

LOFT Community Services Policy Manual – Fundraising and Donor

Fundraising Practices

Fundraising Oversight

Relevant Legislation

Not applicable to this policy.

Intent

To provide an overview of fundraising accountability at LOFT.

Definitions

Not applicable to this policy.

Description

The Board of Directors recognizes that the continued trust of donors, government funders, clients, staff and the wider community is essential to the ongoing work of LOFT, and that effective policy governance practices must be in place.

The Board governs through policies that set the strategic direction and operating principles for LOFT. Operational and administrative responsibilities are delegated to the CEO within the general limitations, guidelines and expectations established by Board policy. The CEO reports to the full Board.

The Director of Development and Communications reports to the CEO and is responsible for the design, leadership, development and delivery of the fundraising program at LOFT Community Services through a network of volunteers, staff and community supporters.

LOFT is accredited by the Image Canada Standards Program in five areas: Board Governance, Financial Accountability and Transparency, Fundraising, Staff Management and Volunteer Involvement.

Donor Bill of Rights

Pdf here

Fundraising Practices

Relevant Legislation

Not applicable to this policy.

Intent

To ensure that LOFT fundraising staff adhere to the highest possible standards of practice.

Definitions

Not applicable to this policy.

Policy

LOFT hires fundraising staff who are members of the Association of Fundraising Professionals (AFP) and as such are bound by the AFP Code of Ethical Principles and Standards. New hires who are not AFP members are required to join.

All fundraising activities conducted by or on behalf of LOFT Community Services must be carried out in a manner that is in keeping with AFP standards. In brief, fundraising activities must:

- Be truthful.
- Accurately describe the organization's activities.
- Disclose the organization's name.
- Disclose the purpose for which funds are requested.
- Disclose the organization's policy with respect to issuing Official Income Tax receipts including any policy on minimum amounts for which a receipt will be issued.
- Disclose, upon request, whether the individual or entity seeking donations is a volunteer, employee, or contracted third party.

Procedures

See Development manual

AFP Code of Ethical Principles

PDF here

Issuing Charitable tax receipts

Relevant Legislation

Canada Revenue Agency (CRA) guidelines at:

www.cra-arc.gc.ca/tx/chrts/menu-eng.html.

Intent

As a Canadian registered charity, LOFT Community Services is authorized to issue to its donors official receipts for income tax purposes. In doing so, LOFT complies fully with all applicable Canadian tax laws and regulations.

These rules change from time to time, and if there are discrepancies between this policy and current CRA policy, the interpretation of CRA will govern.

Definitions

Donation: a voluntary transfer of property without valuable consideration to the donor.

Fair Market Value (FMV): CRA defines fair market value as “the highest price, expressed in dollar amount, the property would bring, in an open and unrestricted market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.”

Gifts-in-kind: Gifts-in-kind, also called non-cash gifts, are gifts of property. They cover items such as artwork, equipment, securities and cultural and ecological property. This includes tangible personal property.

Policy

LOFT issues tax receipts in compliance with CRA guidelines. In order to do so, LOFT requires donors to provide their legal name and valid mailing address. When gifts by made by credit card, LOFT may also require the donor to provide a current telephone number.

Who Receives the Receipt

A charitable receipt will only be issued in the name of the actual donor. If the donation is from an individual the receipt will be issued in the name of the individual. If the donation is from a corporation, the donation will be issued in the name of the corporation.

An individual will not be issued a receipt for a gift from a trust or a company, even when the individual is the sole owner of the trust or company.

Gifts of Cash

LOFT issues tax receipts for gifts of cash of \$10.00 or more, and will issue receipts for gifts under \$10.00 upon request. This includes cash donations made by credit card or by cheque. This information is provided to donors at the time the gift is made, and is included on all direct mail response forms.

Gifts made in other than Canadian currencies are receipted according to their value in Canadian dollars at time of deposit in LOFT's bank.

Cash donations/cheques received from Foundations or other registered charities are only tax receipted at the request of the donor.

