

The logo for South East District, featuring the words "SOUTH EAST" in a bold, sans-serif font above the word "DISTRICT" in a smaller font. To the right of the text is a stylized green leaf icon.

SOUTH EAST
DISTRICT

POLICY MANUAL CHECKLIST

South East Sport, Culture & Recreation District

A large, stylized green leaf graphic that overlaps the bottom left corner of the page. It has several curved, overlapping leaf shapes.

**FINANCIAL
MANAGEMENT**

The logo for Sask Lotteries, featuring a stylized white 'S' and 'L' icon to the left of the words "SASK LOTTERIES" in a bold, sans-serif font.

SASK LOTTERIES

Policy Manual and Checklist

Financial Management

This template policy manual includes samples of equipment and facility focused policies. Use the checklist on Page 4 to start building a policy manual for your organization.

Important notes

- You can't (or shouldn't) rely on these sample policies and procedures alone. They are a starting point, but you will have to adapt them.
- Most samples include both policies and procedures (the policies provide guidance on standards, while procedures give instructions on implementing standards). We recommend adopting policies at a board level, while procedures are developed/signed off by the Organization's CEO.
- We use the term 'board' to cover boards, committees of management, or any body that has final authority in your Organization. And, the term 'CEO' extends to executive directors, or your chief administrator.

Disclaimer: When developing policies and procedures for your own organization, it can be very beneficial to first review examples of these types of policies. Of course, your final version needs to reflect your board's actual practices, but it can be helpful to start with a pre-existing document for inspiration rather than beginning from a blank paper. Before implementing a new policy, have it reviewed by your organization's legal counsel for compliance with applicable federal and provincial laws. The samples provided here are for informational purposes only and do not constitute legal advice.

Type of Organization

	Board Governance	Staff, Administration & Operations
NEW	<ul style="list-style-type: none"> • Newly formed • Register as a non-profit with the ISC or created through municipal bylaw • Board being formed or relatively new 	
TYPE 1 OPERATIONAL BOARD STRUCTURE	<ul style="list-style-type: none"> • The governance structure is operational. The board is responsible for all activities. • Vision and mission are clarified. • Observe fiduciary/ethical considerations as regulated by law 	<ul style="list-style-type: none"> • No staff or limited part-time administrative assistance • Operating from a home or loaned office space arrangement • Assets are usually not significant.
TYPE 2 MOVING TOWARD A POLICY/GOVERNANCE BOARD STRUCTURE	<ul style="list-style-type: none"> • Board is still involved with operations but focusing on policy making and community leadership roles. • Committee are in place with the board. • Vision and mission are revised as needed. • Observe fiduciary/ethical considerations as regulated by law 	<ul style="list-style-type: none"> • Staff in place, usually a full or part-time executive director, and some administrative, program and financial assistance • Office space is established in a rented or loaned space. • Assets are or are becoming significant.
TYPE 3 POLICY/GOVERNANCE BOARD STRUCTURE	<ul style="list-style-type: none"> • Board operates at as a governance board and is not longer involved in the day-to-day operations. • Vision and mission revised as needed. • Ensures administrative accountability including selection and hiring of CEO/Executive Director • Observe fiduciary/ethical considerations as regulated by law 	<ul style="list-style-type: none"> • Have a full time CEO/Executive Director and specialized staff. • Office is well located, either leased or owned. • Administrative expenses are covered mainly by fees and operating income.

Source: Adapted from the *Community Foundations of Canada-Policy Guidelines and Template Manual*

Use the checklist below to start building a policy manual for your organization. Review the type of organization you are above and check out the recommended policy areas below. Policies marked with x are ones you should likely make a priority. This is an extensive list but not exhaustive, spaces have been left for you to add additional policies to the list.

Financial Management

Policy	New and Type 1	Type 2 and 3	Policy You Need (X)
OVERALL FINANCIAL POLICY	x	x	
BANKING POLICY	x	x	
OPERATING RESERVE POLICY			
REIMBURSEMENT OF EXPENSES	x	x	
SIGNING AUTHORITY	x	x	
FINANCIAL CONTROLES ON CHEQUES	x	x	
BUDGET POLICY	x	x	
ANNUAL AUDIT/REVIEW	x	x	
ANNUAL OPERATING BUDGET		x	
BUDGET MONITORING POLICY		x	
CASH MANAGEMENT POLICY		x	
ENDOWMENT FUND POLICY		x	
INCURRING DEBT POLICY		x	
INVESTMENT POLICY (LONG/SHORT TERM)		x	
PAYROLL POLICY		x	
• FUND DEVELOPMENT		x	
• DONOR RECOGNITION		x	
• BOARD GIVING		x	
• ETHICAL FUNDRAISING PRACTICES		x	
• SPONSORSHIP		x	
• DONOR AND GIFT MANAGEMENT/GIFT ACCEPTANCE		x	
GRANT MANAGEMENT		x	
DONATION AND TAX RECEIPT			
INCLUSION POLICY	x	x	
RECORD RETENTION AND DESTRUCTION POLICY	x	x	
SIGNAGE POLICY		x	
ADVOCACY AND OR PUBLIC POLICY		x	

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Budgeting

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

To ensure that _____ continues to exist and stay financially sound, the board and senior staff member shall develop the budget based on the mission, board's priorities, and the Community's long-term plan.

No budget will place the **organization** in financial jeopardy and will show acceptable levels of foresight.

1. Budgets will use acceptable accounting standards with:
 - a. Enough detail to give accurate projections of revenues and expenses.
 - b. Separation of capital and operational items.
 - c. Appropriate detail for the annual fiscal audit.
 - d. Disclosure of planning assumptions.

2. Annual budgets will not plan to expend more funds than are conservatively projected to be received.

Budgets must be submitted for approval two months before the fiscal year end.

Budget Policy (Sample #2)

Policy Name: Budgeting

Number:

Policy Type: Executive Limitations

Date Approved:
Latest Revision:

With respect to Organization name operations plan, budgeting for any fiscal year or the remaining part of any fiscal year shall not deviate materially from Board's Ends priorities in allocation of resources, risk fiscal jeopardy or fail to be derived from a multi-year plan.

Further, without limiting the scope of the above statement by the following list, the General Manager shall not cause or allow budgeting which:

1. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period including an existing surplus, subject to point 3 below.
 2. Contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
 3. Allows the working capital to drop below a safety reserve of less than?
 4. Neglects to provide sufficient funds as determined annually by the Board for the Board's direct use during the year, such as costs of fiscal audit, professional fees, Board development, as well as Board and committee meetings.
 5. Endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ends in future years.
 6. Allows the organization's accumulated surplus to drop below 25% of the operational budget.
- a straight-line method.

Budgeting Policy (Sample #3)

Reference: SaskCulture Financial Policies (<https://www.saskculture.ca/programs/organizational-support/organizational-resources?resource=1&subresource=61>)

Objectives

1. To regularize the preparation of annual operating budgets.
2. To ensure optimum participation by relevant parties in the budgeting process.
3. To ensure linkage of spending priorities to organizational goals and the Boards Ends Policy.
4. To facilitate year-end evaluation.

Timeline for Budget

Date	Process	Staff
October	Planning Process begins	Managers & staff as assigned
November	Notify Manager and other staff at meeting to develop line items	Administration Manager
November	First Draft done by Staff and submitted to Administration Manager	Managers & staff as assigned
December	Spending Plan Meeting Results	Board & General Manager
December	Review of overall budget	General Manager and Administration Manager
December	General Manager review with staff to identify gaps	Managers & staff as assigned
December	Final Edits	Administration Manager
January	Draft to Board Meeting	General Manager
January	Identify significant changes & communicate to Managers	General Manager
March	Submission to Saskatchewan Lotteries Trust Fund	Administration Manager

Format

The annual operating budget shall be prepared in detail with supporting schedules. According to the accounting structure established to accommodate ongoing financial activity. Managers will develop detailed support articulating assumptions and rationale for the budgeted accounts for which they are accountable. This detail must accompany budget estimates.

Financial Reporting

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

- An accounting system shall be in place to record all receipts and disbursements in accordance with standard accounting practices.
- Accounts shall be maintained with a recognized bank or trust company.
- The are responsible for recording revenues with receipts and depositing the money.
- The is responsible for ensuring the revenues received are deposited weekly and that no deposit cash will be on the facility premises over any weekend.

