



ISLANDS TRUST CONSERVANCY BOARD POLICY

Policy number: 1.7

Title: Fundraising and Donation Policy

Approved By: Islands Trust Conservancy Board

Date: August 9, 2006 Resolution #: TFB 06/858

Revised: Date: March 31, 2015 Resolution #: TFB-2015-054

PURPOSE

- To ensure fundraising activities meet the priorities of the Islands Trust Conservancy
- To ensure donations are solicited in a coordinated and respectful manner
- To define the Board's role in gift acceptance and administration
- To provide information to current and potential donors

SCOPE

This policy applies to all fundraising activities of the Islands Trust Conservancy and all gifts offered to the Islands Trust Conservancy Board ("Board"). Notwithstanding this policy, the Board will consider each gift on its merits and will make the final decision on accepting or declining a gift. Gifts of land will generally be considered under ITC Policies *2.2 Assessing Conservation Proposals* and *2.3 Acquisition and Management of Land*.

This policy does not apply to fundraising activities undertaken by external organizations in support of an Islands Trust Conservancy property, project or purpose.

BACKGROUND

The object of the Islands Trust is to preserve and protect the trust area and its unique amenities and environment. The Islands Trust Conservancy Board Five-Year Plan and Regional Conservation Plan outline the priorities of the Islands Trust Conservancy.

The *Islands Trust Act* provides the authority for the Board to receive money and other property by way of donation for the purpose of carrying out the object of the Islands Trust. The Board is an agent of the

Crown and therefore a qualified donee¹ under section 149.1 (1) of the *Income Tax Act*. The Board and its staff solicit outright and deferred gifts from individuals, corporations, and foundations to achieve its mission and purpose.

The Board strives to meet industry standards and best practices when conducting fundraising activities, including:

- Canada Revenue Agency regulations and guidelines governing the fundraising activities of qualified donees;
- The Association of Fundraising Professionals Code of Ethical Principles and Standards; and
- The Canadian Land Trust Standards and Practices.

Policy – General

1. The Board will review and plan its fundraising priorities and goals on an annual or more frequent basis. Fundraising activities will support the priorities set out in the Regional Conservation Plan.
2. The Board will issue an official donation receipt for any gift of a fair-market value equal to or greater than \$20. Donation receipts will be issued in compliance with regulations of the Canada Revenue Agency.
3. The Board and its staff shall not give individualized financial, tax or legal advice to donors. Donors are responsible for obtaining at their cost independent legal and financial advice for gifts made to the Islands Trust Conservancy. Staff will advise donors to seek independent financial, tax and/or legal advice.
4. The Board will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:
 - the review of all transactions governed by legal agreements;
 - the review of all transactions with potential or perceived conflicts of interest; and
 - other circumstances in which staff or Board members believe that legal review is appropriate.

Policy – Gift Solicitation

5. The Board will ensure, to the best of its ability, that all fundraising activities and materials developed for the Islands Trust Conservancy:
 - are direct and truthful;
 - accurately describe the Islands Trust Conservancy’s mission, achievements, goals, and programs;
 - disclose the Islands Trust Conservancy’s name and contact information;
 - describe the purpose for which funds are requested and the Islands Trust Conservancy’s capacity to use donations effectively for their intended purposes; and
 - disclose the Islands Trust Conservancy’s ability to issue receipts for income tax purposes.

¹ Qualified donee: an organization that can issue official donation receipts for gifts it receives from individuals and corporations. It can also receive gifts from registered charities.

6. The Board and staff will solicit funds for the purposes outlined in existing Fund Guidelines² and Fund Agreements³. The Board will not solicit funds for purposes outside of those approved in Fund Guidelines or Fund Agreements unless it has first reviewed and approved the additional fundraising activity.
7. The Board will ensure that anticipated fundraising costs are proportionate to the type and scope of activity it intends to achieve with gifted funds.
8. The Board will not use donated funds to carry out fundraising activities, unless funds are gifted for purposes that expressly include the support of fundraising activities.
9. When planning or carrying out fundraising activities, the Board will consider the fundraising campaigns of partner land trusts and other community groups underway in the same target area, and endeavor to minimize direct competition.
10. The Board will not engage in commission-based fundraising, and will not employ contractors utilizing this method for fundraising activities.
11. The Board will respect a donor's request to cease or limit solicitations or to discontinue receiving printed or electronic communications from the Islands Trust Conservancy.

Policy – Gift Acceptance

12. The Board may accept unrestricted monetary gifts, and monetary gifts that are restricted to one or more of the purposes set out in approved Fund Guidelines or Fund Agreements.
13. The Board may accept gifts that meet all of the following criteria:
 - a. the Islands Trust Conservancy has a use or need for the gift or, if there is no immediate need, the gift is marketable;
 - b. the gift and its accompanying terms comply with legal requirements;
 - c. the purpose of the gift is compatible with the priorities of the Islands Trust Conservancy;
 - d. the size or benefit of the gift is proportionate to the work or cost required to support or sustain the gift;
 - e. the Board has not identified any liability concerns associated with the gift;
 - f. any restrictions on the gift are acceptable to the Board; and
 - g. ownership of the gift will be transferred to and vest solely in the Board.
14. The Board may in any case decide to decline a gift, including without limitation a gift that:
 - a. is not consistent with the Islands Trust Conservancy's mission or priorities;
 - b. includes conditions that the Board determines are not in the Islands Trust Conservancy's best interests,
 - c. includes financial or administrative requirements that the Board determines are not acceptable;
 - d. violates any applicable laws;
 - e. requires any action that is unacceptable to the Board or violates the Board's policies;
 - f. is financially unsound or would expose the Board to liability or embarrassment;
 - g. requires the Board to do business with a specified company or person; or

² As of March 2015, the ITC has Fund Guidelines for the following funds: Opportunity Fund, Geographically Restricted Funds, Covenant Management and Defense Fund.