Gifts in Kind

In order to issue a charitable tax receipt for a gift-in-kind, LOFT must be able to objectively establish the Fair Market Value (FMV) of the gift, and must be able to confirm that the gift was received.

LOFT is responsible for reporting the FMV of a gift in kind on the official tax receipt. In order to determine the FMV, a proof of purchase or an independent appraisal is required for items valued over \$1,000.

LOFT will issue a charitable receipt for new items donated by an individual when the item is accompanied by a receipt of purchase.

When a business donates inventory, the business is required to indicate the FMV in writing, and LOFT will confirm the valuation using third party sources including online or printed catalogues. LOFT is permitted to issue a tax receipt provided there is no material benefit to the business such as promotion or advertising.

LOFT does not, as a rule, issue tax receipts for used items of clothing, furnishings or other tangible personal goods. Donations of used furniture with a FMV over \$1,000 may be tax receipted if the donor requests a receipt, the recipient program has need of the item and the FMV can be verified from objective sources.

Gifts of securities: Gifts of securities are considered to be gifts-in-kind. Such donations are assigned the value at the time the gift is received in LOFT's brokerage account.

Donation of Services: A contribution of service, that is, of time, skills or efforts, is not property and, therefore, does not qualify as a gift or gift in kind for purposes of issuing official donation receipts.

Issuing Receipts

LOFT-issued tax receipts are only valid if signed by an individual authorized by LOFT to acknowledge donations. As a general rule, this includes the Director of Development, Director of Finance, Director of Operations or the CEO.

Procedures

See Development Manual

Donor privacy

Relevant Legislation

Personal Information Protection and Electronic Documents Act (PIPEDA)(13 April, 2002)

Intent

LOFT Community Services respects donor privacy. We protect donor personal information and adhere to all legislative requirements with respect to protecting privacy. We do not rent, sell or trade our mailing lists. The information donors provide will be used to deliver services and to keep donors informed and up to date on the activities of LOFT Community Services, including programs, services, special events, funding needs, opportunities to volunteer or to give, open houses and more through periodic contacts. If at any time a donor wishes to be removed from any of these contacts they can simply contact LOFT by phone at 416-979-1994 or via e-mail at info@loftcs.org, and we will gladly accommodate their request.

This policy is available to donors and the public on the LOFT website at www.loftcs.org.

Policy

Our Commitment

LOFT Community Services is committed to protecting the privacy of the personal information of its service users, employees, donors, potential donors, volunteers and other stakeholders. We value the trust of those with whom we deal, and of the public, and recognize that maintaining this trust requires that we be transparent and accountable in how we treat the information that you choose to share with us.

During the course of our various programs and activities, we frequently gather and use personal information. Anyone from whom we collect such information should expect that it will be carefully protected and that any use of or other dealing with this information is subject to consent. Our privacy practices are designed to achieve this.

We meet all legislative requirements with respect to privacy. We adhere to the privacy guidelines and have adopted the Ethical Fundraising and Financial Accountability Code of Imagine Canada (formerly the Canadian Centre for Philanthropy). We comply with the Donor Bill of Rights developed by the Association for Healthcare Philanthropy, Council for Advancement and Support of Education, American Association of Fund Raising Counsel and the Association of Fund Raising Professionals. We employ professional fund raising staff who adhere to the AFP Code of Ethical Principles and Standards of Professional Practice .

Defining Personal Information

Personal information is any information that can be used to distinguish, identify or contact a specific individual. This information can include an individual's opinions or beliefs, as well as facts about, or related to, the individual. Exceptions: business contact information and certain publicly available information such as names, addresses and telephone numbers as published in telephone directories, are not considered personal information.

Where an individual uses his or her home contact information as business contact information as well, we consider that the contact information provided is business contact information, and therefore is not subject to protection as personal information.

