

F17.0 DONATIONS IN KIND - APPRAISALS, RECEIPTS AND RECORDS

SCOPE

All Donations in Kind where the objects donated become the permanent property of the *Society* and a receipt for value is issued.

PURPOSE

From time to time the *Society* will receive non-cash donations. Such gifts are referred to as Donations in Kind and will usually require an evaluation so that a tax receipt can be issued to the donor. Receipts must be in a format acceptable by Canada Customs and Revenue Agency. They must also include the *Society's* registration number identifying it as a registered Canadian charitable organization.

The following policy establishes the method to be used to appraise the gift, guidelines for issuing a tax receipt and the appropriate records that need to be maintained to safeguard the integrity of the *Society* and the donor.

POLICY

1. The Executive Director of the *Society*, in cooperation with the departments concerned, will assist in and or complete the negotiations when Donations in Kind are the issue. Furthermore, before a Donation in Kind can be accepted it must first be approved by one of the following Board members, the President, the Vice-President, the Treasurer, or the Secretary.
2. When an income tax receipt needs to be issued for a "Donation in Kind," the Director of Finance will arrange for an appraisal to be made in a manner acceptable to Canada Customs and Revenue Agency. The Director of Finance will also be responsible for issuing the income tax receipt to the donor. The tax receipt will show the appraised value of the Donation in Kind, the name of the appraiser, and will have attached to it, a copy of the appraisal certificate. Tax receipts and appraisal certificates will be kept in a safe place, by the *Society*, for a minimum of seven calendar years.
3. When a donor does not require a receipt for value then a formal acknowledgement by the Executive Director will be issued on behalf of the *Society*. A record of all such donated objects will be maintained with the words "no appraised value", shown opposite each object. These records will be afforded the same security, and will be kept for a period of time equal to donated objects where tax receipts have been issued.
4. The Director of Finance must be informed when the *Society* accepts a Donation in Kind so that the value of the donated article can be reported in the proper asset accounts and the existing insurance coverage can be increased if need be.