



## **Policy Manual**

# **The Greater Saint John Community Foundation**

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This Policy Manual is aligned with the Greater Saint John Community Foundation's Act of Incorporation (1976) and subsequent Amendment (2000), the Foundation's By-laws, Committee Terms of Reference and Human Resources Manual, and all applicable provincial and federal regulations, including Canada Revenue Agency requirements governing registered charities and public foundations.

This Policy Manual is also aligned with the Mission, Vision and Values of the Foundation - <https://thecommunityfoundationsj.com/about-us/our-mission-vision-guiding-principles>

This Policy Manual operates in accordance with the internal Procedural Manual, implemented and maintained by Management, under the direction of the Foundation’s President and Chief Operating Officer.

## 1.0 - Policy Creation and Management

### 1.1 - Purpose and Scope

The Greater Saint John Community Foundation maintains a comprehensive policy framework to ensure effective governance and operational excellence. This policy establishes clear processes for developing, approving, implementing, and maintaining all Foundation policies.

### 1.2 - Integration with Governing Documents

The Policy Manual complements and clarifies the Foundation's governing framework, which includes:

- a) The Foundation's Act of Incorporation (1976, amended 2000)
- b) The Foundation's By-Laws
- c) Applicable federal and provincial legislation
- d) Regulatory guidelines and requirements
- e) The Human Resources Manual
- f) The Foundation's Mission, Vision and Values

### 1.3 - Guiding Principles

- a) **Purpose-Driven:** Foundation policies focus on organizational purpose and core values rather than detailed procedures, except where specific procedures are essential to achieve Board intent.
- b) **Trust-Based:** All policies are developed and implemented within a framework of mutual trust and professional respect.
- c) **Action-Oriented:** Policies serve as active documents that directly guide decision-making and organizational actions, not merely aspirational statements.
- d) **Accountability-Focused:** Each policy includes clear monitoring mechanisms that enable the Board to fulfill its fiduciary responsibilities through systematic oversight.

### 1.4 - Authority and Responsibility

- a) **Board of Directors:** Holds final approval authority for all Foundation policies and drives the overall policy development framework.
- b) **Governance Committee:** Reviews all new policy proposals and provides recommendations to the Board regarding approval, modification, or rejection.
- c) **President & CEO**
  - Develops policy proposals based on research, operational needs and best practices
  - Reviews all approved policies with staff and provides ongoing training related to their implementation
  - Provides regular compliance and effectiveness reporting

- Manages day-to-day policy administration
- d) **Foundation Staff**
- Implement and maintain procedures within their areas of responsibility
  - Report compliance issues and implementation challenges
  - Participate in policy and procedural training and development activities
  - Suggest policy and procedural improvements based on operational experience

## 1.5 - New Policy Development

All new policies follow this structured process:

- a) **Initial Submission:** Policy proposals are submitted to the Governance Committee for preliminary review
- b) **Committee Review:** The Governance Committee conducts thorough analysis and develops recommendations
- c) **Board Consideration:** The Governance Committee presents its findings and recommendations to the full Board
- d) **Board Decision:** The Board makes the final determination on policy adoption, modification, or rejection

## 1.6 - Policy Maintenance and Review

- a) **Mandatory Review:** The Board conducts a comprehensive review of the entire policy suite at minimum every five years to ensure effectiveness in achieving intended outcomes
- b) **Interim Updates:** Policies may be revised between comprehensive reviews when:
  - Legal or regulatory changes require immediate updates
  - Operational experience identifies needed improvements
  - Strategic shifts necessitate policy adjustments

## 1.7 - Documentation and Communication

All approved policies are:

- a) Formally documented and maintained in the official Policy Manual
- b) Made accessible to Board members, staff, and publicly accessible on the Foundation's website
- c) Updated promptly following any approved revisions

## **2.0- Gift Acceptance**

### **2.1 - Purpose and Scope**

This gift acceptance policy establishes clear criteria for evaluating and accepting donations to the Foundation in full compliance with the Foundation's By-laws, Act of Incorporation, and the Canada Revenue Agency (CRA) guidelines. The policy ensures all gifts (donations) meet legal and ethical standards while promoting consistent fiduciary practices.

All gifts must align with and advance the Foundation's mission, vision, and strategic objectives. The Foundation's primary focus is supporting charitable purposes within Greater Saint John, defined as the area of New Brunswick within a fifty-kilometer radius of the former Saint John Law Courts at Sydney Street. The Foundation may also accept gifts supporting charitable purposes throughout New Brunswick and across Canada.

### **2.2 - Accepted Gift Types (do not require board approval)**

- a) Cash
- b) Personal and corporate cheques
- c) Electronic fund transfers (direct deposit, wire transfers, e-transfers, credit cards, payment applications, Apple Pay and Google Pay)
- d) Publicly Traded Securities, stocks, bonds, and other securities traded on recognized exchanges
- e) Guaranteed Investment Certificates (GICs)

### **2.3 - Board-Approved Gifts**

Subject to board approval, the Foundation may accept Canada Revenue Agency-eligible gifts including:

- a) **Insurance and Retirement Assets**
  - Life insurance policies
  - Registered Retirement Savings Plans (RRSPs)
  - Registered Retirement Income Funds (RRIFs)
  - Tax-Free Savings Accounts (TFSA's)
- b) **Gifts requiring a fair market value assessment from a 3<sup>rd</sup> party**
  - Real property (real estate)
  - Tangible personal property (jewelry, artwork, vehicles)
  - Shares in private companies
  - Other business ownership interests
  - Digital currencies and other digital assets

## **2.4 - Gift Valuation Requirements**

Documentation for gifts requiring valuation must be completed before acceptance. The Foundation requires relevant information and review, including copies of appraisals by independent qualified appraisers secured by donors according to CRA guidelines.

The President & CEO determines responsibility for appraisal fees. The Foundation's standard practice requires donors to pay for appraisals, though the Foundation reserves the right to secure and rely on its own independent appraisal.

## **2.5 - USD Gifts and 501(C)(3) Status**

Community Foundations of Canada holds 501(C)(3) status, enabling their national office to accept gifts on behalf of the Foundation and issue official donation receipts recognized by the United States government.

