

Bill Reid Foundation
Area: Process Policies
Specific: Gift Acceptance Policy

Date Adopted: November 26, 2015 and reviewed November 2017

Purpose:

To fulfill its mission, the Bill Reid Foundation depends on donations from the private sector, both financial and gifts-in-kind (such as pro bono advertising space) as well as gifts of cultural property. Canada's federal and provincial governments encourage such private giving and provide substantial tax relief to donors.

Scope:

This Gift Acceptance Policy sets out requirements to ensure that the process of acceptance, processing, tax receipting (where appropriate), acknowledgement, and recognition of donations to the Bill Reid Foundation is informed, orderly, and consistent. This policy does not include acquisitions to the Foundation collection (see Collections Development Policy).

Policy:

The Canadian Center for Philanthropy (CPP) in consultation with charity leaders throughout Canada developed a comprehensive code of accountability and ethical standards for charities. Its primary purpose is to assure donors of the integrity and accountability of charities that solicit and receive their financial support. The Bill Reid Foundation will adhere to the CPP's code of conduct in order to exercise due care concerning the governance of fundraising and financial reporting.

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Glossary of Key Terms

Cash: includes, but is not limited to, money, cheques, credit card payments, debit card payments, marketable securities.

Gift: A voluntary transfer to the Bill Reid Foundation in cash or in-kind from individuals, corporations, or foundations made without expectation of return. No tangible benefit to the donor (or anyone designated by the donor) other than those contemplated in this policy may result from the gift.

Major Gift: a gift with a value equal to or greater than \$25,000.

Official Charitable Receipt: a statement issued by the Bill Reid Foundation to donors that includes the registered charity number issued to the Bill Reid Foundation by the Canada Revenue Agency (CRA), the value of the gift, date of the gift, name of the donor and any other information required for that gift type as set out by the CRA. Receipts are normally accepted by the CRA to support the calculation of the allowable "non-refundable tax credits".

Gift-in-Kind: includes donated physical assets (e.g. art, notes, art, books, real estate, or personal property) and intangible assets (e.g. mortgages, limited partnership interests, non-marketable securities, royalty or copyright interests. Gifts of cultural property are guided by Collections Development Policy).

Retained gifts: dollar amount of gifts to be added to the Endowment and subject to the Foundation's Investment Policy for the preservation of capital.

Designated gifts: gifts where the donor has specified where the support is to be directed, e.g. to a particular program or area.

Undesignated gifts: gifts made to the Bill Reid Foundation where the donor has not specified the area to where the support is to be directed. Such gifts can be made to the Annual Operating Fund or to its Endowment Fund.

Gift Pledges: gifts that are paid by the donor over a period of time (normally to a maximum of 5 years.)

POLICY STATEMENTS

1. Gift Eligibility

1.1 Gifts of cash and cash equivalents

The Bill Reid Foundation accepts the monetary gifts via the following methods:

- Outright gifts of cash and cash equivalents (Visa, MasterCard, cheques including present date and post-dated)
- Interac e-transfer (when available)
- *Via billreidgallery.ca*
- CanadaHelps.org
- Publicly traded securities (including stocks, mutual funds and bonds)
- Will and bequest

In the case of publicly traded securities, the Foundation's policy is to sell immediately upon receipt and convert to cash. A charitable tax receipt will be issued for the fair market value of the proceeds at the date of transfer.

Bequests made to the Bill Reid Foundation may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under the Foundation's gift acceptance policies. Official receipts will be issued to the estate of the deceased.

1.2 Ineligible Gifts

Gifts shall support the Bill Reid Foundation's mission, vision and long-term direction.

The Foundation shall not accept gifts or contributions which:

- Encroach upon the organization's integrity;
- Restrict its liberty of action;
- Cause damage to its reputation;
- Place additional costs or burdens on the organization, or
- Expose it to uncertain risk or possible liability.

The Foundation reserves the right to decline any gift, contribution or sponsorship.

1.3 Other Gifts

All other gift types will be considered on a case-by-case basis and must be reviewed by the Director and CEO and Board Chair, with full disclosure to the Board of Directors, and may or may not involve consultation with legal counsel, before they may be accepted.

Gifts of Cultural Property are governed by the Collections Development Policy and the Management Services Agreement between the Bill Reid Foundation and SFU.

1.4 Donations-In-Kind Policy

The Foundation accepts the products and services as Donations-in-Kind, provided there is an organizational need for the product or service.

2. Donor's Gift Limitations

In the event that a donor wishes to place conditions on a potential gift that the Director and CEO judges not to be in the Foundation's best interest, the Director and CEO may recommend to the Chair of the Development Committee, Content Committee or the Chair of the Board, that the terms of the gift be revised, or declined.

3. Commitment to Donors

In all matters involving a donor, the interest of the donor will be given serious consideration. In so doing, professional staff, volunteers and members of the Board will adhere to the following principles:

3.1 Conflict of Interest

Persons acting on behalf of the Bill Reid Foundation must declare any conflict of interest, which is deemed to occur if they could exploit that relationship for personal benefit from the donor, and allow an impartial individual to act for the Foundation. If staff, the declaration is made to Director and CEO; if a Board member or the Director and CEO, the declaration is made to the Chair of the Governance Committee and the Chair of the Board. (See Conflict of Interest and Financial Threshold Policy)

3.2 Legal and Other Professional Counsel

Staff and members of the Board shall in all cases encourage the donor to discuss proposed major gifts with an independent financial planner, legal advisor and/or tax advisor of the donor's choice and at the donor's expense. The Foundation may have its advisors review any documents prepared by the donor before they are accepted.