Privacy Practices

Personal information gathered by our organization is kept in confidence. Our personnel are authorized to access personal information based only on their need to deal with the information for the reason(s) for which it is obtained. Safeguards are in place to ensure that the information is not disclosed or shared more widely than is necessary to achieve the purpose for which it was gathered. We also take measures to ensure the integrity of this information is maintained and to prevent its being lost or destroyed.

We collect, use and disclose personal information only for purposes that a reasonable person would consider appropriate in light of the circumstances. We routinely offer individuals we deal with the opportunity to opt not to have their information shared for purposes beyond those for which it was explicitly collected.

Website and Electronic Commerce

When you visit the LOFT Community Services website (www.loftcs.org) , you do so anonymously. We do not collect email addresses or use "cookies" to track users.

Aggregate information (overall number of visitors, peak traffic times, most visited sections, etc.) is recorded, however this information is not connected to individual user sessions.

If you choose to make an online donation to LOFT Community Services through our website, you will be redirected to the website of CanadaHelps, an outside supplier, where you will be asked to provide personal information necessary to process your donation and provide you with an official receipt for income tax purposes.

LOFT has selected Canada Helps to provide this service because we are satisfied that CanadaHelps maintains a secure website and abides by all relevant privacy legislation.

Updating of Privacy Policy

We regularly review our privacy practices for our various activities, and update our policy. Please check this website on an on-going basis for information on our most up-to-date practices.

Contact Information

Questions, concerns or complaints relating to LOFT's privacy policy on the treatment of personal information should be directed to our Privacy Officer: Haim Sechter, Director, Information Systems and Decision Support Services, LOFT Community Services, at hsechter@loftcs.org.

Further information on privacy and your rights in regard to your personal information may be found on the website of the Privacy Commissioner of Canada at www.privcom.gc.ca.

Procedures

See Development Manual

Donor Anonymity

Relevant Legislation

Not applicable to this policy.

Intent

To ensure that LOFT abides by the wishes of donors regarding anonymity.

Definitions

Not applicable to this policy.

Policy

LOFT respects the right of donors to remain anonymous.

Although a donor's legal name and valid mailing address must be collected and recorded in order to issue a charitable tax receipt, donors have the right to request that their name not be published.

All donation forms, online giving forms, direct mail response cards and any other printed or electronic form used by LOFT to collect information regarding a donation, includes a check box enabling the donor to request anonymity. All requests for anonymity are recorded in LOFT's donor database and the names of donors requesting anonymity are never made public or included in any donor listings.

Unless the donor specifically indicates otherwise, a donor's request for anonymity affects only the public acknowledgement of their gift. Private or personal acknowledgement, including thank you letters, event invitations, stewardship meetings, etc., is provided to an anonymous donor in exactly the same manner in which it is provide to all other donors.

Procedures

See Development Manual

Donor Lists

Relevant Legislation

PIPEDA

Intent

To ensure that LOFT abides by the wishes of donors regarding the sharing, renting or selling of donor lists.

Definitions

Not applicable to this policy.

Policy

LOFT does not sell, rent, exchange or share its donor lists.

Procedures

See Development Manual

Donor Communication

Relevant Legislation

Not applicable to this policy.

Intent

To ensure that LOFT abides by the wishes of donors and prospective donors regarding the frequency and manner of communication.

Definitions

Not applicable to this policy.

Policy

LOFT honours all donors' and prospective donors' requests regarding the manner in which they are communicated with, and abides by the expressed wishes of constituents to:

- Limit frequency of contact.
- Not be contacted by telephone or other technology.
- Receive printed material concerning the organization.
- Discontinue contact.

In addition, every effort will be made to ensure that printed material mailed to the address preferred by the recipient and will use the form of name preferred by the recipient.

Procedures

See Development Manual

Independent Advice

Relevant Legislation

Not application to this policy.

Intent

To ensure that the donors best interests are respected at all times.

Definitions

Not applicable to this policy.

