

<b>ST. JOSEPH'S FOUNDATION OF THUNDER BAY</b> <b>63 CARRIE STREET, THUNDER BAY, ON P7A 4J2</b>	
<b>POLICY</b>	
<b>SJF-FND-012</b>  <b>GIFT ACCEPTANCE POLICY</b>	<b>DATE APPROVED:</b> July 16, 2025
	<b>NEXT REVIEW DATE:</b> July 2027
	<b>APPROVAL:</b> 

At St. Joseph's Foundation of Thunder Bay (SJFTB), we are guided by the compassionate legacy of the Sisters of St. Joseph of Sault Ste. Marie. Our mission is to inspire generosity in acquiring the vital equipment, technology, and infrastructure necessary to support the diverse healthcare needs of our community and region. The Gift Acceptance policy outlines the principles and procedures we follow to ensure that all donations align with our mission and values, enabling us to continue providing high-quality care and support through St. Joseph's Care Group. We are committed to stewarding gifts with integrity, honoring the intentions of our donors while ensuring they have the greatest impact on the well-being of those we serve.

***Purpose of the Policy and Guidelines***

The purpose of the gift acceptance policy and guidelines is to identify the various types of gifts that may be promoted and accepted by SJFTB, the general policies applicable to those gifts and the specific guidelines for each type of gift. These policies ensure that all gifts accepted by SJFTB will be acceptable to the Canada Revenue Agency (CRA), cost effective to SJFTB and will not create undue liability.

Donations and other forms of support will generally be accepted from individuals, partnerships, corporations, foundations, Donor Advised Funds (DAF), financial institutions and government agencies.

**1. General Policies**

**1.1 Definitions**

SJFTB is authorized to accept both present and deferred gifts and contributions.

A “*present gift*” refers to an outright contribution of cash or property, which can be used immediately by SJFTB in support of its funding priorities. Securing present gifts is SJFTB’s highest priority.

A “*deferred gift*” includes bequests, life insurance policies, retirement plan accumulations and gifts of residual interest. All deferred gifts including program solicitation plans and activities shall be subject to the oversight of the SJFTB Board of Directors.

A “*planned gift*” includes

- Gifts of real estate, stock options, tangible personal property, and other property interests not readily negotiable; and
- Gifts of residual interest, including charitable remainder trusts

A “*contribution*” is often a business gift, typically arising from a sponsorship opportunity. Since sponsorship gifts are made under contract (implied or explicit) and generally involve significant benefit to the donor in terms of advertising or promotional value, sponsorships would be considered contributions. Contributions also include proceeds of sales and other business activities, lotteries, raffles and auctions. A charitable donation receipt cannot be issued for contributions.

Policies and guidelines for acceptance of each type of gift are set out in Sections 1 to 8 of this Policy.

### **1.2 Responsibility to Donors**

The policy of SJFTB is to inform, serve, guide or otherwise assist donors who wish to support its activities in support of St. Joseph’s Care Group (SJCG). All persons acting on behalf of SJFTB, both staff and volunteers, will conduct themselves in accordance with generally accepted professional standards of accuracy, confidentiality, truth and integrity.

In all matters involving donors, their interest and well-being must take precedence over the interest and needs of the organization. In cases of potential or actual conflict of interest, those acting on behalf of SJFTB must declare the conflict and allow someone else to act on its behalf.

Persons acting on behalf of SJFTB shall in all cases encourage the donor to discuss proposed gifts with independent legal and/or financial advisors of the donor’s choice and at the donor’s expense. SJFTB reserves the right to decline any gift.

As part of our commitment to respecting and honoring our donors, St. Joseph’s Foundation recognizes that safeguarding donor intent includes respecting requests for anonymity. When a donor indicates a preference for anonymity, it is our responsibility to ensure that their identity and contribution details remain confidential, both internally and publicly, in accordance with their wishes. This commitment to donor privacy is a key element of maintaining trust and fostering a culture of integrity and respect.

### **1.3 Authorization**

While members of SJFTB Board of Directors and volunteers are encouraged to be ambassadors for the SJFTB, only designated SJFTB staff are authorized to negotiate present and deferred gift arrangements with prospective donors.

All gift arrangements that require SJFTB to execute legal or program related documents shall first be reviewed and approved by its legal counsel. Where substantially the same document or legal agreement is issued repeatedly, only the original form of the document needs to be approved by legal counsel.

Some gifts, due to their nature or the specific intent outlined by the donor, may require consultation with the President and CEO of St. Joseph's Care Group (SJCG) prior to acceptance.

Planned gifts, gifts of cash, publicly traded securities, life insurance, and retirement plan accumulations do not require approval by the Finance Committee; however, any gift may be referred to the Committee for discussion if deemed necessary.

