



## **Donation Policy**

This document is the parent policy for any FDAC donation procedures.

Donation is the act by which the owner of a thing voluntarily transfers the title and possession of the same from himself to another person, without any consideration; a gift. A donation is never perfected until it has been accepted, for the acceptance is requisite to make the donation complete.

The Fernie & District Arts Council recognizes that donations are a valuable supplement to the budgetary funds normally available to support the organisation in fulfilling its mandate. The FDAC welcomes donations that will help equip and operate The Arts Station, to support arts excellence for current and future projects.

Donations to The Arts Station are made through the Fernie & District Arts Council organisation. The organisation is a registered charity: CRA Charity Number:124758558 RR001

Activities associated with acceptance, receipting, management, and donor recognition of donated funds are addressed in procedures associated with this policy.

Donations will be assessed for acceptance and managed in a manner that:

- provides for effective, fair, and equitable donor recognition,
- provides for effective stewardship of donations,
- is respectful of donor wishes,
- supports and aligns with the FDAC mandate, missions, objectives, and values as articulated in the FDAC Strategic Plan,
- reflects fundraising professional practice, and
- complies with:
  - o Income Tax Act (Canada) requirements for issuing tax receipts,
  - o Canadian Generally Accepted Accounting Principles and Public Sector Accounting Board Standards for financial reporting purposes,
  - o BC Freedom of Information and Protection of Privacy Act, and
  - o Charitable Fund-Raising Act.

Donations will be accepted subject to the following principles:

- Donation or donation conditions must be legal and ethical as determined by the FDAC.

- Donations must not jeopardize the organisation charitable status.
- Donations made to establish an endowment require establishment of an Endowment Agreement.
- Donations will not financially or morally jeopardize the donor and/or the FDAC.
- Donations must not improperly benefit the donor.
- Donors will not require valuable consideration, in any form, in return for a donation.
- Donations must provide a net benefit to the FDAC.
- Donations cannot result in unwarranted or unmanageable expenses to the FDAC.
- Conditions associated with a donation, if any, must be administratively practical.
- Donations must not result in real or potential risk to the college including physical and/or environmental hazards.
  - A fair market value must be able to be established for the donation.
  - Donors will bear the cost associated with valuation or appraisal of any gift in kind donation and for an environment assessment of the property, if required.
  - Gift in kind donations, other than real estate or securities, must be of a nature that can be retained as a FDAC asset and used in connection with FDAC activities, with discretion as to its use and management, or disposed of for cash.
  - The FDAC reserves the right to reject any donation.

Donation: A voluntary transfer of property without valuable consideration. In order for a gift to qualify for a charitable tax receipt the following three conditions must be satisfied:

- 1) some property, usually cash, is transferred by the donor to the organisation,
- 2) the transfer is voluntary, and
- 3) the transfer is made without expectation of return.

In alignment with Canada Revenue Agency (CRA) guidelines: it may be permissible for donors to receive recognition for their gift, including donor wall listing, signage and plaques, or naming opportunities for buildings, displays, education programs, etc.

Donations can be in many forms including: cash, gift in kind, services in-kind, and endowment.

#### Additional considerations

- Any items offered for lend would not be considered a donation and would only be considered as a sponsorship agreement: There is a **difference between** a business making a **donation** to a registered charity and a corporation entering into a **sponsorship**

arrangement. ... **Sponsorship** is when a business makes a **donation** to a charity and, in return, receives advertising or promotion of its brand, products or services.

- Donations to guilds/user groups will not be accepted by FDAC.
- Any items accepted by user groups/guilds that will be stored or used in The Arts Station Facilities must have written permission from FDAC before being accepted by a group. Insurance of the item may be required for this to be given.
- Conflict of interest policy should be considered in the acceptance of gifts.
- If an item is donated to FDAC it is the sole property of the organisation unless otherwise agreed to in a donation agreement and therefore can be sold at FDAC discretion.