

CODE: IH.AR**EFFECTIVE DATE:** (11-04-2008)**TOPIC:** Public Gifts**ISSUE DATE:** (29-06-2015)**REVIEW YEAR:** (2013)

REGULATION**A. GENERAL**

1. Edmonton School District No. 7 has the status of a "Registered Canadian Charitable Organization" within the meaning of the *Income Tax Act*. Donors may be able to claim income tax deductions for the value of donations to Edmonton Public Schools, provided that such donations are considered to be "for the advancement of education" as defined under the *Income Tax Act* and its regulations.
2. A charitable donation is a voluntary transfer of property, usually cash, made without expectation of return.
3. The following types of payments cannot be considered as donations eligible for income tax deduction:
 - a. any payments for which any right, privilege, benefit or advantage may accrue to the donor or to any person specified by the donor.
 - b. payments to be used to purchase the services of staff, tutors, or similar persons.
 - c. instructional materials fees, rental of books, equipment or musical instruments, lunchroom fees, ECS fees or fees for field trips.
 - d. amounts which cannot be identified as having been made by a particular donor.
 - e. donations of services.
 - f. amounts paid for admission to performances, social functions, graduations or similar activities.
 - g. amounts received where in return the donor will receive significant advertising exposure such as the right to issue promotional materials.

B. PROCEDURES

1. Before a commitment is made to a potential donor regarding either the proposed use of a donation or the tax deductible status, the following procedures shall apply:
 - a. The proposed use of the donation shall be submitted to the principal for approval along with the following information: donor name, address and postal code, and, for business donations, the name of the contact person. When approving the acceptance of a donation, the principal shall consider the following:
 - i. any donation may be refused if, in the opinion of the Principal, it would not be in the best interest of Edmonton Public Schools to accept it.
 - ii. all donations shall be used within the Edmonton Public Schools.
 - b. The Principal shall forward a copy of the above documentation including concurrence with the proposed use of the donation to the Treasurer.
 - c. The Treasurer shall determine the tax deductible status and advise the Principal in writing.

- d. The Principal shall provide the potential donor with written approval of the agreed amount and conditions of the donation, and the tax deductible status.
2. All approved donations received shall be forwarded to the Treasurer. Financial Services shall:
 - a. receipt and record the donation.
 - b. issue a charitable donation receipt in the form prescribed by Canada Revenue Agency, and a letter of appreciation for all donations in excess of \$25.00.
 - c. send a cheque in the amount of the donation to the school if funds are to be used for school generated funds expenditures.
3. The Principal or Administrator may acknowledge a particular donation in some appropriate manner. However acknowledgement shall not constitute an official receipt for tax purposes. The only authorized signatures for a charitable donation receipt are those of the official signing officers of the Board.

REFERENCES

AA.BP - Stakeholder Relations

CO.BP – Fiscal Oversight and Accountability

IAA.AR - Educational Partnerships and Sponsorships

Income Tax Act Sections 110.1 and 118.1