Accounting Policies

Source: SaskCulture Sample Policies, <https://www.saskculture.ca/programs/organizational-support/organizational-resources?resource=1&subresource=61>; Retrieved April 8, 2021

Objectives

- i. To conduct the financial affairs of Organization in accordance with the standards of the accounting profession and the requirements of the Non-Profit Corporations Act, and any other funders that Organization may access funding through.
- ii. To outline special Organization accounting policies.

Fiscal Year

The fiscal year of SaskCulture shall be from April 1st to March 31st of the following year

Standards

Organization shall structure its financial management operation to adhere to generally accepted accounting principles for non-profit organizations and to Canadian Comprehensive Auditing Concepts.

Fixed Assets/Depreciation (EL-7)

- iii. Fixed assets over \$1,000 are recorded at cost and depreciated through the straight-line method to a schedule reviewed annually by the External Auditor.
- iv. A schedule of fixed assets of Organization shall be included in the audited financial statements.
- v. Acquisition and disposition of fixed assets shall be governed by the overall governance policies and procedures that will be reviewed annually by the Board of Directors

Inventories

Inventories items are expensed in the year of acquisition.

Designated Surplus

To be developed in consultation with Auditor.

Record Keeping Policies

Objectives

To support all financial policy objectives by ensuring the ongoing use of an effective system to account for financial transactions.

Accounting Structure

(organization name) shall maintain an accounting structure consistent with the reporting requirements of Non-Profit Corporation Act, the Canadian Auditing Guidelines and appropriate agency requirements.

Ledgers

(organization name) shall maintain appropriate instruments to ensure satisfactory accounting of financial transactions, including:

1. consecutively numbered receipts
2. bank deposits cross-referenced to receipts
3. invoice ledger cross-referenced to cheques issued and consecutively numbered
4. cash receipts journal
5. cash disbursement journal
6. general journal
7. bank reconciliation ledger
8. accounts receivable ledger
9. accounts payable ledger

Accountability Policies

Objectives

1. to ensure that accountability standards meet the expressed requirements of Saskatchewan Lotteries Trust Fund, Non-Profit Corporation Act, and other funders.
2. to ensure appropriate internal controls in financial management.
3. to ensure decision-makers at the Board level are well informed in regard to financial operations.

Purchase Process

Payment voucher Process:

The following summarizes the process for payment vouchers:

Payment vouchers are a commitment to payment and provide the Business Administrator with the support documentation and authorization to pay for services / products received.

Staff members who have been assigned responsibility for specific aspects of the budget are issued a payment voucher book which is for their use only.

1. The staff member making the arrangements for the goods / services create the payment voucher ensuring the costs are correct, the payee address is correct & complete, and the appropriate account number is identified. Payment vouchers with missing information will not be processed rather will be returned to the staff member requesting payment.

GST & PST must be broken out and identified on the payment voucher.

Multiple accounts may be charged on the same payment voucher when they are included on one invoice.

2. The white copy of the payment voucher is clipped to the back of the support documentation and provided to the Business Administrator.

3. Credit Card Purchases

(organization name) provides credit card payment for purchases on secure reputable sites only over the internet. These include airline, hotel, and computer services. An invoice is required.

- a. When statements are received, each credit card holder is responsible to reconcile his/her statement. Purchases are recorded on a reconciliation form and submitted, together with supporting receipts, to the Business Administrator as soon as possible after receiving the statement. Credit card invoices must be paid on the 10th of each month to avoid interest charges. The invoice can only be paid after all individual purchases have been accounted for and charged to appropriate accounts.
- b. If staff use the corporate credit card while traveling, they are to indicate on their expense claim (right hand top corner) that they have used the card during this travel. This expense claim will be held until the VISA statement arrives. This ensures that relevant charges are deducted from the expense claim if necessary. In these instances, the Business Administrator is required to cross reference the expense claim and the VISA statement and this process allows this to take place.
- c. Corporate credit cards are not for personal purchases. If personal charges occur there will be a \$20 admin fee, per personal use, to cover invoicing and receipting cost.
- d. Credit cards should be used only for purchases greater than \$10, where possible.

- e. Credit card slips lost and not submitted are the responsibility of the staff member.
- f. Signatures are required in the cardholder's name. As a risk management process, a second signature by a manager is required on the reconciliation form.

4. Credits

In the event that goods are returned, and a credit is issued, the credit information is provided to the Business Administrator including the payment voucher date of the initial order.

5. Process if expenses reimbursed by another organization

When participating on committees for external organizations, the participant is often reimbursed for related expenses. In this event, it would be appropriate for the staff involved to personally cover the expenses and submit the expense claim to the external organization as an individual rather than on behalf of (organization name) Inc.

Financial Monitoring

Chart of Accounts

The Manager responsible for each account on the chart of accounts has been identified. The Manager identified will develop the budget and monitor the activity in these accounts. This work may be assigned to other staff, but the manager is accountable for the development & monitoring.

To ensure accountability and control, the accounts listed are the only accounts the manager or staff they supervise should be charging against. In the event other accounts need to be used, it should be done in consultation with the appropriate manager and that manager should be authorizing the purchase. Additional accounts will only be considered at the commencement of a fiscal year. For consistency, stale accounts will remain in the chart of accounts for 3 years following the date they are discontinued.

Monthly Financial Statements & General Ledger Transaction Listing

The monthly financial statements and the transaction listing will be provided to managers to review to ensure that the activity is charged to the correct account, as well as reviewing the activity for relevant charges. Only those accounts with activity, in the prior month, will be distributed.

Financial Reporting

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

Bookkeeping will be done _____ {weekly, monthly} by the _____ who shall provide _____ with the following financial reports one week before scheduled monthly meeting:

- Balance Sheet.
- Profit and Loss Statement.
- Budget-to-Actual monthly.

The _____ shall provide the _____ with the following one week before the scheduled monthly Board of Directors Meeting:

- General Ledger for the month.
- Petty Cash report for the month.
- Credit Card statement for the month.
- Monthly cheque reconciliation for all bank accounts.

Back-ups shall be performed and stored for all accounting periods, including an annual backup to be performed at the end of each fiscal period and stored permanently.

Expense Claims

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

All expenses shall be preapproved by _____ . All expense claims shall be accompanied by the appropriate receipts, invoice, etc. All claims must be submitted in writing on an expense claim form.

Traveling Procedures:

- All travel arrangements initiated for business on behalf of the Community shall be considered for approval by _____. Travel arrangements shall be made to ensure the most cost-effective method available.

Mileage:

- **and staff** may claim mileage expenses for travel related to **Community** business.

Current Rate _____ per kilometer

- Discretion shall be used when claiming mileage and carpooling shall be considered when possible.

Meals and Accommodation:

- **and staff** may be reimbursed for reasonable meal and accommodation expenses when conducting business on behalf of _____
- Maximum per person Meal Rates:
 - o Breakfast = \$__
 - o Lunch = \$__
 - o Dinner = \$__
 - o Accommodation Rate: Maximum of \$ ____ /night

Miscellaneous Expenses:

- Expense claims for preapproved miscellaneous expenses may be submitted for payment.

Petty Cash

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

There is to be petty cash in the amount of \$
Staff is not to borrow; write I owe U's and/or use the petty cash for personal use.

Petty Cash (Sample #2)

Policy number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by Board on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Source: Policy Bank/ Institute of Community Directors Australia, Retrieved April 8, 2021

Introduction

To deal with minor expenses, administrative units within [Name of Organization] need a procedure that is flexible yet consistent with the need to protect the organization's funds.

Purpose

This policy seeks to ensure that petty cash floats are established and managed appropriately, and that staff, students and visitors are not financially disadvantaged as a result of incurring minor work-related expenses.

Policy

Administrative units may seek the approval of the CEO to establish petty cash floats to deal with minor expenses. Any such floats must observe the nominated procedures.

Authorization

<Signature of Board Secretary>

<Date of approval by the Board>

<Name of organization>

Petty Cash Procedures

Procedures number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by CEO on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Responsibilities

It shall be the responsibility of the CEO to consider any application by an administrative unit for a petty cash float. If approved, it is the responsibility of the CEO to nominate a Petty Cash Officer for that unit. It shall be the responsibility of the Petty Cash Officer to manage the amount of the float and to ensure that the procedures specified in this policy are implemented appropriately.

