



Fundraising & Donor Relations Policy (Consolidated, 2021)

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1. Preamble

- 1.1 PHA Canada welcomes and gratefully receives gifts of many kinds that support its vision and mission. The purpose of this consolidated policy is to guide donors (including prospective donors) and PHA Canada in their shared commitment to improving the lives of Canadians affected by pulmonary hypertension. PHA Canada reserves the right to modify the Consolidated Fundraising and Donor Relations Policies at its discretion from time to time.

2. Fundraising Policy Part I: Introduction

- 2.1 PHA Canada is a registered charity that engages in fundraising activities and welcomes gifts from individuals, corporations, foundations, associations, and other donors to support its mandate, vision, and mission.
- 2.2 Fundraising activities are informed by PHA Canada's strategic and operational plans and are carried out in accordance with PHA Canada's internal policies and professional standards for fundraising ethics (i.e., as set by the Association of Fundraising Professionals). Fundraising will always be conducted in a manner that is respectful of donors and the PH community.

3. Fundraising Policy Part II: Donor Solicitation

- 3.1 Fundraising solicitations on behalf of PHA Canada will be truthful and must accurately describe the intended use of the solicited funds.
- 3.2 Any person or organization soliciting funds on behalf of PHA Canada shall:
- (a) Adhere to all PHA Canada's applicable internal policies;
 - (b) Act with fairness, integrity, and in accordance with all applicable laws, professional codes of conduct, and standards of practice;
 - (c) Cease solicitation of a prospective donor who identifies the solicitation as unwelcomed;
 - (d) Immediately disclose to PHA Canada any actual or perceived conflict of interest; and
 - (e) Not accept donations for purposes that are inconsistent with PHA Canada's objects, as approved by Industry Canada. The objects of the Corporation are:
 - (a) To undertake public education, family support services, publication, and dissemination of information about pulmonary hypertension, and to coordinate medical care and social services for persons suffering from pulmonary hypertension or the incidence therefrom.



- (b) To promote and provide funds for research into the cause, control, and cure of pulmonary hypertension and the incidence therefrom.
- 3.3 PHA Canada will not pay finders' fees, commissions, or other payments to anyone based on either the number of gifts received, or the value of funds raised.
- 3.4 All fundraising solicitations by or on behalf of PHA Canada will disclose PHA Canada's name and the purpose for which funds are requested. In the case of printed and electronic solicitations, the contact details of PHA Canada shall be contained therein.

4. Fundraising Policy Part III: Third-Party Fundraising

- 4.1 The purpose of this policy is to provide third-party fundraisers and PHA Canada with clear guidelines in relation to the organization and promotion of third-party events. Third-party fundraisers are events voluntarily organized and led by independent individuals, groups, or organizations for the purposes of raising funds for the benefit of, or on behalf of, PHA Canada.
- 4.2 All third-party event organizers are encouraged to contact PHA Canada early in their planning to discuss their ideas, and to seek guidance and support from PHA Canada staff.
- 4.3 Third-party fundraising events in support of PHA Canada must reflect PHA Canada's mission, vision, and values (see <https://phacanada.ca/About-Us/Our-Mission-and-Vision>). PHA Canada reserves the right to decline to support any fundraising proposal that it deems not aligned with our values or established policies and procedures. This includes the right to approve any co-beneficiaries of a planned event.
- 4.4 All third-party event organizers will receive a copy of PHA Canada's *Independent Community Event Fundraising Tool Kit*.
- 4.5 The third-party event organizer is responsible for all vendor agreements, contracts, insurance, and necessary permits related to the event.
- 4.6 PHA Canada will not assume any legal or financial liability for a third-party fundraising event.
- 4.7 Third-party fundraising events must be financially self-sustaining without financial contribution from, or risk to, PHA Canada.
- 4.8 Third-party event organizers must transparently and truthfully state the portion of the event proceeds that will be donated to PHA Canada in all advertising and promotions, and in all contact with donors, sponsors, participants, and volunteers.
- 4.9 PHA Canada will only accept the net proceeds from a third-party fundraising event. All third-party fundraising event expenses remain the responsibility of the third-party event organizer and must be paid from the net proceeds donated to PHA Canada. Exceptions may be made on a case-by-case



basis for select events where PHA Canada collects all event revenues on behalf of the third-party event organizer.

