

## Gift Valuation & Receipting Policy

### 1 - Purpose

This policy is intended to outline United Way Greater Toronto's (UWGT) valuation methods for non-cash gifts and tax receipting policy for all gifts.

### 2 - Scope

This policy applies to all gifts for which a charitable tax receipt is being requested.

### 3 - Policy

The overriding principle in gift valuation is that UWGT will, in all cases, value and receipt gifts based on Canada Revenue Agency (CRA) guidelines, while attempting to provide the donor with fair and equitable valuation and the appropriate tax benefit for their gifts.

### 4 - Procedures

#### **Cash Gifts**

Receipts will be issued for voluntary gifts of cash (cheque, credit card etc.) based on the amount received minus any benefit derived by the donor in accordance with CRA guidelines. Year-end gifts will qualify for current tax year receipts if they are post marked in the current calendar year or officially received within the current calendar year.

Tax receipts will be issued automatically for a minimum donation of \$25. Donors making donations below this amount may get a tax receipt upon request.

#### **Gifts of Publicly Traded Securities**

The value of the receipts for gifts of publicly traded securities will be based on the closing value of the security on the day the security has been received by UWGT.

Receipts for gifts of publicly traded securities which are electronically transferred from a donor's broker to UWGT's broker will be issued based on the closing value of the security on the day it is received in UWGT's brokerage account.

For share certificates, the receipt will be issued based on the day the certificate, signed by the donor, is delivered to UWGT. If sent by mail, valuation will be based on the date the mail is officially received at UWGT. If the securities are re-registered in UWGT's name by the issuing company and then delivered, the date which UWGT receives the certificates will be used for valuation and receipting.

#### **REVIEW PROCESS**

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### Other Gifts-in-Kind

Documentation of gifts that are not readily valued must be prepared according to CRA guidelines before they are accepted.

For gifts with a fair market value of less than \$1,000 (and no less than \$100), a representative familiar with the type of property can appraise the value of the property. Receipts can be issued by UWGT based on the appraisal.

For gifts greater than \$1,000, an independent third party appraisal is required. It is UWGT's practice to have the donor pay for appraisals. UWGT reserves the right to obtain, at its expense, its own appraisal in addition to the donor's appraisal. UWGT will generally value the gift-in-kind at the lower cost or market value.

Appraisals should be for the current resale value, not the replacement value of the donated item. The appraised amount should be equal to the price that the property would obtain in an open market between a willing buyer and a willing seller who are both knowledgeable, informed and prudent and who are acting independently of each other.

Should UWGT be unable to determine a fair market value for the gift-in-kind, no tax receipt will be issued.

### Planned or Deferred Gifts

Gifts such as life insurance policies, gifts of residual interests, charitable remainder trusts, re-insured gift annuities, gifts of retirement benefits, and other planned gift vehicles will be valued and receipted using the formulas employed by recognized bodies such as the Canadian Association of Gift Planners and approved by CRA as they may from time to time change.

### Tickets for a Dinner or Show or Like Event

There may be times a portion of the ticket paid for a fundraising dinner or gala or show may be receiptable. UWGT will determine the receiptable portion of the ticket based on the rules of CRA.

### Accountability for Policy

It is the responsibility of the Vice President of Finance & Administration to ensure that this policy is adhered to. Breaches of this policy will be considered a serious matter and subject to disciplinary action up to and including termination.

#### REVIEW PROCESS