## **2.6 - Declining or Returning a Gift**

While the Foundation works collaboratively with donors to facilitate their philanthropic goals, certain circumstances may require declining or returning gifts when acceptance would not serve the organization's best interests.

## **2.7 - Grounds for Gift Declination or Return**

The Foundation will decline or return gifts for the following reasons:

### **a) Mission Alignment**

- Gifts that do not accord with the Foundation's charitable purposes and mission

### **b) Risk and Liability**

- Gifts exposing the Foundation to liability or unacceptable risk
- Gifts from potentially illegal sources
- Gifts with undeterminable fair market value
- Gifts that are cost-prohibitive to receive

### **c) Reputation Protection**

- Gifts that could damage the Foundation's reputation or public image

### **d) Compliance Violations**

- Gifts violating the Human Rights Code
- Gifts inconsistent with the Foundation's commitment to Diversity, Equity, and Inclusion (DEI) and Indigenous Collaboration
- Gifts not complying with the Canada Income Tax Act and CRA guidelines

## **3.0 - Donor Relations**

### **3.1 - Purpose and Scope**

The Foundation recognizes that its relationship with donors is fundamental to achieving its mission and vision. Central to this stewardship is prompt, accurate receipting and appropriate recognition of donor gifts.

This policy ensures that the Foundation's donor engagement meets the Canadian Association of Fundraising Professionals Donor Bill of Rights (see Appendix A) and adheres to best practices in the charitable sector, maintaining public trust in our excellence and integrity.

### **3.2 - Gift Receipting**

To be eligible for an Official Donation Receipt, a donation or "gift" must be a voluntary, permanent transfer of property or money to the Foundation with nothing expected in return. No defined goods or services flow back to the donor. Some philanthropic recognition is permitted but cannot exceed CRA's Advantage Threshold. The value of the recognition (e.g., a name on a wall, dedication plaque) is considered an "advantage" to the donor. For the contribution to be a gift, this advantage must be "incidental" and cannot be worth more than 80% of the total gift value.

The Foundation issues an Official Donation Receipt for each gift, regardless of amount, in accordance with Canada Revenue Agency (CRA) regulations.

#### **a) Sponsorships**

A sponsorship is a contractual business arrangement between the Foundation and a company or individual. The sponsor receives marketing and promotional benefits that exceed CRA's advantage threshold and philanthropic recognition. Sponsorships are not eligible for Official Donation Receipts.

#### **b) True Donor Verification**

CRA requires due diligence regarding 'Issuing a Receipt in a Name Other than the Donor's'. The Foundation must take reasonable steps to ensure the name recorded on the receipt is that of the true donor.

#### **c) Receipt Delivery Timeline**

The Foundation's on-line giving platform generates Official Donation Receipts immediately upon receiving the donation. When receipts are not automatically generated, the Foundation strives to deliver Official Donation Receipts within fourteen (14) business days of receiving the donation. If circumstances prevent meeting this timeframe (such as post distribution), the Foundation will contact the donor to arrange alternative delivery.

#### d) Replacing Receipts

If the Foundation has issued a receipt that has been contains incorrect information, a replacement receipt can be issued per CRA guidelines.

### 3.3 - Donor Appreciation Guidelines

The Foundation sends all online donors an automated acknowledgment email that includes their Official Donation Receipt and thanks them for their contribution. Additional donor recognition and stewardship activities are governed by the Foundation's Donor Appreciation Guidelines.

#### Foundation's Donor Appreciation Guidelines

Gift Amount	Appreciation Method
Under \$100	Email or mailed thank you card with accompanying receipt
Over \$100	Emailed, mailed thank-you card or telephone call, when appropriate
Over \$1,000	Telephone call from Foundation Representative
Over \$5,000	Telephone call from CEO or Board Member
Over \$10,000	Telephone call from Board Member

**Note:** These guidelines represent best practices for donor appreciation. The Foundation reserves the right to implement additional recognition methods based on the specific nature of each gift and the Foundation's relationship with the donor. The Foundation may collaborate with Fund Holders to coordinate donor appreciation efforts. However, any disclosure of donor information requires the donor's explicit consent in accordance with the Foundation's Sensitive Information Policy.

### 3.4 - Donor Stewardship Ethics

#### a) Independent Advice

Foundation representatives shall encourage potential donors to consult independent legal and tax professionals to ensure donors receive complete and accurate explanations of the nature and consequences of their gifts.

#### b) Ethical Conduct

Foundation representatives shall inform, serve, guide, and assist donors who wish to support the Foundation. Under no circumstances shall they pressure or unduly influence donors.

### **3.5 - Privacy, Recognition, and Anonymity**

#### **a) Information Protection**

The Foundation maintains the highest standards of data protection and management as outlined in our Sensitive Information Policy. The Foundation understands that our work entrusts us with sensitive donor information.

#### **b) Public Recognition**

Any public recognition requires the explicit consent of the donor. The Foundation refrains from defined categories for public recognition based on gift value, believing that any gift benefits our community.

#### **c) Anonymity Rights**

Donor names, together with donation amounts, are kept on a privileged and confidential basis and are protected from disclosure unless permission is given by the donor or there is a statutory requirement for disclosure. Any donor may request anonymity at any time. The Foundation respects any donor's wish for anonymity; however, donors must recognize that the Foundation may be legally required to disclose the identity of the donor and the type and value of the gift and must therefore retain the right to do so.

### **3.6 - Financial Transparency**

#### **a) Fund Statements**

The designated donor(s) associated with an endowed fund are known as Fund Holders. Fund Holders receive a detailed fund statement following the Annual General Meeting and the approval of audited financial statements. Fund holders are invited to review statements with Foundation representatives annually, including information on grant distributions to ensure understanding of their fund's community impact.

#### **b) Public Financial Information**

Any donor may request the Foundation's audited financial statements, which are always available publicly on our website.