Procedures

Petty Cash Limit

The amount of the petty cash float shall be as determined by the CEO from time to time, but in general should not exceed \$250. Any amount in the petty cash float over \$250 shall be returned to general funds.

Petty Cash Use

Each Petty Cash Officer shall ensure that petty cash is used to cover only those expense reimbursements for which it is not feasible, or for which it is unreasonably inconvenient, to use normal purchasing methods such as purchase orders, purchase cards or staff expense reimbursement. Any expense that is predictable, regular, and significant should be dealt with through normal accounting procedures.

The limit of \$250 shall not be evaded through splitting of items into smaller amounts.

Each Petty Cash Officer shall require all expenses incurred using petty cash funds to be substantiated by acceptable supporting documentation such as receipts, tax invoices, invoices, copies of staff travel diaries, etc., and the documentation relating to each item shall be sufficient to establish the nature of the expenditure.

Each Petty Cash Officer shall retain acceptable supporting documentation of payments from the Petty Cash float and shall submit these with their accounts to the Finance Officer each month.

Each Petty Cash Officer shall report the loss of any Petty Cash funds to their supervisor as soon as the loss is discovered.

A tax invoice must be obtained for all purchases exceeding \$55 (GST inclusive).

Petty cash should be kept in a secure (locked) location and the key held securely.

The Petty Cash Officer cannot delegate control of the float to other employees. If the Petty Cash Officer is unavailable, payment cannot be made by that means.

Petty Cash Replenishment

Total yearly petty cash requirements shall be estimated by the Petty Cash Officer and submitted to the budget process. The Petty Cash Officer can draw on replenishments during the year up to this amount.

If there is a need for additional finance, or if it is desired to increase the amount of the float, a special request must be made to the CEO.

Replenishments should be sought when sufficient funds remain for five business days of expected use.

Authorization

<Signature of CEO>

<Name of CEO>

<Date>

Contracts

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

Contracts are a necessary part of doing business for the Community. To maintain the confidence of the public and the membership, all contracts will be awarded in an atmosphere of openness, competitive opportunity, and equal access to information.

No contract that can be determined on reasonable and probable grounds to jeopardize the fiscal integrity or public image of the **Community**, or by the same standard of judgment, which is deemed unlawful, imprudent, or in violation of commonly accepted business and professional ethics, Community By-Laws, or government legislation.

Regulations:

- The _____ enters into contracts only with registered companies or societies, registered partnerships, and individuals.
- Contracts must be consistent with the **Community** Mission and within the approved budget.
- All contracts over \$ _____ require a minimum of three quotes. The lowest quote will not necessarily be taken; however, reasons for accepting a higher quote must be documented and kept on file.
- Any **Council/ Board member** bidding on a contract must declare his or her conflict of interest and withdraw from both discussion and voting on the contract.
- The _____ must give final approval for all contracts before signing, and must approve all changes to contracts, including completion dates. All work stops until changes are approved.

Procedures:

- The initiating **Staff Member** prepares a draft contract and submits it to ___ for review. The ___ reviews the contract to make sure that standard contract formats are used, budgeted monies are available as outlined in the contract, and optional clauses are correctly outlined.
- ___ Shall communicate in writing to the initiating **Staff Member** any changes to the contract. If acceptable, **the Board** gives final approval to the contract. Any subsequent changes to contracts must be re-submitted by the initiating **Staff Member** to ___ for approval.
- ___ signatories and the contractor sign and date three copies of each contract, to be distributed to the Contractor, the files and _____

- _____ monitors delivery of the service and reviews all invoices to make sure that billings are consistent with contract specifications and services received.

Professional Services RFP/Tender

POLICY NUMBER		TITLE OF POLICY
F-10		Professional Services RFP/Tender
Approval	D/M/Y	Resolution #
Adopted	13/03/17	17.095

STATEMENT:

The Town/Organization requires a policy to formalize a procedure for preparing the documents required in order to obtain Professional Services through a Request for Proposal (RFP) or Tender Process.

Policy

- As per Policy F-01 the Town may be required to tender Professional Services from time to time.
- Upon approval by _____, the successful firm will be required to enter into a formal agreement with (town/organization)
- The (Town/Organization) reserves the right to accept or reject any or all proposals submitted, and to request additional information from proposers.

Procedure Required Information

- Identify the firm Name and Address
- Details of the Firm
 - Whether the firm is local, national, or international.
 - Outline the firm’s business activities and areas of proficiency.
 - Identify if the firm is familiar with the Federal and Provincial Statutes and/or governing regulations.
 - Identify if the firm is familiar with regulations governing grant availability.
- Details of Staff and Rates:
 - Names of partners.
 - Contact person.
 - Designation of Hourly Rate:
 - Partners
 - Managers
 - Supervisors
 - Support Staff
 - Identify the partner, manager, or supervisors who may work on the site.
 - Resumes for each partner, manager, and supervisor who may be assigned to the Town should be included as an appendix.
 - Identify the support staff.
- Identify the firm’s anticipated approach to providing the service to the Town/Organization.
 - Timing, dates, and length of attendance (if applicable).

- Outline the expertise in the service area, including the number and classifications of personnel skilled in these areas.

- Request Background and Reference information on services recently undertaken by the firm for the following categories:
 - Local Municipal Government.
 - Similar sized entities.
 - Major projects or professional accomplishments.

- The Term for engagement of services as per Policy F-01 is Three (3) years. Identify and estimate the total fees and disbursements anticipated on an annual basis for the term of the agreement.

- Any other Supplementary Information that may be provided that will assist in identifying a suitable firm.

Signing Authority

Policy #	Policy Type: Finance
Approval date:	Policy Name:
Next Review date:	

Signing officers shall be designated on behalf of the Organization/community.

- One Signing officer only is required for disbursements of \$ _____ and under.
- Two signatures for disbursements over \$ _____

Signing Authority (Sample #2)

POLICY NUMBER			TITLE OF POLICY
Approval	D/M/Y	Resolution #	Signing Authority
Adopted			
From: F-38			
Amended			
Amended			

STATEMENT:

The Organization/Town requires a policy to formally identify the individuals with signing authority for the Organization/Town.

1. Policy

Signing authority for the _____ shall be as follows:

Position	Name

- 1.1 General Accounts:** Any two (2) signatures of the following: _____ . _____ shall administer the day-to-day operations of these accounts.

- 1.2 **Special Reserve Accounts:** Any two (2) signatures of the following: _____. The _____ shall administer the day-to-day operations of these accounts.
- 1.3 **Investments:** The _____ will administer the investment of surplus funds.
- 1.4 **Meeting Minutes:** Upon _____ approval the meeting minutes of all regular and special meetings of _____ require both the signature of the _____.
- 1.5 **Bylaws:** Upon _____ approval a bylaw or bylaw amendment requires both the signature of the _____.

Authority to Sign Cheques (sample #3)

Policy number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by Board on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Introduction

An organization without cheque signing procedures may be vulnerable to fraud or error.

Purpose

To spell out procedures that must be followed in the signing of cheques on behalf of [Name of Organization].

Policy

All cheques issued on behalf of the organization must be signed by a sufficient number of authorized persons and documented adequately.

Authorization

<Signature of Board Secretary>
 <Date of approval by the Board>
 [Name of Organization]

See procedures

Authority to Sign Cheques Procedure

Procedure number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by CEO on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Responsibilities

It is the responsibility of the CEO to ensure that:

- staff are aware of this policy;
- any breaches of this policy coming to the attention of management are dealt with appropriately.

It is the responsibility of the employees and volunteers to ensure that their usage of organizational cheques conforms to this policy.

Processes

All cheques must contain two eligible signatures. Eligible signatories are Board members or staff members who have been previously nominated and endorsed by the Board.

Any two of the above have the authority to sign cheques.

Signatories cannot sign a cheque made payable to themselves, or a blank cheque. All details on the cheque form must be filled in before signature.

A list of all cheques issued each month, featuring amount, recipient, signatories, and explanation, will be provided to the Treasurer.

Fund Management Policies

Source: SaskCulture Sample Policies, <https://www.saskculture.ca/programs/organizational-support/organizational-resources?resource=1&subresource=61>; Retrieved April 8, 2021

Bank Accounts

- I. All operating funds of (organization name) shall be placed and kept in legal accounts approved by the Board of Directors.
- II. Such approval shall be reviewed from time to time to ensure an optimal combination of return and risk on liquid accounts.

