
Title: Donor Recognition Policy

Resolution #: 036/18

Approval: Board of Directors

Program Area: Corporate Services

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Date of Last Revision:

POLICY STATEMENT

The Otonabee Region Conservation Authority (ORCA) is committed to fundraising practices that respect donor's rights to truthful information and to privacy. The Authority also commits to responsibly managing the funds that donors entrust to the Authority and to report its financial affairs accurately and completely.

The Authority will apply the Imagine Canada *Ethical Fundraising and Financial Accountability Code* as a best management practice.

The Authority will maintain its charitable status with the Canada Revenue Agency and abide by legislative and regulatory requirements.

No person shall solicit donations or receive donations on behalf of the Authority unless authorized to do so by the Chief Administrative Officer/Secretary-Treasurer.

The Authority will provide various forms of recognition (as per the procedures outlined below).

The Authority may choose to name assets in recognition of donations for those (individuals, agencies, groups) who have made significant contributions to the advancement of conservation programs and capital projects. The acceptance of a donation that involves a proposal to name is conditional upon approval of the Board of Directors.

Forms of Donor Recognition:

Donation Class Size						Donor Recognition	Timeframe
Conservation Donor \$20 - \$250.	Conservation Friend \$250 - \$999	Conservation Supporter \$1,000 - \$4,999	Conservation Steward \$5,000 - \$9,999	Conservation Guardian \$10,000 - \$49,999	Conservation Champion \$50,000 plus		
X	X	X	X	X	X	Official tax receipt (minimum donation of \$20.00)	Immediate / within 15 business days
X	X	X	X	X	X	Receipt of ORCA eNewsletter (via email addresses only)	Regular
X	X	X	X	X	X	Recognition in ORCA annual "Report to the Watershed Community"; donors to be listed donation class size	Following spring
X	X	X	X	X	X	Appreciation letter or thank you card from ORCA Chair and/or CAO	Within 15 business days of donation
		X	X	X	X	Certificate of Appreciation (framed/mounted certificate for donations >\$1,000)	Once per year in which donation is made
			X	X	X	Donor feature story (to appear on website, e-news and annual report, subject to approval of donor)	One time
			X	X	X	Invitation to experience program/service/capital project	Once per year
				X	X	Customized recognition that best meets donor's needs (i.e. cheque presentation event, media release	Approved by the CAO

Naming as an element of Donor Recognition:

It may be appropriate to identify naming opportunities for a specific project. In this case, the Authority Board of Directors will approve the fundraising project and overall naming scheme.

The Board may consider a naming period, not to exceed 10 years; the period may be renewed for an additional 10 years for a supplementary donation of 20% of the original gift. Should the naming privilege reach the end of the term, the program or project will be re-named at the pleasure of the ORCA Board of Directors. The party for which the asset has been named will be advised of the impending change.

Naming will not be approved where, in the judgment of the Board of Directors, identification with the recognized individual or organization would constitute a significant and continuing challenge to the reputation of the conservation authority or will call into question the public respect of ORCA.

No names will be approved that will imply ORCA's endorsement of a partisan political or ideological position or of a commercial product. This does not necessarily preclude the name of an individual who has at one time held public office or the name of an individual or a company that manufactures or distributes commercial products.

The Board of Directors reserves the right to decide on the physical displays that may accompany named recognition.

PROCEDURES

Donations to the Otonabee Conservation Fund, administered by the Community Foundation of Greater Peterborough, will be acknowledged and receipted by the CFGP; the Authority will recognize the donor.

Donations to the Authority received through Canada Helps will be receipted by Canada Helps and the Authority will recognize the donor.

The Authority will receipt and recognize all other donations that it receives directly.

APPENDIX

A: *Imagine Canada Ethical Fundraising and Financial Accountability Code*

THE ETHICAL FUNDRAISING AND FINANCIAL ACCOUNTABILITY CODE

Introduction

This *Ethical Fundraising & Financial Accountability Code* has been developed by Imagine Canada (formerly the Canadian Centre for Philanthropy), in consultation with charity leaders throughout Canada. Its primary purpose is to assure donors of the integrity and accountability of charities that solicit and receive their financial support.