SJFTB is not permitted by law to offer gift annuities.

#### **1.4 Declining a Gift**

At times, SJFTB may choose to decline a gift if one or more of the following conditions are known:

- a) There are conditions to a gift and its designation which are inconsistent with the objectives, values and goals of SJFTB or SJCG.
- b) The gift could financially jeopardize the donor and/or SJFTB.
- c) The gift or terms are illegal.
- d) An appropriate fair market value cannot be determined, or will result in unwarranted or unmanageable expense to SJFTB.
- e) SJFTB or SJCG does not have the resources to honor the terms of the gift.
- f) There are physical or environmental hazards involved.
- g) Where false promises have been made; where the donor does not have the authority to make the gift.
- h) The gift could jeopardize the charitable status of SJFTB.
- i) The gift could improperly benefit any entity (individual and/or organization).
- j) The acceptance of the gift would negatively impact SJFTB.

#### **1.5 Official Donation Receipts**

SJFTB has been issued a charitable registration number by CRA, which permits it to issue charitable donation or gift receipts for income tax purposes. The privilege is governed by federal statute and internal policy. The word "gift", by its common law definition is "a voluntary transfer of property without valuable consideration".

#### **Policy**

SJFTB will issue an official receipt for donations that qualify as charitable gifts, as per the Income Tax Act and CRA's policy guidelines, as amended. SJFTB will consider gifts that are unencumbered and those over which the donor retains no jurisdiction.

#### **Guidelines**

When a gift is received by SJFTB, it is the responsibility of the President/CEO to ensure that the gift is acceptable and that the donation qualifies as a charitable gift.

If there is any uncertainty as to whether a donation qualifies as a charitable gift, advice will be sought in the following order;

- a) Charities Direct of CRA
- b) From qualified legal counsel

- c) From the qualified tax consultant at the external auditors

### **1.6 Confidentiality of Information**

Charitable giving is a personal and sensitive issue. To ensure the privacy of donor information, it is necessary to control access to donor and gift information.

#### **Policy**

All information pertaining to donors and donations received by SJFTB is confidential and shall be governed in compliance with the SJFTB Confidentiality Policy (SJF-BRD-001).

Donor lists, records, and/or mailing information maintained in the name of the SJFTB will never be sold or exchanged.

### **1.7 Direction of Gifts**

The SJFTB has a responsibility to handle all monies put into its trust in accordance with the directions (past, present, and future) of the person who made the gift. It also must adhere to all applicable laws, federal and provincial.

All gifts received by SJFTB should be directed to purposes that are in accordance with the strategic direction, vision and values of the SJFTB and St. Joseph's Care Group.

#### **Policy**

All donors, at time of donation, can irrevocably choose to have their gift fully expended or endowed and can direct their gift to a specific program, fund or project. The use of the gift may effect whether it can be expended or endowed. On rare occasions, a gift may be declined as a result of the restrictions on the gift.

#### **Guidelines**

Unrestricted gifts or gifts with no designation specified, are allocated to the unrestricted general account. Gifts restricted to a specific program, project or fund will be allocated to a program or fund account identified for this purpose.

## **2. Acceptance Policies**

### **2.1 Gifts of Cash**

#### **Definition**

Cash may include cheques, money orders, currency or other legal tender, including contributions made by credit card and/or online giving processes.

#### **Policy**

Charitable donation receipts will be issued for donations over \$25.00. Requests for donation receipts in smaller amounts will be thoughtfully considered.

#### **Guidelines**

Authorized SJFTB staff will deposit the gift in accordance with established procedures and

prepare the official donation receipt in the name of SJFTB. Staff will record the gift entry in the database and prepare the appropriate acknowledgement.

## **2.2 Gifts of Publicly Listed Securities**

### **Definition**

Examples of securities are shares of stock in a corporation, bonds, treasury bills, and other documents evidencing a liability or mutual funds. Some securities may be publicly traded, i.e. listed on a recognized securities exchange. Publicly traded securities receive certain preferable tax treatment when donated to a charitable institution.

### **Policy**

SJFTB reserves the right to sell securities and manage the funds according to its Investment policy. The amount of the donation receipt is determined by;

- The fair market value (FMC) of the security at the close of the business on the day the security is received by the custodian of the SJFTB's investment counsel.
- The fair market value (for non-marketable securities) on the date of transfer provided through a written evaluation prepared by an independent appraiser who is qualified to evaluate such shares.