## Appendix A: Donor Bill of Rights

The Foundation adheres to the standards and expectations set out in the Donor Bill of Rights, which was developed by Association of Fundraising Professionals, Association of Healthcare Philanthropy, Council for Advancement and Support of Education and Giving Institute: Leading Consultants to Non-Profits and endorsed by Community Foundations of Canada.

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

- a) To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purpose.
- b) To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.
- c) To have access to the organization's most recent financial statements.
- d) To be assured their gifts will be used for the purposes for which they were given.
- e) To receive appropriate acknowledgement and recognition.
- f) To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
- g) To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- h) To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- i) To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share\*.
- j) To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

\* The Foundation does not sell, trade, rent or lease or otherwise share its user and mailing lists to third parties.

## 4.0 - Sensitive Information

### 4.1 - Purpose and Scope

The Greater Saint John Community Foundation is committed to protecting the sensitive information of all individuals and organizations we serve, including donors, employees, grantees, clients, student award recipients, board members, volunteers, and partners. We maintain the highest standards of data protection and comply with all applicable privacy legislation.

### 4.2 - What We Consider Sensitive Information

Sensitive information includes any data that could identify or contact an individual, or that poses significant reputational risk if disclosed. This encompasses:

- a) Full legal names
- b) Personal email addresses
- c) Home addresses
- d) Photographs and digital images
- e) Donation amounts linked to specific donors
- f) Student identification numbers
- g) Research data and findings
- h) Financial account and banking information

### 4.3 - Consent Framework

#### a) Obtaining Explicit Consent

The Foundation requires explicit consent before disclosing sensitive information, to include using the identifiable image of any person for commercial use. Implied consent is insufficient. Explicit consent may be obtained through:

- Verbal agreement (documented by Foundation staff)
- Electronic confirmation (active opt-in)
- Written authorization

All consent decisions, including instances where consent is denied, are formally documented and retained by the Foundation.

#### b) Special Consent Requirements

- **Minors and Vulnerable Individuals:** For individuals under 19 years of age or those unable to provide explicit consent, the Foundation will obtain written consent from a

parent, guardian, or authorized representative (such as a school) before using their image or sharing information.

- **Deceased Individuals:** When handling information about deceased persons, we secure consent from their designated legal representative or estate executor.

#### c) **Withdrawing Consent**

Individuals or representatives retain the right to withdraw their consent at any time, subject to existing legal and contractual obligations.

#### d) **Photography and Videography**

The Foundation reserves the right to photograph and video record at Foundation-hosted events and activities. By attending these events, subject to the Charter of Rights and Freedoms, attendees have no reasonable expectation of privacy in a public place.

However, the use of identifiable images **outside of event documentation** for purposes such as marketing materials, Annual Reports, Website content, or promotional campaigns requires explicit consent.

### **4.4 - Privacy Governance**

#### a) **Chief Privacy Officer**

The Foundation's President & CEO serves as Chief Privacy Officer (CPO), providing centralized oversight of all privacy matters.

#### b) **Incident Reporting**

Any suspected or confirmed privacy breach must be reported immediately to the CPO. All privacy-related inquiries and complaints from the public are directed to the CPO through contact information published on our website.

#### c) **Breach Response Protocol**

When a privacy breach creates real risk of significant harm, the Foundation:

- Will notify affected individuals promptly
- Will report the incident to any relevant government agencies
- Will implement corrective measures to prevent future incidents
- May decide to notify the public

## 4.5 - Staff Training and Compliance

### a) **Mandatory Training Program**

All Foundation employees participate in comprehensive privacy training throughout the year. Our training program includes:

- Initial privacy orientation for all new staff
- Specialized training for personnel handling sensitive information
- Updated training when compliance requirements change
- Regular refresher sessions and testing scenarios to maintain awareness

### b) **Data Security Infrastructure**

The Foundation employs multiple layers of security to protect sensitive information:

- **Access Controls:** Password protection and multi-factor authentication
- **Technical Safeguards:** Encryption software and firewall protection
- **System Maintenance:** Regular software updates and security patches
- **Physical Security:** Secure storage of physical documents and devices

### **Contact Information**

For questions, concerns, or complaints regarding this privacy policy or our information handling practices, please contact:

#### **Chief Privacy Officer**

Community Foundation serving Greater Saint John  
Kelly Evans – [kelly@sjfoundation.ca](mailto:kelly@sjfoundation.ca) – 506-650-0567

## 5.0 - Confidentiality

### 5.1 - Purpose and Scope

The Greater Saint John Community Foundation is committed to maintaining the highest standards of accountability and trust. Confidentiality is fundamental to our operations and is both an ethical obligation and a legal requirement. This policy aligns with the Foundation's Sensitive Information Policy. And the Foundation's In Camera Policy.

This policy applies to all individuals representing the Foundation, including:

- a) Board of Directors
- b) Staff members
- c) Volunteers with access to confidential information

### 5.2 - Definition of Confidentiality

Confidentiality means that Foundation representatives must not disclose, discuss, or share any confidential information obtained through their association with the Foundation to any unauthorized person, including family members, friends, or colleagues outside the Foundation.

### 5.3 - Policy Requirements

All Foundation representatives must:

- a) **Protect confidential information** obtained through their role with the Foundation, except for information that is:
  - Already in the public domain
  - Known to the individual prior to their affiliation with the Foundation
  - Specifically authorized for disclosure by the Foundation
- b) **Maintain strict confidentiality** regarding all matters discussed in Board meetings, committee meetings, and any Foundation business
- c) **Exercise discretion** when discussing Foundation matters, even in casual conversations
- d) **Secure confidential materials** by properly storing and disposing of documents containing sensitive information
- e) **Report concerns** about potential confidentiality breaches to the Foundation's Chief Privacy Officer or the Board Chair
- f) **Annually sign this policy**

#### **5.4 - Scope of Confidential Information**

Confidential information includes, but is not limited to:

- a) Donor information and giving records
- b) Grant applications and deliberations
- c) Financial records
- d) Personnel matters
- e) Board and committee discussions
- f) Legal matters affecting the Foundation

#### **5.5- Compliance and Acknowledgment**

All Foundation representatives are required to:

- a) Sign this policy as acknowledgment of understanding and acceptance annually
- b) Comply with all provisions during their tenure with the Foundation and throughout their lifetime
- c) Seek guidance from Chief Privacy Officer or Board Chair when uncertain about potential breaches of confidentiality

#### **5.6 - Consequences**

Breach of confidentiality may result in removal from the Board, committee, or termination of employment/volunteer status, as well as potential legal action.