Charities that adopt this *Ethical Fundraising & Financial Accountability Code* commit to fundraising practices that respect donors' rights to truthful information and to privacy. They also commit to manage responsibly the funds that donors entrust to them, and to report their financial affairs accurately and completely.

Donors or prospective donors who have questions or concerns about fundraising activities should contact the charity on whose behalf the funds are being solicited.

Charities that adopt the *Ethical Fundraising & Financial Accountability Code* are committed to deal with such queries promptly and fairly. The Charities Division of the Canada Revenue Agency (CRA) also provides information and receives complaints about registered charities at 1-800-267-2384 (English) or 1-888-892-5667 (bilingual).

This *Ethical Fundraising & Financial Accountability Code* complements the professional codes of ethics and standards of practice to which many fundraisers individually adhere (such as those of the Association of Fundraising Professionals, the Association for Healthcare Philanthropy, the Canadian Association of Gift Planners, and other national, provincial or sectoral organizations).

N.B.: There are some forms of revenue-raising for which official receipts are not issued for income tax purposes (for example, charitable gaming transactions, proceeds from product sales, affinity card or product fees, and fair market value charges for charitable benefits, tournaments, banquets, events or activities). These activities may be governed by specific legal requirements and/or involve additional ethical considerations that are not addressed in this *Ethical Fundraising & Financial Accountability Code*.

In order to be recognized by Imagine Canada as having adopted this *Ethical Fundraising & Financial Accountability Code*, a charity's governing board must pass the following motion as a formal resolution:

"[Name of charity] hereby adopts Imagine Canada's *Ethical Fundraising and Financial Accountability Code* as its policy. In so doing, members of the governing board commit to being responsible custodians of donated funds, to exercise due care concerning the governance of fundraising and financial reporting, and to ensure to the best of their ability that the organization adheres to the provisions of the *Code*. It is hereby confirmed that each member of the governing board has received a copy of the *Ethical Fundraising & Financial Accountability Code* and that a copy will also be provided to each person who is subsequently elected to the governing board."

Charities that adopt the Code may be added to the list on Imagine Canada's website by completing the registration form at <http://www.imaginecanada.ca/adherentregform.asp> or by contacting:

Imagine Canada
425 University Avenue, Suite 900
Toronto, Ontario M5G 1T6
Fax: (416) 597-2294
E-mail: code@imaginecanada.ca

A. Donor's Rights

1. All donors (individuals, corporations, and foundations) are entitled to receive an official receipt for income tax purposes for the amount of the donation. Donors of non-monetary eligible gifts (or gifts-in-kind) are entitled to receive an official receipt that reflects the fair market value of the gift. (Note: The term 'Eligible gifts' is comprehensively defined by CRA. A full definition can be found in CRA's Interpretation Bulletin dealing with gifts and official donation receipts.¹ Some common gifts, such as donations of volunteer time, services, etc. are not eligible to receive official tax receipts.) The charity's governing board may establish a minimum amount for the automatic issuance of receipts, in which case smaller donations will be receipted only upon request.
2. All fundraising solicitations by or on behalf of the charity will disclose the charity's name and the purpose for which funds are requested. Printed solicitations (however transmitted) will also include its address or other contact information.
3. Donors and prospective donors are entitled to the following, promptly upon request:
 - the charity's most recent annual report and financial statements as approved by the governing board;
 - the charity's registration number (BN) as assigned by CRA;
 - any information contained in the public portion of the charity's most recent Charity Information Return (form T3010) as submitted to CRA;
 - a list of the names of the members of the charity's governing board; and