- 4.10 Refunds or reimbursements will not be available after proceeds are donated to PHA Canada.
- 4.11 PHA Canada cannot accept responsibility as an organizer or sponsor of any third-party fundraising event. As such, PHA Canada should be portrayed as a beneficiary on all event materials by third-party organizers.
- 4.12 Any use of PHA Canada's name and logo in association with a third-party fundraiser must be pre-authorized by PHA Canada. All event materials (i.e., posters, invitations, tickets, signage, advertisements, etc.) containing PHA Canada's name and/or logo must be approved by PHA Canada prior to printing and/or distribution.
- 4.13 PHA Canada may assist with advertising and promoting third party fundraisers on a case-by-case basis depending on available staff and financial resources. This may include such assistance as providing access to PHA Canada's online ticketing and donation platforms, designing promotional materials (i.e., posters, postcards, donation cards, etc.), and advertising events through our website, newsletters, or social media channels. See PHA Canada's *Independent Community Event Fundraising Tool Kit* for further details.
- 4.14 PHA Canada will accept and administer gifts and issue income tax receipts in accordance with its Gift Acceptance Policy (see policies #10-15). Gifts that do not meet CRA regulations will not be tax receipted.

5. Donor Relations Policy Part I: Introduction

- 5.1 "Donors" and "prospective donors" are together referred to herein as "donors".
- 5.2 This policy applies to all forms of donor entities including individuals, estates, corporations, and foundations.
- 5.3 Donors are entitled to receive a receipt for income tax purposes for their donation of \$20.00 or more, except for pledge donations for walks and runs, in which case tax receipts will be issued for donations of \$10.00 or more.
- 5.4 Donors of non-monetary eligible gifts (as defined by the Canada Revenue Agency) are entitled to receive an official receipt that reflects the fair market value of their gift to PHA Canada.
- 5.5 Donors are entitled to receive the following information, promptly upon request:
 - (a) To know whether an individual soliciting funds on behalf of PHA Canada is a volunteer, an employee, or a hired solicitor.



- (b) A copy of PHA Canada's most recent approved audited financial statements; available online at <https://phacanada.ca/accountability> or in print by request.
 - (c) PHA Canada's charitable registration number (872050224RR0001) as assigned by the Canada Revenue Agency; available online at <https://phacanada.ca/accountability>
 - (d) Any information contained in the public portion of PHA Canada's most recent T3010 form as submitted to the Canada Revenue Agency; available online at <https://apps.cra-arc.gc.ca/ebsci/hacc/srch/pub/bscSrch>
 - (e) A list of the names of the Directors of PHA Canada; available online at <https://phacanada.ca/About-Us/Who-We-Are/Board-of-Directors>
 - (f) A copy of this *Consolidated Fundraising and Donor Relations Policy*; available online at <https://phacanada.ca/accountability> or in print by request.
- 5.6 PHA Canada will respond promptly to any complaint by a donor (see Complaints Policy available online at <https://phacanada.ca/accountability>). Complaints can be submitted directly to PHA Canada staff or online at <https://phacanada.ca/About-Us/Accountability/Complaint-Form>
- 5.7 The privacy of donors will be respected in accordance with PHA Canada's Privacy Policy (available online at <https://phacanada.ca/Privacy-Policy>). Any donor records maintained by PHA Canada will be kept strictly confidential. Donors have the right to see their own donor record upon request and to challenge its accuracy. A donor's request to remain anonymous will always be respected.
- 5.8 Donors will be treated with respect and every effort will be made to honour their requests to limit the frequency of solicitations or methods of solicitation. Donor solicitation will occur in accordance with PHA Canada's policies on donor requests (see policy #6) and existing privacy laws.
- 5.9 PHA Canada shall report to donors on its finances and activities on a regular basis and at minimum once a year through the publication of an annual report containing a summary of the audited financial statements.

6. Donor Relations Policy Part II: Donor Requests

- 6.1 *Print Material Request:* Donors are entitled and encouraged to request printed material about PHA Canada to familiarize themselves with our objectives and the PH community. Requests for printed materials can be made by email (donate@phacanada.ca), phone, or regular mail. Upon receipt of the request, PHA Canada will dispatch the requested materials within four business, unless a copy of the specified material is not available. If the requested material is unavailable, the donor will be notified and the requested materials will be provided to the donor when available. Many printed materials may also be downloaded from our website at <https://phacanada.ca/Living-with-PH/Resources>.