## 6.0- Conflict of Interest Policy

### 6.1 - Purpose and Scope

The Greater Saint John Community Foundation is committed to maintaining the highest standards of integrity and transparency in all decisions and practices. All Foundation representatives must avoid any actual, perceived, or potential conflicts of interest that could compromise the Foundation's reputation or decision-making processes.

This policy applies to all individuals associated with the Foundation, including:

- a) Board of Directors
- b) Staff members
- c) Volunteers with decision-making authority

*Note: This policy addresses the identification and management of conflicts of interest but does not constitute legal advice regarding what constitutes an actual conflict of interest under law.*

### 6.2 - Definition of Conflict of Interest

A conflict of interest occurs when a Foundation representative's personal, professional, or financial interests could reasonably be perceived to influence their judgment or actions on behalf of the Foundation, or when they could personally benefit from their position with the Foundation.

### 6.3 - Types of Conflicts

#### a) **Business Relationships**

Conflicts may arise from affiliations with organizations that have, or are negotiating, business relationships with the Foundation, including:

- **Direct Business Dealings:**
  - i. Financial or business transactions between the Foundation and a Board member, Committee member, or staff member
  - ii. Transactions involving corporations, partnerships, or enterprises where the Foundation representative or their immediate family member is an owner, officer, director, partner, or substantial stockholder
- **Indirect Business Benefits:**
  - i. Grants from the Foundation that support transactions with, or provide benefits to, businesses or organizations with which the Foundation representative has connections

#### **b) Immediate Family Connections**

All the above situations also apply when involving immediate family members of Foundation representatives.

### **6.4 - Special Considerations for Grant Review and Approvals**

A **defined** conflict of interest exists when a reviewer, staff member, or Board member:

- a) Is employed by, or receives financial remuneration from, an organization seeking a grant
- b) Has an immediate family member employed by, or receives financial remuneration from, an organization seeking a grant
- c) Volunteers with an organization seeking a grant

### **6.5 - Additional Restrictions**

#### **a) Personal Gifts**

Foundation representatives are prohibited from accepting personal gifts from:

- Current or prospective donors
- Service or goods providers
- Potential or actual grantees

*Exception: Occasional hospitality or benefits of nominal value may be acceptable*

#### **b) Privileged Information**

Foundation representatives are prohibited from using privileged information gained through their Foundation role for personal or professional gain.

### **6.6 - Compliance and Acknowledgment**

All Foundation representatives are required to:

- a) Sign this policy as acknowledgment of understanding and acceptance annually
- b) Comply with all provisions during their tenure with the Foundation
- c) Seek guidance from the Chair when uncertain about potential conflicts

## **7.0 - In Camera Policy**

### **7.1 - Purpose and Scope**

The Board of Directors the Greater Saint John Community Foundation of may conduct "*in camera*" (Latin for in private) sessions where only designated members are present, excluding staff and other attendees who normally participate. While these sessions serve legitimate governance purposes, their use should be limited as they may restrict the range and quality of information available to the Board.

### **7.2 - Subject Matter for In Camera Sessions**

The Board holds a standing *in camera* session each board meeting.

Committees may, by motion and majority vote of the directors, add an *in-camera* session to any meeting agenda.

*In camera* is subject to matters concerning:

#### **a) Personnel Matters**

- Pertaining to the President & CEO, including annual compensation discussions
- Pertaining to Directors of the Board

#### **b) Contractual and Legal Matters**

- Contractual matters
- Litigation or potential litigation
- Receipt of privileged advice

#### **c) Board Governance Matters**

- As defined by the Board

## **8.0 - President & CEO Succession**

### **8.1 - Purpose and Scope**

The Greater Saint John Community Foundation recognizes that leadership continuity is essential for organizational stability and effective service delivery. This succession plan provides a comprehensive framework for managing both planned and unplanned absences of the President & Chief Executive Officer ("CEO") and ensures seamless continuation of critical executive functions.

This policy establishes procedures for:

- a) Temporary leadership during CEO absences of varying durations
- b) Emergency succession in cases of sudden departure or incapacity
- c) Permanent succession following resignation or retirement

### **8.2 - Key CEO Functions Requiring Continuous Coverage**

The following priority functions must be maintained:

- a) **External Leadership**
  - Serve as the organization's principal leader, representative, and spokesperson to the community
  - Maintain relationships with key stakeholders
  - Represent the Foundation at public events and meetings
- b) **Board Support**
  - Ensure integrity and strength of Board leadership
  - Address issues regarding governance, bylaws, policies, and corporate structure
  - Prepare reports for the Board and attend committee meetings
  - Support Board decision-making processes
- c) **Internal Management**
  - Convene and lead the staff team
  - Participate in recruitment, selection, and evaluation of key personnel
  - Ensure day-to-day operational continuity
- d) **Strategic Oversight**
  - Maintain accountability for the current year operating budget
  - Oversee resource development goals and fundraising initiatives
  - Guide short-range and long-range program planning

### 8.3- Types of CEO Absences

	Duration	Examples	Characteristics
<b>Planned Absence</b>	4 weeks or less	Vacation, conferences, planned medical procedures	Anticipated with advance notice; CEO expects to return
<b>Short-Term Absence</b>	More than 4 weeks but less than 3 months	Medical leave, temporary family obligations	Extended by temporary; return date generally known
<b>Extended Absence</b>	3 months or longer	Parental leave, extended medical leave, sabbatical	Prolonged absence with eventual return expected
<b>Unplanned Absence</b>	Variable	Sudden illness, death, emergency resignation, incapacity	Unexpected; no advance notice; uncertain return

### 8.4 - Succession Authority and Appointment Process

	Decision Authority	Process
<b>Planned Absences</b>	CEO	<ul style="list-style-type: none"> <li>• The CEO designates an Acting CEO prior to departure, if required</li> <li>• No Board approval required for routine planned absences</li> <li>• CEO provides written delegation of authority to Board Chair</li> </ul>
<b>All Other Absences</b>	Board of Directors	<ul style="list-style-type: none"> <li>• Board appoints Acting CEO through consultation with Governance Committee</li> <li>• Formal resolution required for appointment</li> <li>• Clear documentation of authority and limitations</li> </ul>

### 8.5 - Acting CEO Authority and Compensation

- a) **Acting CEO Authority** - The Acting CEO has full decision-making authority equivalent to that of the permanent CEO.