Investment (EL-6 & 7)

The (organization name) Board of Directors must conduct the organization's investment affairs in accordance with:

- I. the standards established by the Non-Profit Corporation Act (Section 29) "(1) ... a charitable corporation may invest its funds only in shares, debentures, bonds, mortgages or other financial instruments in which trustees are by law permitted to invest."
- II. the requirements of Part VI The Trustee Act "A trustee may invest trust property in any form of property or security in which a reasonable, prudent investor would invest, including a security issued by a mutual fund . . ."
- III. Funds may be placed in investment programs, securities, and properties, to the advantage of (organization name).
- IV. Invest or hold operating capital in insecure instrument, including uninsured chequing accounts and bonds of less than AA rating, or in non-interest bearing account except necessary to facilitate ease in operational transactions. Interest earned on fund investment is retained by (organization name) as an administrative fee for funds management.
- V. Subject to the following guidelines:
 - a. Funds are to be invested in recognized financial and/or government institutions
 - b. An investment instrument must be secure and convertible to cash at all times.
 - c. An investment schedule must be maintained for each investment.
 - d. Funds are invested subject to and dependent upon the cash flow requirements.
 - e. The goal of investment is to maximize return and minimize risk.
 - f. Recognized investment instruments for this purpose are as follows:
 - i. Interest bearing business savings account
 - ii. Federal Government Treasury Bills
 - iii. Provincial Government Treasury Bills
 - iv. Treasury bill funds
 - v. Promissory Note – Federal Business Development Bank
 - vi. Bankers Acceptance and/or Bank Bonds including Guaranteed Investment Certificates and professionally managed money market funds at Schedule 'A'
 - vii. Canadian Chartered banks:
 1. Bank of Nova Scotia
 2. Canadian Imperial Bank of Commerce
 3. Royal Bank of Canada
 4. Bank of Montreal
 5. Toronto Dominion Bank

6. Federal and provincial government guaranteed bonds such as Canada Saving Bonds.

Investment Portfolio

(organization name) investments are held at the Royal Bank, Main Branch 2002 11th Avenue. The process to transfer from investment accounts to the chequing account is by internet banking. Either the Program Manager or Administration Manager is authorized to complete an online transfer.

Payroll (EL-3 & 6)

- I. All employees shall be enrolled under the Administration Centre's payroll service.
- II. Contractual employees shall be paid in accordance with the terms governing the contractual arrangement.
- III. Authorization for any payroll changes must be done by the General Manager or Administration Manager only.

Receivables (EL-6)

- I. (organization name), due to the nature of our business, does not invoice for goods and services. With prior approval some limited exceptions are allowed, such as provincial and federal government departments.
- II. Amounts outstanding in account with (organization name) shall be determined at month end and invoiced accordingly.
- III. Terms are net 30 days; no interest will be required on all overdue accounts.
- IV. Payment for goods and services are due in advance through cash, money order or cheque.
- V. Any cheques returned by the bank due to insufficient funds require a service fee of \$15.

Payables/Prepayments (EL-6)

- I. Costs incurred within a given month shall, if unpaid, be set up as payable at month-end
- II. A schedule of accounts payable shall be determined monthly
- III. Cheques shall be prepared for signing at least twice a month. Documentation for payables is to be submitted to the Business Administrator by the 9th & 24th of each month. Where the 9th or 24th falls on a weekend or holiday, payment requests are due on the closest following business day (generally Monday).
- IV. Undisputed payables shall be retired no later than the closest business day to the first payment date each month.
- V. The General Manager, at its discretion, may authorize prepayment of any amount for purposes consistent with the operating budget.
- VI. Payroll and rent payments are paid by automatic withdrawal.

Petty Cash

- I. (organization name) shall maintain a petty cash fund and the fund shall be managed by the Business Administrator.
- II. The allocation to the fund is \$60.
- III. The fund shall be renewed when cash-on-hand is less than \$10.
- IV. The fund shall be used for any expense that can be allocated within the financial structure and budget parameters of (organization name).

- V. All expenses must be accompanied by receipts for reimbursement.

Petty Cash – Cash Box

On occasion, there may be a need to collect funds at an event due to timing of receiving registration information. This practice is discouraged by including the following information on all registration forms.

Payment is to be received in advance of the event through cash, money order or cheque.

- I. The Business Administrator provides a cash box of petty cash for which a designated staff member is responsible.
- II. The designated staff member is to count the cash to confirm funds received.
- III. This staff member will be responsible for the security and cashing out of the funds at the event and upon return to the office.
- IV. A receipt book will be provided to the designated staff member and handwritten receipts will be provided to participants who request a receipt at the event. (If the participant does not request a receipt, a receipt does not need to be written at the event.)
- V. The staff member managing the funds will track incoming funds through a listing of name, the dollar amount received and method of payment (i.e. cash, cheque, money order).
- VI. The staff member will balance the funds and provide all moneys and the list of transactions to the Organizational Program Support for receipting purposes.
- VII. The Organizational Program Support will provide the funds and receipts to the Business Administrator for processing and deposit.
- VIII. If it is unavoidable that an invoice must be created, complete contact information, including a phone number is to be included in the tracking information.
- IX. Tracking information form attached in appendix 1 – Petty Cash – Cash Box Tracking Form

Administered funds (E-2, EL-6 & EL-14)

At the discretion of the General Manager (organization name) may administer funds on behalf of the community, if the administration of the fund does not contravene the regulations governing non-profit corporations.

- I. The fund supports activity consistent with the mandate of (organization name).
- II. The fund is administered according to (organization name), the Saskatchewan Lotteries Trust Fund financial policy and procedures or agency requirements.
- III. Interest earned on fund investment is retained by (organization name) as a service fee for funds management and is to be transferred to (organization name) operating account.

Corporate Credit Cards

- I. Corporate credit cards for (organization name) are used to purchase goods and services, staff, and Board expenses where applicable.
- II. Gratuities shall limit to a rate of 15%-20%
- III. Card transaction shall be reconciled monthly, by the card holder, and submitted to the Business Administrator with a completed reconciliation form, including account number goods are to be charged to (see section 7.2), and supporting receipts.
- IV. Credit cards are not to be used for personal expenses.
- V. Corporate credit cards are issued to managers and coordinators with credit limits established by the

General Manager. Credit Cards are issued following a successful three-month performance appraisal. Signatures are required by the cardholder's name only.

Processing Goods / Services

- I. Most purchases of goods & services must have a payment voucher to support it along with an invoice or other support documentation outlining charges. Routine expenses (i.e. monthly internet service) will be processed by the Business Administrator and do not require a payment voucher;
- II. the account number that the expense is being charged to must be identified;
- III. where possible, GST (and PST) shall be itemized as a separate line item;
- IV. the manager responsible for the account being charged must sign off the purchase (assignments of accounts are identified on the chart of accounts.)

Transactions not meeting the above requirements will be returned to staff for compliance.

Telephone

Cell Phone

New Coordinators and Managers that are required to be out of office for significant periods of time due to their external work receive a \$60 per month allowance toward the cost of a cellular smartphone with data capabilities, such as a blackberry. \$30.00 is a taxable benefit, so this allowance will be paid as part of the payroll so that the applicable taxes are covered. (organization name) also provides these employees a \$60 contribution toward the purchase, or upgrading, of a cellular device every three years. This amount is paid upon submission of an expense claim form which includes a photocopy of the paid invoice for the device. The General Manager determines the positions that receive the benefit. This benefit becomes effective following a successful three-month performance appraisal.

Collect Calls

Collect calls are accepted from board and committee volunteers as a means of helping to ensure that volunteers are not covering costs on behalf of the organization as well as it is a means of reducing the expense claims required by volunteers.

Long Distance (telephone & fax) – Personal Use

Staff are encouraged to use personal calling cards if it is necessary to make long distance calls during business hours. In the event long-distance calls are unavoidable arrangements for reimbursement of costs are to be made with the Business Administrator. There will be a \$3 service fee to cover invoicing, copying and receipting costs.

Equipment

If the equipment is provided for home use, a letter of agreement will be signed which includes:

- I. List of equipment complete with serial number.
- II. Obligations of (organization name) and the individual.
- III. Length of term.