We welcome the opportunity to work with donors who wish to make non-traditional gifts, such as shares in privately-owned companies, real estate, or partnership interests. To ensure that each gift is accepted in a manner that protects both the donor's intentions and the Foundation's responsibilities, these contributions will be thoughtfully reviewed in consultation with the Finance Committee. Gifts of this nature will be accepted when the evaluations meet the Board's satisfaction and there is no liability assumed by the Finance Committee. We are committed to working collaboratively with donors to honor their generosity while ensuring sound stewardship.

## **2.3 Pledges**

SJFTB will accept pledges payable over a period of up to five (5) years. Pledges of \$100,000 or more can be payable over a period of up to ten (10) years.

The Foundation will report as current gifts pledges payable in ten (10) years or less at the actual amount of the pledge.

The Foundation will recognize pledges payable in ten years or less at the actual amount of the pledge. No naming or plaque fabrication will start until fifty percent (50%) or a good-faith payment, whichever is less, of the pledge is paid and approved by the President/CEO.

## **2.4 Gifts-In-Kind**

### **Definition**

Gifts-in-Kind can refer to gifts of real property, such as personal property, art, books, jewelry, and other valuable items. Gifts-in-kind can also include contracted service or skill.

### **Policy**

We are grateful for gifts of all kinds, including gifts of real property, which may be accepted by

St. Joseph's Foundation of Thunder Bay (SJFTB). Once accepted, an official charitable receipt will be issued for the fair market value of the gift on the date it is transferred, in accordance with CRA guidelines. To best honor the donor's intentions and support the Foundation's mission, SJFTB may retain the property or sell it, using the proceeds where they are needed most or as designated by the donor.

## **Guidelines**

In order to issue a donation receipt for a gift-in-kind, the SJFTB requires that:

- A minimum of one independent appraisal be acquired from a reputable appraiser. Original appraisal documents must be in hand as well as a deed of the gift, making the SJFTB irrevocably the owner of the gift. The donor is responsible for the cost of the appraisal.
- For items valued under \$1000, an authorized member of the SJFTB's staff may ascertain the value of the item. If there is not a qualified staff member, an independent appraisal will be required. Appraisals will be undertaken at the cost of the donor.
- Gifts of real estate, whether outright or in some form of residual interest gift, will be subject to the following. The SJFTB shall ascertain:
  - Whether the donor has clear title to the property.
  - That acceptance of the gift would be in its best interest after consideration of such factors as zoning restrictions, marketability, current use and cash flow.
  - That it will assume no liability whatsoever as a result of environmental conditions of the property. SJFTB may conduct an environmental assessment at the cost of the donor, including an environmental audit, to determine the it will assume no liability
- St. Joseph's Foundation of Thunder Bay does not accept used medical equipment, musical instruments or similar property.

## **2.5 Estate Gifts by Will (Bequests)**

### **Definition**

A bequest is a specific provision in a Will, directing assets from the Estate to SJFTB. The amount of the bequest may be specified or the bequest may be residual interest after all debts, taxes and other specific bequests have been paid.

### **Policy**

Bequests made to SJFTB may qualify as a charitable gift, if the terms and conditions or the bequest are consistent with the priorities of SJFTB and SJCG. Official donation receipts will be issued to the Estate of the deceased.

All unrestricted donations received from estates will be directed to St. Joseph's Foundation Endowment Fund after review and approval by the President/CEO of the Foundation. Should there be an urgent or imminent financial need for an unrestricted donation the Board of Directors may choose not to invest the funds received in the Endowment fund.

We are deeply committed to honoring the wishes of donors who leave designated or restricted gifts through their estates. Upon receipt, these gifts will be carefully reviewed in consultation with the donor's family or legal counsel to ensure their intentions are respected. It is always the intent of St. Joseph's Foundation to fulfill the donor's request whenever possible. In rare circumstances, if it becomes necessary to adjust or remove a designation or restriction, this will be done thoughtfully, with the approval of the Board of Directors and where appropriate, the estate executor, and always with the best interests of the Foundation and the spirit of the donor's legacy in mind.

### **Guidelines**

Sample bequest language will be made available to donors and their legal counsel to ensure that bequests are properly designated and the proper legal title for SJFTB is used. Staff will not become involved in the final preparations, execution, or witnessing of a Will in which SJFTB has been named a beneficiary.

Communications to SJFTB (letters, copy of Will and/or estate account summaries) received from the executors, trustees, or legal counsel will be reviewed by the SJFTB's President/CEO (or designate). The purpose of the bequest will be reviewed to ensure that it is not in conflict with the needs or policies of SJFTB or SJCG. The President/CEO will review any bequests that are in conflict, and an appropriate action plan will be determined.

On behalf of SJFTB, staff will maintain the ongoing file of all estates and will ensure that all correspondence is dealt with expeditiously and in accordance with SJFTB policy.

