

Manitoba Crafts Museum and Library

ACCEPTING GIFTS POLICY



Revised: Spring 2022

Adopted: September 7, 2022

Responsibility: Board of Directors

To be reviewed: 1st quarter 2025

1.0 INTENT

This policy identifies the donations that the Manitoba Crafts Museum and Library (MCML) may accept. It provides guidance to staff, Board of Directors, volunteers, and donors and ensures that gifts to the organization are made in accordance with the legal and ethical regulations and guidelines of the Canada Revenue Agency (CRA) and the Association of Fundraising Professionals (AFP).

The policy facilitates the gift-giving process by ensuring donors are fully informed and that gifts agree with the mission, vision, and values of MCML.

MCML urges prospective donors to seek the assistance of personal, legal, and financial advisors in matters related to their gifts, including the resulting tax and estate planning consequences.

2.0 SCOPE

This policy applies to donations received through all fundraising activities of MCML, including: general donation, annual giving, planned gifts, special fund raising initiatives and campaigns.

3.0 TYPES, DEFINITIONS AND CONDITIONS OF GIFTS

3.1 TYPES OF GIFTS ACCEPTED

MCML encourages and solicits contributions of

- Cash
- Wills and bequests
- Charitable gift annuities
- Life insurance policy
- Retirement fund
- Publicly traded securities with a value of \$1000.00 or more
- Charitable remainder trusts and restricted interest gifts
- Personal and real property.

3.2 DEFINITIONS AND CONDITIONS OF GIFTS

3.2.1 Cash includes cheques, electronic fund transfers, credit card donations.

3.2.2 Wills and bequests: Bequests may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under MCML policies.

Official receipts will be issued to the estate of the deceased.

MCML requires a copy of documents naming it as a beneficiary for our files, before issuing a tax receipt.

3.2.3 Charitable gift annuities: MCML will consider charitable gift annuities on a case-by-case basis. The tax receiptable amount will be determined according to CRA Guidelines.

3.2.4 Life insurance policy: MCML may accept a life insurance policy as a gift if it is named as beneficiary or is both the irrevocable owner and beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

Any premiums due are the responsibility of the donor. If the insurance policy lapses for non-payment, MCML may:

- continue to pay the premiums

- convert the policy to paid up insurance or
- surrender the policy for its current cash value.

When a life insurance policy is absolutely assigned to MCML, any consent that is required by provincial regulations to change a beneficiary must be signed before the transfer represents a valid charitable donation.

3.2.5 Retirement fund: MCML may accept the proceeds of a retirement fund as a gift if it is named as beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

3.2.6 Publicly traded securities: MCML shall accept only those gifts of securities that are publicly traded stocks and bonds with a value of \$1000 or more. The value and the tax receiptable amount of these donations are determined by the value of trading on the date of receipt of donation.

3.2.7 Charitable remainder trusts and restricted interest gifts: MCML may accept a charitable remainder trust as a gift if MCML is named as capital beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

3.2.8 Personal and real property: Generally, gifts of property are not encouraged. All proposals for gifts-in-kind to MCML shall be reviewed by the Board of Directors who may also seek financial and legal advice.

Gifts of property will be reviewed with special care to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the use of the gift.

Gifts of property valued at or over \$1,000 given to MCML with the intent of the donor to receive a tax receipt shall receive an

independent external appraisal. The donor will cover the cost of the valuation.

4.0 PRINCIPLES

MCML engages in the following practices:

- a) MCML reserves the right to accept or decline any gift. The final decision rests with the Board of Directors. MCML values should be considered in accepting gifts.
- b) MCML will not accept gifts that are not recognized by CRA or that violate federal, provincial or municipal laws.
- c) MCML does not accept gifts through vehicles which have been created primarily for tax shelter purposes.
- d) MCML will not accept gifts, enter into partnerships, or accept support that will compromise our commitment to our mission and essential values as articulated in our by-laws and statement of purpose.
- e) MCML values and will protect our integrity, autonomy and funding freedom, and does not accept gifts when a condition of such acceptance would compromise these fundamental principles.
- f) A donor may restrict a gift (including bequests) to a specific project or purpose that supports the mission of MCML.
- g) Ownership of all gifts directed to MCML vests in MCML, whether said gifts are for the benefit of MCML generally or for some specific purpose in it.

5.0 PROCEDURES

MCML is committed to the following procedures:

- a) Designated gifts will be used for the purposes for which they are provided. Undesignated gifts will be used for the most needed initiatives as determined by the President and Executive Director in conjunction with the Board of Directors.

- b) Accountability to donors must be of the highest calibre, through appropriate acknowledgment and accurate and timely reporting by the relevant staff. Where appropriate, gift agreements will be recorded between donors and MCML, and MCML will adhere to them.
- c) Anonymity will be granted to any donor who makes this request.
- d) All donations will be recorded and receipted in accordance with the rules and regulations set out by the CRA. MCML will issue an official receipt for donations of \$20 or more that qualify as charitable gifts, in accordance with CRA guidelines. Receipts for donations of less than \$20 will be issued only when requested by the donor.
- e) Any gifts to MCML that have not been addressed above shall be reviewed by the Board of Directors on a case by case basis before the gift is accepted. Consideration shall be given to the size of the gift, its impact, the financial liability (if any), and possible consequences (financial, reputable, brand) to MCML.
- f) If, following internal consultations, uncertainty remains as to whether a donation qualifies as a charitable gift, a ruling may be sought from legal counsel, auditor and/or the CRA.
- g) Gifts of real estate, shares in privately owned companies, flow-through shares, and other investments that are not readily negotiable shall require the approval by the Board of Directors. As these gifts are not readily valued, valuation documentation must be prepared by the donor through an independent external appraisal.

6.0 POLICY REVIEW

This policy shall be reviewed at least once every three (3) years.

President _____ Date _____