Gift Acceptance Policy

Effective Date: APRIL 2025
Review Date:
Version: 1.0

This policy establishes guidelines for the acceptance and administration of gifts to ensure all contributions align with our mission to alleviate hunger in the community.

This policy provides guidelines for appropriate receiving/receipt processes for KHHFB.

Types of Gifts Accepted

Gifts of Cash: Monetary donations in the form of cash, checks, electronic funds transfers, and online donations.

Cash or Cheque Donations - Individuals who Come to the Foodbank

Wherever possible, donors will be issued an immediate printed official tax receipt.

Cash or Check Donations via Canada Post

Donations received in the mail will be acknowledged with an official tax receipt, and donors thanked within three weeks of the donation being received and entered into the administrative system.

Internet (online) Donations

A tax receipt is currently not required – one is issued to the donor when they donate online.
Upon accepting a gift, tax receipts will be issued in accordance with the guidelines set out by the Canada Revenue Agency. KHHFB will issue an official receipt for donations of $20 or more that qualify as charitable gifts. Receipts for donations of less than $20 will only be issued at the donor's request.

Gifts in Kind: Non-cash donations, including:

Food Donations and Occasional Donations of Other Necessary Products

(Toiletries, Washing Soap and Personal Care items)
These are dropped off at the Food Bank and will be weighed by a Food Bank volunteer or staff member with the name of the donor and the weight being recorded. Thanks, will be expressed by the KHHFB volunteer or staff member.

Gifted Labour and Rental Costs

Donors are issued a tax receipt only once a bill/invoice has been issued by the donor, paid by KHHFB, and then donated back to KHHFB.

1. Contractor "agrees" (contract? email?) to do work for KHHFB
2. Once work is completed, Contractor provides invoice for work completed to KHHFB
3. KHHFB provides financial compensation to Contractor for work completed.
4. Contractor submits donation that matches amount of invoice paid.
5. KHHFB issues charitable tax receipt to Contractor for financial donation.

Restricted Gifts: Donations that are earmarked for specific programs or purposes will be accepted, provided they align with the organization's mission.

Administration of Gifts

Donation Procedures:

- **Notification:** Donors are encouraged to contact KHHFB prior to making a donation to discuss potential contributions.
- **Documentation:** A donation form must be completed, providing details about the items being donated, their estimated value, and any specific instructions.
- **Approval Process:** All donations will be reviewed by designated staff to ensure compliance with this policy and organizational needs.

- **Record Keeping:** A log of all accepted donations will be maintained, including donor information, types of gifts, and the date of donation.

Valuation of Donations

Donors are responsible for determining the value of their contributions. [Food Bank Name] will provide a receipt for tax purposes, but will not assign a monetary value to the donated items.

Health and Safety Standards

All donations must comply with local health and safety regulations. Staff and volunteers will be trained in safe handling and storage practices.

Review of Policy

This policy will be reviewed by the board of directors at least every five years to ensure its relevance and effectiveness. The last review date was March 2025

7. Availability of Policy

This policy will be made available on the KHHFB website to ensure transparency and accessibility for potential donors and the community.

8. Contact Information

For questions regarding this policy or to make a donation, please contact:

- Kimberley Helping Hands Food Bank
- Phone:250 427 5522
- Email: kimberleyfoodbankmanager@gmail.com
- Website: kimberleyfoodbank.ca

The current 'Gifts-In-Kind' receipting practices (5.04 Gifted Labour Receipting Procedure) was created based on descriptions from Board members.

The Board needs to review this alongside the Treasurer. What does the documentation and records process look like currently? Where are these records currently kept?

https://fbc.ca/blog/charitable-donations-for-tax-break/

Can I Get a Tax Credit for Donating My Services?

For the donation of services to be considered property, payment must occur.
The only way to get a tax receipt for donating services is to have the charity pay for the services rendered and then donate the same amount back to them. Here's how it would work:

1. **Enter an agreement with the charity:** Just as you would with a paying customer, create a written record, agreement, or contract outlining what services are being provided, the amount being charged, and what will be donated back to the charity. This covers liability on both sides.
2. **You issue an invoice:** You issue an invoice for what you would typically charge for the services. Remember to include GST or HST and remit it.
3. **The charity pays you for your services:** This creates a record of the service provided and payment made.
4. **You donate the payment back to the charity:** This becomes a cash donation, and you can get a tax receipt for this amount (less the GST/HST).

Remember, both steps – the payment and the donation – must be documented. The CRA recommends using cheques for both transactions to create a clear audit trail. Donations over $200 qualify for a higher tax credit rate.