Loss of Personal Effects

Generally, (organization name) is not responsible for the loss of personal items brought into the workplace. However, where an employee has been requested, and he/she agrees, to use personal effects (such as equipment) for business use, and during the course of that use incurs a loss, (organization name) will reimburse the employee the actual cost of replacement or repair for a like product, substantiated with receipts. If the item is covered under the employee's home insurance, then (organization name) will pay for the employee's deductible.

Personal loss from bed bug infestation: where it has been determined, in accordance with the Human Resource Manual guidelines regarding bed bugs, that an individual has suffered an infestation resulting from work-related travel, (organization name) will pay the full cost of detection and fumigation of the employee's residence by a certified exterminator. It is the employee's responsibility to make all arrangements for selection of a technician, entry to his/her residence, etc. and invoice (organization name) accordingly. In addition, an employee may apply for reimbursement of up to \$1,000 for out-of-pocket expenses related to the replacement of personal items substantiated with receipts (such as furniture, linens, appliances, laundering). (organization name) will not pay for any costs of the following during the treatment of the infestation whether related or not: rent, mortgage or insurance of the employee's premises, utilities, alternate accommodations, food, personal hygiene supplies, or transportation.

Investment Planning Policy

Policy number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by	<<insert date>>
Responsible person	<<insert name>>	Board on	
		Scheduled review date	<<insert date>>

Introduction

The Board of [Name of Organization] is responsible for ensuring that the Organization operates within a responsible, sustainable financial framework and that the Organization has adequate resources to carry out its work. [Name of Organization]'s Investment Plan forms an important part of fulfilling this responsibility.

Purpose

This policy is designed to:

- Direct the use of investment funds of [Name of Organization]; and
- Determine [Name of Organization]'s future financial planning strategies to ensure the Organization is able to maintain its operating budget and create growth while observing socially responsible ethical standards.

Policy

The Board of [Name of Organization] is responsible for maintaining and extending the assets of the Organization, to provide for its long-term financial viability. In its stewardship of [Name of Organization]'s financial assets, the Board has adopted this policy to ensure that any assets not required for the current operating budget will be invested in accordance with [Name of Organization]'s Investment Plan.

The purpose of [Name of Organization]'s Investment Plan is to manage the cash assets not required for current operating expenses so as to maximize the earnings of such assets, while retaining security, minimizing risks, and observing socially responsible ethical standards.

All interest and other earnings from such investments are deposited into [Name of Organization]'s operating account and thus become part of the annual operating budget.

The Investment Plan should be designed to ensure that:

- [Name of Organization]'s funds are utilised to achieve a balanced operating budget.
- [Name of Organization] creates capital growth and generates income.
- There will be access to cash to cover current liabilities.
- [Name of Organization] will have access to cash for establishing new projects.
- [Name of Organization] will have access to cash for unforeseen expenses.
- [Name of Organization]'s investments will encourage socially responsible outcomes.

[Name of Organization]'s Investment Plan must conform with the following principles:

- Priorities set in the Business Plan are to be adhered to.

- Investments are to be made with low to medium risk ventures; that is, investments that provide for security of capital over the medium to long term.
- [Name of Organization] will only invest with reputable, established, proven, financial institutions.
- [Name of Organization] will not invest with Organizations whose operations are socially irresponsible or incompatible with the mission of the Organization. In particular, [Name of Organization] will not invest in any Organization with a major proportion of its operations in the following areas:
 - Tobacco sales
 - Alcohol
 - Firearms
 - Gambling
 - Fossil Fuels.

Where [Name of Organization]’s investments at the time of adoption of this policy include Organizations with significant operations in these areas, these investments will be over time converted into more socially responsible investments.

- [Name of Organization] will not invest with Organizations whose governance disregards fundamental requirements of openness to diversity. In particular, [Name of Organization] will not invest in any company which [*choose one only*]
 - Lacks a policy to encourage gender balance in its governance and senior management
 - Lacks a policy to encourage appropriate diversity in its governing body and senior management
 - Lacks any female representation on its governing body
 - Lacks gender balance (at least 40% male and 40% female) on its governing body
 - Lacks appropriate diversity on its governing body and in senior management.

Authorization

<Signature of Board Secretary>
 <Date of approval by the Board>
 <Name of Organization>

Donor Relations Policy

Source: Board Source: The Nonprofit Policy Sampler

Sample #1

This succinct policy highlights some of the key elements in donor recognition.

Donor Intent. Donors' wishes will be considered to the extent possible if their intended use of funds is in keeping with the purpose of XYZ and with the policies and priorities of the organization as expressed in the corporate plan. XYZ will not accept a gift for which it is incapable of honoring donor intent.

Acknowledgment. All gifts, regardless of value, form, or stipulations, shall be acknowledged by XYZ in the form of a written substantiation, including a gift receipt.

Recognition. Formal recognition of donors includes methods that convey appreciation to the donor and provide opportunities for public acknowledgment.

Public Notice. XYZ will respect a donor's wish to remain anonymous.

Confidentiality. The fund development unit shall maintain confidentiality concerning all correspondence regarding contributions, gift records, prospect cards, and other data on donors, and will ensure that this donor information is used on a need-to-know-basis only for the support of fund development for XYZ.

Sample #2

This policy includes more specifics about the information provided to donors.

XYZ solicitation of funds from the public or from donor institutions uses material that is truthful. XYZ respects the privacy concerns of individual donors and expends funds consistent with donor intent. XYZ discloses important and relevant information to potential donors.

In raising funds from the public, XYZ will respect the rights of donors, as follows:

- To be informed of the mission of XYZ, the way the resources will be used, and capacity to use donations effectively for their intended purpose
- To be informed of the identity of those serving on XYZ's governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities
- To have access to XYZ's most recent financial reports
- To be assured their gifts will be used for purposes for which they are given
- To receive appropriate acknowledgment and recognition
- To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law
- To be approached in a professional manner
- To be informed whether those seeking donations are volunteers, employees of XYZ, or

- hired solicitors
- To have the opportunity for their names to be deleted from mailing lists that XYZ may intend to share
- To be encouraged to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

Sample #3

The Donor Bill of Rights was created by the Giving Institute: Leading Consultants to Non-Profits [formerly known as the American Association of Fundraising Counsel (AAFRC)], Association for Healthcare Philanthropy (AHP), the Association of Fundraising Professionals (AFP), and the Council for Advancement and Support of Education (CASE). It has been endorsed by numerous other nonprofit associations, and many charities incorporate it into their operating policies and procedures.

THE DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities
- III. To have access to the organization's most recent financial statements
- IV. To be assured their gifts will be used for the purposes for which they were given
- V. To receive appropriate acknowledgement and recognition
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.

- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share
- X. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

Suggested Resources

- The Donor Bill of Rights
<http://www.afpnet.org/ethics/enforcementdetail.cfm?itemnumber=3359>
- Poderis, Toni. "Building Donor Loyalty." <http://www.raise-funds.com/2003/building-donor-loyalty-chapter-1/>
- Sternberg, Dave. *Fearless Fundraising for Nonprofit Boards, Second Edition*. Washington, DC: BoardSource, 2008.

Gift Acceptance Policy

Source: Board Source: *The Nonprofit Policy Sampler*

Sample #1

This brief policy clarifies the board's right, on behalf of the organization, to refuse a gift.

Refusal of Gifts

The board shall have the right to refuse contribution that do not enhance, promote, and ensure further the purpose of XYZ and the long-range financial viability of the organization.

Sample #2

This brief policy specifies how the organization will treat gifts of stock.

XYZ receives gifts in the form of cash, checks, and securities. Securities are received into the investment account maintained at ABC, which is located at DEF.

Gifts of securities will be acknowledged to the donor at the value received into the account, as of the day received.

All securities will be sold immediately upon receipt into the account. The funds available after the sale will be invested only in interest-bearing accounts of low risk, such as money market accounts, treasury notes or bills, or certificates of deposit.

Sample #3

This short sample establishes the board's role in accepting gifts of property valued over a certain amount.

Any gifts of property valued at \$or more must be approved by the board [or designated committee] of XYZ.

Sample #4

This general policy outlines the basic parameters a nonprofit board and organization should take into account when deciding whether to accept a gift.

