



**EFFECTIVE: DECEMBER 2022**

# **Donor Receiving Gifts and Receipting Policy**

**POLICY 2.3**

**APPROVED BY THE BOARD OF DIRECTORS, NOVEMBER 24, 2022**



**THE COMMUNITY  
FOUNDATION**  
building a greater saint john

<b>POLICY CATEGORY:</b> Donor	<b>NUMBER:</b> 2.3	<b>PAGE:</b> 1 of 4
<b>SUBJECT:</b> Receiving Gifts and Receipting		
<b>APPROVED:</b> September 2016	<b>REVISED/REAFFIRMED:</b> Revised December 2022	<b>SUBJECT TO REVIEW:</b> As Required

### **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 in Foundant.

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 President and CEO as the Foundation's official charitable tax receipts are generated from the operational financial software. The Manager, Finance and Administration reviews each receipt. In the President and CEO's absence, an authorized signatory may sign the charitable tax receipt. An authorized signatory includes any Foundation signing officer.

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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.

### ***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 that is located at the office.
  - 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 3<sup>rd</sup> 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.

### ***Gifts via E-transfer***

The Foundation accepts payment via e-transfer, to the info@sjfoundation.ca email address. The e-transfers are done via auto deposit on the account, and donors are encouraged to send a separate email with all of the information required to complete the charitable tax receipt. The tax receipt is then completed within two business day in the software following the receipting guidelines.

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***Gifts via Donation of Shares***

The Foundation occasionally receives donations of shares. A donor will advise the Foundation or their broker they are interested in donating shares. The shares are donated directly to the Foundation and deposited to the Foundation’s brokerage account at TD Wealth. The broker will advise the value of the shares at the time of transfer, and a charitable tax receipt will be sent based on that amount.

***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:

- 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.

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***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