



Section Seven: Community Partnerships

730R – CHARITABLE DONATIONS (REGULATIONS)

The Board of Education has been registered by Canada Customs and Revenue Agency as a charitable organization and is entitled to issue income tax deductible receipts for scholarship donations and donations for other educational purposes.

1. Cash Donations

- 1.1 Official tax-deductible receipts will be issued for qualifying donations of twenty dollars or more.
- 1.2 When the funding solicitation is complete, the school should make a list of all funds received (with a total) and the full names and addresses of the donors. This list and funds should be sent to the attention of the Director of Finance at the Board Office.
- 1.3 Official receipts, signed by the Secretary-Treasurer, will be sent to the school for distribution to the donors.
- 1.4 To meet the high standards of control required by Canada Customs and Revenue Agency, donated funds will be held, in trust, by the Finance Department. These funds may be requested by the school principal, indicating the purpose for which the funds are to be used. When donated funds are released to the school, they are to be held, in trust, and accounted for separately in the books and records of the school.
- 1.5 It is advisable that individual donations be accumulated at the school and sent to the Board Office no more than four times a year.

2. Property and Equipment Donations

- 2.1 The principal of the receiving school or the Board must inform the Superintendent of Schools or designate, in writing, of the receipt or intended receipt of donated property or equipment.
- 2.2 The Superintendent or designate must establish if the donation is suitable for educational purposes and is acceptable.
- 2.3 If the donor wishes an official charitable receipt, he/she must produce two independent appraisals of the item. If the Superintendent or designate



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agrees that the donation is of educational value, the average of the two appraisals will be accepted as the value.

- 2.4 An official charitable receipt will be issued by the Finance Department for the fair market value of the donated property.
- 2.5 Official charitable receipts, signed by the Secretary-Treasurer, will be sent to the school for distribution to the donor. The principal will be responsible for ensuring the property or equipment is received prior to the release of the receipt.
- 2.6 The Finance Department will maintain all documentation to support the value of the receipt issued for seven years.

3. Payments not Acceptable as Donations

Information Circular No. 80-10 issued by Canada Customs and Revenue Agency sets out the rules regarding registered charities. Paragraph 35 of that circular lists items which do not qualify as charitable donations.

Certain types of donations made to charities do not qualify as deductions for income tax purposes. Accordingly, official receipts bearing a charity's registration number will not be issued for such payments as follows:

- 3.1 payments for membership giving an advantage of material character to the member (the right to vote at meetings and to receive financial statements and reports on the charity is not a material advantage);
- 3.2 tuition fees or other payments for which any right, privilege, benefit, or advantage may accrue to the donor;
- 3.3 amounts received by loose collection, i.e. where a particular donor cannot be identified as having made a particular donation;
- 3.4 donations of services where the donor requests that in lieu of payment for services, a donation receipt is issued to the value of services rendered;
- 3.5 donations of goods where the cost has been charged as a business expense;
- 3.6 donations of used clothes, furniture, property, and equipment, etc. deemed not for educational purposes;



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- 3.7 admission fees to concerts, dinners, and like fund-raising functions; and
- 3.8 any portion of the purchase price of a lottery ticket, despite the fact that the lottery proceeds accrue to one or more charities.