

## CHARITABLE DONATIONS

The Toronto Catholic District School Board (“TCDSB”), which is a charitable organization, accepts donations that are used for educational purposes (i.e. board programs, school-raised funds, etc.) The donation cannot be reverted back to an organization or individual outside of the Toronto Catholic District School Board (e.g. Alumni Associations, etc.).

A donation (gift) is a voluntary transfer of property without valuable consideration to the donor. Generally, a gift is made if all three of the conditions listed below are satisfied:

- Some property-usually cash-is transferred by a donor to a registered charity;
- The transfer is **voluntary**; and
- The transfer is made **without expectation of return. No benefit of any kind may be provided to the donor or to anyone designated by the donor.**

Tax receipts are issued for the donations subject to all applicable income tax laws, regulations, interpretation bulletins, brochures & guides, and newsletters under the Canada Customs and Revenue Agency (“CCRA”).

A registered charity may not issue an official receipt for income tax purposes if the donor has directed the charity to give the funds to a specified person or family. In reality, such a gift is made to the person or family and not to the charity. However, donations subject to a general direction from the donor that the gift be used in a particular program operated by the charity are acceptable, provided that no benefit accrues to the donor, the directed gift does not benefit any person not dealing at arm’s length with the donor, and decisions regarding utilization of the donation within a program rest with the charity. (Income Tax Act, Interpretation Bulletin, Gifts and Official Donation Receipts, IT-110R3, June 20, 1997)

## Process

### Preferred Method Using KEV Cash Online

With the introduction of the KEV school banking software during the 2017/18 school year, an opportunity has presented itself to simplify and streamline the charitable donation process. As schools adopt the KEV Software, it will be the preferred donation method for the school and the following procedures will apply:

1. After parents have signed on with KEV and attached their dependents, they will be directed to a homepage that will list the events and products available to them for purchase. At the top of this page, a donation button will always be present. At any time, a parent can donate to any school, CSPC or Nutrition Program of their choice.
2. When a donation is made, the KEV system will automatically email the charitable receipt to the donor. The funds will be deposited into the Board's corporate bank account.
3. On a weekly basis the Board will prepare a donation report that will be distributed to all account holders at the board (Nutrition, School and CSPC) summarizing all donations received over the previous week.
4. On a bi-weekly basis, the Board will distribute these funds back to the account holders by electronic funds transfer (EFT). It will be the account holders' responsibility to familiarize themselves with spending requirements for charitable funds. These requirements are outlined above.
5. Cost recovery will not apply to donations; KEV has waived the 1% standard charge. Donors will be able to use echeque, mywallet or a credit card to make donations. The donation will be net of any credit card usage charges.
6. The KEV system is more cost efficient than Canada Helps and requires less Board administrative effort. Canada Helps will no longer be available effective September 1, 2018.

## Receiving Cash at the School

The school will also need the capability to receive **cash donations**. The following procedure will apply to cash donations received at the school where the donor did not use the KEV automated option:

1. Nutrition Program donations will be sent from the school to The Angel Foundation for Learning (AFL) according to AFL procedures. AFL will issue the charitable receipt.
2. For all other donations, the school will collect the cash donations and deposit the funds to the school account. The school will issue a cheque made payable to the Toronto Catholic District School Board (TCDSB) and send this along with the donor information on an Excel spreadsheet to Business Services at the CEC. The Excel spreadsheet will be in the following format and must balance to the cheque amount:

Date	Full Name (Tax Receipt will be issued in this name)	Address	City	Province	Postal Code	Amount of Donation
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3. Business Services will deposit the cheque to the appropriate Outside Agency or CSPC Board account. The school or CSPC will be able to make purchases from these accounts against the revenue received using purchase orders or a cheque requisition.
4. Tax receipts will be prepared by Business Services from the Excel spreadsheet provided. Charitable receipts will only be issued for a minimum donation of \$10 and Business Services will mail the receipts directly to the donors up to March 1, 2018. Effective March 1, 2018 the receipts will no longer be mailed to the donors by Business Services. The receipts will be returned to the school and it will be their responsibility to distribute them to the donors.

## **Control**

The TCDSB has one charitable number for all of its schools and agencies. The misuse of this charitable status by an individual can result in the loss of charitable status for the whole organization. Business Services will monitor the use and solicitation of donated funds very closely.

Schools, CSPC's and Nutrition Programs will be subject to internal audits by Business Services and particular attention will be made of the use of donated funds.

**Any schools or agencies found to be using the funds inappropriately will lose the privilege of holding their own charitable funds and these funds will be held at the Board in the Outside Agency or CSPC account.**