

**Grand Valley Public Library Board
Gift Acceptance Policy**

Approved Date: October 9, 2014

Motion # 7

Chair Signature:

The Grand Valley Public Library Board accepts monetary gifts from individuals, service clubs, profit and other non-profit organizations, as well as donated gifts-in-kind, to be used to benefit the community by enhancing the quality of Library services. The Board is committed to practices that: respect donors' rights to truthful information and privacy; result in the responsible management of the funds and gifts entrusted to the Board by donors and; permit the reporting of the Board's financial affairs accurately and completely. The Grand Valley Public Library Board therefore adopts the Canadian Centre for Philanthropy's *Ethical Fundraising & Financial Accountability Code* (Appendix "B") as policy.

The Grand Valley Public Library welcomes donations under the following terms and conditions intended to protect the interests of the donor and those of the Library.

Most gifts will fall into one of the following three categories:

Unrestricted monetary gifts – gifts of money, including cash, cheques, money orders, bank drafts and credit card payments, that are donated to the Library without restriction as to the use of the gift.

Unrestricted gifts-in-kind – non-monetary gifts that do not have conditions as to their use and/or disposition.

Conditional gifts – any gift that has conditions attached to its use and/or disposition.

Acceptable Gifts

Monetary donations – while unrestricted gifts are preferable, conditional monetary gifts may be accepted if the use stipulated by the donor is consistent with the policies and objectives of the Grand Valley Public Library Board.

Books and other circulating or reference materials are accepted as per the Grand Valley Public Library's *Collection Development Policy*.

Personal property, landscaping objects, furniture, art objects, plaques, artefacts, antiques, museum objects and other similar items are not generally accepted as gifts. Under certain circumstances, and with Board approval, when such a gift meets the mission and needs of the Library, will the gift be accepted. The acceptance of such a gift does not imply that the Library

will retain or display the gift. All terms and conditions of the Library's *Gift Acceptance Policy*, and all other relevant policy documents, are applicable.

Gifts of real estate, securities, life insurance, trust funds, annuities, interests in business entities, bequests and other similar gifts will be accepted.

Acceptance of Gifts

Gift offers made to the Library are accepted or rejected on the basis of suitability to the Library's mission, policies, décor, and availability of space for housing or display. The Library reserves the right to refuse a gift if: the cost of ownership would be prohibitive; the donor wishes to exert unacceptable conditions over the donation of the gift or over the disbursement of revenue realized from the disposal of a gift; there are unacceptable risks associated with the receipt of the gift; or if the gift is illegal or has questionable provenance. Any gift accepted by the Library is accepted subject to the following terms and conditions:

- Upon request the Library must receive evidence that the donor has the authority to make a gift of the donated item(s);
- The Library retains unconditional ownership of the gift; and
- The Library makes all decisions regarding the use or disposal of the gift and has no responsibility to inform the donor of such decisions

Authority to Accept Gifts

The Chief Executive Officer (C.E.O.) or her designate has the authority to accept unrestricted monetary gifts. The authority to receive conditional gifts, or gifts other than cash or library materials, rests with the Grand Valley Public Library Board.

Appraisal of Gift

The Grand Valley Public Library will not assign a monetary value on gifts. If appraisals are desired for the purposes of the issuance of a tax receipt, they must be undertaken at the expense of the donor.

Tax Receipts

The Grand Valley Public Library is a charitable organization and has the ability to issue receipts for tax purposes. Upon request, the Library will issue a receipt for the appraised value of a donation in accordance with the regulations of Revenue Canada for registered charitable institutions.

Tax receipts will be issued based on the date of donation listed on the *Gift Item Waiver* (See Appendix "A") form where the donation date is acknowledged by a member of staff.

Tax receipts will be issued with a date of donation, as well as the date of issuance of the receipt, as per the regulations of Revenue Canada for registered charitable institutions.