Policy

If a donor proposes to make a Major or Planned Gift and/or LOFT has any reason to believe the proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members, LOFT will encourage the donor to seek independent expert advice before finalizing the gift.

If a LOFT staff member is asked for advice by a donor, the staff member may answer to the best of his or her ability while also stating to the donor that LOFT does not provide professional advice, and encouraging the donor to speak to their own personal financial and/or estate planning advisors.

Procedures

See Development Manual

Payment of Fundraisers

Relevant Legislation

Not applicable to this policy.

Intent

To ensure that LOFT fundraising activities are mission-driven.

Definitions

Not applicable to this policy.

Policy

LOFT does not, directly or indirectly, pay to individuals or entities fundraising on its behalf finders' fees, commissions or percentage compensation based on contributions.

Procedures

See Development Manual

The use of Client Stories and Images for Fundraising purposes

Relevant Legislation

Not applicable to this policy.

Intent

To ensure that LOFT treats every client with respect.

Definitions

In referring to a client's image, this policy covers both still photographs and moving images.

Policy

When LOFT uses client stories or images for the purpose of raising LOFT's profile, promoting LOFT programs or for fundraising purposes, such use will in no way exploit the client. LOFT is sensitive in describing those it serves, whether in graphics, images or text, and fairly represents their needs and how such needs will be addressed.

Permission to Use Stories and Images

Client stories and images are important for conveying the story and impact of LOFT's work. LOFT will not use a client's image or story without the client's express permission. Clients have the right to decide what parts or elements of their own story they wish to share and what parts they wish to remain confidential. In

addition, clients have the right to have their story presented using their full name, their first name only, their initials or a pseudonym.

Permission to use a client's image or story is to be obtained in writing on an official LOFT Consent and Release Form.

This policy applies to any LOFT representative asking a client for his/her story or image, including staff, interns, students and volunteers, when that person has the intention of sharing the story or image with others.

Withdrawing Permission

A client may withdraw permission for the use of stories or images at any time. Withdrawal of permission must be done in writing, including by email, either by the client or by the client's worker or other LOFT staff member working with that client.

Upon receiving a written withdrawal of permission, LOFT will act as quickly as possible to remove the client's stories and/or images from its website, Facebook page, and any other electronic media. In addition, LOFT will not use the client's story or image in any future electronic or hard-copy publications.

It is understood that already existing publications like brochures, newsletters or annual reports, containing the client's story or image will remain in use. It is also understood that where an electronic version of the publication exists, the electronic version will not be edited or altered.

Procedures

See Development Manual

Documentation and Recordkeeping

Relevant Legislation

Not applicable to this policy.

Definitions

Not applicable to this policy.

Description

LOFT adheres to all legal and regulatory requirements regarding documentation and recordkeeping as set out by Canada Revenue Agency, Personal Information Protection and Electronic Documents Act and IFRS – International Financial Reporting Standards.

Donor records are kept separate from other administrative records in locked cabinets and donation records are kept in a secure database. Both can be accessed only by Development Department staff members. LOFT retains no donor banking information. Credit card numbers are automatically encrypted once entered into the database and cannot be accessed. The Development Office remains locked at all times a Development staff member is not present.

Policies Regarding Donations

Gift Acceptance Policy

Relevant Legislation

Not applicable to this policy.

Intent

To provide a guideline for the acceptance of charitable gifts.

Definitions

Not applicable to this policy.

Policy

LOFT accepts gifts that are consistent with its mission, purposes and priorities.

The LOFT development staff is authorized to accept all gifts of publicly trading securities and cash, and gifts of property other than real estate.

Gifts of property other than real estate that are not considered marketable or that the donor does not wish LOFT to sell, and that are not of use to LOFT or its service users, will not be accepted.

Gifts of real estate are subject to the discretion of the Board of Directors.

LOFT does not accept gifts that violate the terms of its corporate charter, jeopardize its charitable status, are for purposes outside the mission of LOFT, will be difficult to administer, or that may result in any obligation or liability.