XYZ actively solicits gifts and grants to further the mission of the organization. There is a potential that the acceptance of certain gifts could compromise the ability of the organization to accomplish its goals or could jeopardize its tax-exempt status. Hence, the following gift acceptance policy applies:

The chief executive of XYZ and the board have the authority to solicit and/or accept gifts on behalf of XYZ.

XYZ's responsibility is to productively pursue gifts that will further the organization's mission, goals, and objectives. The primary consideration in the pursuit of gifts is how they can benefit the organization in the most ethical and unencumbered manner. To that end, the following caveats must be considered:

- **Core Values.** Is the gift one that is consistent with the organization's standards, principles, and core values?
- **Compatibility of Cause.** Will the gift unnecessarily challenge the organization's ability to further its mission, goals, or objectives?
- **Public Relations.** Does the acceptance of the gift present the organization in an unfavorable light? Does it appear that there may exist a conflict of interest between the donor and the organization?
- **Motivation.** Is there clear charitable intent and a commitment to the organization?

- *Consistency.* Will the acceptance of the gift be compatible and in agreement with other fundraising activities or gifts of the organization?
- *Credibility.* Are the circumstances surrounding the donor and the gift believable?
- *Organizational Stability.* If controversy develops, will it be significant enough to weaken the structure of the organization?
- *Form of Gift.* Will the nature of the in-kind contribution create problems, such as in advertising or sponsorship?
- *Source of Gift.* Who is the donor? Is the gift from an individual or a corporation? Does the donor represent a perceived conflict of interest, or might the donor's objectives not fit with the mission of the organization?

Sample #5

This policy clearly lists the kinds of gifts that the organization will not accept.

Gift Acceptance Policy

Unrestricted, outright gifts of cash, check, credit card, and publicly traded securities do not require approval. Routine gifts are accepted and administered through the director of development, with final authority to accept routine gifts lying with the chief executive.

Gifts will only be accepted where there is charitable intent on the part of the donor. XYZ is unable to accept gifts that are overly restrictive in purpose. The most desirable gifts are those with the least restrictions, as unrestricted funds allow the organization to address its most pressing needs. Unless the board grants a specific exception, XYZ will not accept any gifts that

- Contain a condition that requires any action on the part of the organization that is unacceptable to administration
- Contain a condition that the proceeds will be spent by the organization for the personal benefit of a named individual or individuals
- Require the organization and its administration to employ a specified person now or at a future date
- Inhibit the organization from seeking gifts from other donors
- Expose the organization to adverse publicity, litigation, or other liabilities
- Require undue expenditures, or involve the organization in unexpected responsibilities because of their source, conditions, or purpose
- Involve unlawful discrimination based upon race, religion, gender, sexual orientation, age, national origin, color, disability, or any other basis prohibited by federal, state, and local laws
- Noncash gifts will be accepted only when it is reasonably expected they can be converted into cash within a reasonable period of time or when XYZ can utilize the property in its operations. Generally, [six months to one year] shall be considered reasonable for conversion to cash. All noncash gifts to XYZ will be sold at the discretion of XYZ, whose express policy will be to convert the property to cash at the earliest opportunity, keeping in mind current market conditions and the potential use of the property in the accomplishment of the mission of XYZ.
- Property encumbered by a mortgage or other indebtedness cannot normally be accepted as a gift unless the donor agrees to assume all carrying costs until the property is liquidated. Exceptions to this guideline can be made when the value of the property exceeds the anticipated exposure, or will produce income, or will be used by XYZ in its programs.

- Associated expenses of a gift made to XYZ are to be borne by the donor.
- Donors of property gifts of over \$5,000, except for gifts of publicly traded stock, must obtain an appraisal by an independent third-party appraiser in accordance with current tax law requirements.
- To avoid conflicts of interest, the unauthorized practice of law, the rendering of investment advice, or the dissemination of income or estate tax advice, all donors of noncash gifts must acknowledge that XYZ is not acting as a professional advisor, rendering opinions on the gift. All information concerning gift planning from XYZ is to be for illustrative purposes only and is not to be relied upon in individual circumstances. XYZ may require a letter of understanding from a donor of a property gift, along with proof of outside advice being rendered, before such a gift will be accepted.
- All gifts of life insurance must comply with applicable state insurance regulations, including insurable interest clauses.
- XYZ does not accept any gifts requiring annuity payments that will be guaranteed by the organization.
- All gifts and gift consideration must meet all applicable local, state, and federal laws and regulations.

Sample #6

This comprehensive sample provides detailed guidance for staff in working with major donors and articulates their respective responsibilities.

Acceptance

XYZ reserves the right to decline any financial commitment, gift, or bequest, as well as the right to determine how a gift will be credited and/or recognized.

Restricted and Unrestricted Gifts

Unrestricted gifts shall be encouraged unless

- 1) the donor indicates that he or she is only willing to make a restricted gift or
- 2) the option of a restricted gift will otherwise significantly increase the chances of obtaining a gift from the donor.

In drafting instruments for the gift of restricted funds to XYZ, or to any of its affiliated organizations, donors and their advisors shall be encouraged to use language that would permit application of the gift to a more general purpose if, in the opinion of the board, the designated purpose is no longer feasible.

All receipts from unrestricted bequests, annuities, charitable remainder trusts, or charitable lead trusts shall become a part of the general endowment, unless the executive committee determines a particular unrestricted gift of the type enumerated in this paragraph should be deposited in a different account.

Administrative Expenses

- XYZ will not pay commissions or finder's fees as consideration for directing a gift to XYZ or to any of XYZ's affiliates.
- Donors are responsible for obtaining their own appraisals for tax purposes of real property or tangible or intangible personal property being given to XYZ and for any fees or other expenses related to such appraisals.
- XYZ retains the right to obtain its own qualified appraisals of real property, or tangible or intangible personal property being offered as a gift at its own expense.

- XYZ will acknowledge receipt of gifts of tangible personal or real property in accordance with the federal tax law and will sign any IRS form or other documents necessary for the donor to obtain a tax deduction for such gifts, so long as such acknowledgment does not entail valuing the gift.
- Prospective donors shall be responsible for their own legal, accounting, appraisal, transportation, and other fees related to XYZ.

Professional Advice

Prospective donors shall be strongly encouraged in all cases to consult with their own independent legal and/or tax advisors about proposed gifts, including tax and estate planning implications of the gifts. No representative of XYZ shall provide legal or tax advice to any donor or prospective donor.

Upon request, representatives of XYZ may provide to the donor sample bequest language for restricted and unrestricted gifts to ensure that a bequest is properly designated. XYZ may also provide, upon request, IRS-approved prototype trust agreements for review and consideration by the donor and his or her advisors. The sample nature of such language or agreements shall be clearly stated on all documents given to donors, and donors shall be advised that consultation with their own legal advisors is essential prior to use of such standard language or specimen agreements.

Confidentiality

All information about donors and prospective donors, including but not limited to their names, the names of their beneficiaries, the nature and amounts of their gifts, and the sizes of their estates will be kept confidential by XYZ and its representatives, unless the donor grants permission to release such information. All requests by donors for anonymity will be honored, except to the extent that XYZ is required by law to disclose the identity of donors.

Authority

The board chair or his or her designee is authorized to enter into planned gift agreements on behalf of XYZ and to execute any and all documents necessary or appropriate to consummate such agreements.

Any exceptions to these gift acceptance policies may be made only in exceptional circumstances, on an individual basis, and shall require the approval of the vice chair of development and the executive committee of the board.

These gift acceptance policies may be amended by the executive committee, upon recommendation from the development committee of the board.

Sample #7

This comprehensive policy outline presents a thorough gift acceptance policy that addresses ethical considerations, legal requirements, and administrative procedures.

Introduction

The purpose of this gift acceptance policy is to give guidance and counsel to those individuals within XYZ concerned with the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of private sector gifts.

These policies must be viewed as flexible and realistic in order to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with XYZ's mission and policies. Flexibility must be maintained since some gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of the board along with legal counsel and directors if necessary.

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are designed and managed by the chief executive in conjunction with the appropriate staff and are subject to approval by the board.

The board, through the finance committee and the chief executive, is responsible for the gift acceptance policy. This responsibility cannot be delegated or waived. These policies and authorizations shall be reviewed by the finance committee on an annual basis or as circumstances warrant.