3.3 Direction of Gifts

Except when the gift is part of the donor's membership fee, donors may direct that their gift be:

- a) Retained, or
- b) Designated, or
- c) Retained and designated.

Any gifts without such a direction shall be deemed to be made to the Foundation's annual operating fund to be used at the Foundation's discretion.

3.4 Documentation

Gift agreements are recommended for all gifts equal to or in excess of \$25,000, and for gifts of Cultural Property. At the request of the donor, a gift agreement may be prepared for any gift.

3.5 Privacy

The Foundation or its representatives will protect the personal information of all individual donors and adhere to all applicable legislative requirements with respect to protecting privacy.

The Foundation does not trade names for the purpose of solicitation. No permission to share the personal information of our donors can be granted without the expressed written consent of our donors.

3.6 Bill Reid Foundation Information

The following will be made available to all donors at their request:

- a) Information on the Foundation's mission, on the manner in which the Foundation intends to use gifts, and of its capacity to use donations effectively for their intended purposes;
- b) Information on the identity of those serving on the Foundation's Board;
- c) Access to the Foundation's most recent financial statements; and
- d) Information on whether those soliciting donations are volunteers, employees of the Bill Reid Gallery or Foundation, or hired solicitors.

3.7 Bill Reid Foundation's Intentions towards Donors

- a) To use gifts as the donor intended.
- b) To adhere to the directions and intentions provided by donors, as set out in a "Deed of Gift" or similar written instructions e.g. Gift Agreement.
- c) To give donors appropriate acknowledgement and recognition.
- d) To treat all donors professionally.
- e) To give donors the opportunity to delete their name from any Foundation or Gallery mailing lists or from public acknowledgement of donors.
- f) To answer all donor questions promptly and truthfully.

4. Gift Acceptance

The Director and CEO is authorized to negotiate gifts and create and execute gift agreements with prospective donors as per section 7.1 and 7.2 of this policy. All gift agreements will be authorized by the Director and CEO or his/her designate, subject to Board approval if the agreement involves naming a physical facility, program or staff position, or if the conditions attached to the gift have an ongoing impact on the Foundation or Gallery operations.

4.1 Bill Reid Foundation Discretion

The Director and CEO may elect to accept or decline any gift at his/her discretion. Major Gifts that are declined gifts will be discussed with the Chair and reported to the appropriate Board committees and the Board if deemed necessary.

4.2 In-Kind

In all cases where a gift-in-kind is under consideration, Foundation staff will:

- a) Determine if the gift fits the Foundation's collections mandate or if it has a need for the gift.
- b) Determine the value of the gift by a suitable appraisal process (Donors will be asked to cover the cost of the appraisal process).

5. Gift Receipting

5.1 All eligible and accepted gifts of \$20.00 or more will be acknowledged with an official charitable receipt. These documents are deemed to be the official acceptance of the gift and its related terms and conditions, as well as official certification of the donation for income tax purposes.

5.2 The Foundation does not issue tax receipts for corporate sponsorships. A business acknowledgement letter may be issued instead.

5.3 As the Foundation is a Canadian charity (CRA #867858755RR0001), the Foundation issues only Canadian tax receipts.

5.4 As necessary, legal counsel will be consulted for unusual gifts or for clarification regarding receipting and the provisions of the Income Tax Act.

6. Donor Recognition

In the absence of communication from the donor for anonymity, the Foundation will follow the donor recognition levels set out in the Donations Stewardship and Recognition Procedures document maintained by staff.

7. Naming Eligibility

Foundation staff will maintain an inventory of naming opportunities developed in consultation with the Development Committee and approved by the Board that may be discussed with donors. Such naming opportunities include facilities, programs, and positions.

7.1 Board Authority

The Board retains the ultimate authority to accept or decline any naming proposal recommended by the Development Committee where: the gift is \$25,000 or greater; the duration of the naming exceeds 5 years; or the proposal includes naming a physical or staff asset of the Foundation.

7.2 Director and CEO Authority

The Director and CEO has authority to enter into agreements to name: one-off events or programs; gifts up to \$24,999; or proposals with a time frame of 5 years.

7.3 Naming rights for a facility

Whether approved by the Director and CEO or the Board, "naming rights" will be subject to the terms of an agreement between the donor and the Foundation addressing among other things any subsequent change in the use of the facility.

7.4 Discontinuance

In the extraordinary circumstance that the Foundation Board determines, in its sole discretion, that the continued use of a name of a facility, program or position may directly or indirectly have a negative impact on the Foundation and Gallery's reputation, the naming of the facility may be changed or no longer used, after due notice to the donor as per gift agreement between the donor and the Foundation.

8. Gift Forms

8.1 Capital Bequests: Unrestricted Use

"I give, devise and bequeath to the Bill Reid Foundation at Vancouver, Canada, the sum of \$ _____, (or % share of my estate, or the residue of my estate) for the use and purposes of the Foundation as its Board of Directors may determine". (Charitable Registration Number: 86785 8755 RR0001)

8.2 Capital Bequest: Restricted Use

"I give, devise and bequeath to the Bill Reid Foundation at Vancouver, Canada, the sum of \$ _____, (or % share of my estate, or the residue of my estate) to be used for _____." (Charitable Registration Number: 86785 8755 RR0001)

8.3 Gift of Securities (form attached)