- 6.2 *Annual Contact Request:* Donors have the option of being placed on a “once-a-year” mailing list, which grants PHA Canada permission to contact them only once per year. Donors may submit their request to be contacted annually by email (donate@phacanada.ca), phone, or regular mail. PHA Canada will acknowledge receipt of the request within three business days of receipt.
- 6.3 *Specific Means Request:* Donors may request to be contacted through a particular means of communication (i.e., email, telephone, or mail). Donors may also specify means through which they prefer not to be contacted. Donors may submit a request to be contacted by specific means by email (donate@phacanada.ca), phone, or regular mail. PHA Canada will acknowledge receipt of the request within three business days of receipt.
- 6.4 *Cease Contact Request:* Donors may request to be permanently removed from PHA Canada’s contact lists by email (donate@phacanada.ca), phone, or regular mail. PHA Canada will acknowledge receipt of the request within three business days of receipt.

7. Donor Relations Policy Part III: Donor Lists

- 7.1 PHA Canada does not sell, rent, exchange, or otherwise share its donor lists unless required by law to do so. Donor information is held in strict confidence and maintained for the purposes of processing donations and updating donors on the activities and achievements of PHA Canada and the community it serves.

8. Donor Relations Policy Part IV: Donor Anonymity

- 8.1 PHA Canada respects a donor’s right to anonymity, with respect to being publicly identified as a supporter of the organization and/or having the amount of their contribution publicly disclosed. PHA Canada maintains a record of each donation as required by the Canada Revenue Agency. Access to those records is restricted to staff and limited third parties (i.e., external auditor).
- 8.2 Donors may indicate at the time of their gift if they wish their charitable donation to be considered anonymous. Where a donor has given more than one donation, they may request that any or all donations be considered anonymous. In such instances, requests will be recorded and strictly adhered to by PHA Canada and its representatives.
- 8.3 If a donor wishes to revoke their request for anonymity, their revocation must be requested in writing before any changes will be made concerning the anonymity of their charitable gift(s).
- 8.4 While donor anonymity will be respected to the greatest degree possible, there may be circumstances where PHA Canada is required by law to disclose the name of one or more of its donors and the nature and value of their gifts. In circumstances where the source or size of a donation may be perceived as affecting the independence of the organization, PHA Canada may negotiate the terms of public disclosure with the affected donor.



9. Donor Relations Policy Part V: Independent Advice

- 9.1 PHA Canada cannot and does not provide any legal, accounting, tax, financial, or other advice to donors with respect to gifts made to PHA Canada. PHA Canada will not suggest or endorse a third party as a source of professional advice. Donors are encouraged to discuss proposed gifts with an independent professional advisor of their choice and at their own expense to ensure the donor receives a full and accurate explanation of all implications of the proposed gift.
- 9.2 In circumstances where the proposed gift is an estate/planned gift and/or PHA Canada has reason to believe that a proposed gift might significantly affect the donor's financial position, taxable income, or relationship with family members, donors will be requested to provide acknowledgement that:
- (a) The donor has obtained or has waived their/its right to obtain independent professional advice; and
 - (b) PHA Canada is released from any liability that may arise in relation to the making of the gift.
- 9.3 To comply with Canada Revenue Agency statutes and regulations, donors may be required to obtain, at their own expense, professional valuations for certain classifications of gifts including: gifts-in-kind, deferred gifts, and gifts of securities in privately held corporations.

10. Gift Acceptance Policy Part I: Introduction

- 10.1 PHA Canada does not provide any legal, accounting, tax, financial, or other advice to donors with respect to gifts to PHA Canada (see policy #9). Donors are encouraged to discuss proposed gifts with an independent professional advisor of the donor's choice and at their own expense.
- 10.2 PHA Canada's Executive Director may accept any gift from any donor up to a maximum amount of \$50,000. Single gift amounts exceeding this shall be accepted and approved by a motion of the Board of Directors. In situations of any uncertainty regarding the origins or potential ethical issues related to acceptance of a gift, the Executive Director shall consult with the Board of Directors and other appropriate professional advisors.
- 10.3 PHA Canada will seek legal counsel with respect to accepting large sum donations or planned endowments, particularly those with restrictions, as well as when issues surrounding the legality and/or ethics of accepting a gift arise.