Policy Statements

Board Acceptance of Gifts

The board shall exercise its public trust, as mandated by statute, in making final decisions for the acceptance of all gifts and grants and for any exception to its policies and guidelines. Gifts and gift instruments may be received by the chief executive but can be accepted officially only by the board as managers of the public trust.

XYZ shall accept only those gifts the transference and implementation of which shall be deemed consistent with the public laws and/or regulations of the United States of America and the State of [insert appropriate state].

Philanthropic Intent

The board shall determine that gifts to XYZ are evidence of philanthropic intent and that the donor's philanthropy is in accord with the stated mission and goals of XYZ. The purpose is to prevent XYZ from being an object of philanthropic intent for either designed or innocent avoidance of taxes, prejudiced purposes, or evaluation of gifts without generous, advanced, objective, experienced evaluation.

Ethics

The board shall assure itself that all philanthropic promotions and solicitation are ethical by adopting policies that prohibit XYZ personnel from benefiting personally by way of commissions or other devices related to gifts received.

Review Legal Arrangements

Legal counsel retained by XYZ shall, as required, review legal documents, contracts, and all donor agreements. XYZ shall seek the advice of legal counsel in all matters pertaining to its planned giving program. All agreements shall follow the formats of the specimen agreements to be approved by legal counsel unless counsel has agreed in writing to a change for a specific agreement.

XYZ shall encourage donors to seek their own counsel in matters relating to their bequests, life income gifts, tax planning, and estate planning. All legally binding documents involving gifts over \$_____ shall be prepared

and/or reviewed by counsel retained by the donor, to avoid any conflict of interest or undue influence. Alternatively, a donor may sign a document prepared by XYZ, releasing XYZ from any liability and waiving any conflict.

Professional Fees

While XYZ is happy to offer assistance to attorneys and other professional advisors by providing specific language to be used in charitable giving instruments, it cannot pay any attorney's or advisor's fees associated with this work.

Unacceptable Gifts

- XYZ reserves the right to refuse any gift that is not consistent with its mission. In addition to and without limiting the generality of, the following gifts will not be accepted by XYZ:
- Gifts that violate any federal, state, or local statute or ordinance
- Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest and property
- Gifts that are financially unsound
- Gifts that could expose the XYZ to liability

Stewardship

- XYZ will be responsible for good stewardship toward its donors by following these guidelines:
- All gifts will be acknowledged within the required, or otherwise reasonable, period of time.
- All gift acknowledgment letters/receipts will be prepared by the chief executive or his or her designee.
- Gifts to XYZ shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP) or the National Council on Planned Giving (NCPG).
- Files, records, and mailing lists regarding all donors and donor prospects are maintained and controlled by XYZ. Maximum use will be made of information and contacts that members of the board, various volunteer groups, or the staff have with potential donors. Written reports of interviews and solicitations will be maintained in the donor prospect file and/or computer.
- This information is confidential and is strictly for the use of XYZ board and staff. Use of this information shall be restricted to organization purposes only. Donor has the right to review his or her donor fund files.
- XYZ will provide the donors of endowed scholarships with appropriate information about the recipients of scholarship assistance.
- Should the gift be restricted, XYZ will provide the donor with a narrative and financial report detailing the activities made possible by their support. This report will be submitted to the donor within _____ days of the completion of the underwritten activities.
- Gifts to XYZ and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition. All donor request for confidentiality will be honored.

- Name of donors will not be provided by XYZ to other organizations, nor will any lists be sold or given to other organizations.

Conflict of Interest

The XYZ board will assure itself that XYZ personnel are circumspect in all dealings with donors in order to avoid even the appearance of any act of self-dealing. The board will consider a transaction in which the employee has a “material financial interest” with a donor an act of self-dealing. In reviewing self-dealing transactions, the board shall consider financial interest “material” to an employee if it is sufficient to create an appearance of a conflict. In each case, this will be a question of fact.

The board will examine all acts of self-dealing including, but not limited to prohibition against personal benefit. Those individuals who normally engage in the solicitation of gifts on behalf of XYZ shall not personally benefit by way of commission, contract fees, salary, or other benefits from any donor in the performance of their duties on behalf of XYZ. (The definition of individuals includes each of the categories of employees of XYZ. Individuals are further defined to include associations, partnerships, corporations, or other enterprises in which a member of the staff holds a principal ownership interest.)

Conformity to Federal and Provincial Laws

The board will assure itself that fundraising activities comply with local, provincial, and federal laws.

Gift Valuations

XYZ shall follow accepted guidelines for the valuation of gifts such as stock, real estate, personal property, and life insurance that require specific methods of valuation for the protection of both the donor and XYZ.

Gifts of art, furniture, books, stamps, coins, and other collections must have values assessed by properly accredited independent appraisers retained by potential donors for appropriate gift tax credit. XYZ shall acknowledge receipt of such properties but must not verify values.

Donation and Tax Receipt Policy

<u>POLICY NUMBER</u>			<u>TITLE OF POLICY</u>
			Donation and Tax Receipt Policy
Approval	D/M/Y	Resolution #	
Adopted			

STATEMENT:

The (town/organization) is periodically approached by private citizens, businesses or other organizations that desire to donate cash or other items of value for public purposes. The Town may accept donations and issue "official income tax receipts" as prescribed by the Canada Revenue Agency. It is necessary to establish a policy for handling donations to ensure that the Town appropriately accounts for the donation and adheres to the guidelines as set out in the Canadian Income Tax Act.

PURPOSE:

The purpose of this policy is to provide a corporate policy for receiving donations and issuing income tax receipts. This policy applies where an income tax receipt is requested for a donation. This policy will clarify when and how receipts for income tax purposes will be issued.

Definitions

The following definitions shall apply within this policy:

- Council - means the Council for the Corporation of the (town/organization);
- Donation - is a voluntary transfer of real or personal property from a donor who freely disposes of his or her property to a donee who received the property given. The transaction shall not result directly or indirectly in a right, privilege, material benefit or advantage to the donor or to the person designated by the donor;
- Donor - means a person or organization that provides a donation to the Corporation of the (town/organization);
- Fair Market Value - is the price an item would bring on an open and free market between a willing buyer and willing seller who are operating independently of each other;
- Gift - see donation, these terms are interchangeable;
- Gift-in-kind - is a non-monetary donation;
- Manager - means a person holding a management position within a department and includes the Chief Administrative Officer, Finance Manager, Public Works Foreman, and Recreation Director.
- Relative - is defined as a parent, sibling, child, grandparent, uncle, aunt and parent-in-law;
- Town - The Corporation of the (town/organization).

Policy

- This policy applies to all Town departments, boards, committees, and other organizations falling within the financial reporting requirements of the (town/organization). All donations will be in keeping with the (town/organization)'s strategic goals and will not in any way negatively impact the Town's public

image.

- The (town/organization) reserves the right to reject any gift or donation in whole or in part.

General Rules

- No individual or organization shall solicit funds in the name of or on behalf of the Town without the approval of the CAO or Council unless they are doing so on behalf of an "Official Town Event"
- The Canada Revenue Agency (CRA) defines a donation / gift as "a voluntary transfer of property owned by a donor to a donee, in return for which no benefit accrues to the donor".
- To have a valid donation / gift, there must be an intention to give, a delivery and an acceptance. Because there must be an acceptance by the donee, a donation is not completed until it is accepted.
- The transfer is made without the expectation of return.
- No benefit of any kind may be provided to the donor or anyone designated by the donor, except where the benefit is of nominal value. The benefit is considered "nominal value" where its fair market value does not exceed the lesser of \$50 or 10% of the amount of donation.

Qualifying Donations

Donations that qualify for an official tax receipt generally include:

- Cash;
- Capital, real, or depreciable property;
- Personal-use property, or items such as art, furniture, equipment, materials of historical interest;
- Donations made under a will.

Non-Qualifying Donations

The following are items that are not considered to be qualifying donations:

- Contributions of skills or time or donations of a service through volunteer service.
- When a donor requests that the donee pay for a portion of the donation no tax receipt will be issued.
- Donations that have a direct benefit to the donor or any relative of the donor will not receive a tax receipt.
- Donations made in exchange for consideration of a right, privilege, material benefit or advantage such as promotions or advertising for the donor's purpose do not qualify for income tax credits under the ITA and no receipts can be issued.
- The CRA regulations on donations where the donor's company name, logo, slogan, or address/phone number is listed in promotional material would not qualify.