- a copy of this *Ethical Fundraising & Financial Accountability Code*.
4. Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the charity is a volunteer, an employee, or a hired solicitor.
 5. Donors will be encouraged to seek independent advice if the charity has any reason to believe that a proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members.
 6. Donors' requests to remain anonymous will be respected.
 7. The privacy of donors will be respected. Any donor records that are maintained by the charity will be kept confidential to the greatest extent possible. Donors have the right to see their own donor record, and to challenge its accuracy.
 8. If the charity exchanges, rents, or otherwise shares its fundraising list with other organizations, a donor's request to be excluded from the list will be honoured.
 9. Donors and prospective donors will be treated with respect. Every effort will be made to honour their requests to:
 - limit the frequency of solicitations;
 - not be solicited by telephone or other technology;
 - receive printed material concerning the charity.
 10. The charity will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this *Ethical Fundraising & Financial Accountability Code*. A designated staff member or volunteer will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be informed that he/she may appeal in writing to the charity's governing board or its designate, and will be advised in writing of the disposition of the appeal. A complainant who is still dissatisfied will be informed that he/she may notify Imagine Canada in writing.

B. Fundraising Practices

1. Fundraising solicitations on behalf of the charity will:
 - be truthful;
 - accurately describe the charity's activities and the intended use of donated funds; and
 - respect the dignity and privacy of those who benefit from the charity's activities.

2. Volunteers, employees and hired solicitors who solicit or receive funds on behalf of the charity shall:
 - adhere to the provisions of this *Ethical Fundraising & Financial Accountability Code*;
 - act with fairness, integrity, and in accordance with all applicable laws;
 - adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.
 - cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure;
 - disclose immediately to the charity any actual or apparent conflict of interest; and
 - not accept donations for purposes that are inconsistent with the charity's objects or mission.
3. Paid fundraisers, whether staff or consultants, will be compensated by a salary, retainer or fee, and will not be paid finders' fees, commissions or other payments based on either the number of gifts received or the value of funds raised. Compensation policies for fundraisers, including performance-based compensation practices (such as salary increases or bonuses) will be consistent with the charity's policies and practices that apply to non-fundraising personnel.
4. The charity will not sell its donor list. If applicable, any rental, exchange or other sharing of the charity's donor list will exclude the names of donors who have so requested (as provided in section A8, above). If a list of the charity's donors is exchanged, rented or otherwise shared with another organization, such sharing will be for a specified period of time and a specified purpose.
5. The charity's governing board will be informed at least annually of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this *Ethical Fundraising & Financial Accountability Code*.

C. Financial Accountability

1. The charity's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.
2. All donations will be used to support the charity's objects, as registered with CRA.
3. All restricted or designated donations will be used for the purposes for which they are given. If necessary due to program or organizational changes, alternative uses will be discussed where possible with the donor or the donor's legal designate. If the

donor is deceased or legally incompetent and the charity is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent.

4. Annual financial reports will:
 - be factual and accurate in all material respects;
 - disclose the total amount of fundraising revenues (receipted and non-receipted)²;
 - disclose the total amount of fundraising expenses (including salaries and overhead costs)³;
 - disclose the total amount of donations that are receipted for income tax purposes (excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts from other charities)⁴;
 - disclose the total amount of expenditures on charitable activities (including gifts to other charities)⁵;
 - identify government grants and contributions separately from other donations; and
 - be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects.
5. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. In any event, the charity will meet or exceed CRA's requirement for expenditures on charitable activities. (The *Income Tax Act* sets out a requirement that all registered charities spend 80% of their receipted donations from the previous taxation year -- excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts from other charities -- on charitable activities; in addition, charitable foundations are required to expend 4.5% of their assets in support of charitable programs⁶)
6. The cost-effectiveness of the charity's fundraising program will be reviewed regularly by the governing board.

Footnotes:

¹ Currently, 'Eligible Gifts' are defined in IT110R3 Gifts and Official Donation Receipts.

² Total of amounts from lines 100, 102 and 113 of T3010 (CRA's Registered Charity Information Return, 2001)

³ Amount from line 123 of T3010 (2001)

⁴ Amount from line 906 of T3010 (2001)

⁵ Total of amounts from lines 120 and 121 of T3010 (2001)

⁶ See Section 149.1 of the Income Tax Act