR Charitable Donations - Tracking (To Be Drafted) 2
- FR Charitable Donations - Receipts 5
- FR Ethical Fundraising & Accountability 8
- FR Financial Practice & Transparency 10



Policy

SACL purchases Gift Cards from Askew's Grocery store to fundraise for the agency. Cards are purchased in the amount of \$50 cards, and Askew's donates a 6% reduction (\$3/card) for SACL fundraising purposes. Cards are distributed by the agency to groups or individuals and can be obtained from Board Members, the Executive Director or the Operations Coordinator.

Procedure:

The purchase, reconciliation and distribution of the Askew's Gift Cards to SACL representatives are the responsibility of the Administrative Supervisor.

Ordering Gift Cards:

- ❖ The Administrative Supervisor will phone Askew's to order cards when needed (usually in increments of 50 cards)
- ❖ Contact the office of Askew's to order in advance (Colleen at 250-832-2668)
- ❖ Allow 3-5 working days for the cards to be ordered and ready for pick-up
- ❖ Remove the cash amount for the cards from the Askew's Fundraising float, and indicate the amount of cards, price and date of pick-up on the reconciliation sheet.
- ❖ Pick up and pay for the cards when ready from the administration office next to the downtown Askew's store. Retain a receipt for the purchase.
- ❖ Return the receipt to the Askew's fundraising Float for future reference.

Distribution of Gift Cards to SACL Representatives:

- ❖ The Administrative Supervisor or the Executive Director has access to the Askew's Fundraising Float, and either party can distribute cards to SACL Representatives (as approved by the Executive Director) solely for the purpose of fundraising for SACL.
- ❖ Individual or Multiple cards can be taken from the float when requested. The cards removed & the monies collected for each card must be entered into the Askew's Reconciliation sheet at the time the cards are distributed.

Deposits:

- ❖ When necessary, the Administrative Supervisor will remove the proceeds from the Askew's Fundraising Float, and submit for the next bank deposit – making note that the cash deposit is proceeds from Askew's Fundraising.

Askew's Reconciliation Sheet:

- ❖ All incoming and outgoing transactions MUST be recorded on the Askew's Reconciliation Sheet at the time of the transaction.

- ❖ The Askew's Reconciliation Sheet is formulated, and when filled in appropriately and accurately, will track the following:
 - The current cash balance that should be present in the Askew's Fundraising Float
 - The current number of \$50 Gift Cards that should be present in the Askew's Fundraising Float
 - The total amount of Askew's Fundraising Profit (proceeds) for the year to date.



**Shuswap Association
for Community Living**

**Human Resources
FR – Charitable Donations - Tracking**

**Implemented:
Amended:
Approved:**

To be Drafted



Applicable To:

Any person, business or organization that provides a cash or in-kind donation to the Shuswap Association for Community Living

Policy:

The Shuswap Association for Community Living will issue an official charitable donation receipt to any person, business or organization that makes a donation to the Shuswap Association for Community Living in the amount or deemed **Fair Market Value** amount of \$20.00 or more. Donations may be cash, or non-cash (gifts in kind). Receipts will contain all pertinent information as required by the Canada Revenue Agency for the purposes of income taxes, and in accordance with ethical practices for a charitable society. Records of receipts for charitable donations will be kept in accordance with the practices and requirements of the Society's financial auditor as appointed by the Membership at each Annual General Meeting, and in accordance with the Society Act of British Columbia.

Definitions as Issued by Revenue Canada:

Advantage

An advantage is the total value, at the time the gift is made, of what a donor receives in return for the gift (for example, a meal, tickets to a show). The advantage must be taken into consideration when determining the eligible amount of a gift for receipting purposes.

Determining the fair market value of an advantage is similar to determining the fair market value of a gift in kind. However, while only donations of property can be receipted as gifts in kind, the fair market value of any type of advantage (for example, services, accommodation, meals) must be taken into consideration when determining the eligible amount of a gift for receipting purposes.

An advantage also includes any limited-recourse debt in respect of the gift. However, the calculation of an advantage does not include taxes such as GST, PST, or HST. As well, it does not include gratuities, unless they are included in the cost and are not discretionary.