Tax receipts will be issued for any monetary gift of \$10.00 or more. Tax receipts will be issued when the value of an in-kind gift is in excess of \$25.00.

Donor Recognition

Gifts will be acknowledged/recognized commensurate with the value of the gift.

The Grand Valley Public Library has on its website a Donor recognition page for monetary donations. The donor list is updated annually with new donations added and older ones deleted. The Grand Valley Public Library does not provide links from our website to commercial enterprises/businesses making monetary donations.

The Grand Valley Public Library will respect requests for anonymity. The names of Library donors will not be released without their consent.

Donors must receive approval from the Grand Valley Public Library Board to make public use of the name and/or logo of the Grand Valley Public Library in any media for the purposes of publicizing the details of any donation made to the Library.

Temporary Loans or Gifts

Requests to have items temporarily housed in the Library will be considered on a case by case basis. Generally, such requests will not be accommodated unless their benefit to the community, as determined by the C.E.O., outweighs the commitment of resources required to facilitate such temporary storage. The C.E.O. will have the authority to establish all of the terms and conditions of the acceptance of a temporary loan or gift.

Disposal of Gifts

Gifts-in-kind may be disposed of in one of the following fashions:

1. Books and other materials may be weeded as per the *Collection Development Policy* of the Grand Valley Public Library.
2. Returned to the donor or offered to the donor's family if the donor is no longer alive.
3. Offered to another Library or community organization.
4. Sold at a public auction or sale, or discarded or destroyed as a last resort.

Appendix "A"

**Grand Valley Public Library
Gift Item Waiver**

The following waiver is necessary for the Library's records. It may be considered a receipt for donated items.

I hereby agree that the following items, donated to the Grand Valley Public Library, have become the property of the Grand Valley Public Library and will be governed solely by the wishes of the Grand Valley Public Library Board.

These items may be used as needed; kept indefinitely; sold to raise funds for the Library; given to another Library or organization; or disposed of in any other manner without prior notification.

Further, I hereby relinquish all claim, now or in the future, to the items given.

Date: _____

Signature of Donor: _____

Name (please print): _____

Address: _____

City/Town: _____ **Postal Code:** _____

Telephone Number: _____

Description of item(s): _____

Staff Signature: _____ **Date:** _____

Appendix "B"

Canadian Center for Philanthropy
Ethical Fundraising and Financial Accountability Code

A. Donors' Rights

1. All donors (individuals, corporations, and foundations) are entitled to receive an official receipt for income tax purposes for the amount of the donation. Donors of non-monetary eligible gifts (or gifts-in-kind) are entitled to receive an official receipt that reflects the fair market value of the gift. (Note: The term "Eligible gifts" is comprehensively defined by CCRA. A full definition can be found in CCRA's Interpretation Bulletin dealing with gifts and official donation receipts.¹ Some common gifts, such as donations of volunteer time, services, etc. are not eligible to receive official tax receipts.) The charity's governing board may establish a minimum amount for the automatic issuance of receipts, in which case smaller donations will be receipted only upon request.

2. All fundraising solicitations by or on behalf of the charity will disclose the charity's name and the purpose for which funds are requested. Printed solicitations (however transmitted) will also include its address or other contact information.

3. Donors and prospective donors are entitled to the following, promptly upon request:
 - the charity's most recent annual report and financial statements as approved by the governing board;
 - the charity's registration number (BN) as assigned by CCRA;
 - any information contained in the public portion of the charity's most recent Charity Information Return (form T3010) as submitted to CCRA;
 - a list of the names of the members of the charity's governing board; and
 - a copy of this Ethical Fundraising & Financial Accountability Code.

4. Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the charity is a volunteer, an employee, or a hired solicitor.

5. Donors will be encouraged to seek independent advice if the charity has any reason to believe that a proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members.

6. Donors' requests to remain anonymous will be respected.

7. The privacy of donors will be respected. Any donor records that are maintained by the charity will be kept confidential to the greatest extent possible. Donors have the right to see their own donor record, and to challenge its accuracy.

