


Administrative Procedure Receipt of Donations	
	Department: Corporate Services
	Approved by: Leadership Council
	Date Approved: January 8, 2024
	Revision Date(s):
	Review Date:
	External References <ul style="list-style-type: none"> • <i>The Education Act, 1995</i> • <i>The Crown Corporations Act, 1993</i> • <i>The Financial Administration Act, 1995</i>
Internal References <ul style="list-style-type: none"> • Criminal Record and Vulnerable Sector Checks AP 	

Purpose

- Objective is to ensure that donations made to Saskatchewan Distance Learning Centre (Sask DLC) are handled appropriately and consistently in accordance with the Government of Saskatchewan’s Financial Administration Manual and the applicable legislative requirements.

Scope

- This administrative procedure applies to all employees and any money donated to Sask DLC.

Definitions:

Donations: Are any monetary, real estate or other types of assets acquired through gift, donation, bequest or contribution. Non-monetary donations involve property other than cash.

Procedures:

1. General
 - a. Donations are only to be accepted if permitted by legislation governing the organization or fund. Any conditions attached to a donation must comply with that legislation.
 - b. Before accepting a non-monetary donation, the Chief Executive Officer (CEO) must approve the appropriateness of the donation.
 - c. If a tax receipt is requested for the non-monetary donation, the donor is responsible for obtaining an independent expert valuation on the value of the donation.
 - d. When a donor requests an income tax receipt for a non-monetary donation valued at over \$100,000, approval from the Deputy Minister of Finance is required.
 - e. The donor should be formally acknowledged for the donation by the Minister Responsible for the Sask DLC or the CEO. A tax receipt can be issued if the donation meets the requirements of the Canada Revenue Agency (CRA).

*Please note that at this time Sask DLC does not have the authority to issue a tax receipt. Once CRA provides charitable status to Sask DLC, tax receipts will be issued in accordance with CRA requirements.

2. Donor's Conditions:

- a. Sask DLC has the legal authority to accept donations. However, if the donor imposes conditions on the donation, it may be unable to accept the donation.
- b. If this occurs, alternate methods for executing the donation should be explored.
- c. If the donor specifies certain conditions for the use of the donation, Sask DLC must ensure proper authority exists to carry out the conditions.
- d. Monetary donations are deposited as revenue of the General Revenue Fund (GRF) and conditions attached to the monetary donations deposited to the GRF can only be honored to the extent that appropriation exists.
- e. If there are no legal impediments to accepting a conditional donation, Sask DLC will ensure that:
 - i. the costs of complying with the conditions are modest relative to the size of the donation; and
 - ii. there are no ambiguities in the conditions (this is typically achieved through a written agreement with the donor).
- f. The CRA advice states the following which applies to Sask DLC: "A donor can ask that their gift be used in a particular program of the qualified donee as long as there is no benefit to the donor or anyone not at arm's length to the donor. The qualified donee must be able to use the gift within the particular program as it sees fit. If the donor retains control, the donation is no longer considered a gift at law and a receipt cannot be issued."
- g. For all non-monetary donations, the approval of the Chief Executive Officer (CEO), or designate, is required with respect to the appropriateness of the donation. Only non-monetary donations that benefit Sask DLC should be accepted.
- h. Once Sask DLC receives approval to issue tax receipts, prospective donors should be advised that they are responsible for obtaining advise on their particular tax situation.

3. Tax Receipt Information

- a. The [CRA website](#) contains detailed information on topics related to issuing receipts (e.g., what you need to know to issue an official donation receipt; determining fair market value of non-cash gifts). Government organizations should read and understand this information as CRA has specific requirements relating to issuing receipts. For example, CRA outlines situations where receipts cannot be issued (e.g., gifts of service, court ordered donations; a non-cash gift for which the fair market value cannot be determined).
- b. If there is uncertainty whether a tax receipt may be issued in a specific situation, CRA – Charities Directorate should be consulted.
- c. Once Sask DLC has the authority to issue tax receipts, CRA specifies that the following information must be on an official income tax receipt:
 - i. For gifts of cash:
 - o a statement that it is an official receipt for income tax purposes; the name and address of the qualified donee (Sask DLC is a qualified donee);
 - o a unique serial number;
 - o the locality where the receipt was issued (city, town, municipality);

- the date the gift was received;
 - the date the receipt was issued;
 - the full name, including middle initial, and address of the donor;
 - the amount of the gift;
 - the amount and description of any advantage received by the donor;
 - the eligible amount of the gift;
 - the signature of an individual authorized by the qualified donee to acknowledge donations; and
 - the name and website address of the CRA.
- ii. For non-cash gifts, these additional elements:
- a brief description of the gift received by the qualified donee;
 - the name and address of the appraiser (if the gift was appraised); and
 - the fair market value of the property at the time the gift was made.
- d. All income tax receipts are to bear the signature of either the CEO or two persons authorized in writing by the CEO.
- e. Sask DLC issue official receipts based on whether the donation is Cash or Non-Cash. Sask DLC will make copies of receipts in accordance with CRA requirements.

4. Sask DLC Internal Controls

- a. The number of individuals authorized to sign income tax receipts are limited to the CEO, Vice President of Corporate Services and Executive Director of Finance, Planning and HR.
- b. Sask DLC will follow its segregation of duties process. This includes allowing those to sign the receipts are not assigned to banking duties.
- c. Sask DLC will:
 - i. issue serial numbers on receipts in sequential order to help track receipts.
 - ii. control the assignment of serial numbers and keep copies of receipts in a safe and secure place.
 - iii. maintain adequate records, and account for issued receipts and
 - iv. regularly review the delegation for issuing receipts.
- d. CRA requires that documentation relating to donations be retained for two years.

5. Letter of Appreciation

- a. The donor should be formally acknowledged for the donation by a senior official. It may be appropriate for the Minister Responsible for the Sask DLC or the CEO to send a letter of appreciation for donations.

6. Accounting

- a. Monetary donations to the GRF are to be treated as revenue. The use of monetary donations results in an expense. Nonmonetary donations to the GRF may give rise to an accounting entry. Refer to the Financial Accounting Manual, [Section 1300 Tangible Capital Assets](#) and [Section 1310 Inventories Held for Consumption](#).