### 8.6 - Permanent Succession Process

- a) **Resignation or Retirement**
- Board appoints Transition and Search Committee
  - Acting CEO appointed using standard procedures
- b) **Sudden Departure**
- Immediate Acting CEO appointment, accelerated search process
  - Enhanced communication with stakeholders

## **9.0 - Investment Policy Statement**

Under review by the Investment Committee

[Existing Investment Policy Statement](#)

## **10.0 - Income Distribution**

### **10.1 - Purpose and Scope**

Through its investment and income distribution policies, the Foundation aims to maintain or increase the real value of endowed capital and related grants over time, while appropriately funding current needs and objectives as specified in the legal agreements for Endowed Funds.

The Foundation does not encroach upon capital unless specifically authorized for a particular fund. The Foundation takes a sustainable approach to granting by implementing measures that aim to maintain consistent grant allocations from year to year.

The Foundation meets the Disbursement Quota (DQ) established by the Canada Revenue Agency. The Foundation funds operations and investment management fees by collecting an Administrative Fee from the funds.

### **10.2 Key Definitions**

#### **a) Administration Fee**

The Foundation collects administrative fees from each Endowed Fund to fund operational expenses and investment management costs. These fees are currently set at 2% annually per Fund, calculated quarterly, with detailed calculations specified in the internal financial calculations and procedures guide. Operational fees support the Foundation's day-to-day activities, while investment management fees recover the costs of portfolio management.

#### **b) Disbursement Quota**

CRA's Disbursement Quota is a regulatory requirement designed to ensure that grant-making charities allocate the majority of their annual income to charitable purposes. It is the minimum amount a charity must spend each year on its charitable activities or qualifying disbursements. The DQ is calculated based on the value of the charity's property not used for charitable activities or administration, with the rate increasing to 5% for property over \$1 million, effective for financial periods starting on or after January 1, 2023. Non-compliance may result in revocation of charitable status.

#### **c) Distributable Income and Sustainable Granting**

Distributable income is the amount available for grants after deducting the administrative fee and annualizing the actual rate of return.

The Foundation calculates its granting commitment using a five-year rolling average of investment returns. This methodology, detailed in the Foundation's internal financial calculations and procedures guide, enables predictable and stable grant-making.

**d) Endowed Capital**

Endowed Capital represents the original value of all donor contributions to a fund. This capital may be increased through additional donor contributions, interfund transfers, or capitalization of unused annual investment income after operational, granting, and stabilization requirements have been satisfied.

**e) Investment Income**

Investment income includes interest, dividends, realized and unrealized gains.

**10.3 - Inflation Protection**

The Foundation recognizes the risk of purchasing power erosion due to inflation and will take appropriate measures to mitigate this risk whenever possible. Each legal Fund Agreement for Endowed Funds includes the statement:

‘The Fund, any additional donations that may be added thereto, shall be held and invested by the Foundation, in perpetuity, in its Common Fund, in accordance with its normal investment policies. These policies may include some capitalization of income in order to ensure the value of the capital of the Fund remains constant after inflation.’

## **11.0 - Granting**

### **11.1 - Purpose and Scope**

The Greater Saint John Community Foundation operates as a public foundation with granting authority clearly defined by:

- a) The Canada Revenue Agency (CRA) under the Income Tax Act
- b) The Foundation's Act of Incorporation

The Foundation issues grants to [Qualified Donees](#), as defined by CRA, that meet established eligibility criteria. This includes internal granting, where the Foundation grants to itself for charitable purposes.

[Bill C-19](#) has expanded the Foundation's ability to support Non-Qualified Donees (NQD), as defined by CRA. The Foundation only issue grants to qualifying, incorporated non-profit organizations registered and in good status with the Corporate Registry of New Brunswick.

The Foundation does not issue grants to individuals or corporations.

### **11.2 - CRA's Charitable Purposes**

There are four broad categories of charitable purposes as defined by CRA:

- a) Relief of poverty
- b) Advancement of education
- c) Advancement of religion
- d) Other purposes beneficial to the community

The Foundation does not issue grants for the advancement of religion.

All grants issued by the Foundation must aligned with:

- a) Relief of poverty
- b) Advancement of education
- c) Other purposes beneficial to the community

### **11.3 - Foundation's Charitable Purposes**

Under the Act of Incorporation, the Foundation supports charitable organizations, through granting, that:

- a) Provide care for needy men, women and children, particularly the sick, aged, destitute and helpless
- b) Promote educational advancement and scientific or medical research to increase human knowledge and alleviate human suffering
- c) Assist underprivileged or delinquent persons
- d) Support other charitable purposes that contribute to the mental, moral, cultural and physical improvement of Greater Saint John inhabitants

#### **11.4 - Internal Granting**

The Foundation may grant to itself for charitable purposes, subject to:

- a) Board approval and oversight
- b) Compliance with CRA regulations governing internal granting

#### **11.5 - External Granting**

All external grants must:

- a) Align with CRA and the Foundation's charitable purposes
- b) Meet recipient eligibility requirements
- c) Include appropriate monitoring and reporting mechanisms
- d) Comply with all applicable regulations and policies

#### **11.6 - Fund Classifications and Eligible Grant Recipients**

##### **a) Unrestricted Endowed Funds**

Unrestricted endowed funds are established with a broad charitable mandate to advance the Foundation's *objects and purposes*. Under this structure, donors vest full discretionary authority with the Board of Directors to identify and select grant recipients that align with the Foundation's mission and strategic priorities.

