



POLICY 26: GIFT & SPONSORSHIP ACCEPTANCE

Background

This policy is established to govern the acceptance of all gifts and sponsorship made to Red Deer Catholic Schools (RDCRS) and Red Deer Catholic Regional Regional Schools' Education Foundation (RDCRSEF). Through this policy, guidelines are provided to establish which gifts and sponsorships should be accepted or declined, and under which circumstances. The Superintendent of Schools or designate are authorized to accept gifts on behalf of RDCRS and RDCRSEF.

Purpose

The purpose of the Gift & Sponsorship Acceptance Policy is to ensure:

- a. Gifts or sponsorships are only accepted if the School Division can be assured that the donor has not been involved in any practices that would be opposed to the views of Catholic Church doctrine.
- b. Informed decisions are made on the acceptance of gifts or sponsorships.
- c. Gifts and sponsorships are managed in accordance with federal and provincial laws and regulations.
- d. Efficient administrative, legal and accounting practices are followed.
- e. Receipt of all gifts and sponsorship are accurately reported
- f. Accurate reporting of all gifts and sponsorship.
- g. Consistent ethical and respectful relations with all donors and sponsors.

General Guidelines

RDCRS welcomes gifts and sponsorships that support the School Division in the pursuit of "Making Christ Known to Children". The following are indicators that a gift or sponsorship is acceptable:

- a. The School Board has a need for the gift or sponsorship or, when there is no immediate or foreseeable need, the gift is resalable.
- b. Where there is no immediate need, in the instance of marketable securities or gifts they can be readily liquidated or sold.
- c. The gift or sponsorship and its accompanying terms are legal and meet all federal and provincial legislation.
- d. The purpose of the gift or sponsorship is compatible with the work and priorities of the School Board.
- e. There does not appear to be any liability concern associated with the gift or sponsorship.

RDCRS may choose to decline a gift or sponsorship. If the following conditions knowingly exist there would be justification for such an action, although other situations may also occur:

- a. The receipt of the gift or sponsorship could compromise our Catholic Christian values or the type of gift or sponsorship has been prohibited by the Archbishop.



- b. The gift or sponsorship constitutes a non-gift per Canada Revenue Agency Interpretation Bulletin IT-110R3.
- c. The gift or sponsorship, or terms are illegal.
- d. The School division is unable to honour the terms of the gift or sponsorship.
- e. An appropriate fair market value cannot be determined, or will result in unwarranted cost to the School Division.
- f. There are physical or environmental hazards to the school division in accepting the gift or sponsorship.
- g. The gift or sponsorship involves false promises on the part of either party.
- h. The gift or sponsorship could jeopardize the School Division's charitable status.
- i. The gift or sponsorship could improperly benefit any individual.

As an underlying principle, the School Board is committed to preventing the use of its operations for money-laundering or other criminal purposes.

The School Board may choose to recognize a donor in a place in a school or office through various means that are not construed as advertising. This may include, but is not limited to, honour rolls, plaques or memorials.

Receipt Qualifications

As a registered charity, donations to RDCRS are eligible for a charitable tax receipt that may be claimed as a non-refundable tax credit on a personal or a corporate tax return.

A benefit may not be provided to the donor or to anyone designated by the donor except where the benefit is of nominal value. CRA defines nominal value as a fair market value of less than the lesser of \$50 or 10% of the amount of the gift. It is permissible and encouraged for donors to receive recognition for their gift through newsletters, newspapers or other media outlets.

Should the School Division provide something of value in return for a gift (including admission to a fundraising event) the donor's receipt must be reduced by the fair market value of the benefit received.

The following transactions do not constitute philanthropy and are not eligible for charitable tax receipts:

- a. A gift of service;
- b. The purchase of a material item from the School Division;
- c. Sponsorship of one student in a program that involves many students.

Means of Giving

The School Board encourages and solicits contributions of cash, securities, and personal or real property as outright gifts or through planned gift vehicles. Planned gifts include bequests, securities, life insurance policies, real estate, RRSP, RRIF, pension or annuity proceeds, charitable trusts or others.



Types of Giving

The School Division may receive one of three types of gifts as follows:

- a. Cash
- b. Near Cash (e.g. Marketable securities)
- c. Gifts-in-kind

The School Division must be able to assess the fair market value of the gift received on the day it was transferred to the division and will provide a charitable receipt based on that fair market value as at the close of business day of the legal transfer of ownership to RDCRS. The School Division cannot accept gifts where they are accepting a particular liability without a guarantee of the recovery of that liability.

It is intended that the RDCRS and RDCRSEF will liquidate assets and in the case of marketable securities received as a gift, will liquidate in an orderly fashion in order to minimize any impact on market value.