11. Gift Acceptance Policy Part II: Income Tax Receipts

- 11.1 PHA Canada must adhere to all provisions outlined in the Income Tax Act with regards to gifts to non-profit organizations, including issuing income tax receipts. As such, official income tax receipts will be issued for the following gifts:
- a. Monetary donations from identified individuals or organizations.
 - b. Monthly or other regularly scheduled donations from identified individuals or organizations. One official tax receipt will be issued at the end of the year for all regularly scheduled donations made within that calendar year.
 - c. The donation portion of the ticket price for a fundraising event. Note: The Canada Revenue Agency allows receipts for the ticket price less the value (benefit) received by the donor, up to a maximum of 40% of the ticket price.
 - d. In-kind donations of services processed through a cheque exchange.
 - e. In-kind donations less than \$1,000. In-kind donations greater than \$1,000 may be subject to appraisal by a qualified third-party appraiser if no invoice is available.
 - f. Bequests from estates
 - g. Gifts related to life insurance:

An amount equal to the premiums paid for life insurance policies where:

 - The policy ownership is transferred to PHA Canada and PHA Canada is designated as the beneficiary.
 - PHA Canada is designated as the irrevocable beneficiary of a policy owned by a third party.

An amount equal to the Fair Market Value of the life insurance policy calculated as:

 - The cash value of the life insurance policy on the date of the transfer.
 - The Fair Market Value of the policy as determined by an actuarial valuation on the date of the transfer.
 - h. Gifts of publicly traded securities.
 - i. Flow-through public company shares at Fair Market Value.
 - j. Auction bids over 120 per cent of the stated fair market (retail) value will result in an income tax receipt for the full difference between the successful bid price and the stated fair market value.



- k. A donation of inventory if an appropriate invoice is provided.
- 11.2 Official receipts will be issued by PHA Canada office upon receipt of:
 - (a) The full donation amount,
 - (b) Full name, phone number, and address of the donor/organization, and
 - (c) Complete supporting documentation (as required).
- 11.3 Official receipts for income tax purposes for amounts less than \$20.00 will only be issued upon request.
- 11.4 Acknowledgement letters (and acknowledgement receipts, upon request and if applicable) will be issued for the following:
 - (a) Amounts received by coin or loose collection where it is impossible to identify the amounts contributed by a particular donor.
 - (b) Donations transferred from other non-profit organizations.
 - (c) Funds provided as sponsorship support for a fundraising event.
 - (d) Donation of services.
 - (e) Donated items for which the Fair Market Value cannot be determined.
- 11.5 Income tax receipts will not be issued, nor will acknowledgement letters be sent, for:
 - (a) Purchase of merchandise from PHA Canada.
 - (b) Purchase of auction items.
 - (c) Purchase of raffle tickets.

12. Gift Acceptance Policy Part III: Administration of Gifts

- 12.1 PHA Canada promptly processes all gifts received. Gifts received online automatically receive a thank you email, followed by a tax receipt (when appropriate) when credit card funds have been authorized. Gifts received by the head office (i.e., cash, cheques, credit card transactions processed by phone, etc.) are processed within 1-2 weeks; tax receipts (where appropriate) and thank you letters are sent once payment has cleared PHA Canada's bank account. Gifts are entered into our secured database and information on gifts received (donor name and amount) is entered into our accounting system.



13. Gift Acceptance Policy Part IV: Unrestricted Gifts

- 13.1 Unrestricted gifts made to PHA Canada will be used to support the following areas in accordance with PHA Canada's vision, mission, values, and strategic plan:
- (a) Resources for support programs for patients and caregivers
 - (b) Website and social media to educate and connect community members
 - (c) Educational printed materials (i.e., brochures, resources, semi-annual magazine, etc.)
 - (d) Local support group assistance
 - (e) Educational events (i.e., in person and virtual conferences, symposia, webinars, etc.)
 - (f) Educational scholarships to help members of the community attend PH-related events
 - (g) Advocacy and government relations on behalf of the PH community
 - (h) Media relations and other awareness campaigns to educate others about PH