##### **Eligible Grant Recipients:**

- Registered Canadian municipalities
- Registered charities (including qualifying educational institutions)
- The Foundation as a qualifying registered charity (for Foundation's advancement)
- Qualifying nonprofit organizations

## **b) Restricted Endowed Funds**

Restricted endowed funds operate under specific charitable mandates that narrow the scope of permissible grant activities while remaining consistent with the Foundation's mission.

These funds fall into two primary categories:

- **Designated Funds**

Donors may name registered charities and municipalities as exclusive grant recipients. In such cases, the named beneficiary maintains sole eligibility for annual distributions. To ensure fund continuity and regulatory compliance, legal provisions address scenarios where the designated beneficiary ceases operations or becomes ineligible for Foundation grants.

Bursary funds constitute designated funds per donor stipulations restricting annual income distribution exclusively to student financial awards. Grant disbursements are made directly to qualifying educational institutions rather than individual recipients, ensuring compliance with Foundation grant-making requirements.

The Board retains ultimate governance authority over all grant decisions for designated funds, including the right to invoke contingency provisions when circumstances warrant.

### **Eligible Grant Recipients:**

- i. Registered Canadian municipalities
- ii. Registered charities (including qualifying educational institutions)
- iii. The Foundation (donor-initiated operational fund for the Foundation)

*According to CRA regulations, a donor cannot designate an individual or a specified non-profit organization (that is not a registered charity) as the sole beneficiary or include them among a list of beneficiaries for a designated fund.*

- **Area of Interest Funds**

Alternatively, donors may establish funds targeting specific charitable sectors or beneficiary populations (e.g., poverty reduction initiatives, youth). Under this model, the Board exercises annual discretion in identifying and selecting specific grantees within the donor's designated area of interest, enabling responsive grant-making while honouring donor intent.

### **Eligible Grant Recipients:**

- i. Registered Canadian municipalities
- ii. Registered charities (including qualifying educational institutions)
- iii. Qualifying nonprofit organizations

The Board does not authorize internal grants to the Foundation from area of interest funds.

### **c) Non-Endowed Funds**

Non-endowed funds operate on a flow-through model where donor contributions are not subject to investment strategies, thereby ensuring immediate availability of funds for distribution to designated charitable purposes.

#### **Eligible Grant Recipients:**

- Registered Canadian municipalities
- Registered charities (including qualifying educational institutions)
- The Foundation (fund for the Foundation's advancement)

*According to CRA regulations, a donor cannot designate an individual or a specified non-profit organization (that is not a registered charity) as the sole beneficiary or include them among a list of beneficiaries for a non-endowed fund.*

## **11.7 - Specific Requirements for Charitable Organizations Receiving Grants**

### **a) Eligibility:**

- be in good standing with CRA or the Corporate Registry of New Brunswick at the time the grant is issued
- demonstrate proper financial governance practices by providing evidence of external financial reporting appropriate to the organization's size and complexity, such as:
  - i. Audited financial statements
  - ii. Review engagements
  - iii. Compilation reports
  - iv. Other professional financial oversight documentation
- Clearly demonstrate activities that further one or more of the Foundation's charitable purposes
- Qualifying nonprofits must be operational for at least two years

### **b) Reporting and Monitoring During Grant Implementation:**

- Remain open and available for check-in calls with Foundation representatives
- Allow site visits from Foundation staff when requested
- Permit review of budgets and fund tracking during monitoring activities
- Provide interim reports as specified in the grant agreement
- Notify the Foundation immediately of any significant changes to programming, leadership, or financial circumstances
- Maintain detailed records of all grant-funded activities

### c) **Final Reporting**

Within six months of program or funding completion, grant recipients may be required to provide the following, depending on the size and scope of the grant:

- A comprehensive written report aligned with the original grant application or pre-screening documentation
- Detailed description of fund utilization with supporting financial documentation
- Documentation of program outcomes and impact, including quantitative and qualitative measures
- Explanation of any deviations from the originally submitted budget
- Supporting documentation as required by the Foundation
- Acknowledgment of the Foundation's support as agreed upon in the grant terms

## **11.8 - Risk Management**

The Foundation employs a risk-management approach to granting, which includes:

- a) Signed agreements with grant recipients detailing terms and conditions, including:
  - Payment schedules and methods
  - Approved use of funds
  - Records requirements
  - Reporting obligations
  - Monitoring and evaluation procedures
  - Acknowledgment requirements
- b) Conducting thorough due diligence proportionate to grant size and recipient type
- c) Implementing enhanced monitoring for higher-risk grants
- d) Regular review of grant recipient performance and compliance
- e) Establishing clear escalation procedures for non-compliance issues

## **11.9 - Compliance and Accountability**

The Foundation reserves the right to:

- a) Request additional documentation or reporting as needed
- b) Suspend or terminate funding if terms are not met
- c) Require repayment of funds if used for purposes other than those specified in the grant agreement otherwise compliant with the reporting requirements
- d) Impose additional conditions or requirements to ensure compliance with CRA regulations

## **12.0 - Endowed Funds**

### **12.1 - Purpose and Scope**

The Greater Saint John Community Foundation maintains a strategic focus on establishing endowed funds in partnership with donors to advance the Foundation's mission and vision. Endowed funds represent investment vehicles whereby donor contributions are professionally managed, with investment income and, where applicable, principal (capital) distributions supporting defined charitable objectives. These funds may be structured as term-limited investments or established in perpetuity.

### **12.2 - Fund Agreements**

#### **a) Legal Framework**

All endowed fund agreements constitute legally binding instruments requiring board approval.

Amendments to existing agreements are evaluated on a case-by-case basis, subject to:

- Contractual amendment provisions within the original agreement
- CRA regulatory guidelines
- Board approval

#### **b) Eligible Donor Signatories**

Fund agreements may be established by:

- Individuals of legal age (age of majority)
- Groups of individuals of legal age
- Business entities
- Municipalities
- Registered charitable organizations

### **12.3 - Minimum Donation Requirements**

#### **a) Initial Contribution**

All endowed funds require a minimum initial contribution of \$10,000. The Foundation may, at its discretion, provide donors with a defined timeframe (typically five years) to achieve this minimum threshold.