For more information, see [Pamphlet P113, Gifts and Income Tax](#).

Eligible Amount

Under proposed legislation, this is the amount by which the fair market value of the gifted property exceeds the amount of any [advantage](#) received or receivable as a result of the gift. This is the amount for which a qualified donee can issue a receipt.

For example, a donation of \$1,000 is made to the Anytown Ballet Company, which is a registered charity. In gratitude, the charity gives the donor three tickets to a show that are valued at a total of \$150. The donor is considered to have received an **advantage** of \$150. Therefore, the **eligible amount** of the gift is \$850 (\$1,000 - \$150).

Note: There are exceptions to this concept. For a more detailed explanation, see [Pamphlet P113, Gifts and Income Tax](#) and [Income Tax Technical News, Issue 26](#) or go to [Deemed fair market value rule, Determining fair market value](#), or [What you need to know to issue an official donation receipt](#).

Fair Market Value

The deemed fair market value rule states that, under certain conditions, a receipt issued for a non-cash gift must be issued for the lesser of the gift's [fair market value](#) and its cost to the donor (or in the case of capital property, its adjusted cost base) immediately before the gift is made. The conditions are as follows:

- ❖ the gift was donated to the charity after December 5, 2003; **and**
- ❖ the gift received by the charity was initially acquired by the donor as part of a tax shelter arrangement; **or**
- ❖ the gift was acquired less than three years before the time of donation; **or**
- ❖ the gift was acquired less than ten years before the time of donation, with one of the main purposes being to gift the property to a qualified donee (for example, a registered charity).

Procedure:

The Shuswap Association for Community Living will ensure that charitable donation tax receipts contain the following information;

- ❖ A statement indicating the document is an official receipt for income tax purposes
- ❖ The name and address of the Shuswap Association for Community Living as registered with the Canada Revenue Agency
- ❖ SACL's business registration number
- ❖ A unique serial number for each charitable donation receipt
- ❖ The place or locality where the receipt was issued
- ❖ The day/month/year the donation was received
- ❖ The day the charitable donation receipt was issued if different from the date of acceptance of the donation
- ❖ The FULL Name (including middle initial of individual if applicable) and address of the donor
- ❖ The amount (or deemed fair market value) of the donation
- ❖ The value and description of any **Advantage** received by the donor if applicable
- ❖ The **Eligible Amount** of the donation if applicable
- ❖ The signature of the individual authorized by SACL to acknowledge donations; and
- ❖ The name and website address of the Canada Revenue Agency: www.cra.gc.ca/charities

- ❖ **For In-Kind (non-cash) donations:**
- ❖ A brief description of the property or items transferred to SACL from the donor
- ❖ The name and address of the appraiser if the property was appraised
- ❖ The **Deemed Fair Market Value** of the property in amount of cash value.

Charitable donation receipts will be issues to **ALL** donors who donate a cash gift or in-kind gift in the amount over \$20.00. Charitable donation receipts will not be issued for amounts deemed under the amount of \$20.00.

Charitable donation receipts will be issues to each donor either at the time of the donation, or within 10 working days of receiving the donation.

Charitable donation receipts issued by SACL may be given to the donor in person, or mailed to the appropriate address as indicated on the receipt.

Charitable donation receipts for Fundraising Events will be issued in accordance with Revenue Canada's general guidelines for issuing receipts applicable to all fundraising event or activities.



Applicable To:

All Staff, Volunteers, Board Members, and where applicable, Persons Supported.

Policy:

The Shuswap Association for Community Living undertakes to adhere to Ethical Standards and be Accountable for fundraising activities.

