

## **Purpose**

To outline guidelines and procedures related to the acceptance of donations by Rocky View Schools.

## **Background**

The division believes in providing quality learning environments for all students. It is understood that community and the public may wish to support this through either monetary or non-monetary donations. This Administrative Procedure is designed to allow for contributions while honoring all school communities, meeting legislative requirements and maintaining transparency. RVS' preference is to receive cash donations.

## **Definitions**

**Donation:** a voluntary transfer of property (whether monetary in nature or not) without corresponding valuable consideration to the donor.

**Non-monetary Gift:** gifts of property such as equipment, software, books, artwork, publicly traded securities, real estate, collections, etc. A contribution of service, that is, of time, skills or efforts, is not property, and therefore does not qualify as a gift for purposes of issuing official donation receipts.

**Endowment:** a restricted donation made to the division where the capital value is invested, and the annual investment income is used for a specified educational purpose. All cash or property gifted to the division for the purposes of an endowment fund becomes the property of the division. The principal of the endowed fund is retained, administered, and managed by the division in accordance with its investment policy. Endowed funds generally are meant to exist in perpetuity.

## **Items that cannot be donated:**

- services;
- the loan of property (for example: machinery);
- school or membership fees that give the donor an advantage that is more than 80% of the value of the membership (for example, the right to attend events, receive literature, or services); and/or
- the lease of a premises.

## **Procedures**

1. A donation to a school may be accepted or refused by the Principal with the exception of donations of non-monetary gifts over \$5000 or that may cause the division to incur costs in the future.
2. All non-monetary gifts over \$5000, or come with the potential for future costs, must be evaluated and accepted by the Supply Management branch.
3. Any donated non-monetary gifts requiring a donation receipt will require AF5114-A to be submitted to the Finance branch.

4. Monetary Donations:

- 4.1. May be made to an individual school or to the Division;
- 4.2. If funds are being delegated to a specific endeavor/purpose (endowment) a written request must be submitted to the Finance branch;
- 4.3. Charitable donations, exceeding \$20, will be issued a donation receipt in accordance with the Income Tax Act. If donations are made online through SchoolCash, donors will immediately receive the donation receipt by email.

5. Non-Monetary Gifts:

- 5.1. RVS may elect to accept or decline any gift. Non-monetary donations may be accepted (subject to approval by the appropriate individuals pursuant to the Purchasing Limits of Authority) if they are compatible with related equipment and supplies, align with jurisdictional needs and priorities, and do not expose RVS to any potentially significant liability. Once accepted, donated items are the property of RVS.
- 5.2. Capital items are to be tracked for financial and maintenance purposes through Asset Planner (AP5212 Divisional Asset Administration).
- 5.3. The cost of maintenance, servicing, and repair of equipment, once the item has been accepted, will be the responsibility of the school and/or department.
- 5.4. Form AF5114-A can be used to document transfer of ownership and third-party appraisal (if required). If a donation receipt is required, this form must be submitted to the Finance branch to issue the official donation receipt.
- 5.5. Charitable donation receipts may be issued for equipment/material donations if they are accompanied by an appraisal acceptable to the Associate Superintendent of Business and Operations as outlined below:
  - 5.5.1. If the fair market value (FMV) of the non-monetary donation is \$1000 or less, an external professional appraisal may not be required unless recent invoices, receipts or other supporting documents are available from the donor or an internal appraisal can be conducted by qualified professional staff.
  - 5.5.2. If the FMV of the non-monetary donation exceeds \$1000, an appraisal or valuation report should be obtained from a professional appraiser, valuator, or other individual who is accredited in the field of valuation and is independent of RVS and the donor. Where the value of the gift is significant (i.e. exceeds \$20,000), two appraisals should be obtained. RVS must obtain from the appraiser(s) a certificate confirming that he/she is qualified or accredited in the field of valuation, is knowledgeable about valuation procedures and is independent from RVS and the donor.
  - 5.5.3. Fees related to a professional appraisal are the responsibility of the donor unless otherwise approved by RVS and are not eligible for a tax receipt.
  - 5.5.4. The appraisal should include an appraisal date which is close to the donation date and specific details regarding the donated item such as its make, model, serial number, and current FMV.

- 5.6. As a registered charity, **RVS cannot issue a receipt for a gift of service**. A gift is a voluntary transfer of property without consideration. Since contributions of services (e.g. time, skills, effort) are not property, they do not qualify as gifts for the purpose of issuing official donation receipts. Please note that if a paid contractor chooses to donate funds, a charitable donation receipt may be issued for monetary donations.
- 5.7. Rocky View Schools, for WCB and liability reasons, does not permit volunteers, students or non-Maintenance and Grounds Department Staff to complete construction services on School Facilities or Grounds. Alternatively, the contractor hired by RVS could choose to oversee volunteers providing liability and WCB coverage for them.

**Date Issued: August 2017**

**Version: III**

**References**

- i. External Legislation:
  - The Education Act Section 33, 52, 53, 68, 188, 197, 222
  - Canada Revenue Agency P113E “Gifts and Income Tax”
  - Income Tax Act
  - Societies Act
- ii. RVS Policies and Procedures:
  - AP5405 - Alterations to School Buildings, School Grounds or Other Division Facilities
  - AP5212 - Divisional Asset Administration
  - AP5216 - Disposal of Surplus Furniture and Equipment.
  - AP5119 - School Generated Funds
- iii. RVS Forms:
  - AF5114-A Non-Monetary Donation Acceptance
  - AF5114-B Gift Card Declaration
- iv. RVS Handbooks and Manuals
  - Playground Manual
- v. Contact/Branch
  - Finance Help ([financehelp@rockyview.ab.ca](mailto:financehelp@rockyview.ab.ca))
  - Supply Management ([supplymanagement@rockyview.ab.ca](mailto:supplymanagement@rockyview.ab.ca))