#### **b) Failure to Meet Minimum**

Should the minimum contribution requirement not be satisfied within the specified timeframe, all received donations may be transferred to the Foundation's general fund for broad charitable purposes, at the discretion of the Board.

## **12.4 - Fund Naming Conventions**

### **a) Naming Rights**

Donors are invited to propose the legal name for the endowed fund they are establishing, subject to board approval.

### **b) Renaming Authority**

The Foundation reserves the right to rename any existing endowed fund at any time, subject to board approval and in accordance with applicable legal requirements.

## **12.5 - Professional Consultation**

The Foundation strongly encourages all prospective donors to seek independent legal and financial advice prior to establishing an endowed fund to ensure alignment with their philanthropic objectives and tax and estate planning considerations.

## **13.0 - Non-Endowed Fund Policy**

### **13.1 - Purpose and Scope**

The Greater Saint John Community Foundation's primary mandate centers on the establishment and management of endowed funds, wherein donor contributions are invested for defined terms or in perpetuity to generate sustainable funding streams. However, the Foundation recognizes the critical importance of addressing more immediate community needs through the establishment of non-endowed funds designed for short-term charitable objectives.

Non-endowed funds operate on a flow-through model where donor contributions are not subject to investment strategies, thereby ensuring immediate availability of funds for distribution to designated charitable purposes. This structure enables the Foundation to respond effectively to time-sensitive community needs while maintaining its fiduciary responsibilities.

The administration of non-endowed funds serves dual purposes: addressing urgent charitable needs and expanding the Foundation's outreach to potential donors who may subsequently establish endowed funds, thereby supporting the Foundation's long-term strategic objectives.

### **13.2 - Governance and Partnership Framework**

#### **a) Memorandum of Understanding**

The Foundation establishes a Memoranda of Understanding (MoU) with organizations requesting the establishment of non-endowed funds. Each MoU comprehensively defines:

- Roles and responsibilities of all parties
- Project timelines and milestones
- Fee structures and payment schedules
- Eligible grant recipients and selection criteria
- Reporting and accountability requirements

#### **b) Fee Structure and Assessment**

The Foundation employs a comprehensive evaluation framework to determine appropriate fee structures for non-endowed funds. This assessment considers:

- The complexity and scope of administrative requirements
- The urgency and strategic importance of the charitable objective
- The level of ongoing management and oversight required
- The potential for long-term partnership development

Fee determinations are made on a case-by-case basis, with the Foundation reserving the right to waive fees in circumstances involving urgent humanitarian needs or strategic partnership opportunities.

### **13.3 - Regulatory Compliance and Reporting**

#### **a) Distribution Quota Requirements**

All disbursements from non-endowed funds contribute to the Foundation's compliance with the minimum distribution quota of 5.0% calculated as an average over eight quarters, as mandated by the Canada Revenue Agency. These distributions are formally recorded in the Foundation's annual T3010 filing.

#### **b) External Audit Requirements**

All operational aspects of non-endowed funds, including fund management, distribution processes, and financial reporting, are subject to comprehensive review by the Foundation's external auditors as part of the annual audit process.

## 14.0 - Financial Accountability

### 14.1 - Purpose and Scope

The Greater Saint John Community Foundation is committed to conducting its financial affairs with the highest standards of accountability, transparency, and stewardship. This policy establishes comprehensive guidelines for financial management practices that ensure compliance with legal requirements, protect Foundation assets, and maintain public trust in our operations.

### 14.2 - Fiduciary Responsibility

The Foundation recognizes its fiduciary duty to:

- a) Manage donor funds with prudence and care
- b) Ensure effective use of resources to advance our charitable mission
- c) Maintain accurate and transparent financial records
- d) Comply with all applicable federal and provincial regulations
- e) Implement robust internal controls to safeguard assets

### 14.3 - Governance Framework

- a) **Board of Directors:** Exercises ultimate oversight responsibility for all financial matters and ensures appropriate policies and controls are in place.
- b) **Finance and Audit Committee:** Provides regular oversight of financial operations, budget management, audit processes, and risk management.
- c) **Chief Executive Officer:** Oversees day-to-day financial operations within Board-approved parameters and ensures compliance with financial policies.
- d) **Director of Finance:** Manages day-to-day financial operations, executes financial transactions, maintains records, and ensures compliance with financial procedures.

### 14.4 - Financial Reporting and Monitoring

- a) **Finance & Audit Committee** - Director of Finance prepares and presents financial statements and budget compliance documents for committee review.
- b) **Board Reporting** - Treasurer presents approved quarterly financial summary to Board.

### 14.5 - Signing Authority and Financial Controls

- a) **Authorized Signing Officers** - Any two of the following individuals constitute valid signing authority:
  - Chief Executive Officer
  - Board Chairperson

- Vice-Chairperson
- Secretary
- Treasurer

b) **Payment Authorization Requirements**

- **Dual Signature Requirement:** All payments (cheques) require two authorized signatures, with no individual approving payments to themselves or related parties.
- **Electronic Payment Authority:** Director of Finance authorized to process electronic payments within approved annual budget and to issue designated grants.

c) **Corporate Credit Card Management**

- **Authorization Process:** CEO approval required for all corporate credit card issuance.
- **Statement Review:** All transactions must adhere to the Business Expense Policy.

d) **CEO Spending Authority:**

- **Budgeted Items:** Full authority to execute approved budget allocations and make reasonable adjustments between budget categories
- **Unbudgeted, Emergency Expenditures:** Up to \$5,000 annually without prior Board approval
- **Compliance:** Reviewed at least quarterly by the Finance & Audit Committee

e) **Executive Limitations for Contract Approval**

- CEO Authority (No Board Approval Needed):
  - i. Operational contracts within approved annual budget (software licenses, membership renewals)
  - ii. Contracts for Non-Endowed Funds and Granting Programs with terms  $\leq 2$  years
  - iii. Office leases with terms  $\leq 5$  years
- Requiring Board Approval:
  - i. Any contracts involving contracted employees

## **15.0 - Business Expenses**

### **15.1 - Purpose and Scope**

The Greater Saint John Community Foundation recognizes that Board members, staff, and authorized representatives may incur legitimate business expenses while conducting Foundation activities. This policy establishes clear guidelines for permitted expenses and eligible reimbursement to ensure appropriate use of Foundation resources while supporting necessary business operations.