¹ Currently, "Eligible Gifts" are defined in IT110R3 Gifts and Official Donation Receipts

8. If the charity exchanges, rents, or otherwise shares its fundraising list with other organizations, a donor's request to be excluded from the list will be honoured.

9. Donors and prospective donors will be treated with respect. Every effort will be made to honour their requests to:

- limit the frequency of solicitations;
- not be solicited by telephone or other technology; and
- receive printed material concerning the charity.

10. The charity will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this Ethical Fundraising & Financial Accountability Code. A designated staff member or volunteer will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be informed that he/she may appeal in writing to the charity's governing board or its designate, and will be advised in writing of the disposition of the appeal. A complainant who is still dissatisfied will be informed that he/she may notify the Canadian Centre for Philanthropy in writing.

B. Fundraising Practices

1. Fundraising solicitations on behalf of the charity will:

- be truthful;
- accurately describe the charity's activities and the intended use of donated funds; and
- respect the dignity and privacy of those who benefit from the charity's activities.

2. Volunteers, employees and hired solicitors who solicit or receive funds on behalf of the charity shall:

- adhere to the provisions of this Ethical Fundraising & Financial Accountability Code;
- act with fairness, integrity, and in accordance with all applicable laws;
- adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.;
- cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure;
- disclose immediately to the charity any actual or apparent conflict of interest; and not accept donations for purposes that are inconsistent with the charity's objects or mission.

3. Paid fundraisers, whether staff or consultants, will be compensated by a salary, retainer or fee, and will not be paid finders' fees, commissions or other payments based on either the number of gifts received or the value of funds raised. Compensation policies for fundraisers, including performance-based compensation practices (such as salary increases or bonuses) will be consistent with the charity's policies and practices that apply to non-fundraising personnel.

4. The charity will not sell its donor list. If applicable, any rental, exchange or other sharing of the charity's donor list will exclude the names of donors who have so requested (as provided in section A8, above). If a list of the charity's donors is exchanged, rented or otherwise shared with another organization, such sharing will be for a specified period of time and a specified purpose.

5. The charity's governing board will be informed at least annually of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this Ethical Fundraising & Financial Accountability Code.

C. Financial Accountability

1. The charity's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.

2. All donations will be used to support the charity's objects, as registered with CCRA.

3. All restricted or designated donations will be used for the purposes for which they are given. If necessary due to program or organizational changes, 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 the charity 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.

4. Annual financial reports will:

- be factual and accurate in all material respects; disclose:
- the total amount of fundraising revenues (receipted and non-receipted)² ;
- the total amount of fundraising expenses (including salaries and overhead costs)³;
- the total amount of donations that are receipted for income tax purposes (excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts from other charities)⁴ ;
- the total amount of expenditures on charitable activities (including gifts to other charities)⁵;
- identify government grants and contributions separately from other donations; and
- be prepared in accordance with generally accepted accounting principles and standards
- established by the Canadian Institute of Chartered Accountants, in all material respects.

² Total of amounts from lines 100, 102 and 113 of T3010 (CCRA's Registered Charity Information Return, 2001).

³ Amount from line 123 of T3010 (2001)

⁴ Amount from line 906 of T3010 (2001)

⁵ Total of amounts from lines 120 and 121 of T3010 (2001)

5. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. In any event, the charity will meet or exceed CCRA's requirement for expenditures on charitable activities. (The *Income Tax Act* sets out a requirement that all registered charities spend 80% of their receipted donations from the previous taxation year – excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts from other charities – on charitable activities; in addition, charitable foundations are required to expend 4.5% of their assets in support of charitable programs.)⁶

6. The cost-effectiveness of the charity's fundraising program will be reviewed regularly by the governing board.

⁶ See Section 149.1 of the *Income Tax Act*.