

DONATIONS

Background:

The Division may accept donations to enhance student educational opportunities, for which general and charitable donation receipts may be issued.

Definitions:

Donation:

is a gift made by an individual or an organization. They are commonly in the form of cash, but can also take the form of real estate, motor vehicles, appreciated securities, clothing and other assets or services. The donation is made without expectation of return.

General Receipt:

is a written acknowledgment that a specified article or sum of money has been received. When the Division receives a donation, a general receipt must be issued immediately.

Charitable Donation Receipt:

is an official receipt for income tax purposes issued for certain eligible donations in accordance with the *Income Tax Act (R.S.C., 1985, c. 1 (5th Supp.))* and its regulations.

Procedures:

1. Upon acceptance of a donation, the donation becomes the property of the Division.
2. Types of Donations
 - 2.1. Monetary Donations – All donations of money are gratefully accepted, however, official charitable donation receipts for income tax purposes shall only be issued for cash donations of \$25 or more.
 - 2.2. Asset Donations – For items donated, a statement verifying fair market value—for example, purchase receipt for new items or independent appraisal—and a signed statement from a Division employee verifying receipt of the item are needed before a charitable donation receipt can be issued. All items donated are gratefully accepted, however, official charitable donation receipts for income tax purposes shall only be issued for donated items with an appraised value of \$100 or more.
3. Employees who are approached to receive a donation shall, in consultation with the Principal or Director, determine the compatibility and need of the donation to the Division. If the donation is deemed to be undesirable or not in the best interest of the Division, it may be refused.
4. Donations shall not introduce potential health and safety hazards.
5. Equipment
 - 5.1. Donated equipment shall be accepted only if it is compatible with existing equipment, or if substantial benefit will be derived from the equipment or asset even though it is not compatible.

- 5.2. Electronic and mechanical equipment donated shall be inspected to ensure it meets the parameters of the Canadian Standards Association and is in proper working order. Maintenance, repairs and upkeep of all donated items shall be the responsibility of the beneficiary school or department.
- 5.3. Any equipment that may impact Division infrastructure—electrical, plumbing, phone lines, network—must be assessed by the Director of Facility Services or the Division Information and Security Officer prior to accepting the donation.
6. Donation Conditions
 - 6.1. Where a donor places a specific condition on the use of a donation, the Division shall endeavour to comply with the wishes of the donor but reserves the right of final decision over the use of the donation.
 - 6.1.1. When the donation is in excess of \$1,000, the donor shall sign a [Donor Agreement](#) (Form 526-1) recognizing the Division’s right to exercise that decision.
 - 6.1.2. In specific circumstances—for example, scholarships related to significant amounts or relationships with donors—donors may be permitted to place conditions on the use of a donation, with the approval of the Secretary-Treasurer.
7. The following types of transactions cannot be considered charitable donations:
 - 7.1. payment of school fees;
 - 7.2. contributions of services;
 - 7.3. discounts on goods or services;
 - 7.4. payment for tickets, admissions, social functions, graduations or similar activities;
 - 7.5. sponsorships; or
 - 7.6. other payments for which any right, privilege, benefit or advantage may accrue to the donor.
8. The Canada Revenue Agency has special rules for golf tournaments, auctions and similar fundraising events. Principals or directors shall contact the Director of Financial Services during the planning of these events if charitable donation receipts will be needed.
9. Principals or directors whose schools or departments are considering using an online platform to receive donations—including crowdfunding initiatives—shall refer to [Administrative Procedure 520: Fundraising](#) during the planning stages of the activity or event.
10. Receipt Process
 - 10.1. Immediately upon receiving a donation, the Principal or Director shall issue a general receipt to the donor. For items donated, no dollar value shall be noted on the receipt.
 - 10.2. If a donor requests a charitable donation receipt, the [Official Donation Tax Receipt Request](#) (Form 526-2) shall be completed on Atrieve by the Principal or Director and submitted to the Director of Financial Services, who shall determine if the donation qualifies and issue a charitable receipt as required.

Reference:

Section 52, 53, 68, 197, 222 *Education Act*

Societies Act

Income Tax Act (R.S.C., 1985, c. 1 (5th Supp.))