Issuance of Receipts

- Upon the confirmation that the donation is in compliance with this policy the CAO or Finance Manager shall issue an "official tax receipt for income tax purposes".
- All requests for tax receipts must be accompanied by appropriate donor and donation information.
- Income tax receipts shall be issued for donations of \$25.00 or more, unless specifically requested by the donor and approved by the CAO or Finance Manager.
- The CRA ultimately determines the value of the donation which is permitted for tax deduction.

Accounting for Donations of Money

- For cash donations, the receipt must be made out to the person delivering the donation. All cash donations shall be received by the Receptionist / Cashier at the Town's Municipal office.
- All cheque donations will be required to have been cleared by the Town's financial institution prior to the issuance of a tax receipt. The receipt will be made out to the same name and address appearing on the cheque or form of payment.
- Cheques, money orders and bank drafts should be made out to "The (town/organization)". No third-party cheques will be accepted.

Accounting for Donations of Gifts-In-Kind

- The (town/organization) will only issue official tax receipts for Gift-in-Kind donations where the donation provides a clear benefit to the (town/organization).
- The value placed on Gift-in-Kind items will be determined by the item's Fair Market Value.
- Valuation of Fair Market Value should be based on an arm's length sale and purchase of similar property at or near the same date. A minimum of one appraisal is required to be completed by a qualified dealer, appraiser or other knowledgeable individual who is familiar with the market for the object or property.
- If the item is valued at \$1,000 or less, a Town employee qualified to make the appraisal for such items may complete an appraisal of the item.
- If the item is valued at more than \$1,000 outside appraisals are required unless there is a ready market for the item from which a Fair Market Value can be ascertained. The average of these appraisals shall be used to determine the Fair Market Value of the item.
- The receipt shall be in the amount of the average appraised value. The receipt shall also indicate a description of the object and the name and address of the appraiser(s) and shall be dated the day on which the Town received the Donation.

Accounting for Donations for Specific Purposes

- Donations and requests for donations that are made for specific purposes will require Council approval. These requests may originate from individuals, organizations, or Council directly. Long-term programs, where cash inflows and expenditures may span many years are best handled through the establishment of a Reserve Fund. These would include situations where donations are received for specific capital projects, such as recreational facilities.
- Requests to direct donations to a specific operation or for specific capital projects, which are generally short-term in nature, are best handled by recording the revenue directly to the appropriate revenue account.

Acceptance of Donations and Gifts

- The Town may elect to accept or decline any donation. If the gift is not accepted, the donor shall be advised of the reason.
- Upon acceptance of the gift, it will be transferred to the Town and will become the property of the (town/organization). The insurance, storage, ongoing maintenance, and scheduling of use will be at the discretion of the Manager of the assigned department within the Town

Acceptance of Donations and Gifts Continued

In the event the donor has indicated a specific use by the Town of their donation, such donation shall, to the extent reasonably feasible, be assigned to a project consistent with the donor's desired use.

Associated Costs

Unless otherwise agreed upon by the Town, the donor will be responsible for any of the following costs (where applicable):

- Transporting the item;
- Appraisal or evaluation by an independent certified agency;

Where the Town agrees to incur any of the above costs, these costs will be expenses to the receiving Department.

Financial Implications

Financial implications of accepting a donation should be a consideration in the assessment of the donation acceptance. Some of the financial costs to consider are:

- Cost of project implementation;
- Installation and timeline of the work;
- Restoration;
- Booking and scheduling related expenses;
- Insurance, licencing, and fees;
- Ongoing storage, maintenance, and related expenses.

Policy Review

- This policy shall be reviewed when there is a significant change in the Canadian Income Tax Act or regulations to that Act.
- Council shall review this policy as required

Ethical Fundraising Policy

Policy number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by Board on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Introduction

The Board of [Name of Organization] is committed to ensuring that fundraising activities are carried out in an ethical manner.

This policy applies to the Board, casual, permanent and contract staff and volunteers.

Purpose

The purpose of this document is to identify [Name of Organization]'s position on fundraising practice and to document the standards expected in raising funds from the community.

Policy

[Name of Organization]'s guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

In doing so, the Organization will adhere to the following standards:

- Fundraising activities carried out by [Name of Organization] will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the Organization's stated mission and purpose.
- All personal information collected by [Name of Organization] is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- Nobody directly or indirectly employed by or volunteering for [Name of Organization] shall accept commissions, bonuses, or payments for fundraising activities on behalf of the Organization.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of [Name of Organization].
- Financial contributions will only be accepted from companies, Organizations, and individuals the Board considers ethical. Companies and Organizations specifically excluded from making financial contributions to [Name of Organization] include <<pharmaceutical/gambling/tobacco/alcohol companies>>.

Authorization

<Signature of Board Secretary>

<Date of approval by the Board>

[Name of Organization]

Ethical Fundraising Procedures

Procedures number	<<insert number>>	Version	<<insert number>>
Drafted by	<<insert name>>	Approved by CEO on	<<insert date>>
Responsible person	<<insert name>>	Scheduled review date	<<insert date>>

Responsibilities

The Board is responsible for the implementation and review of this policy.

All Board members, casual, permanent and contract staff and volunteers are responsible for adhering to this policy.

Procedures

A Fundraising Sub-Committee will be formed to oversee the major fundraising tasks. The Fundraising Sub-Committee will report regularly to the Board, including tabling of meeting minutes at Board meetings.

All fundraising activities must have the prior approval of the Board, as recorded in Board meeting minutes.

A statement estimating income and expenses will be prepared prior to the commencement of any new fundraising activity that may present a financial risk to [Name of Organization]. Fundraising activities should not be undertaken if they will expose the organization to significant financial risk.

Authorization

<Signature of CEO>

<Name of CEO>

<Date>

Cost Price Policies

Objectives

To define pricing jurisdictions and rates.

Fees for Service

Where deemed appropriate by the General Manager, a fee, as determined by the General Manager, may be charged for services provided by (organization name).

Tenders and Quotes

All Budgeted purchases over \$5000 shall be approved by the appropriate Manager

1. The appropriate Manager shall establish evaluation criteria prior to the call for tenders and shall establish a reasonable time for receipt and review of bids or proposals.
2. Unbudgeted purchases over \$5000 are to be approved by the General Manager.
3. Any budgeted purchases by staff over \$1,000, excluding taxes should have quotes from three sources.

Cost Commitments

1. (organization name) shall be responsible for the expenses of the (organization name) Board and committee members to attend meetings as required by the (organization name) Board (GP-8).
2. When an employer charges a volunteer for the cost of their replacement while on (organization name) business, (organization name) will absorb the employee's cost upon receipt of an invoice from the employer, i.e. substitute teacher costs.
3. Advance payment may be made for travel reimbursement, if required. Staff working with committee members should be aware that these arrangements can be made. To provide an advance on travel expenses, an expense claim form is completed by the staff member for the mileage portion only. The expense claim is to be completed including the complete name & address and provided to the Business Administrator within the timeframe for the normal cheque run. Once the cheque is complete, the staff member takes the completed form and the cheque to the meeting. The committee member signs the expense claim prior to receiving the advance. A second expense claim will be submitted to reimburse committee members for other expenses such as meals and parking.
4. Currently, (organization name) provides a monthly vehicle subsidy to managers and coordinators. The rate is
5. \$37.50/per month. It is a taxable benefit and is paid bi-monthly every pay period. This travel allowance is intended to cover in town travel (Regina) and parking. As an exception, taxi costs to and from the Regina Airport, for those currently receiving a vehicle subsidy, are covered, and will be reimbursed through petty cash (receipts are required).
6. Staff whom do not receive a vehicle subsidy, may be reimbursed for in-town travel, for work-related duties that have been approved by their direct supervisor.
 - o Staff members will be reimbursed for mileage at the current mileage rate, taxi fare and parking (with a receipt or at a rate of \$1/hour to a maximum of \$10/day).
 - There is no reimbursement for an employee to travel to and from their primary worksite (from home to location where they are working for the

day and back). Travel from an employee's primary worksite to a second worksite is reimbursed.

- Expense claims for in-town travel should be submitted for payment through petty cash.