

# DEBRA CANADA DONATION POLICIES

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## Policy #1: Gift Acceptance

Donors are encouraged to make unrestricted gifts whenever possible to allow DEBRA Canada to direct donations to the areas and programs of greatest need. DEBRA Canada will accept restricted or designated gifts for approved and priority purposes as outlined in Policy #2 Designated/Restricted Gifts. DEBRA Canada does not accept endowments.

The form of support covered under this policy includes donations, grants and in-kind gifts, in keeping with the Income Tax Act (Canada) regulations, Canada Revenue Agency guidelines and any other applicable guidelines.

All acceptances of gifts must also comply with relevant DEBRA Canada policies and codes.

DEBRA Canada reserves the right to decline a gift. The final decision to accept or decline a gift rests with the Board of Directors.

Acceptance of a gift does not imply endorsement by DEBRA Canada of any product, service or philosophy of the donor.

Donors are strongly encouraged to review the terms of deferred gifts with the Board of Directors, to ensure that DEBRA Canada can honour donors' wishes.

DEBRA Canada strongly recommends all donors seek advice from professional advisors and discuss the matter with family when considering a bequest or other deferred gifts to DEBRA Canada.

### Returning Gifts

In certain circumstances, it may become necessary for DEBRA Canada to return a previously accepted gift. The final decision to return a gift will be made by the Board of Directors, in consultation with legal and financial counsel.

When a decision is made to return a gift, DEBRA Canada will comply with Canada Revenue Agency requirements. In addition to the return of the same or identical property, DEBRA Canada will provide the donor with details on the cancelled or revised charitable tax receipt. A copy of this tax receipt will be filed with Canada Revenue Agency.

Such instances could include, but not limited to:

- Where continued association with the donor would result in harm to DEBRA Canada's reputation

- Where a donation is determined to have been the proceeds of a crime
- The terms of the donation agreement can no longer be honoured, and a new agreement cannot be negotiated with the donor, or his or her heirs or assigns

### **Definition of Gift Types**

- *Gift or Donation* – The terms “gift” and “donation” are often used interchangeably. For the purposes of this policy, “gift” and “donation” are understood to mean the same thing, that is, a voluntary transfer of cash or in-kind goods from individuals, corporations, foundations and other sources to DEBRA Canada for either undesignated or designated use. Gifts are made without expectation of a tangible return.
- *Deferred gift* – Deferred giving is the process of making a gift commitment today for delivery to DEBRA Canada for a future date. See Policy #4 Deferred Gifts.
- *Undesignated or Unrestricted gift* – A gift given to DEBRA Canada where the donor has not specified how the support is to be directed. DEBRA Canada will determine the most appropriate use of the gift.

### **Policy #2: Designated/ Restricted Gifts Policy**

DEBRA Canada encourages donors to give undesignated gifts and unrestricted donations or gifts so that funds may be directed where the need is greatest.

However, DEBRA Canada acknowledges the importance of and will support designated gifts when that designation is consistent with the mission and priority needs of DEBRA Canada, as in the Organization’s annual operating budget approved by the Board of Directors. However, DEBRA Canada does not accept endowments.

All acceptances of gifts must also comply with relevant DEBRA Canada policies and codes.

Upon acceptance of a designated /restricted gift, there will be no change in the use of that gift, or any portion thereof, without the donor’s or his or her agent’s consent. If the original purpose of the donation is no longer relevant and in the event the donor or his or her agent is no longer able to approve or decline consent for a change of purpose, the funds will be used in support of the area of greatest need.

Spending of funds is confined to approved programs and projects. Each restricted contribution designated towards an approved program or project will be used as designated with the understanding that when the need for such a program or project has been met, or cannot be completed for any reason as determined by the Board of Directors, the remaining restricted contributions designated for such program or project will be used where needed most.

### **Policy #3 Gifts-In-Kind**

DEBRA Canada will accept and receipt those in-kind gifts it deems appropriate, in accordance with the Income Tax Act (Canada), Canada Revenue Agency guidelines and requirements, and relevant DEBRA Canada policies and codes (See Policy #1 Gift Acceptance).

DEBRA Canada will accept in-kind gifts of tangible personal property which can be used for:

- Display or use at events, conferences, etc.
- Program delivery or facilitation
- Other purposes that may arise from time to time to benefit DEBRA Canada

In-kind gifts of real estate will be reviewed and approved by the Board of Directors on a case-by-case basis. Other in-kind gifts will be addressed on a case-by-case basis.

