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# Donations Policy

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Date Approved by Council: October 11, 2018

Resolution: 2018-10-11-178

Review Date: July (Annually)

Related Bylaws: N/A

Amendments:

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## **Purpose**

The purpose of this policy is to provide authority for Administration to set up an account to collect and track donations on behalf of not-for-profit organizations and issue charitable donation receipts.

## **Eligibility Criteria**

All not-for-profit organizations who operate facilities or provide services within the Village of Hussar may request that the Village provide tax deductible charitable donation receipts on behalf of their organization.

Administration is authorized to approve any requests from organizations who operate facilities within the Village, provide services solely within the Village, or whose registered society address is within the Village. All other requests must be approved by Village of Hussar Council.

Not-for-profit groups are not required to be registered societies under the *Societies Act* or other provincial legislation. Unregistered groups may be required to provide proof that they are a not-for-profit organization prior to receiving approval under this policy.

Charitable donation receipts will not be issued for volunteer help, services, or gifts of materials, supplies, or equipment unless approved by Village of Hussar Council.

Tax deductible donation receipts will be issued and funds disbursed to organizations as required by this policy and the *Income Tax Act (Canada)*.

## **Receipt of Donations**

All donations must be made in the form of cash, cheque, money order or e-transfer.

Cheques must be made out to the "Village of Hussar" and include a memo or note that clearly indicates the organization, project or event to which the donation is being made.

Cash donations must be made in-person at the Village Office.

Donations made by e-transfer must be sent to "office@villageofhussar.ca" and require that the donor contact the Village Office by email, phone or in person prior to sending the e-transfer.

Administration will set up separate general ledger accounts to record donations received and distributed to organizations.

Administration will provide tax deductible charitable donation receipts for donations received by cheque or e-transfer to the donor by mail as soon as reasonably possible.

Administration will provide tax deductible donation receipts for cash donations made in person at the Village Office immediately. If for any reason a tax deductible donation receipt cannot be provided immediately, a standard receipt will be provided immediately and a tax deductible donation receipt will be sent to the donor by mail as soon as reasonably possible.

Refunds will not be issued for donations.

A listing of donor information, including donor name and mailing address, purpose of donation, donation amount, and date of donation will be provided to organizations to which donations have been made upon the request of the organization. This information may only be utilized by the organization to provide thanks to individual donors or to contact donors in relation to their donation and is protected under the *Freedom of Information and Protection of Privacy Act*.

### **Disbursement of Donations**

Donations for operations or general donations to an organization will be provided in the form of a cheque to the organization as soon as reasonably possible.

Donations made towards capital projects, capital or major purchases, special projects, or special events, whether or not occurring on Village property, will be provided in the form of a cheque to the organization as soon as Administration is satisfied of the following:

- any required permits or approvals for the project, purchase or event have been received by the organization; and,
- the total amount of donations disbursed does not exceed the total estimated cost less any other revenues, including grant and casino revenues, that has been provided to the organizations specifically for the purpose of the project, purchase or event;

Administration may request any documents, including but not limited to: permits, quotations, invoices, receipts, grant applications, and financial statements that will enable the Village to determine satisfactory completion of the above requirements.

Should Administration refuse to disburse all donated funds received to an organization, they must provide written reasons for the refusal to the organization so that the organization may correct or complete any requirements.

Should the Village receive excess donations for a capital project, capital or major purchase, special project, or special event, than those required by the organization, Administration will hold those undisbursed donations in trust for the organization until such a time that they may be disbursed to the organization.

Should the Village hold excess donations as above, Administration will provide the organization with options for actions the organization may take in order to have the funds disbursed. These actions may include:

- increasing planned spending on the capital project, capital or major purchase, special project or special event;
- contacting individual donors to request that money be spent elsewhere by the organization.

Administration may review notes and memos placed on individual donations, if provided by the donor, to determine if funds may be used elsewhere by the organization, but will not contact donors on behalf of the organization.

All undisbursed donations must be held in trust by the Village of Hussar on behalf of the organization until such time as they are disbursed. Funds held in trust must be listed by individual organization on the Village of Hussar Audited Financial Statements.

A listing of donor information, including donor name and mailing address, purpose of donation, donation amount, date of donation, and disbursement information will be provided to organizations to which donations have been made upon the request of the organization. This information may only be utilized by the organization to provide thanks to individual donors or to contact donors in relation to their donation and is protected under the *Freedom of Information and Protection of Privacy Act*.