- ❖ Fundraising solicitations on behalf of SACL shall be truthful and accurately describe the agency's activities and the intended use of donated funds.
- ❖ SACL shall not make claims that cannot be upheld. It shall refrain from using marketing materials or making representations that could be misleading. SACL shall not exploit its beneficiaries. It shall be sensitive in describing those it serves (whether using graphics, images or text) and rarely represent their needs and how these needs will be addressed.
- ❖ When SACL conducts online solicitations, its practices shall be consistent with or exceed the provisions of the Canadian Code of Practice for Consumer Protection in Electronic Commerce http://www.cmcweb.ca/epic/site/cmc-cmc.nsf/vwapj/EcommPrinciples2003_e.pdf
- ❖ When SACL conducts face-to-face solicitation, including but not limited to door-to-door campaigns or street-side fundraising, its practices shall include measures to;
 - Provide verification of the affiliation of the person representing the charity; and
 - Secure and safeguard any confidential information, including credit card information, provided by donors
- ❖ Employees, Volunteers, Board Members and third-party consultants/solicitors who solicit or receive funds on behalf of the charity shall:
 - Adhere to the provisions of this Ethical Fundraising and Financial Accountability Code
 - Act with fairness, integrity, and in accordance with all applicable laws
 - Adhere to the provisions of applicable professional codes of ethics, conduct and standards of practice etc.
 - Cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure, or who states that he does not wish to be solicited
 - Disclose immediately to SACL any actual or apparent conflict of interest or loyalty
 - Not accept donations for purposes that are inconsistent with SACL's objects or Mission.
- ❖ SACL shall provide, upon request, its best available information in the gross revenue, net proceeds and costs of any fundraising activity (Including the fundraising costs categorized as education and/or public awareness) it undertakes.
- ❖ SACL shall not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.

- ❖ Should SACL undertake cause-related marketing in collaboration with a third party shall disclose how the agency benefits from the sale of products or services and the minimum or maximum amounts payable under the arrangement. If no minimum amount is specified, the agency should disclose this.
- ❖ SACL shall not sell or share its donor list. If applicable, any rental, exchange or other sharing of the charity's donor list shall exclude the names of donors who have so requested. If a list of the agencies donors is exchanged, rented or otherwise shared with another organization, such sharing shall be for a specified period of time and a specified purpose and must be limited to what is allowed under Federal and/or Provincial privacy legislations.
- ❖ SACL's governing Board shall be informed at least annually of the number, type and disposition of any complaints received from donors or prospective donors about matters that are addressed in this Ethical Fundraising and Financial Accountability Policy.



Applicable To:

All Staff, Volunteers, Board Members, and where applicable, Persons Supported.

Policy:

The Shuswap Association for Community Living undertakes to adhere to Ethical Standards and be Accountable for fundraising activities.

- ❖ SACL's financial affairs shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and law.
- ❖ All donations shall be used to support SACL's objectives, as registered with the Canada Revenue Agency.
- ❖ All restricted or designated donations shall be used for the purposes for which they were given unless the charity has obtained legal authorization to use them for other purposes. Alternative uses will be discussed where possible with the donor or the donor's legal designate. If the donor is deceased or legally incompetent and SACL is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent. If necessary, SACL will apply to the courts or the appropriate regulatory body to obtain legal authorization to use the donation for other purposes.
- ❖ Annual financial reports are necessary to achieve transparency and accountability to donors and the public. SACL will produce an annual report and make it easily accessible to donors, members and the general public. Financial Reports should:
 - Be factual and accurate in all material respects
 - Disclose the gross amount of fundraising revenues (receipted and non-receipted)
 - Disclose the total amount of fundraising expenses (including salaries and overhead costs)
 - Disclose all donations that are receipted for income tax purposes
 - Disclose the total amount of expenditures on charitable activities (including gifts to other charities)
 - Segregate undesignated and designated funds (for aggregate amounts over \$100,000)
 - Financial statements should be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects (or disclose a discrepancy between the practices and GAAP)

- ❖ The cost-effectiveness of SACL's fundraising programs shall be reviewed regularly by the governing Board. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. SACL shall disclose its process for evaluating its spending.
- ❖ SACL shall, upon request, disclose the revenue and expense assumptions for its fundraising activity as approved by its Board in its annual budget.
- ❖ The SACL financial statements shall be audited by an independent public accountant as determined annually by the governing Board.
- ❖ If SACL's investable assets surpass \$1,000,000, an investment policy shall be established setting out asset allocation, procedures for investment decisions, and asset protection issues.
- ❖ If SACL receives, or anticipates receiving, gifts-in-kind of \$100,000 or more in a year and has annual revenue in excess of \$500,000, it shall establish a Gift Acceptance Policy (including valuation issues) for the receipt of gifts-in-kind.