14. Gift Acceptance Policy Part V: Donor Directed Gifts

- 14.1 PHA Canada currently offers two programming areas that donations or fundraising revenues may be directed. These are patient educational scholarships and research.
- 14.2 Any donor wishing to make a "Donor Directed Gift", or any event organizer wishing to have the proceeds of an event directed to a specific PHA Canada program, must agree to the terms and conditions outlined in PHA Canada's Gift Acceptance Policy (see policies #10-15).
- 14.3 Event or campaign organizers who wish to designate revenues toward a specific program must indicate their intention when first notifying PHA Canada of their fundraising event/campaign and must include language to clarify their intention on all event promotional materials. For more details see PHA Canada's Third-Party Fundraising Policy (see policy #4).
- 14.4 *Patient Educational Scholarships:* These Donor Directed Gifts are placed in a restricted scholarship fund and used at the discretion of PHA Canada to provide financial assistance to members of the PH community to attend PH-related educational events, such as conferences and symposia.
- Donors may designate up to 100% of donated funds to patient scholarships. To direct donations to scholarships, a minimum of \$250 must be donated.*
- 14.5 *Research:*



Two types of research designations for Donor Directed Gifts are available:

1. *Pulmonary Hypertension Research Scholarships:* These Donor Directed Gifts are placed in one or more restricted scholarship funds and used at the discretion of PHA Canada to provide stipends to research trainees contributing to PH research in Canada.

Cumulative donations to these restricted scholarship funds during a calendar year will be used to fund one or more research scholarships to students, residents, fellows, and other PH research trainees providing a minimum threshold of \$10,000 is met. If this threshold is not met in a specific calendar year, funds will rollover into the subsequent year. Once the minimum has been met, a request for scholarship applications will be announced and widely circulated. Applications will be reviewed by the Research sub-committee of PHA Canada's Canadian PH Medical Committee (CPHMC). Based on excellence of the candidate, the supervisor, and the research project, a recommendation for applications to be funded will be submitted to PHA Canada's Board of Directors. The final decision regarding funding of specific scholarships is at the sole discretion of the PHA Canada Board of Directors, under advisement from the CPHMC. PHA Canada reserves the right to designate funds.

Donors may designate up to 50% of donated funds towards this program. The remaining 50% will be used to support PHA Canada's other programs and services in alignment with its vision, mission, values, and strategic plan.

2. *Designated Research Projects:* These large sum Donor Directed Gifts are placed in one or more restricted funds and used at the discretion of PHA Canada to provide financial support to Canadian PH research projects.

In the case of large donations of \$20,000 or more made by an individual donor, or through a single fundraising effort, the donor may request that a certain portion of these funds (see #15.6 below) may be directed to a research project of the donor's choice. The designated allocation is subject to confirmation of the validity/merit of the research project by the CPHMC and final approval by PHA Canada's Board of Directors. Any remaining portion will be used to support PHA Canada's other programs and services in alignment with its vision, mission, values, and strategic plan.

- 14.6 Large sum Donor Directed Gifts for designated research projects will be allocated in following manner:

For gifts up to \$40,000:

(i) 50% of the total gift amount, to a maximum of \$20,000, will be allocated to research (as described above), and

(ii) 50% will be allocated to general funds.

For gifts above \$40,000:



(i) the first \$40,000 will be allocated as described above, and

(ii) of the amount above \$40,000, 90% will be allocated to research and 10% will be allocated to general funds.

15. Gift Acceptance Policy Part VI: Donor Recognition & Naming

- 15.1 Gifts of \$500 or more will be acknowledged annually in PHA Canada's publications (i.e., Annual Report, Connections Magazine) unless a donor wishes to remain anonymous. The annual report will also feature information on designated giving how these donations have been allocated (i.e., research/patient scholarships, research funds, etc.).
- 15.2 PHA Canada wishes to recognize those who make significant financial contributions to supporting the Canadian PH community. This can be done through named funds. A named fund must be approved by the Board of Directors of PHA Canada.
- 15.3 There are three prescribed circumstances in which PHA Canada allows for the naming of funds: Patient Scholarships, Research Awards, and Endowments.
- 15.4 *Patient Scholarships:* Certain donor-directed donations towards patient scholarships may be named. Any donation of \$10,000 or more towards scholarships gives the donor the right to associate their name with their scholarship fund. This applies to individual, family, corporate, and foundation donors. A named fund will remain in effect until such time as the funds from that fund are allocated and disbursed towards scholarships. Named scholarship funds will be recognized as such in scholarship materials, on PHA Canada's website and social media platforms, and in PHA Canada's annual report.