Procedures

See Development Manual

Donation of Gift Certificates

Relevant Legislation

Canada Revenue Agency (CRA) guidelines at:

www.cra-arc.gc.ca/tx/chrts/menu-eng.html.

Intent

LOFT accepts gift certificates for use in acquiring goods or services to be used in its charitable activities, or to be provided to its clients for their personal use. LOFT can also accept gift certificates to be used in fundraising events such as auctions or raffles when such events are official sanctioned by LOFT.

As a Canadian registered charity, LOFT Community Services is authorized to issue official receipts for income tax purposes for the eligible amount of donated gift certificates under specific circumstances.

Please note that, if the donor identifies a specific individual client who is to receive the gift certificate, this is not considered a charitable donation and no tax receipt will be issued.

This policy is intended to cover the issuing of tax receipts only. The use and monitoring of gift certificates is covered under the LOFT Expenses Policy.

Definitions

Gift Certificate: a certificate with a clearly stated monetary value that entitles the recipient to purchase goods and/or services in the issuer's establishment.

Gift Card: a card that has a clearly ascertainable monetary value that entitles the recipient to purchase goods and/or services in the issuer's establishment.

Holder: the person who has acquired the gift certificate. The holder cannot be the issuer.

Issuer: the person (individual, retailer, business) that creates a gift certificate or a gift card redeemable for goods and/or services from that person. An issuer cannot be a holder.

For purposes of this policy, "gift certificate" and "gift card" will be referred to collectively as "gift certificate".

Policy

LOFT issues donation receipts in compliance with CRA rules and guidances. In order to issue an official donation receipt for a gift certificate, Development must be in possession of proof of value of the certificate. When the gift certificate is donated by the issuer, Development must also be in possession of proof of its use. LOFT will issue an official donation receipt for a donated gift certificate in the following situations:

A Cash Donation for the Purchase of Gift Certificates

When a donor makes a cash donation and indicates that it is to be used for the purchase of gift certificates, the tax receipt is issued in response to the cash donation.

A Gift Certificate is Donated by the Holder When a donor has purchased a gift certificate (s), the donor then being the holder, and donates the gift certificates to LOFT, the following procedures must be followed in order to issue a tax receipt.

Proof of Value:

When the cash value of the gift certificate is printed on the certificate, Development must receive a photocopy of the front and back of the gift certificate that clearly showing the cash value and the gift certificate registration number.

If the cash value is not printed on the certificate, Development must be provided with a store receipt that clearly shows the certificate registration number and the

cash value, as well as a photocopy of the front and back of the gift certificate showing the certificate registration number.

When the holder does not have proof of the value of the gift certificate, this proof must be obtained from the issuer by taking the certificate to the issuing store and obtaining a store receipt showing the certificate registration number and value. This is to be done either by the donor themselves or by the staff member who has received the certificate. This store receipt must be provided to Development along with the photocopy of the front and back of the certificate clearly showing its registration number.

When the donor has indicated that a gift certificate is intended for the personal use of clients, the program must provide Development with a copy of the Gift Certificate Acceptance Sheet signed by the client(s) in accordance with LOFT Expenses Policy.

A Gift Certificate is Donated by the Issuer

LOFT does not provide tax receipts to the issuer of a gift certificate.

Procedures

See Development Manual

Treatment of Restricted or Designated Gifts

Relevant Legislation:

Not applicable to this policy

Intent

In accepting a restricted or designated gift, LOFT is making its commitment to use the gift in accordance with the donor's wishes.

Definitions

A "restricted" or "designated" gift is considered to be a gift for which the donor has given specific directions on how it will be used.

Policy

LOFT accepts restricted or designated gifts provided such gifts are consistent with LOFT's charitable mission and purposes and do not place any undue burden of administration or oversight on the organization.

Gifts that are restricted or designated for the general operation of a specific LOFT program will be accepted provided that program has need of charitable support, and if the program does not, Development staff will contact the donor to suggest an alternative use of the gift that is in keeping with the donor's particular interest or motive in giving.

