

POLICY CATEGORY: Donor	NUMBER: 2.3	PAGE: 1 of 3
SUBJECT: Receiving Gifts and Receipting		
APPROVED: September 2016	REVISED/REAFFIRMED: New Policy	SUBJECT TO REVIEW: November 2020

Policy Statement:

The Greater Saint John Community Foundation (the Foundation) believes in strong donor stewardship and to ensure this, prompt and accurate receipting is the standard.

The Foundation shall issue a charitable tax receipt for each gift, regardless of domination and having regard for the circumstances of each gift. The receipt will only be issued once the gift is the legal property of the Foundation. The issuing of any charitable tax receipt and the information to be included on the receipt shall be in keeping with the policies of the Canada Revenue Agency (CRA).

The CRA also requires due diligence regarding 'Issuing a Receipt in a Name Other than the Donor's'. The registered charity must be reasonably sure and take reasonable steps that the name it records on the receipt is that of the true donor. This applies when a donor presents a single donation (one cheque for example) representing multiple donations from multiple donors.

Receipting and donor information is password protected and recorded on an Excel spreadsheet and in the SAGE Accounting Program.

All donor information is kept strictly confidential as per the Donor Recognition and Stewardship Policy #2.1 and the Donor's Bill of Rights Policy #2.2, unless permission from the donor to public acknowledge their gift has been obtained.

This policy applies for all gifts as per the Gift Acceptance Policy #2.0.

Procedures:

Receipting

Each charitable tax receipt is signed with the e-signature of the Executive Director as the Foundation's official charitable tax receipts are generated from the operational financial software. The Executive Director reviews each receipt prior to sending to the donor. In the Executive Director's absence, an authorized signatory may sign the charitable tax receipt. An authorized signatory includes any Foundation signing officer.

The original charitable tax receipt is sent to the donor either electronically or via post with the appropriate acknowledgment (thank you). One paper copy of the charitable tax receipt, filed in numerical order, and stamped 'copy' must be held by the Foundation for seven (7) years.

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Gifts via cheque

Charitable tax receipts will be issued within five (5) business days of verification of receipt of the gift via cheque which includes clearance of the payment.

Gifts via cash

Cash, while constituting a small percentage of total annual donations, is received from time to time. Cash donations are discouraged, however, we recognize that we must welcome any and all donations in whichever form the donor prefers. Knowing cash donations will continue to be gifted, additional risk mitigation steps are required.

1. When an in-person cash donation is received:
 - a) The Foundation representative will count the cash in front of the donor.
 - b) Both the Foundation representative and the donor will complete their appropriate sections in the cash donation ledger:

Name of Donor	Amount of Cash Donation	Date of Cash Donation	Signature of Donor	Signature of Staff Member	Total Daily Donations	Date, Amount of Bank Deposit with Staff Member Signature

- c) All cash donations will be deposited in the Foundation’s bank account **that day**, or if not possible, the next business day. The depositor will reconcile the deposit in the cash donation ledger as the final step.

Gifts via credit card

The Foundation does not accept payment via credit card directly as, to date, the cost associated weighted with the cost-benefit has been prohibitive. Donors who wish to donate via credit card are directed to the Foundation’s website where credit card payments are facilitated by a 3rd party; Canada Helps (a registered charity/qualified donee). Donors are receipted directly from Canada Helps for the full amount of the on-line donation. The Foundation receives notification from Canada Helps that a donation has been made and a payment from Canada Helps is received by the Foundation, in a timely way, less the administrative fee.

True Donor

When preparing a charitable tax receipt for a gift CRA expects charities to take reasonable steps to ascertain the ‘true’ donor. When circumstance warrant, such as with a new donor or after a known fundraising event, the office will inquire as to whether the entire donation is a gift from an individual donor or a group of donors:

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- a) If the donation is a gift from an individual donor, the staff member will facilitate issuing a charitable tax receipt for the donor in his/her name.
- b) If the gift is a cumulative donation from multiple donors;
 - i. The Foundation representative will assist the presenting donor in completing a listing of the multiple donors and the office will issue charitable tax receipts to each donor.
 - ii. The presenting donor will be issued a charitable tax receipt for any portion of the gift they have contributed to,
 - iii. The presenting donor will be issued a non-charitable receipt for the full amount delivered.

Spilt Receipting

From time to time the Foundation presents special events where spilt receipts are issued. Spilt receipting will be in accordance with the policies of the CRA. Split receipting is the method used to calculate the eligible amount of a gift for receipting purposes when the donor has received an advantage (consideration) in return for his or her donation. To determine the eligible amount of the gift, a charity has to subtract the fair market value (FMV) of the advantage from the FMV of the gift.

Replacing an Issued Charitable Tax Receipt

If the Foundation has issued a receipt that has been lost or contained incorrect information, the Foundation can issue a replacement receipt. The replacement receipt must include:

- all the required information as per CRA guidelines;
- the serial number of the original receipt; and
- a statement that it replaces the original receipt.

The Foundation must keep its copy of the original receipt and mark "cancelled" on it.

If the Foundation prepared a receipt that contained incorrect information, but has **not** sent it to the donor, the Foundation can prepare a new receipt. However, the Foundation must keep both copies of the original receipt and mark "cancelled" on them.

If the Foundation must cancel a receipt outright for whatever reason, the Foundation must contact CRA.

References:

- Gift Acceptance Policy #2.0
- Donor Recognition and Stewardship Policy #2.1
- Donor's Bill of Rights Policy #2.2