

**1. Purpose:**

The Catholic District School Board of Eastern Ontario is a registered charitable organization that can issue charitable donation receipts for income tax purposes. Receipts can be issued for donations received for the purposes of improving education facilities, teaching programs/services within the Board and to provide scholarships, bursaries and prizes for scholastic achievement and need. Outlined below is the procedure for the collection of donations, disbursement of funds and the issuing of Income Tax Receipts.

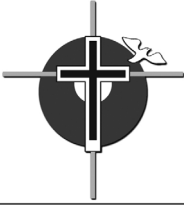
No school or Catholic School Council shall file for separate registered charitable status. This will allow the Board to ensure that proper administrative procedures for the issuance of charitable donation receipts are in place and that the filing of the annual charity return is being completed by a qualified individual. For those already registered, procedures to un-register will be provided.

**2. Procedures:**

**2.1 Receiving a Donation**

*2.1.1 Cash Donation*

- a) Cheques made payable to the Catholic District School Board of Eastern Ontario and cash should be forwarded to the Accounting Department for deposit and the issuance of a charitable donation receipt. Any cheques made payable to the school in error must be endorsed by the school principal and forwarded to the Accounting Department for deposit.
- b) A list accompanying the cheques/cash should include the full name, address and contribution of each donor for receipt issuance purposes.
- c) For donations of \$20 or more, an official income tax receipt will be sent to the donor from the Board Office.
- d) Donations can be deposited into the school's operating budget or alternatively, a cheque for the total amount of the contributions, payable to the school's petty cash account, can be forwarded to the school to be deposited in the school bank account.



### 2.1.2 *Goods-in-Kind*

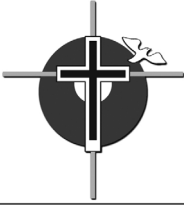
- a) A goods-in-kind donation consists of capital or personal-use property.
- b) A donation of goods-in-kind must be accompanied by a written determination of 'Fair Market Value' by an arm's length third party. The generally accepted meaning of 'Fair Market Value' is the highest price that the property would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed and prudent and who are acting independently of each other.
- c) Once the documentation supporting 'Fair Market Value' has been verified, an official charitable donation receipt will be issued by the Board Office.
- d) Any donations in kind should be discussed with the Manager of Finance before the donation is accepted.

## 2.2 **Distribution of Funds**

2.2.1 When it is time to award scholarships, bursaries, or purchase goods or services that support the purpose of the donation, this can be done in one of two ways:

- a) If the donation was deposited into the school's operating budget then the school follows the usual purchasing practices to acquire the goods/services. All invoices are processed through the Accounting Department and charged to the same school operating budget general ledger account as the deposit was made. This method ensures appropriate reimbursement for the applicable GST rebate.
- b) If a cheque for the total of the donation received was returned to the school, payable to the school's petty cash account, then the school submits payments by cheque drawn on the school's bank account, directly to the supplier of the goods/services.

2.2.2 It is the responsibility of the Principal to ensure that funds are disbursed in accordance with the wishes of the donor.



### **2.3 Annual Charity Return**

- a) An annual charity return will be prepared and submitted to Canada Customs and Revenue Agency by the Manager of Finance within six months following the end of each fiscal period.