³ Fund Agreements are negotiated agreements with donors regarding the specific use of a restricted donation.

- h. could be perceived as an attempt to influence the decision of another body under the *Islands Trust Act*.
15. The Board may accept gifts of publically traded securities. The securities will be sold by the Board on receipt. The fair market value of a gift of securities will be determined by an independent, arm's length broker.
 16. The Board may accept gifts of life insurance policies where the Board is either designated as the beneficiary, or as the owner and beneficiary, of the policy. The Board will not use operating funds or other donated funds to make premium payments on a gifted life insurance policy. If a policy is not fully paid, the Board will consider accepting the gift only if:
 - a. the donor signs a written pledge of a charitable contribution in a total amount that equals or exceeds the total premiums due;
 - b. the written pledge includes a payment schedule that equals or exceeds each policy premium payment as that payment becomes due; and
 - c. the written pledge acknowledges the right of the Board to either convert the policy to paid-up insurance or surrender the policy for its cash value, in the event the donor fails to make a scheduled payment.
 17. The Board may accept gifts of Registered Retirement Savings Plans (RRSP) or Income Funds (RRIF) when named as beneficiary of such plans. Gifts of RRSP or RRIF will be valued on the day of death of the donor, and a receipt will be provided to the estate.
 18. The Board may accept gifts of residual interest, where the donor irrevocably gifts the property to the Board, but retains the right to use or live on the land for life or for a defined period of time. Each proposed gift of a residual interest will be assessed against this and other policies of the Board.
 19. The Board may accept gifts of real property that do not meet the criteria of "Nature Reserve"⁴ to sell as soon as practical, with proceeds of the sale to be used to support the Islands Trust Conservancy mission and priorities. Gifts of real property that do meet the criteria of "Nature Reserve" will be considered under ITC Policies 2.2 *Assessing Conservation Proposals* and 2.3 *Acquisition and Management of Land*.

Policy – Gift Management

20. The Board will use all donated funds as follows:
 - a. where specifically solicited, for the purposes identified in the solicitation;
 - b. where not specifically solicited, in accordance with the written wishes of the donor, if any; and
 - c. in compliance with this policy.

⁴ An Islands Trust Conservancy Nature Reserve is an area that has been set aside because it has regionally significant natural ecosystems (landscape units with little or no human development) and may contain nationally and provincially identified ecosystems and species that are considered endangered, threatened or of special concern.

The primary purpose of a Nature Reserve is the preservation and protection of the natural ecosystem. The size of a Nature Reserve should be sufficient to ensure that these ecosystems remain viable over the long term.

Activities permitted on a nature reserve will have minimal impact on the land and in general will only include hiking and only in areas that are considered not sensitive to this activity. The location and extent of hiking trails will be determined through the management plan process.

21. The Board will make all decisions respecting the investment of cash gifts and proceeds from non-cash gifts, provided that all investment of gifts will be in accordance with the provisions of the *Trustee Act* respecting the investment of trust property by a trustee.
22. If funds have been raised for a specific project and there are funds remaining after the project is completed, the Board will direct the remaining funds to one of the following:
 - if the project was the acquisition of a property by the Board, for the on-going management of that property;
 - if the project was the acquisition of a property by another conservation organization with the Board as an acquisition partner, for the on-going management of that property by the partner organization;
 - to a geographically restricted acquisition fund for another conservation acquisition project in that local trust area; or
 - to the Opportunity Fund for use in another conservation acquisition project.
23. If funds have been raised for a specific acquisition and the goal for the acquisition is not reached, the Board will direct the funds raised to one of the following:
 - to a geographically restricted acquisition fund for that local trust area;
 - to the Opportunity Fund for use in another conservation acquisition project; or
 - to another conservation project in the Islands Trust area.

Policy – Donor Recognition

24. The Board will consult land or covenant donors on the naming of nature reserves or covenant areas. The Board will consider the donors' suggestions, but retains the right to make the final decision respecting the naming of protected areas.
25. The Board is appreciative of each gift it receives in support of its mission and priorities. The Board will acknowledge all gifts promptly in a manner appropriate to the gift type and amount, and wishes of the donor.

References

- Regional Conservation Plan
- 2.2 Assessing Conservation Proposals
- 2.3 Acquisition and Management of Land
- Association of Fundraising Professionals Code of Ethical Principles and Standards
- Association of Fundraising Professionals, Developing Fundraising Policies and Procedures
- *B.C. Freedom of Information and Protection of Privacy Act*