

CHARITABLE DONATIONS

Background

The Division shall acknowledge cash donations or donations of tangible assets for the advancement of education within the Division by issuing receipts which may enable the donor to claim the donation as a tax deduction.

Procedures

1. The Secretary Treasurer, in consultation with the Superintendent, shall be responsible for the administration of this Administrative Procedure.
2. All cash donations received as donations eligible for income tax deduction must be for the advancement of education, specifically:
 - 2.1 The establishment of student or staff scholarships, or other awards;
 - 2.2 The purchase of capital equipment and furnishings;
 - 2.3 Enhancement of co- or extra-curricular programs and activities.
3. The Division welcomes gifts of books, equipment, furnishings and other materials that are suitable for the advancement of education. These donations will be valued as follows:
 - 3.1 At the fair market value of the property if it is readily determinable.
 - 3.2 In the absence of a readily determinable fair market value, the Secretary Treasurer at their discretion, shall either set the value or obtain an independent appraisal of the value of the donated property.
4. The following types of payments cannot be considered as donations eligible for income tax deductions:
 - 4.1 Tuition fees, or other payments for which any right, privilege, benefit or advantage may accrue to the donor;
 - 4.2 Payments to be used to purchase the services of staff, tutors or similar persons or to purchase books and other instructional materials which are normally paid for by way of fee or rental;
 - 4.3 Instructional materials fees or rentals for books, equipment or musical instruments;
 - 4.4 Where amounts cannot be identified as having been made by a particular donor;
 - 4.5 Donations of services or commodities;
 - 4.6 Amounts paid for tickets for card parties, bingo, lotteries, social functions, graduations, or similar activities.
5. All donations must be for application with the Division or to the benefit of Division students.

6. All funds received shall be processed through the Division's regular accounting system, specifically identified and appropriately recorded.
7. Receipts for income tax purposes shall not be issued for donations of less than twenty-five dollars (\$25.00).
8. This Administrative Procedure shall remain in effect only for that period of time that the Board continues to qualify for Canada Revenue Agency tax exempt status as a charitable organization.
9. Any changes to this Administrative Procedure are to be made by only after review of Canada Revenue Agency regulations.
10. All donations received are to be forwarded to the Secretary Treasurer for consideration as a valid donation "for the advancement of education". Any donation may be refused if, in the opinion of the Secretary Treasurer, it is not in the best interest of the education system or is not of a charitable nature.
11. All proposed uses for the amount to be donated must be submitted to the Secretary Treasurer for approval before any commitment is made to the donor(s).
12. All approved donations shall be disbursed as directed by the donor for the activity approved "for the advancement of education", as soon as possible. In the case of donations being received without specific instructions for their use, the Division shall decide upon the use of such funds.
13. Official receipts, in the format prescribed by Canada Revenue Agency, shall be issued by Division Office.
 - 13.1 The only authorized persons to sign will be the Secretary Treasurer or Revenue Accountant.
 - 13.2 A Principal/Manager may wish to acknowledge a particular donation in some appropriate manner. This, however would not constitute an official receipt for tax purposes.

Adopted/Revised: JUN 2016/FEB 2017/NOV 2019

Reference: Section 52, 53, 68, 197, 222 Education Act
Societies Act
Income Tax Act