### **In-Kind Gift of Services**

Registered charities cannot issue official charitable income tax receipts for gifts of service. However, a gift of service may be eligible for a tax receipt through a cheque exchange. Receipting for cheque exchanges will be determined on a case-by-case basis.

### **Acceptance**

DEBRA Canada reserves the right to decline any in-kind gift. The decision to accept or decline a gift rests with the Board of Directors.

### **Valuation**

Proven value of a donation item is required in order for DEBRA Canada to issue a tax receipt. Received in-kind gifts will be accompanied by supporting documentation.

## **Policy #4: Deferred Gifts**

DEBRA Canada accepts donations in the form of “deferred gifts” such as bequests, life insurance, retirement plans such as RRIFs and RRSPs, charitable gift annuities, charitable remainder trusts and other gift vehicles that may be categorized as a gift in the future.

Donors are encouraged to make unrestricted gifts whenever possible to allow DEBRA Canada to direct donations to the areas and programs of greatest need. DEBRA Canada will accept restricted or designated gifts for approved and priority purposes as outlined in Policy #2 Designated/Restricted Gifts.

All acceptances of gifts must also comply with relevant DEBRA Canada policies and codes.

Tax receipts for deferred gifts will be issued in accordance with Income Tax (Canada) regulations, Canada Revenue Agency guidelines, requirements for the specific gift vehicle involved and all applicable DEBRA Canada policies.

Donors are strongly encouraged to review the terms of deferred gifts with the Board of Directors to ensure DEBRA Canada can honour donors’ wishes.

DEBRA Canada strongly recommends all donors seek advice from professional advisors and discuss the matter with family when considering a bequest or other deferred gift to DEBRA Canada.

## **Policy #5: Donor & Sponsor Recognition & Naming**

All receiptable donations of \$10 or more will be acknowledged with a thank you letter and official income tax receipt. A donation is defined as a voluntary transfer of cash or in-kind goods from individuals, corporations, foundations and other sources to DEBRA Canada for either undesignated or designated use. In addition, gifts (cash or in-kind) starting at \$1,000 can receive more public recognition.

DEBRA Canada may publicly recognize gifts made by donors or sponsors. The recognition vehicle(s) will be determined by DEBRA Canada to be consistent with the type and value of the gift. The manner in which the donor/sponsor is recognized is agreed to, ahead of time, by the donor/sponsor.

### **Sponsorships**

DEBRA Canada relies on corporate sponsors for their special event activities. Sponsorship is defined as a mutually beneficial business agreement between an organization and a funder or provider of resource that results in the exchange of benefit and value related to visibility, exposure or increased market reach. In such cases, the contribution made by the funder no longer qualifies as a charitable donation and is deemed by Canada Revenue Agency as a commercial arrangement, and therefore not receiptable.

Sponsorships include initiatives that further a funder's corporate social responsibility and marketing objectives while advancing DEBRA Canada's fund development and marketing goals. A sponsorship can include:

- cash contributions;
- gifts-in-kind and gifts-of-service;
- financial and non-financial support to DEBRA Canada's services, programs and special events;
- cause related marketing initiatives; or
- company promotions including employee and community engagement programs designed to generate broader community contributions and other similar arrangements that may be made between parties.

### **Naming Opportunities**

Within DEBRA Canada's recognition structure there are opportunities for donors and sponsors to have naming rights to programs, events, etc.

Donation or Sponsorship Agreements will be required for gifts resulting in a naming opportunity. The value of such naming opportunities will be determined based on the "asset" in relation to the value of other like properties that may or may not be owned by DEBRA Canada.

The Agreement will address such issues including, but not limited to:

- Naming rights will be for a time-limited period, to be determined. Naming donors will have the right of first refusal to renew their commitment with an additional gift upon the expiration of the naming term, if this opportunity is still possible.

- Given the diversity of the naming opportunities, each campaign/event may develop its own naming convention.
- When naming will take place. For Example, signage will be installed after the first payment of a pledge is paid.

In the event that the naming organization merges or changes its name, DEBRA Canada will retain the original name unless the donor specifies and at which point the cost of replacing a named element will be borne by the donor.

All recognition must comply with all relevant DEBRA Canada policies and codes.