



Donations and Charitable Receipts #700.02

Adopted:	June 24, 2003
Last Reviewed/Revised:	May 24, 2022
Responsibility:	Superintendent of Business
Next Scheduled Review:	2025-26

Policy Statement

The Brant Haldimand Norfolk Catholic District School Board (the “Board”) is a registered charitable organization that recognizes and values the support of individuals and other organizations that provide donations to the Board in support of student achievement and programs.

Application and Scope

This Policy and Administrative Procedures applies to all donations to the Board, including through school generated funds.

References

- [The Education Act and Regulations](#)
- [The Income Tax Act](#)
- [700.05 Fundraising and School Generated Funds](#)

Forms

- FIN 700.02.F01 – Request to Donate Equipment

Appendices

- N/A

Definitions

Monetary Donations: Monetary donations are also known as cash donations. Monetary donations can be in the form of cash, cheque, or online payment.

Administration Procedures

Charitable Receipts

The Board may issue an official receipt for income tax purposes, for gifts and donations made to the Board or to individual schools in accordance with the Canada Revenue Agency’s rules and regulations.



The following guidelines are applied in issuing receipts for charitable donations:

1. Some property (usually cash) must be transferred. Contribution of services does not qualify.
2. The transfer must be voluntary.
3. The transfer must be made without expectation of return. No valuable consideration (no benefit of any kind) to the donor or to anyone designated by the donor may result from the donation.

The general rule that no benefit of any kind may be made available to the donor in recognition of their contribution does not include items of little or no value. For example, the school may wish to give their donor a small token as a gesture of appreciation. These items (e.g., a flower, a pamphlet, a plastic pin) have no resale value, and accordingly, such inducements are to be ignored; they do not disqualify the donation.

Donations made can be subject to general direction (e.g., to the benefit of a specific school or program) but cannot be directed to the benefit of a specific individual. However, donations to the Board must be for educational purposes related to educational opportunities, support services, facilities or approved extra-curricular activities. Donation receipts cannot be issued if donations are received for a designated purpose other than outlined above.

Contributions that have a written acknowledgement, partnership or sponsorship are referred under a Third-Party Agreement.

Schools, Catholic School Councils or other bodies affiliated with the school should neither have nor obtain Charitable Registration status with Canada Revenue Agency (excluding Home & School Associations).

To ensure that accurate information is provided to potential donors, all communications by schools or departments regarding the issuance of charitable receipts must be pre-approved by the Manager of Financial Services, who will verify that the Canada Revenue Agency requirements are met prior to the request for a donation that may be eligible for a charitable donation receipt. Charitable receipts will not be issued if the activity has not been reviewed and approved as eligible by Financial Services.

Before the acceptance of any gift of equipment or materials, or cash for the purposes of same, the following factors must be considered by the school principal:

- value of the gift to the school's educational mandate
- location of the gift in the school building or on the school property
- applicable installation, transfer of ownership or repair costs
- safety, security and maintenance requirements
- Board standards for equipment (consultation with Facility Services or School Programs may be applicable)
- commitment required by the school or the Board, e.g., ongoing costs, if applicable.

Donors are encouraged to make their donations online as they will receive their charitable tax receipt automatically by email when the donation is made through the Board's online payment software. Detailed instructions for issuing charitable receipts using the charitable receipts software for donations of cash, cheques or in-kind are available on the Board's website.

Funds must be received or postmarked no later than December 31st in order to receive the receipt in that taxation year.



Monetary Donations

Monetary donations can be in the form of cash, cheque, or online payment.

All online payment donations made through the Board's donations software will automatically receive a donation receipt via email. For cash or cheque donations made outside of the Board's donation software, official receipts for income tax purposes will be provided, upon request, for donations in excess of \$25.00.

Gifts-In-Kind (i.e., non-cash donations)

- a) **Services:** Donation receipts cannot be issued for donated services. It is acceptable, however, to buy the services from the individual/company and then have the company/individual donate the funds back to the school. In this case, an exchange of cheques (school to business and business to school) is required. Please note that if the company/individual simply endorses our cheque and presents it back to us, this does not qualify as a donation. Both cheques must be cleared in the appropriate bank account to qualify.
- b) **Gifts:** A donation receipt can be issued for receipt of gifts provided the following documentation is provided to the Board to determine the fair market value of the items donated:
 - If a school receives goods from a company/individual that they normally sell, the company/individual must invoice the Board for the value of the goods and write across the invoice "do not pay - donation to the Board". The Board will then issue the donation receipt based on the invoice amount less Harmonized Sales Tax (HST).
 - If a school receives goods from a company/individual that they normally do not sell (i.e., business donates soccer balls), then the Board needs a copy of the original invoice from the company showing the value of the goods purchased.
 - For donations of used goods with a nominal value of less than \$1,000 or donations of consumable items, the Board will accept the donation and a recognition letter may be provided however, an official donation receipt for income tax purposes will not be issued.
 - For donations of used goods with a value greater than \$1,000, the Board requires an appraisal for the fair market value of the goods from an external qualified appraiser. The cost of the appraisal is to be paid by either the donor or the school accepting the donation. The Board will not be responsible for the cost of appraisals. The Board will then issue the donation receipt based on the appraised fair market value of the item.
 - A completed Request to Donate Equipment (FIN 700.02.F01) form, including a valuation statement is required and submitted to the Superintendent of Business (or designate) for approval prior to acceptance and installation of any equipment.

For items bid on or purchased at a fundraising event, individuals are not entitled to a donation receipt for the amount of their successful bid or the purchase price regardless of the amount paid (e.g., if an individual bids on or purchases an item worth \$50, they cannot receive a receipt if they pay \$1 or \$1,000 for the item.)

Note that all donated items (cash or gifts) become the property of the Board. Once a donation receipt has been issued, items may not be returned to a donor should the donor subsequently change their mind about the donation.



- c) **Gift Cards:** A donation receipt cannot be issued to a company/individual who issues a gift card for use in auctions, raffles and other fundraising activities. It is acceptable, however, to buy the gift card from the individual/company and then have the company/individual donate the value of the card back to the school. In this case, an exchange of cheques (school to business and business to school) is required.

An individual who buys a gift card from a company and then donates the card to the Board may receive a donation receipt for the value of the card, upon presentation of the original invoice/receipt from the company from which the gift card was purchased.

Trust Funds

Trust funds established for student awards and other purposes must be held by the Board and cannot be part of School or School Council funds. The Manager of Financial Services should be contacted for more information on establishing these funds.

Reporting

Annually, a report will be brought to the Board for information to acknowledge monetary or equipment donations having a value greater than \$500.