

GIFT ACCEPTANCE POLICY

The mission of the Pulmonary Hypertension Association of Canada (PHA Canada) is to empower the Canadian Pulmonary Hypertension Community through awareness, advocacy, education, research and patient support.

The purpose of this policy is to provide donors as well as staff and board members of PHA Canada with clear guidelines relating to giving and accepting as well as management of gifts and any legal obligations arising from said gifts.

PHA Canada gratefully receives gifts of many kinds that support its mission. With respect to issuing tax receipts we adhere to the provisions outlined in the Income Tax act.

As such, official income tax receipts will be issued for the following gifts:

- Monetary donations from identified individuals or organizations;
- 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 donations made within that calendar year on a monthly or other regularly scheduled basis.
- The donation portion of the ticket price for a fundraising event. Canada Revenue Agency allows receipts for the ticket price less the value (benefit) received by the donor, where the difference between benefit and donation is more than 20%;
- In-kind donations of services processed through a cheque exchange;
- In-kind donations less than \$1,000 (auction donation forms and/or gift-in-kind forms must be submitted to PHA Canada along with event proceeds);
- In-kind donations greater than \$1,000 may be subject to appraisal by a qualified third party appraiser if no invoice is available;
- Bequests from estates
- Gifts of 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.
- Gifts of publicly traded securities;
- Flow-through public company shares at Fair Market Value;
- Auction bids over 120 per cent of retail value of the stated fair market value will result in an income tax receipt for the full difference between the successful bid price and the stated fair market value (signed bid sheets must be submitted to the Society along with event proceeds);
- A donation of inventory, if an appropriate invoice is provided.

Official receipts will be issued by PHA Canada office upon receipt of:

- The full donation amount;
- Full name, phone number and address of the donor/organization;
- Complete supporting documentation (as needed).

Acknowledgement letters (and acknowledgement receipts, upon request and if applicable) will be issued for the following:

- Amounts received by coin or loose collection where it is impossible to identify the amounts contributed by a particular donor;
- Donations transferred from other non-profit organizations;
- Funds provided as sponsorship support for a fundraising event.
- Donation of services;
- Donated items for which the fair market value cannot be determined.

Receipts will not be issued, nor will acknowledgement letters be sent, for:

- Purchase of merchandise;
- Purchase of auction items;
- Purchase of raffle tickets;

Note: In order to maximize net proceeds from funds raised, official receipts for income tax purposes for amounts less than \$20 will only be issued upon request.

Donors making contributions of \$500 or more will be acknowledged in PHA Canada's annual report (unless they indicate wishing to remain anonymous). The annual report will also feature information on designated giving (scholarship fund as well as research donations, and how research-designated donations have been allocated).

Administration of gifts

PHA Canada's vision is a better life for Canadians affected by pulmonary hypertension, as such gifts made to PHA Canada are designated to be used in the following areas:

- Advocacy (advocating on behalf of the PH community at all levels of government)
- Awareness programs (campaigns to educate others about the disease)
- Patient and family support programs (resources and support for patients, caregivers as well as children living with PH and their families)
- PHA Canada's website (to educate and connect community members)
- Printed materials (educational brochures, patient resources and other publications, such as our bi-yearly magazine *Connections*)
- Local chapter and support group assistance (support to local groups for their patient support, awareness and fundraising activities)
- Educational events (conferences and symposia)
- Scholarships (to help members of the community attend PH-related events)



PHA Canada shall make every effort to utilize as little of donated funds for the purposes of administration as possible, we strive to keep administrative costs, to which gifted funds are being applied under 10% of any gift amount.

Our administrative staff promptly processes gifts received by PHA Canada. Gifts received electronically automatically receive a thank you email, followed by a tax receipt (when appropriate) when credit card funds have been authorized. Gifts received in office (cash, cheques, credit card gifts not submitted online), are processed and tax receipts (where appropriate) and thank you letters are sent once the 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 forwarded to our bookkeeper. Gifts-in-kind requesting tax receipts, must be accompanied by all documentation as described in the gift-in-kind acceptance form.

Senior staff 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 the Chair and Vice Chair of the Board and/or either plus one other signing officer. If at any point staff is in doubt of the origin or if any ethical issues may arise or appear to arise from the acceptance of a gift, they shall consult with the Chair and/or Vice Chair and/or any appropriate Board member.

Restrictions and/or designation of gifts is only permitted in the manner described in the donor directed gifts section below.

PHA Canada does not provide any legal, accounting, tax, financial or other advice to donors with respect to gifts to the association. Donors are encouraged to discuss proposed gifts with an independent professional advisor of the donor's choice and at his/her own expense and/or to seek legal counsel to ensure the donor receives a full and accurate explanation of all aspects of the proposed gift.

PHA Canada will seek legal counsel with respect to accepting large sum donations, particularly those with restrictions, or in the case of planned endowments as well as when issues surrounding the legality and/or ethics of accepting a gift arise.