If the restriction or designation placed on a gift requires that LOFT undertake any new or additional program, project or activity, even though these may fall within LOFT's mission and purposes, such a gift can only be accepted with approval of LOFT senior staff.

If the gift is a bequest, staff will have this conversation with the Estate Trustee or other appropriate representative.

Naming of Buildings, Parts of Buildings & Spaces

Relevant Legislation

Not applicable to this policy

Intent

LOFT Community Services sets out conditions under which buildings, parts of buildings or spaces may be named in honour of individuals or organizations.

The underlying principle of any naming is that the person(s) or organization(s) for whom the space will be named and LOFT Community Services should both be honoured by the naming of the building, part of building or space.

Policy

Persons or organizations that may be honoured by the naming of a building, part of building or space include:

a) Persons or organizations that have contributed to the life and mission of LOFT Community Services through voluntarism or other dedicated services.

OR

b) Persons or organizations that, through their contributions of capital or other assets, enable LOFT Community Services to further its mission.

The name may refer to a foundation, individual, family or similar unit or to a respectable commercial or business unit.

In the case of naming in recognition of philanthropy, the guiding principle shall be that the gift received will represent at minimum between 20% and 50% of the cost of the named building, part of building or space. The terms and conditions of such a naming will be set out in a written agreement signed by both LOFT and the donor or donor representative.

The autonomy of LOFT shall be safeguarded at all times. The attribution of a name does not imply or confer any involvement or oversight into the operations of LOFT Community Services.

It is the intention of LOFT Community Services to respect the donor's intent. If, however, circumstances change so that the entire amount of the gift is not received by LOFT, LOFT may at its option remove the donor's name from the named space, or any part therein or thereon where the donor's name appears, and/or reduce the name or form of recognition from that set out in any written agreement and/or offer the donor an alternate naming opportunity and benefits commensurate with the donor's level of giving.

In the event that a named building, part of building or space is renovated, sold or its use changes in any other way that affects the naming and form of recognition contemplated in the gift agreement, LOFT will inform the donor if possible, and will make every effort to find an optional way to continue appropriate recognition of the donor. This may include naming of an alternate building, part of building or space, or the installation of a suitable recognition plaque.

Ultimate authority to accept or decline any proposal on the name of a building rests with the Board of Directors. The naming of parts of buildings and spaces may be done at the discretion of senior management.

Ultimate authority to discontinue the designated name of a building, part of a building or space, or to transfer the name to another building, part of a building or space rests with the Board of Directors.

Notwithstanding any other provision of this policy, no naming will be approved or existing name continued that will call into question the integrity, reputation or public image of LOFT Community Services.

Gifts to the Investment Fund

Relevant Legislation

Not applicable to this policy

Intent

To confirm LOFT's ability to accept charitable donations to the Investment Funds and the terms and conditions thereof.

Definitions

The "Investment Fund" refers to LOFT's capital and discretionary funds.

Policy

LOFT accepts gifts to its Investment Fund, the purpose of which is to ensure the long-term financial health and stability of the organization.

Gifts can be designated by the donor to be added to the Investment Fund. In general, unrestricted or undesignated gifts made by will are also added to the Investment Fund.

LOFT does not generally accept gifts that require the establishment and management of a separate investment fund or a separately endowed fund. This type of gift would only be considered if the size of the gift warranted the creation of such a separate fund, and acceptance of the gift would require board approval.

LOFT does not have a separately constituted endowment fund.

Use of Bequests

Relevant Legislation

Not applicable to this policy

Policy

Unrestricted and undesignated gifts received as bequests are understood to be an expression of the donor's commitment to the future of LOFT and its work, and as such will be added to the Investment Fund.

When receipt of an unrestricted or undesignated bequest coincides with a special or significant immediate need for funding, a recommendation may be made to the

Board that the bequest donation be used as capital, project or operating funding rather than adding it to the Investment Fund.