Examples: The Smith Family Scholarship Fund, The ABC Pharmaceutical Company Scholarship Fund, The John Doe Memorial Scholarship Fund

- 15.5 *Research Awards:* Naming is also permitted in the event of large-scale donations of \$50,000 or more to PHA Canada's research fund. In this event, the donor will have the opportunity to name the award being given to a research project as defined by PHA Canada's Gift Acceptance Policy (see policy #14). Naming under the research award category is available to individual, family, corporate, and foundation donors. A named research award fund will remain in effect until the monies from that fund are distributed through a research grant. Recognition to the named research award fund will be given in all materials relating to the award, including in PHA Canada's reporting of the outcomes of the research funded by the named research award. Information relating to the named research award fund will be made available on PHA Canada's website, in PHA Canada publications, and in PHA Canada's annual report.

Examples: The Smith Family Pulmonary Hypertension Research Award, The ABC Company Pulmonary Hypertension Research Award, The Jane Doe Memorial Pulmonary Hypertension



Research Award

- 15.6 PHA Canada reserves the right to honour members of the PH community who have made significant contributions to the field of pulmonary hypertension by associating their name(s) with a research fund comprised of a sum of donations which do not meet the naming threshold.
- 15.7 PHA Canada also permits the naming of a fund in the event of an endowment. Please see the Endowments Policy (see policy #16) for details.

16. Endowment Policy Part I: Definition of Terms

- 16.1 *Endowment:* An endowment is an established fund of cash, securities, or other assets set aside for a pre-determined term (determined by the donor(s)) with a view to providing long-term funding for PHA Canada.
- 16.2 *Restricted Endowment Funds:* Donors who make outright gifts of \$100,000 or more are afforded the right to permanently name a designated endowment fund. The donor(s) are also afforded the right to indicate the term of the endowment, as well as the program(s) to which the named funds shall be directed.
- Examples: The Smith Family Pediatric Research Fund, The ABC Company Support Group Leadership Fund, The Jane Doe Memorial Medical Education Fund*
- 16.3 *Unrestricted Endowment Fund:* At present, PHA Canada has not established an unrestricted endowment fund. Such an unrestricted endowment fund may be used for specific programs and/or special projects of PHA Canada. At its discretion PHA Canada may choose at some point to establish such a fund, with a threshold set at \$100,000.
- 16.4 If an unrestricted endowment fund is established, PHA Canada will accept gifts of any amount towards a permanent unrestricted endowment fund. Once established, each year the Board of Directors of PHA Canada will determine potential distribution of monies in this fund.

17. Endowment Policy Part II: Types of Gifts

- 17.1 *Outright Gifts:* Outright gifts offered to PHA Canada by an individual, corporation, or foundation may include the following:
- (a) Cash, cash equivalent, and/or written cash pledge (usually paid over a two-to-five-year period)
 - (b) Stocks: publicly traded, closely held, restricted, or other types of stock subject to approval of PHA Canada's Internal Affairs Committee
 - (c) Bonds



- (d) Mutual funds
- (e) Real estate: gifts accepted on a case-by-case basis
- (f) Other outright gifts on a case-by-case basis

17.2 *Estate/Planned Gifts:* Estate/Planned gifts may include the following:

- (a) Bequests (contained within wills and/or living trusts)
- (b) Retirement plans (by bequest in a will or by naming PHA Canada as a direct beneficiary)
- (c) Charitable remainder trusts
- (d) Charitable lead trusts
- (e) Remainder interest in residence
- (f) Pooled income funds
- (g) Life insurance proceeds
- (h) Other estate/planned gifts on a case-by-case basis

18. Endowment Policy Part III: Donor Recognition

- 18.1 *Overall Recognition Policy:* On behalf of the Canadian PH community, PHA Canada commits to thanking, appreciating, and recognizing donors. PHA Canada may choose to establish a legacy society or donor board displayed in a prominent place or other recognition program.
- 18.2 *Recognition of Outright Endowment Gifts:* Donors who make outright gifts to PHA Canada's endowment will receive appropriate recognition by PHA Canada.
- 18.3 *Recognition of Estate/Planned Endowment Gifts:* Donors who make estate/planned gifts will be recognized through the creation of a Memorial Fund (provided naming threshold is met – see policy #15) or in another meaningful way as determined by PHA Canada.

