

# Administrative Procedure 509

## Business Administration

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## DONATIONS

### BACKGROUND

The charter board considers it desirable to recognize and acknowledge the contributions made by donors.

### PROCEDURES

1. A donation to the school may be accepted or refused by the principal or secretary-treasurer (or designate).
2. Once a cash donation or gift in kind donation is accepted, it immediately becomes the property of Westmount Charter School society.
3. Official charitable donation receipts will be issued by the society in accordance with the provisions of the *Income Tax Act*.
4. Cash Donations
  - 4.1 All cash donations are gratefully accepted, however, official charitable donation receipts will only be issued for donations of \$25 or more.
  - 4.2 All cash donations for which an official charitable donation receipt is requested should be made payable to Westmount Charter School society and be processed through the secretary-treasurer of the society.
  - 4.3 Cash donations will be earmarked by the donor to one of the following funds:
    - 4.3.1 Facilities Fund – funds will be used to pay for costs to build, improve or lease school facilities.
    - 4.3.2 Furniture and Equipment Fund – funds will be used to purchase or lease such items as emerging technologies, physical education equipment, science equipment, playground equipment, band equipment or lunchroom furniture.
    - 4.3.3 Curriculum Support Fund – funds will be used to purchase or fund such items as materials, supplies, field trips, guest speakers and special presentations.
    - 4.3.4 Legacy Fund – funds will be used by committees that ensure the legacy of Westmount continues.
5. Donations in Kind
  - 5.1 Donations in kind may be accepted if compatible with the school's needs.
  - 5.2 In order for an official charitable donation receipt to be issued, a transfer of property of any kind, real or personal, corporeal or incorporeal, which includes rights, must have transpired.
  - 5.3 Any gift in kind donation that requires an official charitable donation receipt must have a determination of the fair market value. The fair market value of newly purchased items must be accompanied with a purchase/sales receipt from the vendor, which then acts as sufficient documentation to substantiate fair market value. The fair market value determination for used items can either be done by a member of the registered charity provided the item is less than \$1,000 or if the fair market value is greater than \$1,000, the property must be professionally

- appraised and signed by a third party. The name, address, signature and evidence of competency and qualification of the appraiser must also be provided.
- 5.4 Official charitable donation receipts will be issued for donations of stocks, bonds, or other negotiable instruments at the fair market value on the date the donation is made.
  - 5.5 Contribution of services, that is, of time, skills or efforts, are not property and therefore they do not qualify as gifts for purposes of issuing an official charitable donation receipt. If services are provided, the donor can invoice for the services and then donate the money back, but these must be two separate transactions. The minimum value of the services must be \$500 and the fair market value of any service valued over \$1000 must be professionally appraised and signed by a third party. The name, address, signature and evidence of competency and qualification of the appraiser must also be provided.
  - 5.6 The documentation required to substantiate fair market value on any donations must be provided to the secretary-treasurer (or designate) for approval a maximum of 60 and a minimum of 21 days prior to the date the donation is to be received by Westmount.
  - 5.7 If a tax receipt is required, all invoices, cheques and donation forms must be received by the secretary-treasurer (or designate) no later than 60 days after the donation is accepted by Westmount.
6. The solicitation of private or corporate donations may only be done by the charter board or by school council with the express written consent of the secretary-treasurer. The above shall be done in accordance with government legislation or regulation that may be in effect from time to time.
  7. Donations may be acknowledged in the following ways:
    - 7.1 letter from the charter board, the superintendent and/or the principal;
    - 7.2 official charitable donation receipt issued by the society (upon request by the donor); and/or
    - 7.3 mention in school communications.

**Date of Adoption:** April 12, 1999  
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