



## Corporation of the Township of Brock

### Staff Report to the Mayor and Members of Council

**From:** Trena DeBruijn  
**Position:** Director of Finance  
**Title / Subject:** Donation Policy  
**Date of Report:** September 11, 2023  
**Date of Meeting:** September 11, 2023  
**Report No:** 2023-FI-021

---

#### 1.0 Issue / Origin

The purpose of this report is to outline a new Draft Donation Policy for the Township of Brock ("Township"). The Donation Policy will apply to all donations made to the Township and sets out the eligibility for the issuance of income tax receipts.

This report is intended to be reviewed in conjunction with the attached draft Donation Policy.

#### 2.0 Background

To ensure that the Township remains independent and that there is no confusion around real or perceived conflicts of interest, the attached policy on the acceptance of donations has been developed. Staff will be responsible for ensuring that, once approved by Council, the donation policy will be followed.

#### 3.0 Qualified and Non Qualified Donations

The donation policy, attached, sets out the guiding principles for the eligibility of donations made to the Township and also supports the Township's commitment to meet the requirements for issuing donation receipts according to the Canada Revenue Agency ("CRA").

The policy provides guidance for the types of donations that can be accepted (and what cannot) and associated costs will be handled as well as how the donation will be valued.

#### 4.0 General Consideration for Gifts-In-Kind

Staff would like to highlight a few general considerations of the Donations Policy for Council's awareness, in regards to the receipt of gifts-in-kind donations.

Gifts-in-kind are a type of charitable giving in which the contribution takes the form of tangible goods rather than money.

All gifts-in-kind will be subject to a formal offer and review process which considers factors such as:

- Consistency with the Township's priorities, mandates, strategies and business plans, vision and/or beneficial to the Community of the Township;
- Compliance with by-laws and policies;
- Conflict of interest or potential for an appearance of a conflict of interest;
- Reputational risk associated with accepting a donation from a particular donor;
- Political sensitivity;
- Usefulness of the donation;
- Condition and value of the donation;
- Future costs/benefit/risk evaluation in relation to available financial resources required for installation, storage, maintenance and other relevant costs, such as insurance;
- Availability for full and unencumbered transfer of ownership/title, and donor release to allow for such a transfer of title.

Once a gift-in-kind is accepted by the Township, ownership of the asset transfers to the Township. At that point in time, the Township will accept responsibility for the care and maintenance of the gift and will be responsible for making any and all decisions related to the gift. This may include such things as the length of time an item will be maintained by the Township, where a gift will be placed and how it is used, how an item will be cared for and when or if an item will be disposed of or replaced.

For specific gifts like public art, signs and benches, the Township may require that **a staff committee** be established to consider these donations and whether the Township is prepared and able to accept these donations. The staff committee will review the donation proposal to ensure that the Township is willing and able to take on responsibility for the assets in question and will need to determine if the assets are in keeping with the Township's asset management plan, maintenance plans and in consideration the Township's climate change mandate.

There may be instances where these gifts-in-kind are outside the expertise of the Township to care for, do not align with the Township's strategic mandate or policies, are in poor condition or may require significant financial consideration to restore or maintain the gift in good condition. In instances such as these, the Township may be unable to accept the donation.

If the Township is able to accept the gift-in-kind, an agreement is to be signed between the donor and the Township, which acknowledges the rights and responsibilities of both parties.

In order to ensure independence and avoid any real or perceived conflicts of interest, the Township will not accept donations from persons (corporations) who:

- Have a concurrent application of a permit or licence from the Township or an application for planning approval from the Township;
- Are bidding on an open and active contract with the Township through a competitive procurement process;
- Are currently in litigation against the Township;
- Are not in good financial standing with the Township (i.e. who may be in tax arrears)

Donations of real estate will require consultation with the Township's legal representative.

## **5.0 Donation Agreement**

When a donation for a gift-in-kind is received and accepted by the Township, the donor will be asked to sign the attached Donation Agreement.

The Donation Agreement will be used to clearly set out the parameters of the Donation and acknowledges what is expected from both the Donor and the Township.

## **6.0 Financial / Budget Assessment**

N/A

## **7.0 Climate Change Impacts**

N/A

## **8.0 Communications**

This policy, once approved, will be shared with all staff and will be made available to any individuals or organizations who would like to make a donation to the Township.

## **9.0 Conclusion**

It is recommended that Council approve this Donation Policy and that the policy become effective immediately.

## **10.0 Recommendation**

BE IT RESOLVED THAT Report 2023-FI-021 "Donation Policy", be received and approved and that the Donation Policy become effective immediately.