19. Endowment Policy Part IV: Gift Acceptance

- 19.1 PHA Canada's Internal Affairs Committee is authorized to accept gifts of cash, stock bonds, and other securities, including certain private and restricted stocks. Legal counsel shall be consulted as needed.



- 19.2 A named fund, either unrestricted or restricted, must be approved by the Board of Directors of PHA Canada.
- 19.3 Gifts of real estate, insurance, and charitable trusts will be considered on a case-by-case basis with the guidance of legal counsel.
- 19.4 A gift designated for a restricted fund, either named or for the general fund, must be approved by PHA Canada's Internal Affairs Committee.
- 19.5 PHA Canada will not accept a gift that obligates it to continue a program that will become a financial burden or is inconsistent with its mission. If at any time a Restricted Endowment becomes obsolete the Board of Directors may designate another purpose.
- 19.6 All planned gifts that usually involve tax implications and other forms of financial and estate planning may require guidance of legal counsel and/or a financial planner.
- 19.7 Upon receipt of a gift and/or any gift-related documents PHA Canada will record the gift and acknowledge the donor. In addition, the following steps will be taken:
- (a) A complete record of each individual donor's contributions will be made,
 - (b) Restricted gifts will be tracked and maintained by PHA Canada, and
 - (c) Personal letters acknowledging all gifts and their conditions will be sent to donors within five business days of receipt signed by the Board Chair and Executive Director.

20. Endowment Policy Part V: Management and Investment

- 20.1 The purpose of endowment funds is to provide consistent sources of income for PHA Canada's programs and services. Any endowment shall be invested in accordance with PHA Canada's Investment Policy and with a view to maximizing the rate of return on the endowment's principal investment, while also adhering to prudent investor practices.
- 20.2 The overall objectives of endowment investments are:
- (a) The generation of a consistent and stable flow of income for ongoing operational and special programming purposes; and
 - (b) The appreciation and growth of the invested endowment for the long-term benefit of PHA Canada, as well as to protect the endowment principal from erosion through inflation.
- 20.3 The management of the endowment will be guided by the following:
- (a) PHA Canada's Investment Policy with particular attention to the provision on asset allocations,



prohibited securities, and performance measurement.

(b) No more than 3% of total market value of the endowment fund will be spent in any fiscal year, to balance the effects of inflation as well as to continue to grow endowment, so long as the original principal balance will not be invaded.

(d) Management of endowment principal and income will take into consideration the near and long-term financial needs of PHA Canada and will not be solely dictated by PHA Canada's short-term spending needs.

21. Endowment Policy Part VI: Confidentiality

- 21.1 *Protection of the Donor's Interests:* PHA Canada and its representatives will consider the interests of its donors in the gift planning process. This includes, but is not limited to, the donor's personal/corporate finances and philanthropic interests, as well as any tax or other legal matters discovered by our representatives while planning a gift. A donor will not be encouraged to make a gift which is inappropriate considering the donor's personal or financial situation, if known to PHA Canada, and will be advised if a proposed gift is deemed contrary to this policy. All donors making endowment gifts will be encouraged to seek outside professional counsel. Please see the Independent Advice Policy (see policy #9) for details.
- 21.2 *Confidentiality:* Information learned by any PHA Canada representative about a donor, their assets, or philanthropic intentions will be held in strict confidence. All donors will be encouraged to notify PHA Canada of their endowment gifts, whether outright or planned/estate gifts, including bequests, and all such information will be kept confidential unless permission to release it is obtained from the donor or their counsel and, in any event, will only be released when deemed necessary.
- 21.3 *Donor Intent:* If PHA Canada cannot use the funds of any endowment for the program or activity for which the donor originally intended it, PHA Canada reserves the right to use the fund for a similar purpose with the approval of the Board of Directors, and, if possible, the donor or their representative(s).
- 21.4 *Use of Donor Names:* PHA Canada will obtain approval from each donor before named gifts are made public.

22. Revision and/or Amendment of Policies

- 22.1 These policies contained with the Consolidated Donor Relations and Fundraising Policy will be periodically reviewed by the appropriate committee(s) and must be reviewed for relevance by the Board of Directors at least every three (3) years and may be amended by a resolution of the Board.