This policy is aligned with the Financial Accountability Policy.

### **15.2 - Corporate Credit Card Priority**

The Foundation's corporate credit card is the preferred payment method for all Foundation business expenses. This approach:

- a) Reduces administrative burden on staff and volunteers
- b) Provides better expense tracking and control
- c) Minimizes personal financial exposure for Foundation representatives

The Foundation recognizes that from time to time the corporate credit card cannot be used for permitted business expenses and therefore Foundation representatives must incur business costs personally. This policy addresses permitted business expenses for personal reimbursement and charges to the corporate credit card.

### **15.3 - Budget Framework**

The Foundation establishes annual budgets for anticipated business expenses. Expense requests that exceed approved budget allocations require prior written approval from the Board of Directors.

### **15.4 - Applicability**

This policy applies to all expenses incurred by:

- a) Board of Directors members
- b) Foundation staff at all levels
- c) Volunteers and contractors authorized to conduct Foundation business
- d) Other representatives acting on behalf of the Foundation

**15.5 - Approval Authority and Process**

No individual may approve their own expense reimbursement claims or review their own credit card statement.

**Approval structure for Reimbursement Claims**

<b>Claimant</b>	<b>Approving Authority</b>
Staff and Board Members	Director of Finance
Director of Finance	CEO
CEO	Treasurer or designated Signing Officer

The Foundation may decline reimbursement of any items claimed deemed outside of the permitted business expense.

**Monitoring of Corporate Credit Cards**

- a) Director of Finance reviews all staff credit card statements monthly
- b) CEO reviews Director of Finance credit card statements monthly
- c) Treasurer reviews CEO credit card statements quarterly

Any concerns regarding credit card charges for Staff and Board Members will be brought to the attention of the CEO for further investigation. Any concerns regarding the CEO’s credit card charges will be brought to the attention of the Board Chair for further investigation. Any credit card charges deemed outside of the permitted business expense may result in personal reimbursement by the card holder and/or disciplinary actions up to and including termination.

**15.6 - Mileage Reimbursement**

a) **Rate and Calculation:**

Reimbursement at current Canada Revenue Agency (CRA) prescribed rates and the annual rate review by Director of Finance.

b) **Eligible Mileage:**

- Direct travel between home and temporary work locations
- Travel between work locations during business hours
- Client visits and community engagement activities
- Board and committee meeting attendance

## **15.7 – Meals**

- a) **Permitted Credit Card or Reimbursable Meal Expenses:**
  - Reasonable meals during business travel (breakfast, lunch, dinner)
  - Business meals with clients, donors, or partners
  - Meals during extended business meetings or conferences
  
- b) **Meal Receipt Requirements:**
  - Itemized receipts showing all food and beverage purchases
  - List of all attendees present at business meals
  - Clear description of business purpose and meeting objectives

## **15.8 – Permitted Credit Card or Reimbursable Transportation Expenses**

- a) Economy class train, ferry, or bus travel
- b) Compact car rental rates (standard vehicle class)
- c) Taxi and ride-sharing services for reasonable distances
- d) Public transit for business travel

### **Exceptions:**

- Premium class travel requires written pre-approval from CEO or Treasurer
- Medical accommodations require documentation and CEO approval

## **15.9 - Other Allowable Expenses for Credit Card or Reimbursement**

- a) Parking fees for business travel
- b) Conference registration and professional development
- c) Business communication costs (phone, internet, courier)
- d) Office supplies and materials for business use

## **15.10 – Prohibited Credit Card Charges or Non-Reimbursable Items:**

- a) Alcoholic beverages of any kind
- b) Personal entertainment or recreation
- c) Meals included in conference or event registration
- d) Excessive or luxury dining expenses
- e) Air travel and Accommodations - must be booked with the corporate credit card, any expenses incurred during the stay that have not been preapproved are the responsibility of the individual.

### **15.11 - Missing Receipts**

When original receipts are unavailable, the claimant must submit written explanation of circumstances and provide alternative documentation where possible (credit card statements, booking confirmations).

### **15.12 - Expense Reporting Process - Submission Requirements**

All expense claims must be submitted within the fiscal quarter of incurring the expense.

#### **a) Required Information:**

- Completed expense report form
- All supporting receipts and documentation
- Business purpose and allocation coding
- Supervisor approval signature

#### **b) Payment**

Processed bi-weekly with regular payroll, direct deposit to designated bank account (preferred) or corporate check when direct deposit unavailable

#### **c) Record Keeping**

All expense documentation must be kept for two years from date of expense.

## 16.0 - Honouree Recognition

### 16.1 – Purpose and scope

The Foundation may acknowledge significant milestones and achievements of staff, members of the Board and individuals with a close connection to the Foundation (Honourees), through formal recognition.

### 16.2 - Recognition Method

Recognition is provided through internal donations from unrestricted annual income to the capital of existing endowed funds. These donations may supplement or replace monetary gifts such as flowers and plaques.

The selected endowment fund will align with the Honouree's interests or history with the Foundation.

### 16.3 - Eligible Recognition Events

Honourees may be recognized for:

- a) **Service Milestones:** 5, 10, 15+ years of service
- b) **External Awards:** Recognition received from outside organizations (Red Triangle Award, Chamber Award, etc.)
- c) **Leadership Excellence:** Outstanding leadership within the Foundation
- d) **Departure Recognition:** Acknowledgment of departing staff or board members
- e) **Memorial Gifts:** Staff or board members wishing to make donations in memory of individuals connected to the Foundation

### Individual Recognition Limits

Maximum allocation per recognition: \$1,000

### Annual Budget

- a) Total annual budget for recognition: \$5,000
- b) President & CEO has authorization authority within this budget
- c) Expenditures exceeding the annual \$5,000 budget require board approval