## **2.6 Gifts of Life Insurance**

### **Definition**

A donor may choose to donate an existing, fully paid-up life insurance policy or purchase a new policy for the SJFTB. The donor can name SJFTB the owner and beneficiary or just a beneficiary under the policy. Different tax treatments apply depending on the donor's choice.

### **Policy**

*If the donor donates an existing policy:*

A fully paid-up policy transferred to the SJFTB provides the donor with a donation receipt for the fair market value (FMV) as calculated on the date of ownership transfer (often, but not always, the cash surrender value of the policy), provided SJFTB is named the owner and beneficiary of the policy. Upon the donor's death, SJFTB receives the face value of the policy.

If an individual has an existing policy on which premiums are still owing and SJFTB is named the owner and beneficiary, SJFTB may issue a donation receipt for the FMV when policy ownership is transferred and donation receipts for all subsequent premium payments paid by the owner.

*If the donor donates a new policy:*

When a donor purchases a new policy and names SJFTB as owner and beneficiary, the

donor receives a donation receipt for the annual premium payments paid on the policy. The donor makes premium payments directly to the insurance company. Upon the donor's death, SJFTB receives the face value of the policy.

In both of the above scenarios, the donor may choose to direct the insurance proceeds to their estate and name SJFTB as the beneficiary of these proceeds in their Will.

### **Guidelines**

The President/CEO (or designate) must approve all gifts of life insurance. SJFTB will confer annually with the appropriate insurance companies that premium payments have been made. In cases where the donor does not make premium payments, the SJFTB may elect to:

- Continue the premium payments
- Retain the policy with a "paid up", but reduced face value
- Cash in the policy for its current FMV

## **2.7 Gifts funded by Registered Retirement Savings Plan/Income Fund Proceeds (RRSPs/RRIFs)**

### **Definition**

A donor may choose to donate the proceeds of an existing RRSP or RRIF plan to SJFTB. The donor can name SJFTB as beneficiary of the plan for all or part of the proceeds invested. Upon the donor's death, the proceeds are paid directly to SJFTB and an official donation receipt may be issued to the estate for the full value of the gift.

### **Policy**

RRSP/RRIF proceeds are welcomed by SJFTB and an appropriate official donation receipt will be issued.

### **Guidelines**

Individuals may designate SJFTB as beneficiary of a registered retirement savings plan (RRSP) or registered retirement income fund (RRIF) and have the tax credits available in the year of death.

Following are some guidelines to handle such gift arrangement:

When a prospective donor provides written advice that SJFTB has been named as a beneficiary of an RRSP/RRIF fund, the information should be recorded in a donor record.

When the gift of RRSP/RRIF proceeds are actually received by SJFTB, it will likely flow from a third party source (i.e. an investment firm, bank, brokerage house or trust company, where the donor has documented the beneficiary designation on file).

In such cases, it will be important to acknowledge receipt of the gift from the financial institution, and it is appropriate to advise the estate executor (if known) and/or immediate family of the gift being received.

The proceeds of such gifts should be recorded as an outright gift or cash when received, and a donation receipt for the full amount received should be issued to the estate.

## **2.8 Gifts of Residual Interest**

### **Definition**

A residual interest gift refers to an irrevocable legal arrangement under which property is deeded to SJFTB but the donor retains use of the property for life or term of years after which time SJFTB takes possession.

### **Policy**

At the time of the gift, a donation receipt will be issue for the present value of the asset at the time of irrevocable transfer in accordance with CRA guidelines.

### **Guidelines**

The Finance Committee must approve acceptance of all gifts of residual interest. A legal agreement must be drafted and reviewed by the donor's and SJFTB's legal counsel. SJFTB will provide prototype agreements and financial illustrations upon request.

For gifts of residual interest, the terms of the gift and the responsibilities for expenses shall be specified in a deed of gift executed by the donor and SJFTB. SJFTB reserves the right to inspect the property from time to time to ensure that its interest is properly safeguarded.

## **2.9 Cryptocurrency**

The Foundation does not accept gifts of cryptocurrencies (Bitcoin, Ethereum, etc.) directly. The cryptocurrency gift must be transferred to SJFTB's securities partner, converted to cash, and transferred the Foundation

## **Related Policies**

### **Board Policy**

Confidentiality SJF-BRD-001

### **Philanthropy Policies**

Philanthropy Activities SJF-FND-001

Non-Endowment Investments SJF-FND-002

Donation of Artwork and Furniture SJF-FND-004

Investment Policy Statement SJF-FND-008

Donor Recognition and Stewardship SJF-FND-009

Grants Policy SJF-FND-013