

Receipt of Gifts

Purpose:

The Board expects of itself and its members to receive appropriate gifts for the STHF following certain procedures.

Definitions:

- a) Gift – a voluntary transfer of money or property for which the donor expects and receives nothing in value of return.
- b) A Gift-in-Kind – a gift-in-kind includes such things as capital property (including depreciable property) and personal-use property (including listed personal property). This also includes a gift-of-services.
- c) Fair Market Value (FMV) – the generally accepted meaning is: the highest price, expressed in a dollar amount that the property would bring, in an open and unrestricted market, between a willing buyer and a willing seller who are knowledgeable, informed, and prudent, and who are acting independently of each other. FMV is the value at the time the donation is received, the date on which the beneficial ownership is transferred from the donor to the donee.
- d) Benefit of Nominal Value – FMV of the benefit does not exceed the lesser of \$50.00 or 10% of the amount of the gift, which it is given.
- e) Designated Gifts – gifts received for specific purposes.
- f) Undesignated Gifts – gifts received which have not been designated for a specific purpose.
- g) Administrative Assessment – a percentage determined by the Board from time-to-time, which is to be applied to gifts of cash and to the cash derived from gifts-in-kind, and which is to be used for administrative purposes.

Directives:

1. Receipts for income tax purposes will be issued for gifts in accordance with CRA in a timely manner and in any event, no later than February 28th of the year following the year in which the gift was received. Tax receipts will only be issued to donors who request a receipt be issued.

2. Tax receipts will not be provided where a donor has received a benefit in excess of a nominal value.
3. Tax receipts will not be issued for services-in-kind. If a tax receipt is desired, the STHF will pay for the services and the monies paid may be donated back to the STHF and thus being classified within the definition of a gift.
4. All gifts will be appropriately identified as designated or undesignated.
5. The administrative assessment applies to each gift unless the Board waives it. A sub-committee of the Recognition Committee will review application.
6. All gifts-in-kind or offers of donated services will be referred to the Board by the Development Committee for an assessment, if the Committee cannot reach a consensus on the suitability of acceptance.
7. The FMV of gifts-in-kind is to be obtained from a qualified, independent assessor, appointed by the STHF board before a receipt is issued for tax purposes. Where the expected value exceeds \$5,000, at least two appraisals will be sought with exceptions to be determined by the Board.
8. Gifts-in-kind which cannot be passed on to the Stanton Territorial Hospital in the form received or if conversion is restricted by the donor, those gifts will be converted to cash at the earliest opportunity.